OFFICE OF THE GOVERNOR
Department of Workers' Claims
(Amended at ARRS Committee)

120 KAR 1:089. Workers' compensation medical fee schedule for physicians.

RELATES TO: KRS 342.0011(32), 342.019, 342.020, 342.035
STATUTORY AUTHORITY: KRS 342.020, 342.035(1), (4)
CERTIFICATION STATEMENT: This is to certify that this administrative regulation is in compliance with the requirements of 2025 RS HB 6, Section 8(2) because this administrative regulation is being promulgated to meet a deadline established by KRS 342.035(1). The commissioner is required to promulgate administrative regulations to ensure that all fees, charges, and reimbursements for medical services under KRS Chapter 342 are limited to charges that are fair, current, and reasonable for similar treatment of injured persons in the same community for like services, where treatment is paid for by general health insurers. KRS 342.035 requires a schedule of fees to be reviewed and updated, if appropriate, every two (2) years on July 1.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 342.035(1) requires the commissioner of the Department of Workers' Claims to promulgate administrative regulations to ensure that all fees, charges, and reimbursements for medical services under KRS Chapter 342 are limited to charges that are fair, current, and reasonable for similar treatment of injured persons in the same community for like services, where treatment is paid for by general health insurers. KRS 342.035(4) requires the commissioner to promulgate an administrative regulation to ***establish*** ~~***[adopt]***~~ a schedule of fees to regulate charges by medical providers and other health care professionals. ~~[establishing the workers' compensation medical fee schedule for physicians. Pursuant to]~~ KRS 342.035 requires the~~[a]~~ schedule of fees to be reviewed and updated, if appropriate, every two (2) years on July 1. This administrative regulation ***establishes*** ~~***[adopts]***~~[establishes] the medical fee schedule for physicians.

Section 1. Definitions.

(1) "Medical fee schedule" means the 2026~~[2024]~~ Kentucky Workers' Compensation Schedule of Fees for Physicians produced and published by FAIR Health, Inc.

(2) ~~[.]~~"Physician" is defined by KRS 342.0011(32).

Section 2. Purpose and Adoption.

(1) The purpose of the schedule of fees ***shall be*** ~~***[is]***~~ to regulate charges by medical providers and other health care professionals providing services for work-related injuries and occupational diseases. The commissioner shall review and update the schedule of fees every two ***(2)*** years as required by KRS 342.035.

(2) The ~~***[commissioner adopts the]***~~ 2026 Kentucky Workers' Compensation Schedule of Fees for Physicians, produced and published by FAIR Health, Inc. ~~***[The fee schedule]***~~ may be obtained directly from FAIR Health, Inc., at https://orders.fairhealth.org/.

Section 3. ~~[Section 2.]~~ Services Covered.

(1) The medical fee schedule shall govern all medical services provided to injured employees by physicians under KRS Chapter 342.

(2) The medical fee schedule shall also apply to other health care or medical services providers to whom a listed CPT, HCPCS, or Transportation code, is applicable unless:

(a) Another fee schedule of the Department of Workers' Claims applies;

(b) A lower fee is required by KRS 342.035 or a managed care plan approved by the commissioner pursuant to 120 KAR 001:110~~[803 KAR 25:110]~~; or

(c) An insurance carrier, self-insured group, or self-insured employer has an agreement with a physician, medical bill vendor, or other medical provider to provide reimbursement of a medical bill at an amount lower than the medical fee schedule.

Section 4. ~~[Section 3.]~~ Fee Computation.

(1) The appropriate fee for a procedure or item covered by the medical fee schedule shall be the Maximum Allowable Reimbursement (MAR) listed in the 2026~~[2024]~~ Kentucky Workers' Compensation Schedule of Fees for Physicians for those procedures or items for which a specific monetary amount is listed.

(2) Procedures Listed Without Specified Maximum Allowable Reimbursement Monetary Amount. The appropriate fee for a procedure or item for which ***a~~[no]~~*** specific monetary amount is not listed shall be determined and calculated in accordance with numerical paragraph seven (7) of the General Instructions of the medical fee schedule unless more specific Ground Rules ***in the medical fee schedule*** are applicable to that service or item, in which case the fee shall be calculated in accordance with the applicable Ground Rules.

(3) The resulting fee shall be the maximum fee allowed for the service provided.

Section 5. ~~[Section 4.]~~ Services Performed Outside the Boundaries of Kentucky.

(1) A physician or healthcare or medical services provider located outside the boundaries of Kentucky shall be deemed to have agreed to comply with this administrative regulation if it treats a patient who is covered under KRS Chapter 342.

(2) Pursuant to KRS 342.035, medical fees due to an out-of-state physician or healthcare or medical services provider shall be calculated under the fee schedule in the same manner as for an in-state physician.

~~[Section 5.] [Incorporation by Reference.]~~

~~[(1)] ["2024 Kentucky Workers' Compensation Schedule of Fees for Physicians", July 1, 2024 Edition, is incorporated by reference.]~~

~~[(2)] [This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of Workers' Claims, Mayo-Underwood Building 3rd Floor, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m.]~~

~~[(3)] [The fee schedule may be obtained directly from FAIR Health, Inc., at https://orders.fairhealth.org/. A link to FAIR Health, Inc., may be found on the Department of Workers' Claims Web site at https://clc.ky.gov/Workers-Compensation/Pages/Medical-Services.aspx.]~~

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