

Quarterly Insurance Carrier Meeting

April 24, 2014
1:30 p.m. to 3:30 p.m.

Texas Department of Insurance
Division of Workers' Compensation

Agenda Items

- Welcome
- Healthcare Management Update
- Complaint Data Update
- Data Monitoring
- Medical Fee Dispute Resolution Update
- Enforcement Update
- Office of Medical Advisor Update
- Research and Policy Update
- Performance Based Oversight Update
- Q&A and General Issues
- Closing

WELCOME

Rod Bordelon, Commissioner
Division of Workers' Compensation

HEALTHCARE MANAGEMENT UPDATE

Matt Zurek, Executive Deputy Commissioner
Healthcare Management & System Monitoring

COMPLAINT DATA UPDATE

Teresa Carney, Director
System Monitoring & Oversight

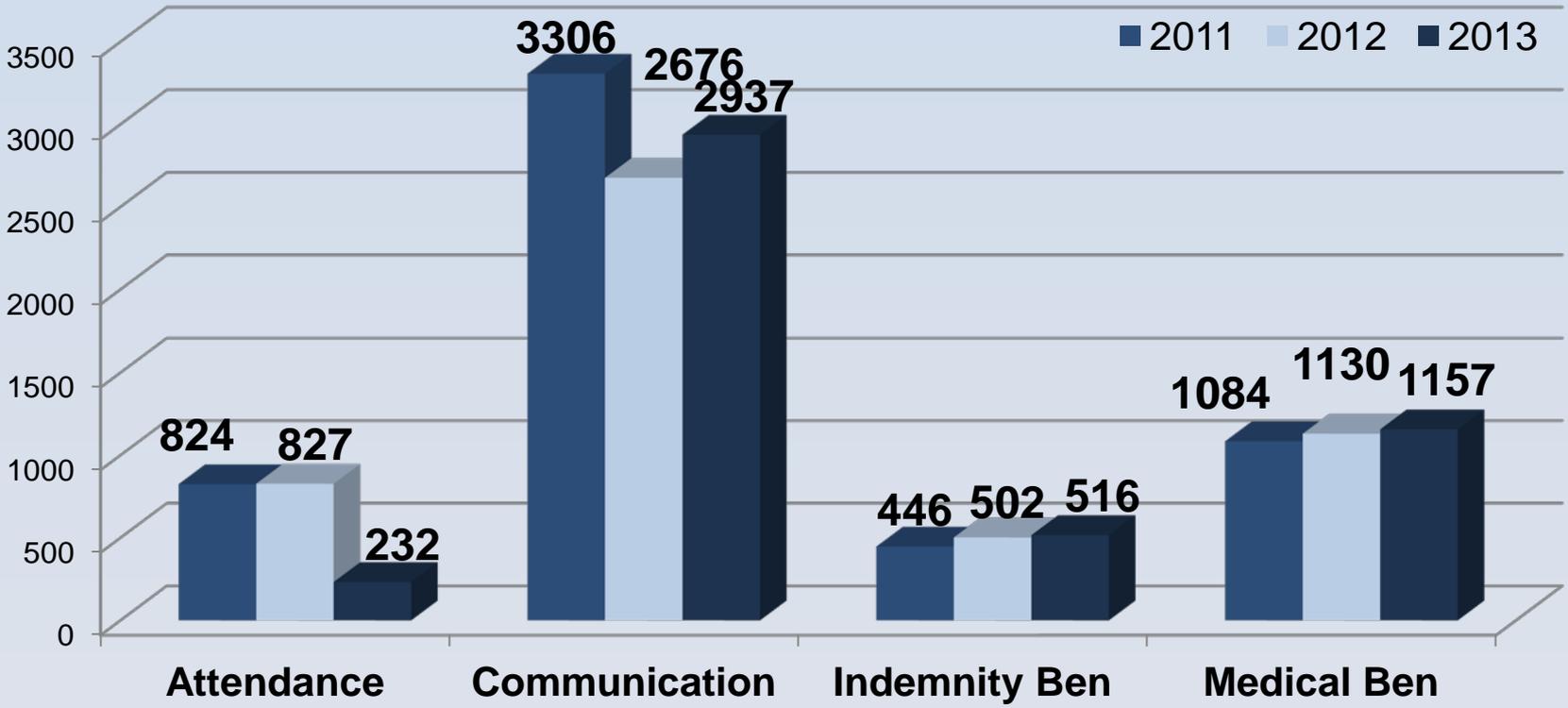
Complaints

Complaints Received Per Year



	CY 2010	CY 2011	CY 2012	CY 2013
Complaints	6809	6174	5692	5332

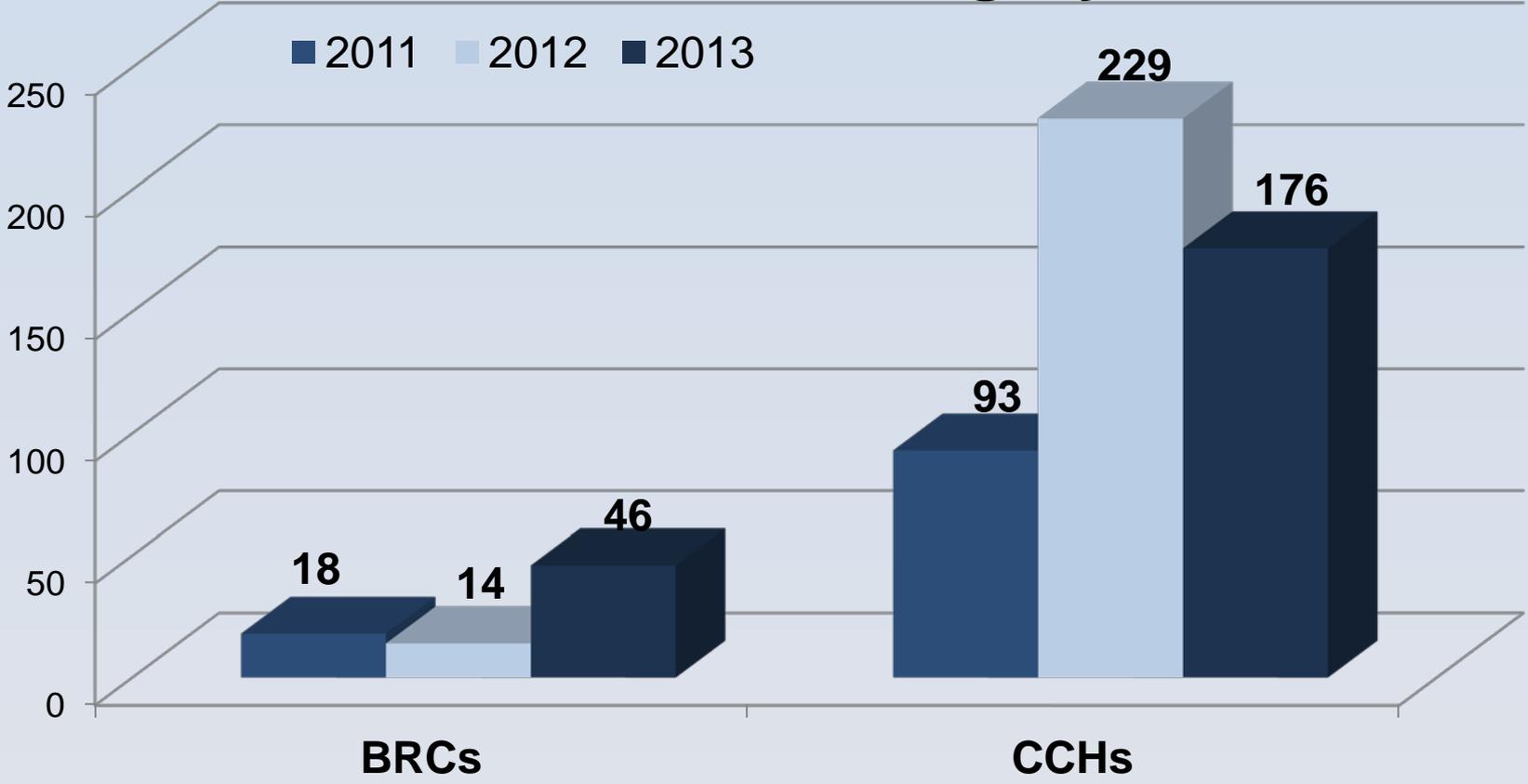
Complaints All Categories



	2011	2012	2013
Attendance	824	827	232
Communication	3306	2676	2937
Indemnity Benefits	446	502	516
Medical Benefits	1084	1130	1157

