



Medical Quality Review  
CY 2021 Annual Audit Plan

December 22, 2020

## **Section I: General Statement and Overview**

Texas Department of Insurance, 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." DWC will manage the Medical Quality Review Process in a manner that is fair to all workers' compensation system participants, open, and transparent 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.

Under 28 Texas Administrative Code (TAC) §180.68, the Medical Quality Review Process is a medical case review initiated based on complaints, plan-based audits, or monitoring as a result of a consent order, and is performed in accordance with criteria adopted under Labor Code §413.05115. DWC's medical advisor oversees the Medical Quality Review Process conducted by the Medical Quality Review Panel (MQRP).

Medical quality reviews help DWC monitor compliance with the Labor Code and DWC rules. They also ensure that injured employees in the workers' compensation system receive reasonable and medically necessary health care that is timely, cost-effective, and facilitates functional recovery and appropriate return-to-work outcomes.

## **Section II: Purpose**

- Promote health care that is cost-effective and will serve the goals of all workers' compensation system participants.
- Ensure that health care providers adhere to the *Official Disability Guidelines (ODG)* and medically accepted standards of care.
- Support return-to-work outcomes and avoid unnecessary disability.

## **Section III: Scope, Methodology, and Selection Criteria**

For each category within the *Medical Quality Review Annual Audit Plan* (Audit Plan), the medical advisor, and DWC staff will define the scope, selection criteria, and individual program area responsibilities for a plan-based audit. DWC will obtain input from system participants on the development of each individual plan-based audit proposal within the Audit Plan. Individual plan-based audit proposals will 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 reasonableness and medical necessity of health care services is per the Labor Code, 28 TAC Chapter 180, Subchapter C, and the Medical Quality Review Process.

## **Section IV: Review Categories**

- Appropriateness and recordkeeping of an acromioplasty or distal clavicle resection procedure conducted as part of a shoulder rotator cuff repair surgery.

In addition to the review category listed above, members of the MQRP will assist with the *Performance Based Oversight 2021 Assessment Health Care Providers* to evaluate documentation of why an injured employee is prevented from returning to work as reported on the DWC Form-073, *Work Status Report*. A copy of the 2021 Health Care Provider Methodology Paper can be found at <http://www.tdi.texas.gov/wc/pbo/hcppbo.html>. These medical case reviews are excluded from the medical quality review process pursuant to 28 TAC §180.68.

The Audit Plan may be modified by the medical advisor, if necessary. Any recommended changes must be approved by the commissioner of workers' compensation prior to adoption.

## **Section V: Conflicts**

The 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**

**Submitted by:**



12/22/20

Graves Owen, M.D.  
*Medical Advisor*

Date

**Approved by:**



December 22, 2020

Cassie Brown  
*Commissioner of Workers' Compensation*

Date