Alaska Workers' Compensation Division
Medical Services Review Committee
Meeting Minutes
June 26, 2026

I. CALL TO ORDER

Director Charles Collins called the meeting to order at 9:04 a.m. in Juneau, Alaska. Participation was available via Zoom videoconference.

II. ROLL CALL

The following members were present, constituting a quorum:

Dr. Alan Swenson	Dr. Mason McCloskey	Dr. Mary Ann Foland	Misty Steed
Seanne Popp	Kimberley Dean	Valerie Mittelstead	

Member Jeff Gilbert was excused. Director Collins introduced Danean Tedford and Judy Engelke from RefMed.

III. APPROVAL OF MAY 28, 2026 MEETING MINUTES

Member Mittlestead moved to approve the May 28, 2026 minutes; Member Steed seconded. The motion passed unanimously.

IV. FEE SCHEDULE DEVELOPMENT DISCUSSION

Fee Schedule Updates and CMS Dynamic Pricing

Director Collins updated the Committee on follow-up with the Department of Law regarding CMS pricing updates that occur during the year. He explained that legal guidance indicated the Division may treat use of updated CMS pricing as a policy decision and does not need to expressly address the issue in the fee schedule. Director Collins noted the practical difficulty for payers and providers when billing software updates dynamically and cannot easily be reset to a prior CMS pricing date.

The Committee discussed whether silence in the fee schedule may continue to result in clarification questions, particularly following the January-to-April transition in the current fee schedule. Director Collins noted that the Division has not identified disputes filed solely because of CMS price changes during the year.

Physician Dispensing, Repackaged Drugs, and Topical Medications

The Committee discussed physician-dispensed medications, repackaged drugs, compounded medications, and high-cost topical medications. RefMed explained that other states have addressed physician dispensing and repackaged drugs in their fee schedules, including language requiring use of the original NDC for repackaged drugs.

The Committee discussed concerns with high-cost topical creams, including instances where over-the-counter products or minor formulation changes resulted in charges of hundreds or thousands of dollars. The Committee also discussed patient safety concerns, including whether patients receive adequate counseling when medications are dispensed in a physician's office rather than by a pharmacy.

The Committee reviewed examples from other states, including Georgia, Colorado, Arizona, South Carolina, Florida, and Idaho. RefMed explained that Georgia adopted specific caps for topical and topical compound medications, including three categories of topical codes and a 30-day maximum supply. Mr. Fowler, Director of Regulatory Affairs with MyMatrix, stated during public comment and discussion that caps have been one of the more effective approaches used by other states to control topical medication costs and that Georgia and South Carolina have seen significant cost reductions without known access-to-care issues.

The Committee generally supported further development of fee schedule language to address topical and topical compound medications, including possible caps. Members also discussed whether Alaska should require original NDC information for repackaged drugs and whether additional limits should apply to physician dispensing, while ensuring that access to care is not unintentionally limited in urgent care or rural settings.

RefMed will research proposed language addressing topical and topical compound medication caps, physician dispensing, repackaged drugs, and original NDC requirements. Director Collins will also review applicable Alaska statutes and regulations regarding physician dispensing and repackaging.

Break 10:10 a.m. – 10:15 a.m.

V. PUBLIC COMMENT PERIOD 10:15 AM - 11:15 AM

Adam Fowler, Director of Regulatory Affairs with MyMatrixx

- Stated that MyMatrixx is willing to provide additional information on pharmaceutical fee schedule language, other states' approaches, and what has or has not worked well in other jurisdictions.

Debbie Ryan, Alaska Chiropractic Society

- Stated that providers have experienced reductions in reimbursement over time while business costs, staffing costs, and other expenses have increased. Commented that some providers and DME suppliers may stop offering certain services or products if reimbursement is not adequate.

VI. FEE SCHEDULE DEVELOPMENT DISCUSSION CONTINUED

NCCI and Regional Comparison Data

The Committee reviewed NCCI data and conversion factor information, including year-over-year changes and comparison data. RefMed discussed changes affecting surgery codes, including CMS changes that reduced certain practice RVUs and affected Alaska reimbursement calculations because Alaska's conversion factor remained static.

The Committee discussed whether reductions in certain surgery codes may affect provider participation in the workers' compensation system. Dr. Swenson stated that he had spoken with providers and that practices are experiencing increased overhead, staffing, and benefit costs. He expressed concern that if workers' compensation reimbursement moves too close to Medicare or Medicaid reimbursement levels, some providers may reconsider whether they can continue accepting workers' compensation patients.

RefMed and Director Collins will provide additional comparison information, including Alaska's reimbursement relative to other states and national benchmarks. Dr. Swenson will

continue seeking provider input regarding whether current reimbursement levels are affecting access to care.

Physical Therapy Multiple Procedure Payment Reduction

RefMed reviewed a worksheet explaining the multiple procedure payment reduction for physical therapy codes and explained that the reduction applies to the practice expense portion of subsequent therapy procedure codes, rather than to the entire reimbursement amount.