Complaints

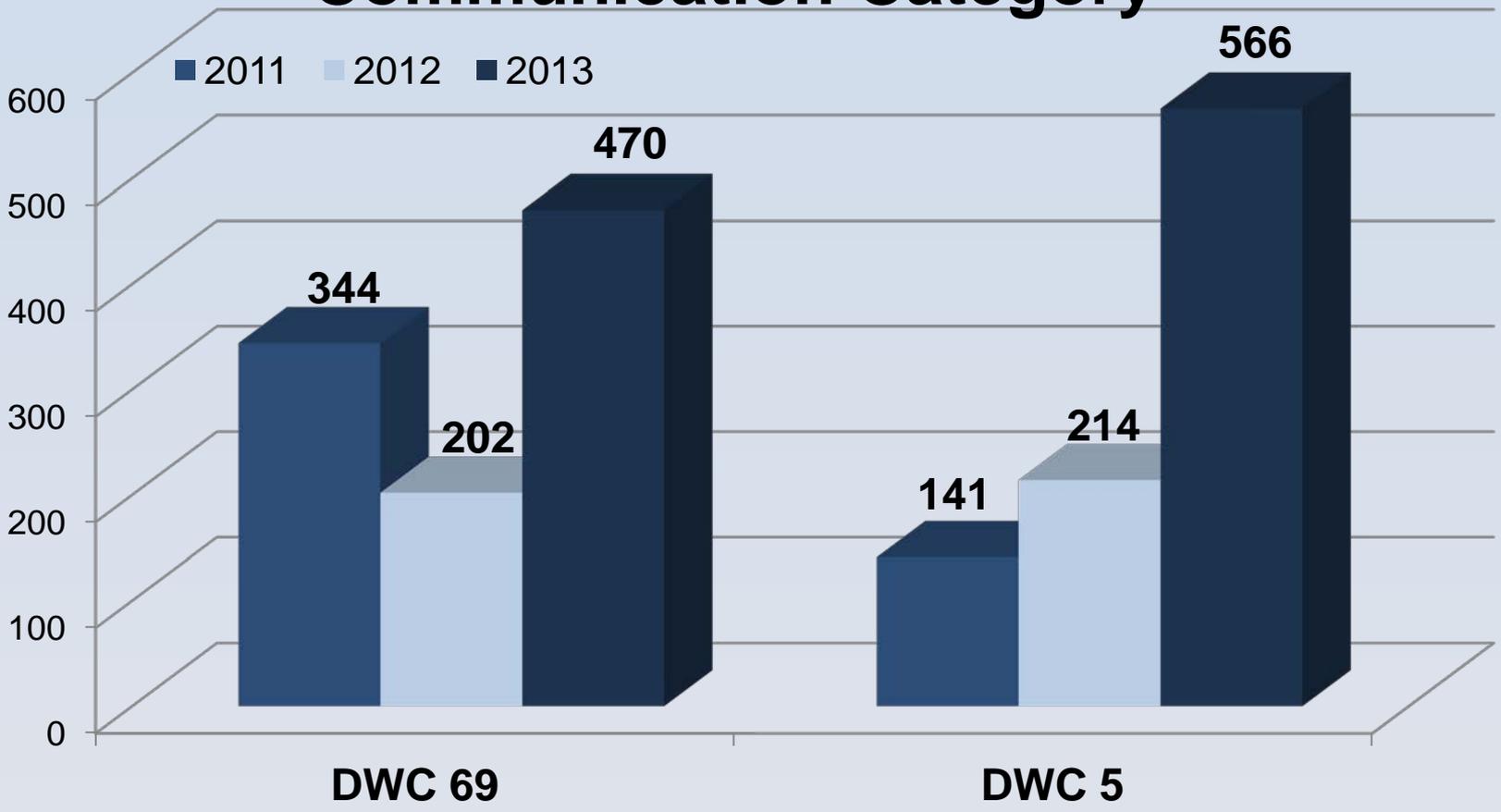
Attendance Category



	2011	2012	2013
BRCs	18	14	46
CCHs	93	229	176

Complaints

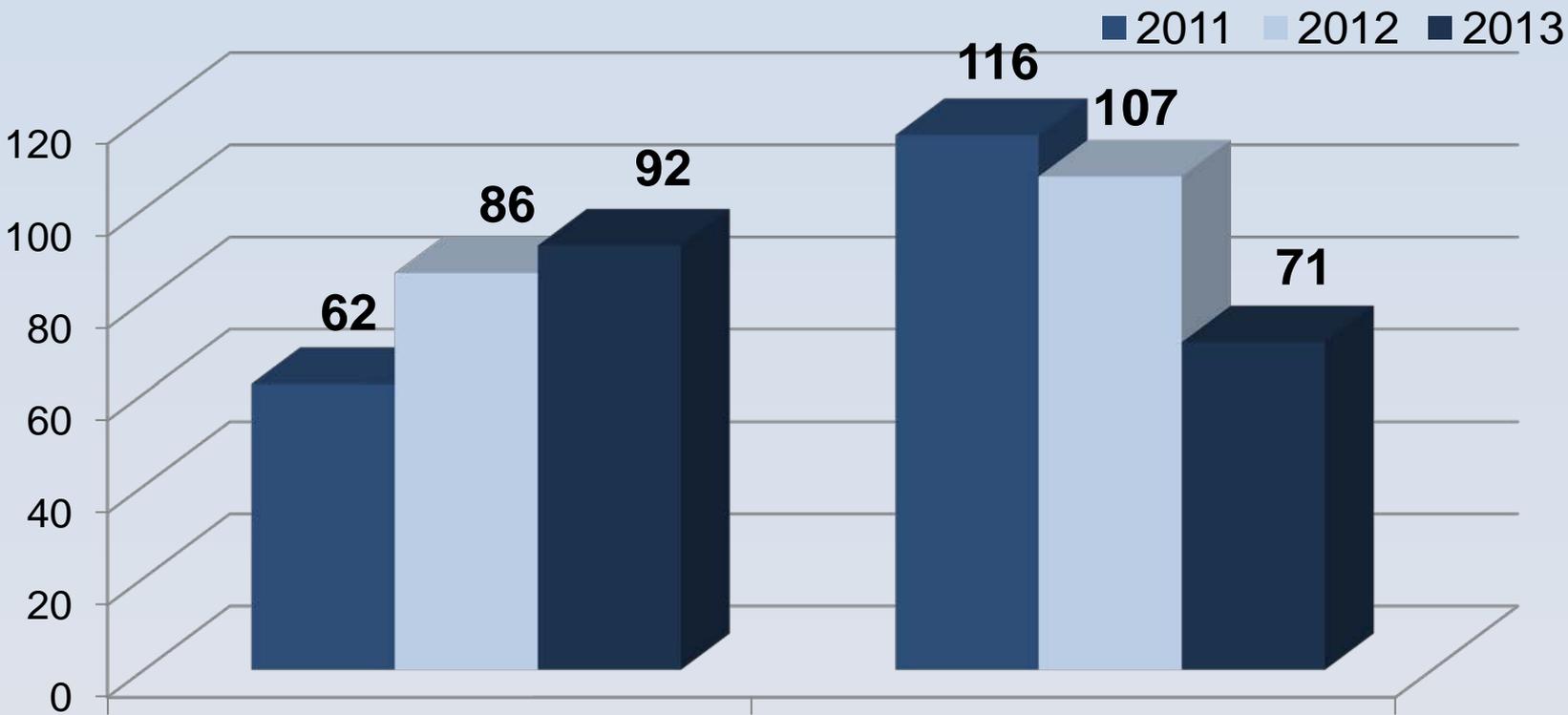
Communication Category



Communication	2011	2012	2013
DWC 69	344	202	470
DWC 5	141	214	566
DD duties	1804	1139	1006

