

Texas Department of Insurance
Division of Workers' Compensation



Medical Quality Review
CY 2014 Annual Audit Plan

December 17, 2013

Section I: General Statement and Overview

The Division of Workers' Compensation (DWC) is required by Texas Labor Code §413.002 to "monitor health care providers, insurance carriers, independent review organizations, and workers' compensation claimants who receive medical services to ensure the compliance of those persons with rules adopted by the commissioner relating to health care, including medical policies and fee guidelines." The DWC will manage the medical quality review process in a manner that is fair, open, and transparent to all workers' compensation system participants to the extent consistent with state confidentiality laws, and provide the subject of a review the opportunity to participate throughout the medical quality review process.

The medical quality review process is medical case review initiated from either a written complaint, which may include an internal referral, a plan-based audit, or monitoring resulting from a consent order in accordance with 28 Texas Administrative Code (TAC) §180.68. The DWC's Medical Advisor oversees the medical quality review process conducted by the Medical Quality Review Panel (MQRP).

The MQRP aides the DWC both to monitor compliance with the Texas Workers' Compensation (Act) and DWC rules and to help ensure that injured employees in the workers' compensation system receive medically necessary and appropriate health care that is timely and cost-effective and facilitates functional recovery and appropriate return-to-work outcomes.

Section II: Purpose

- Promote the delivery of quality health care in a cost-effective manner, with emphasis on injured employee safety.
- Ensure that health care providers adhere to medically accepted standards of care.
- Support return to work and avoid unnecessary disability.

Section III: Scope, Methodology, and Selection Criteria

For each category within the annual audit plan, the Medical Advisor and DWC staff will define the scope, selection criteria, and individual program area responsibilities for a plan-based audit. The DWC will obtain system participants input on the development of each individual plan-based audit proposal within the annual audit plan. Each individual plan-based audit proposal shall specify the program area(s) responsibilities for all relevant steps and include specific procedures for each step, including but not limited to the following:

- inclusion and exclusion criteria,
- service time frame to be audited,
- sample size, and
- subject and case file selection.

The basis for determining the medical necessity and appropriateness of health care services is pursuant to the Texas Labor Code, 28 TAC Chapter 180, Subchapter C, and the Medical Quality Review Process.

Section IV: Review Categories

- Health care providers providing physical medicine services to injured employees – potentially includes the review of specific workers' compensation services such as Functional Capacity Evaluations, Work Conditioning, Work Hardening, and Chronic Pain Management/Interdisciplinary Pain Rehabilitation Programs.
- Insurance carriers/peer review doctors – potentially includes the quality of peer review reports and the appropriateness of actions taken based on peer review reports.

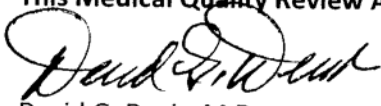
The *Medical Quality Review Annual Audit Plan* may be modified by the Medical Advisor if deemed necessary. Any recommended changes must be approved by the Commissioner of Workers' Compensation prior to adoption.

Section V: Conflicts

This annual audit plan incorporates the approved Medical Quality Review Process. However, if a specific conflict exists between this plan and the Medical Quality Review Process, this plan prevails.

Section VI: Approvals

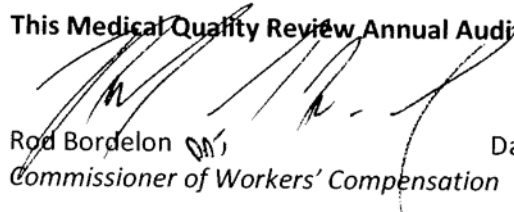
This Medical Quality Review Annual Audit Plan is respectfully submitted by:



David G. Davis, M.D.
Medical Advisor

Date 12/17/2013

This Medical Quality Review Annual Audit Plan is respectfully approved by:



Rod Bordelon
Commissioner of Workers' Compensation

Date 12/17/2013