The Committee discussed questions received regarding the multiple procedure payment reduction and whether additional explanation in the fee schedule would help providers, payers, and bill reviewers understand how the reduction is calculated. Ms. Engelke explained that the multiple procedure reduction is intended to account for overlapping practice expenses when multiple therapy procedures are performed on the same date of service.

The Committee also discussed provider concerns that time-based therapy services may not experience reduced costs in the same way as other multiple procedure services. Dr. Swenson stated that therapy providers have expressed concern that the cost of delivering 45 to 60 minutes of care may not decrease simply because multiple time-based codes are billed. The Committee discussed the need to balance consistency with CMS-based billing logic against provider concerns regarding actual costs. RefMed will prepare possible fee schedule language or an example showing how the multiple procedure payment reduction is calculated for physical therapy codes.

Remote Therapeutic Monitoring

The Committee discussed whether remote therapeutic monitoring and related codes, including app-based or device-based tracking used in connection with physical therapy or rehabilitation, should be reimbursable, whether they may duplicate existing treatment or documentation, and whether they should be subject to specific documentation requirements.

The Committee discussed concerns regarding limited documentation, patient-reported data, general activity tracking that may not relate to the injury, and potential future billing for apps, setup fees, software, or reports.

Dr. Swenson stated that remote monitoring may have value and could reduce some treatment costs when used appropriately, but also noted that the codes could become a significant cost driver if not controlled. Member Dean stated that medical necessity should be documented and approved by the treating physician of record or surgeon, particularly when physical therapy treatment plans or changes in treatment are involved.

The Committee discussed possible approaches, including noncoverage, caps, specific reimbursement values, and documentation guardrails. RefMed will research other state approaches and possible language addressing documentation, medical necessity, device requirements, relationship to the treatment plan, and reimbursement limits.

Acoustic Medical Devices and Miscellaneous DME

The Committee discussed acoustic medical devices, including SAMSport-type devices billed under miscellaneous DME code E1399. RefMed reviewed whether E0760 may be a comparable code and noted that the device is similar in some respects but is not an exact match because the function and intended use differ.

The Committee discussed whether the fee schedule should include language allowing use of a comparable code or requiring reimbursement based on the manufacturer or supplier invoice plus the applicable percentage.

The Committee generally agreed that any approach should avoid allowing unsupported billed charges for miscellaneous devices while still allowing appropriate reimbursement when documentation and cost information support the device. RefMed will continue researching possible language regarding comparable codes, invoices, and reimbursement of miscellaneous DME.

DME Rental Rules

The Committee discussed DME rental rules, including whether rental payments should be limited so that total rental reimbursement does not exceed the purchase price. Members also discussed how to define purchase price, whether supplies or batteries may be separately rented, and whether rental language should apply to DME items that do not have a specific rental modifier.

The Committee discussed concerns regarding automatic resupply, unnecessary continued rentals, and whether components required for equipment to function should be included in the rental of the equipment. The Committee generally supported clarifying that DME rental should not exceed the applicable purchase price and that the purchase price should be based on the lower of billed charges or the manufacturer/supplier invoice plus the applicable percentage.

RefMed will draft possible clarifying language regarding DME rentals, purchase-price limits, and related supply or component issues.

Hearing Aid and Audiology Codes

The Committee discussed new hearing aid and audiology codes, including possible crosswalks from prior codes, values used by other payers, and whether certain services should remain bundled with hearing aid dispensing, evaluation, fitting, or follow-up services.

The Committee discussed whether new timed codes should be separately reimbursed or bundled when they are part of the initial hearing aid purchase, fitting, or verification process. Members noted that the fee schedule previously bundled related testing, dispensing, evaluation, fitting, accessories, and supplies into the hearing aid reimbursement methodology to address outlier billing.

The Committee discussed several new hearing aid measurement, verification, fitting, and post-fitting follow-up codes. Members generally supported maintaining bundled treatment where the service is part of the initial hearing aid process, while considering whether certain post-fitting or maintenance-related services should be separately reimbursable when appropriate.

RefMed will continue updating the hearing aid and audiology code table using the Committee's discussion, including proposed crosswalks, bundled codes, and possible values for separately reimbursable codes.

Hospital Sections and Future Fee Schedule Work

RefMed noted that additional work remains on the hospital sections, including outpatient status indicators and inpatient wage index information. The Committee discussed questions regarding whether CMS updates that occur after fee schedule preparation should be recognized if they are not specifically listed in the fee schedule.

Director Collins noted that this issue relates to the broader discussion regarding static versus dynamic CMS references and stated that the Division will continue considering whether additional language is needed or whether the fee schedule should remain silent and address issues as they arise.

VII. ADJOURNMENT

Member Steed moved to adjourn; Member Dean seconded. The motion passed unanimously.

Adjourn 1:51 p.m.