Complaints

Medical Benefit Delivery Category



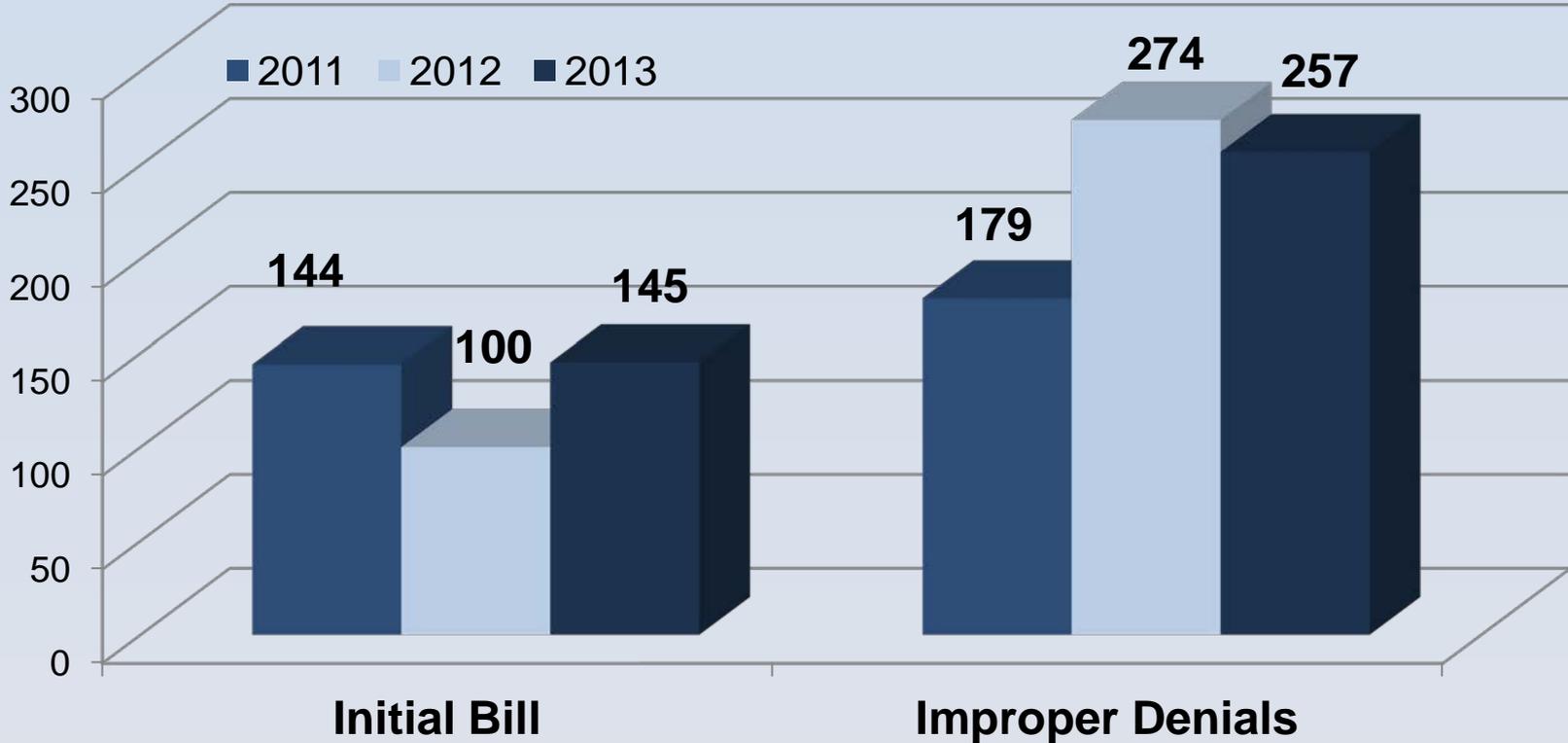
Medical Fee

Billing IW

	2011	2012	2013
Medical Fee	62	86	92
Billing IW	116	107	71

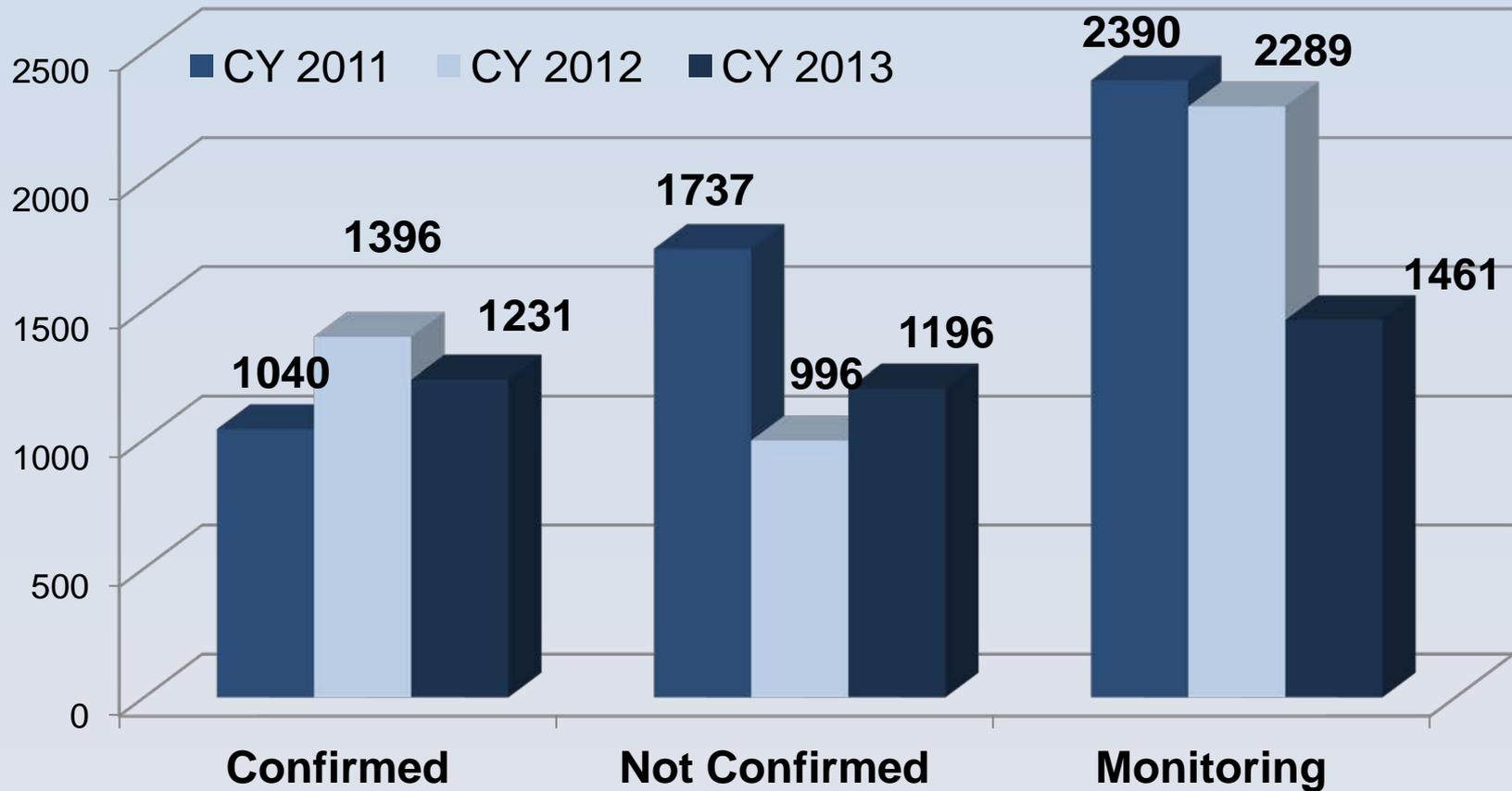
Complaints

Medical Benefit Delivery Category



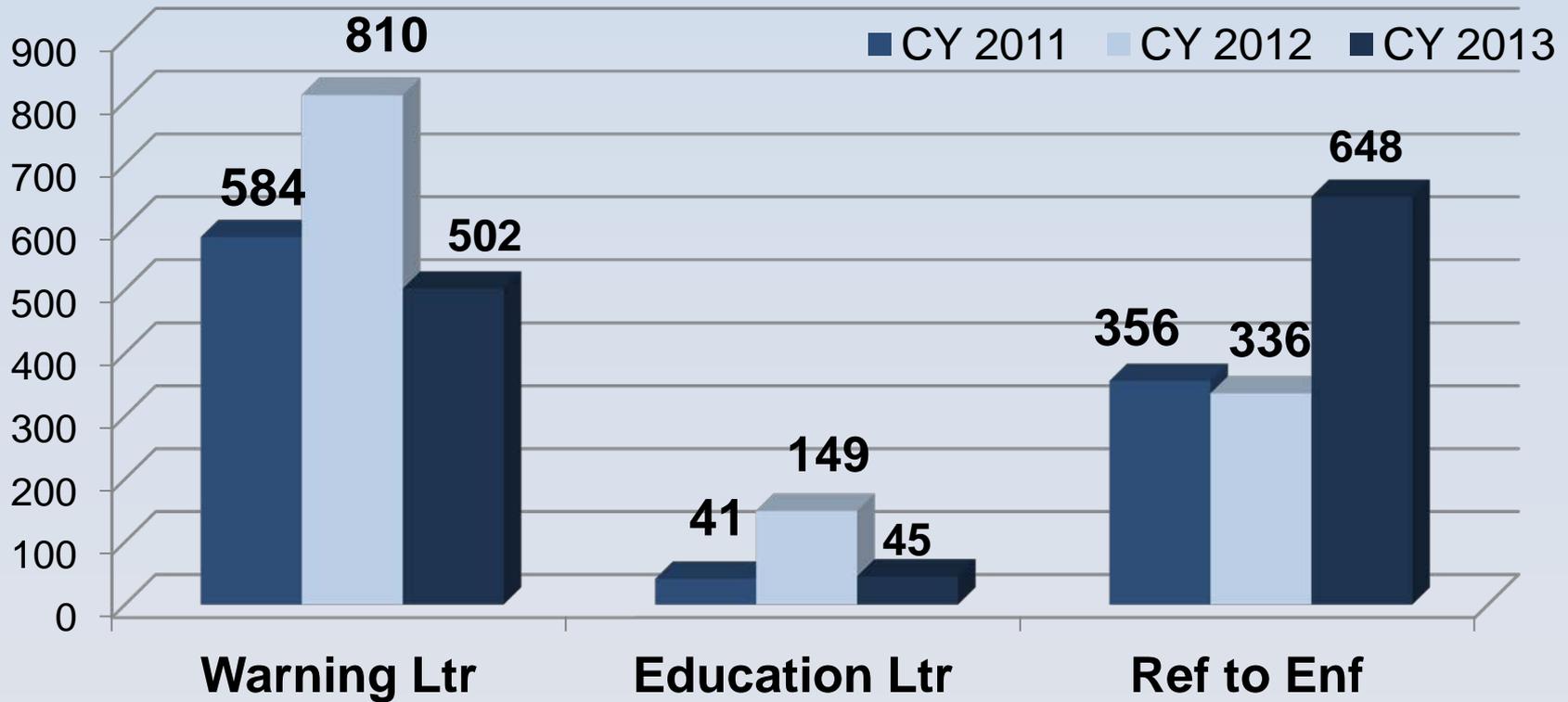
	2011	2012	2013
Initial Bill	144	100	145
Improper Denials	179	274	257

