

Annual Adjustments to MSCFs and Percentage Multipliers

1. What is the annual adjustment to the MSCF?

On January 1st of each year, the WCC shall establish a new MSCF (for anesthesiology, ortho/neuro surgical procedures, and all other medical services) by multiplying the MSCF in effect on December 31st of the prior year by the percentage change in the first quarter Medicare Economic Index (“MEI”) and adding that amount to the prior year’s MSCF.

$$\mathbf{2009\ MSCF = (2008\ MSCF \times \% \Delta\ MEI) + 2008\ MSCF}$$

The new 2009 MSCF will be posted on the WCC website. There is no need to you to do anything other than incorporate the 2009 MSCFs into your calculations for 2009 reimbursements.

2. What is the annual adjustment to the percentage multiplier?

On January 1st of each year, the WCC shall establish a new percentage multiplier for ASCs by multiplying the prior year’s multiplier by the percentage change in the first quarter MEI and adding that amount to the prior year’s multiplier.

$$\mathbf{2009\ Multiplier = (2008\ Multiplier \times \% \Delta\ MEI) + 2008\ Multiplier}$$

The new 2009 ASC Multiplier will be posted on the WCC website. There is no need for you to do anything other than incorporate the 2009 ASC Multiplier into your calculations for 2009 reimbursements.

3. What does this do?

The percentage change in the MEI is used, more or less, as a mechanism for ensuring a cost of living increase in the reimbursement rates. On average, the percentage change in MEI is 2% annually. The regulations provide that the use of the MEI as an annual adjustment will be reviewed every five years. The Medical Fee Guide itself is subject to review by the Commission every two years.