Complaints Outcomes Comparison



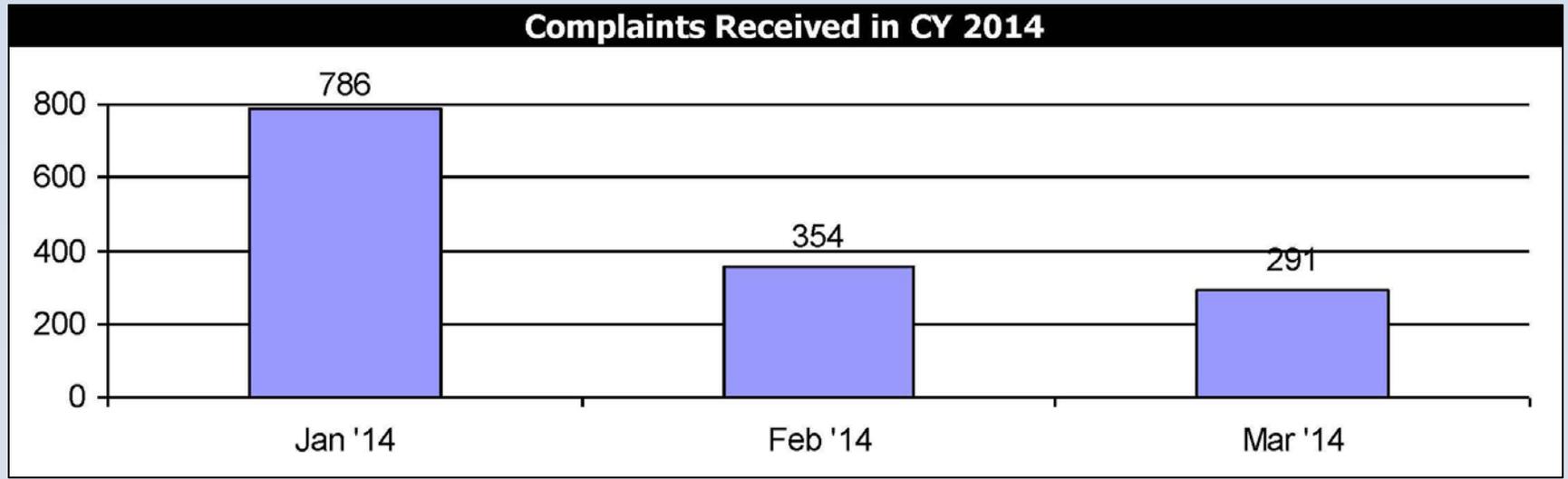
Outcomes	CY 2011	CY 2012	CY 2013
Confirmed	1040	1396	1231
Not Confirmed	1737	996	1196
Monitoring	2390	2289	1461

Complaints Outcomes Types



Complaint Outcomes	Warning Ltr	Education Ltr	Ref to Enf
CY 2011	584	41	356
CY 2012	810	149	336
CY 2013	502	45	648

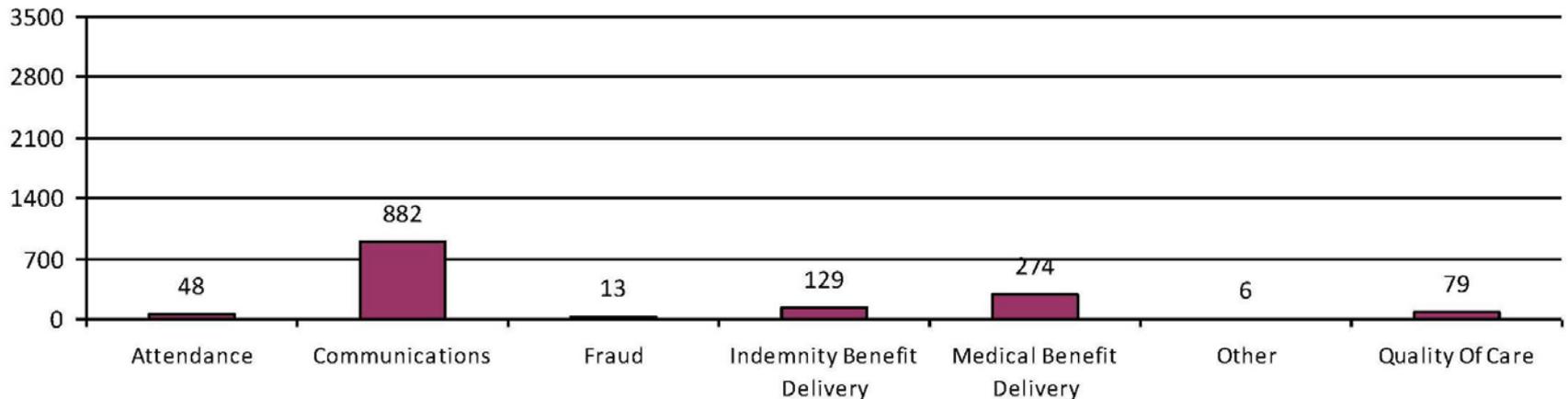
Complaints Received CY2014



Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14	Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14
786	354	291									

Complaints Received CY2014 by Category

Complaints Received in CY 2014 by Category

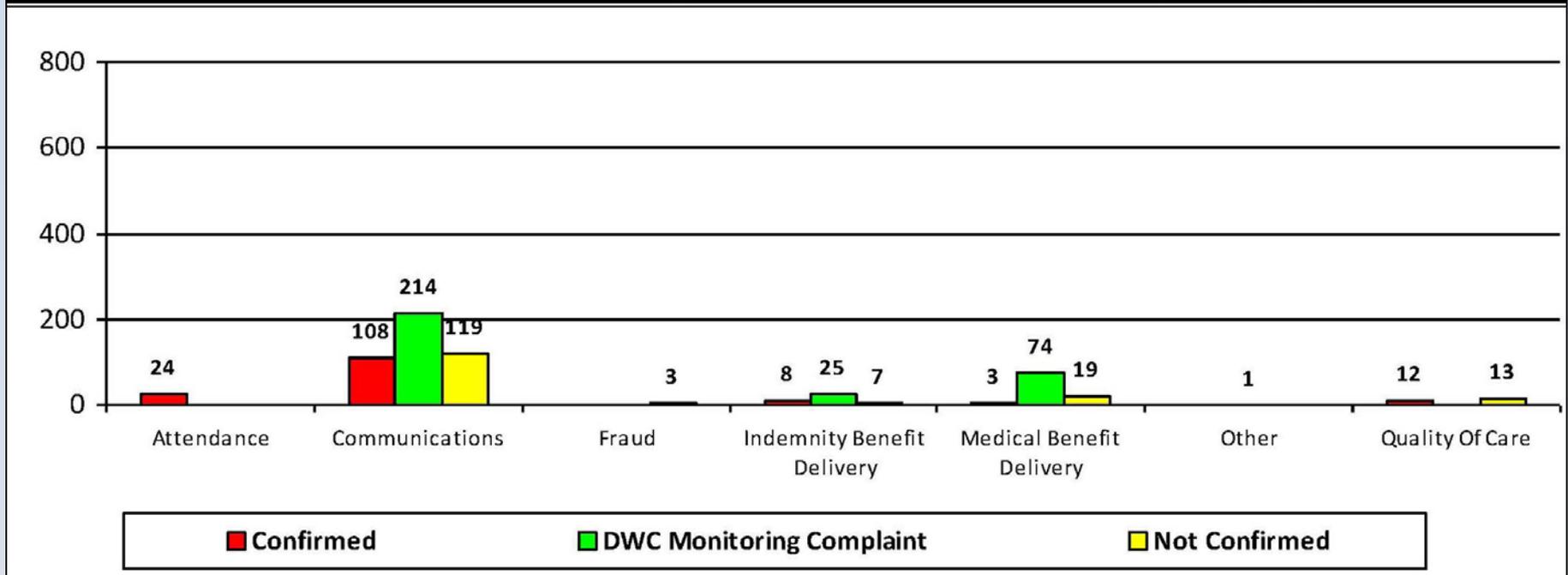


Attendance	Communication	Fraud	Indemnity Benefit Delivery	Medial Benefit Delivery	Other	Quality of Care
48	882	13	129	274	6	79

Complaints Received CY2014

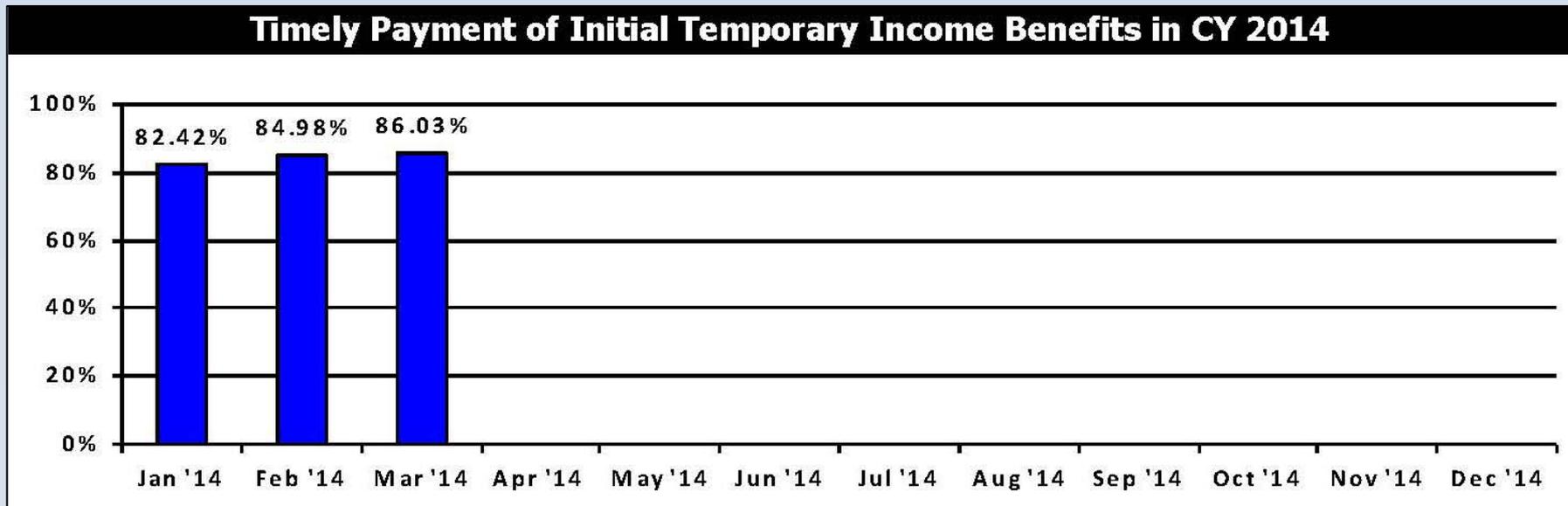
“Closed” Status

Closure Outcomes for Complaints Received in CY 2014 by Category



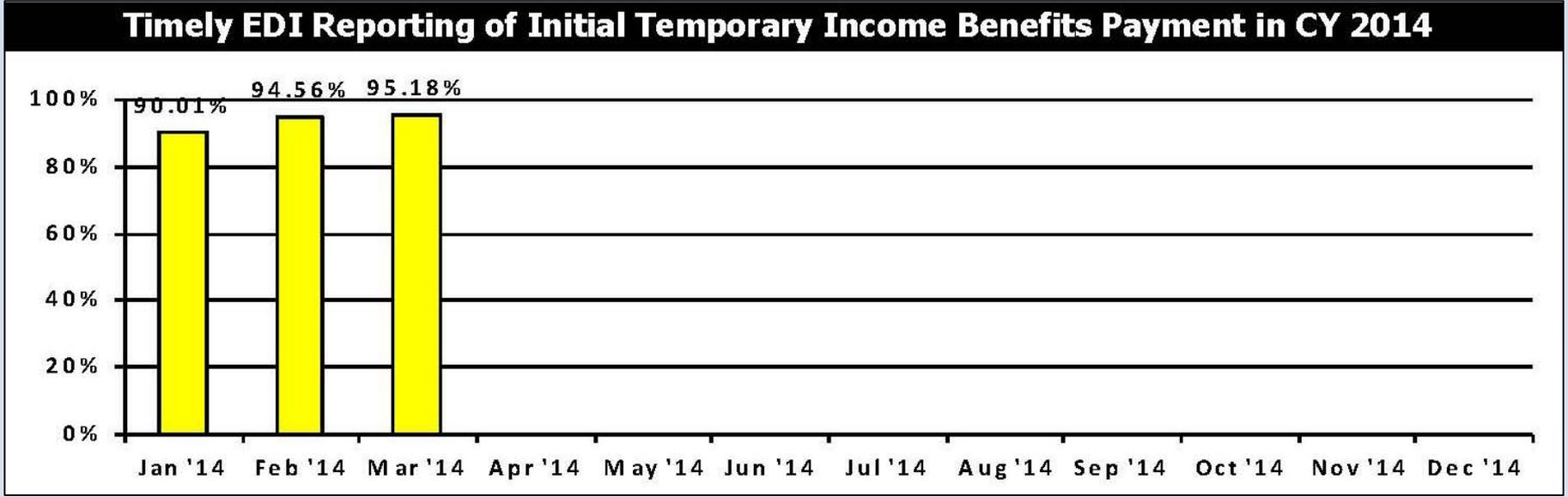
	Attendance	Communication	Fraud	Indemnity Benefit Delivery	Medical Benefit Delivery	Other	Quality Of Care
Confirmed Complaint	24	108	0	8	3	0	12
DWC Monitoring Complaint	0	214	0	25	74	1	0
Not Confirmed	0	119	3	7	19	0	13

Initial TIBs Payment Performance CY2014



Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14	Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14
82.42%	84.98%	86.03%									

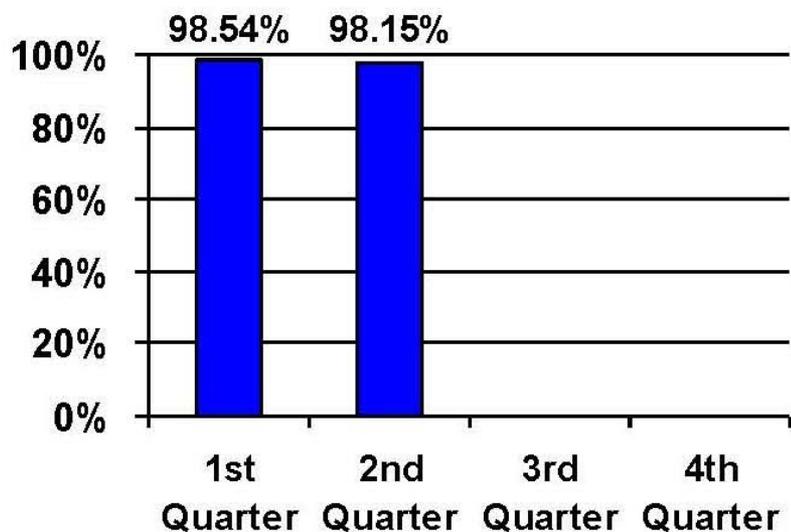
TIBs Initial Payment Reporting Performance CY2014



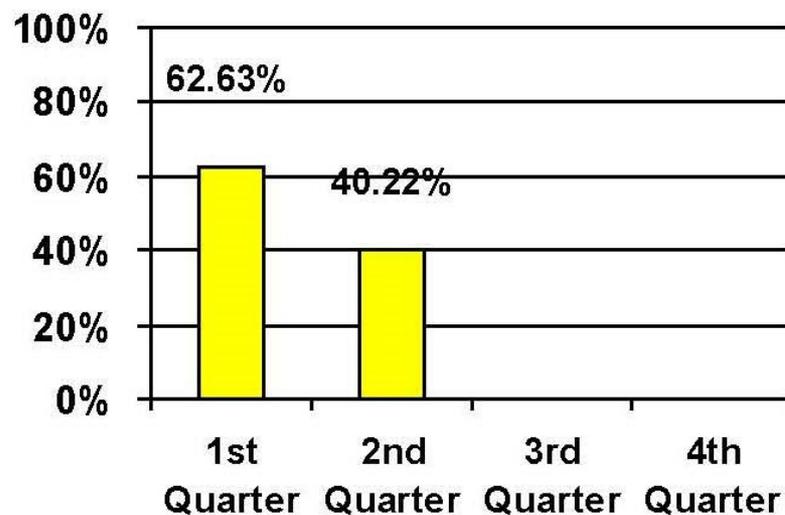
Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14	Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14
90.01%	94.56%	95.18%									

Medical Bill Processing and Reporting Performance FY2014

Timely Processing of Medical Bills in FY 2014



Timely EDI Reporting of Medical Billing Data in FY 2014



	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Processing Medical Bills	98.54%	98.15%		
Reporting of Medical Billing Data	62.63%	40.22%		

DATA MONITORING

Teresa Carney

Amy Lee

Monitoring Activities

- **Nonsubscriber Reporting**
- **Health Care Providers**
- **Claims Data**
- **Medical Data**

Monitoring Activities

- **Nonsubscriber Reporting**
 - DWC 005
 - DWC 007
- **Health Care Providers**
 - Timeliness of DWC 69

Monitoring Activities

- **Claims Data**

- Timeliness of Initial Pay
- Ongoing Indemnity Benefits
- Illogical Payments
- Accuracy of DBs payments
- Audit Results

Monitoring Activities

- **Medical Data**
 - Volume of medical data reporting (Professional, Rx, etc)
 - NPI
 - DN 507
 - Reporting reconsideration bills (W3)
 - Audit Results

Monitoring Activities

- Audit Results
- Review Overall Data
- Review Specific Data

Monitoring Activities

- **Audit Final Results FY 2013**
 - IP Data Accuracy (average):
 - First day of disability: **88.72%**
 - FY12 Audits: 84.77%
 - First written notice: **87.02%**
 - FY12 Audits: 84.16%
 - Initial TIB from date: **96.57%**
 - FY12 Audits: 97.75%
 - Initial TIB end date: **92.97%**
 - FY12 Audits: 94.83%
 - Initial TIB paid date: **84.46%**
 - FY12 Audits: 68.68%

Monitoring Activities

- **FY 2013 Indemnity Accuracy Audits**
 - Accurate Payment of Benefits
 - Full Salary TIBs (average): **45.00%**
 - LIBs (average): **100%**
 - DBs (average): **88.20%**
 - Claim Data Accuracy (average)
 - LIB/DB terminations and LIB annual increases were all timely reported (**100%**)

Monitoring Activities

- **Audit Results – FY 2013**
 - Medical Data Accuracy (average)
 - Reporting timeliness: **93.57%**
 - Rendering Provider NPI#: **31.12%**
 - Bill Provider FEIN: **99.57%**
 - Referring Provider Last Name: **79.51%**
 - Referring Provider NPI#: **78.10%**
 - Service Facility Postal Code: **91.80%**

Monitoring Activities

- **Audit Results – FY 2013**
 - Medical Data Accuracy (average)
 - ANSI Reason Code 1: **97.57%**
 - ANSI Reason Code 2: **99.61%**
 - ANSI Reason Code 3: **99.92%**
 - ANSI Reason Code 4: **100%**
 - ANSI Reason Code 5: **100%**
 - Date Bill Received: **89.88%**
 - Date Bill Paid/Denied: **89.09%**

Monitoring Activities

- **FY 2014 Audits**
 - Medical Data Accuracy
 - Rendering Line Provider NPI #
 - Rendering Line Provider State License #
 - Referring Provider Last Name
 - Referring Provider State License #

Monitoring Activities

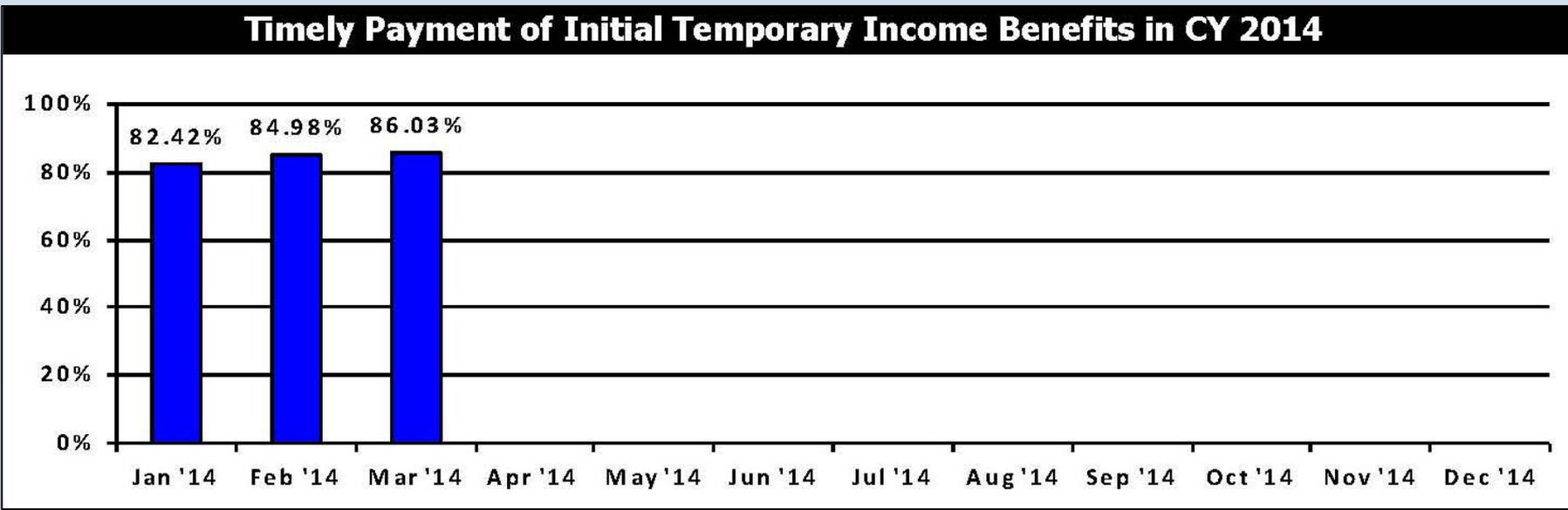
- **FY 2014 Audits**
 - Medical Data Accuracy
 - Service Facility Postal Code
 - ANSI Reason Adjustment Code 1
 - Date Bill Received Date Paid or Denied

Monitoring Activities

2014 Medical Data Accuracy Audit Example

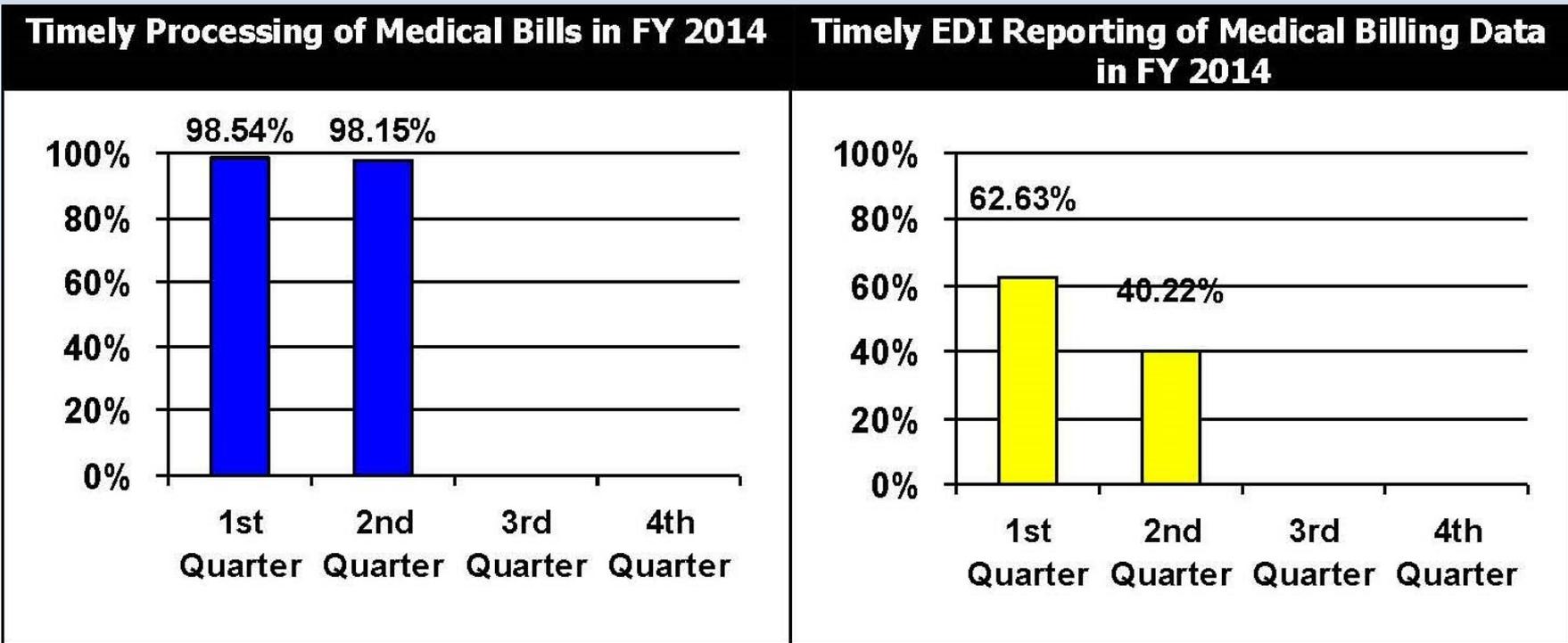
Data Element	# Bills with Correct Data	Compliance Rate
Rendering Line Provider NPI #	1	1.16%
Rendering Line Provider State License #	52	60.47%
Referring Provider Last Name	68	79.07%
Referring Provider State License #	76	88.37%
Service Facility Postal Code	85	98.84%
ANSI Reason Adjustment Code 1	86	100.00%
Date Bill Received	81	94.19%
Date Paid or Denied	38	44.19%

Initial TIBs Payment Performance CY2014



Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14	Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14
82.42%	84.98%	86.03%									

Medical Bill Processing and Reporting Performance FY2014



	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Processing Medical Bills	98.54%	98.15%		
Reporting of Medical Billing Data	62.63%	40.22%		

Monitoring Activities

Timely Compliance For Initial TIBs

Month	Payment	Reporting
Jan	77.08%	85.71%
Feb	75.00%	89.77%
Mar	79.79%	98.98%

Monitoring Activities

Timely Compliance For Medical Bill Processing

Month	SV1 Volume	SV1 Payment	SV1 Reporting	SV2 Volume	SV2 Payment	SV2 Reporting	SV3 Volume	SV3 Payment	SV3 Reporting	SV4 Volume	SV4 Payment	SV4 Reporting
Jan	418	99.28%	100.00%	47	91.49%	100.00%	1	100.00%	100.00%	144	97.92%	90.97%
Feb	1,116	99.01%	47.67%	104	94.23%	11.54%	1	100.00%	100.00%	109	100.00%	100.00%

Monitoring Activities

- Data Monitoring Spreadsheet
- SV1 Example

Sample File

```

ISA*00*           *00*           *ZZ*765332244       *ZZ*746000119
*030923*1900*U*00401*123456789*1*T*:~GS*HC*765332244*746000119*20030923*1900*00000
0001*X*004010~ST*837*92341~BHT*0080*00*54321*19980823*1900NM1*10*2*****FI*7653322
44~N4***752341234~NM1*40*2*****FI*251234567~N4***787441609~HL*1**20*1~DTP*582*RD8
*20030802-20030915~NM1*CA*2*Texas Insurance Company*****FI*765332244~N4***75234123
4~NM1*CX*2*Texas Insurance Company*****FI*765332244~N4***752341234~HL*2*1*EM*1~NM1
*36*2*Bagels Etc.~N3*234 Main Street~N4*Dallas*TX*72314*USA~REF*IG*147643A472~PER*
IC**WP*2144721462~HL*3*2*CL*0~DTP*558*D8*20020918~NM1*CC*1*Davidson*Darlene****34
*224173272~N3*5720 Green Dr.~N4*Dallas*TX*72309*USA~DMG*D8*19690604*F*I~REF*Y1*140
00714D~PER*CT**TE*2148365527~CLM*99999*8310***22:B*Y*****Y***00~DTP*050*D8*20
030906~DTP*434*D8*20030903~DTP*666*D8*20030910~AMT*TP*7310~REF*DD*123456~REF*EJ*47
0077~REF*2I*10000001~HI*BK:814.2~NM1*85*2*Gonzo's ASC*****FI*345678912~N3*16 Butte
rfly Lane~N4*El Paso*TX*77702*USA~REF*G1*0011~NM1*61*2*Gonzo's ASC~N3*16 Butterfly
Lane~N4*El Paso*TX*77702*USA~NM1*DN*1*Brown*Lance****34*GP~REF*0B*DOG1023TX~LX*1~
SV1*HC:64721*3250*UN*2*22**1~DTP*472*RD8*20030827-20030827~SVD*XX*2550~LX*2~SV1*H
C:01810*5025*UN*4*22**1~DTP*472*RD8*20030827-20030827~SVD*XX*5025~LX*3~SV1*HC:9479
9*35*UN*1*22**1~DTP*472*RD8*20030827-~0030827~SVD*XX*35~CAS*C0*45*1000*0~SE*58*923
41~GE*1*000000001~IEA*1*123456789~

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Monitoring Suggestions

- Insurance Carriers must request their data
- Sample audits against bills/EORs
- Send ORR request via instructions on website (www.tdi.texas.gov/commish/legal/lcoprc1i.html)

Monitoring Suggestions

- Types of Reports
 - **Detailed Medical Bill Monitoring Data** (*Standard Report*) through Open Records Request (www.tdi.texas.gov/commish/legal/lcoprc1i.html)
 - Include in your request:
 - **Insurance Carrier Name/FEIN**
 - **Quarterly Medical Bill Processing Monitoring Data Report** (*which will include an excel workbook for each type of medical bill (SV1, SV2, SV3, & SV4) with the most recent quarter of refresh MB data (excluding recon-bills until after the FY-Q3), unless necessary to provide in MS Access due to the volume or specifically requested*)
 - **ATTENTION System Monitoring & Oversight**
 - **How you would like the data set delivered** (*email, disc, etc*)

Monitoring Suggestions

- Types of Reports
 - **Individual Carrier Performance Score Card** by EMAIL Request through smo@tdi.texas.gov
 - Include in your request:
 - **Insurance Carrier Name/FEIN**
 - **Score Card** (*which will be a performance score card for an insurance carriers performance related to complaints, timeliness of initial payment and reporting of TIBs for the current CY, and timeliness of medical bill processing and reporting (excluding recon-bills) for the current FY*)
 - **ATTENTION System Monitoring & Oversight**
 - **How you would like the data set delivered** (*email, disc, etc*)

Monitoring Suggestions

- Medical Refresh Data Schedule

FY Quarter	FY Quarter Months	Refresh Data Available
Q1	September – November	Mid/Late December
Q2	December – February	Mid/Late March
Q3	March – May	Mid to Late June
Q4	June – August	Mid to Late September

Monitoring Questions

- Teresa.carney@tdi.texas.gov
- 512-804-4702
- Compliance is the goal!

MEDICAL FEE DISPUTE RESOLUTION UPDATE

Martha Luevano, Manager
Medical Fee Dispute Resolution

MFDR CY2009 - 2013

Table of Medical Fee Disputes Docketed and Closed by Calendar Year and Month

Month	2009		2010		2011		2012		2013	
	Docketed	Closed	Docketed	Closed	Docketed	Closed	Docketed	Closed	Docketed	Closed
January	1,143	657	393	440	364	420	580	397	302	231
February	651	527	345	475	424	514	382	475	293	313
March	1,094	471	555	483	517	591	254	453	290	378
April	592	422	337	567	324	656	293	397	252	426
May	723	382	420	537	378	1,155	256	399	333	424
June	1,407	389	453	502	505	1,094	255	314	383	401
July	1,127	457	290	449	603	935	234	433	318	335
August	823	447	520	487	641	865	227	465	266	652
September	710	2,070	370	548	352	555	318	566	399	407
October	616	2,263	310	667	322	690	290	563	330	736
November	564	1,355	292	414	369	664	248	484	274	456
December	376	1,541	369	1,147	293	901	253	575	225	441
Total	9,826	10,981	4,654	6,716	5,092	9,040	3,590	5,521	3,665	5,200

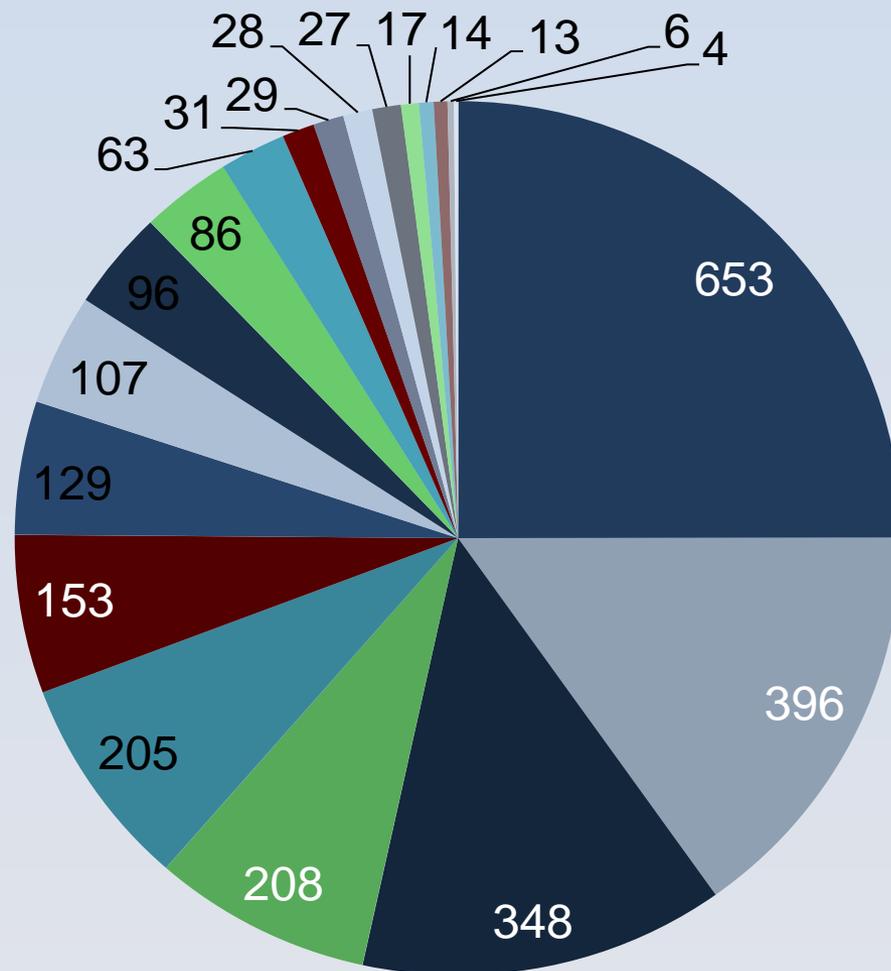
Medical Fee Disputes CY2014

CY 2014 Docket	Total
Professional	283
Rule 134.204	224
Hospital Outpatient	171
95 Day	131
Unresolved Extent	109
Air Ambulance	88
HCN	78
Preauthorization	66
Untimely to MFDR	64
Hospital Inpatient	39
Urinary Drug Screen	27
Other	18
Injured Employee	12
ASC	10
Unresolved Medical Necessity	8
Pharmacy	6
Home Health	2
Out of State HCP	1
Total Docket	1,337

CY 2014 Resolved	Total
Professional	234
Unresolved Extent	222
Rule 134.204	216
Hospital Outpatient	124
Pharmacy	78
Fair & Reasonable	66
Hospital Inpatient	59
Contract	55
Stop Loss	51
Preauthorization	46
95 Day	43
Urinary Drug Screen	40
Injured Employee	27
Other	16
ASC	9
Air Ambulance	4
Unresolved Medical Necessity	3
Total Resolved	1,293

Active Medical Fee Disputes

Active & Pending	Total
Professional	653
Rule 134.204	396
Air Ambulance	348
95 Day	208
HCN	205
Hospital Outpatient	153
Preauthorization	129
409.0091	107
Unresolved Extent	96
Contract	86
Hospital Inpatient	63
Urinary Drug Screen	31
ASC	29
Injured Employee	28
Other	27
Out of State HCP	17
Pharmacy	14
Fair & Reasonable	13
Unresolved Medical Necessity	6
Stop Loss	4
Total Active & Pending	2,613



MFDR Contact Information

- Manager, Martha Luevano
512-804-4858
martha.luevano@tdi.texas.gov
- Team Lead, Greg Arendt
512-804-4859
greg.arendt@tdi.texas.gov
- Email MDRInquiry@tdi.texas.gov
- MFDR Phone 512-804-4812
- MFDR Fax 512-804-4811

ENFORCEMENT UPDATE

Sandra Nicolas, Associate Commissioner, Enforcement

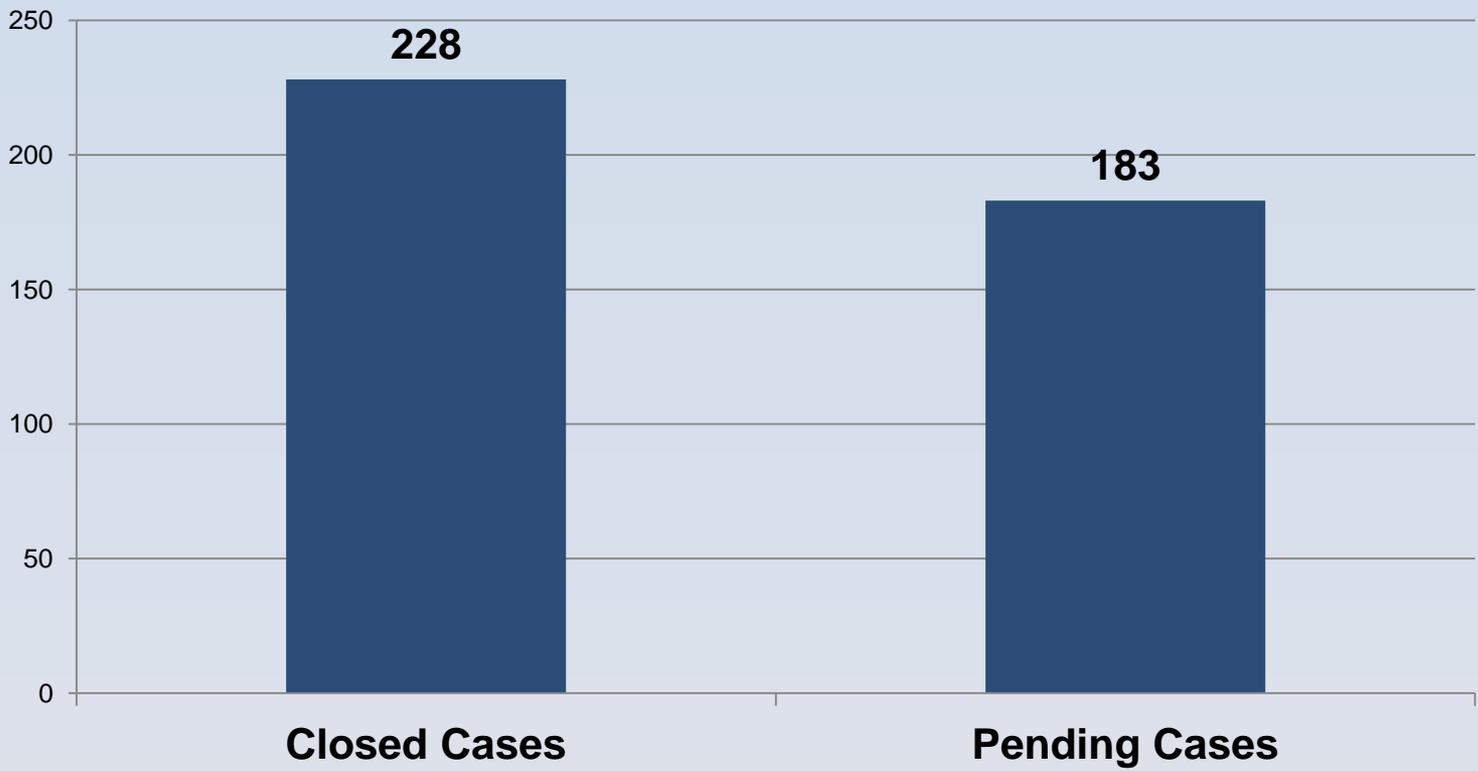
Toya Lutz, Acting Director,
Workers' Compensation Litigation Office, Enforcement

Enforcement Key Initiatives

The Compliance Division pursues strategies to improve efficiencies in market compliance and case processing. We:

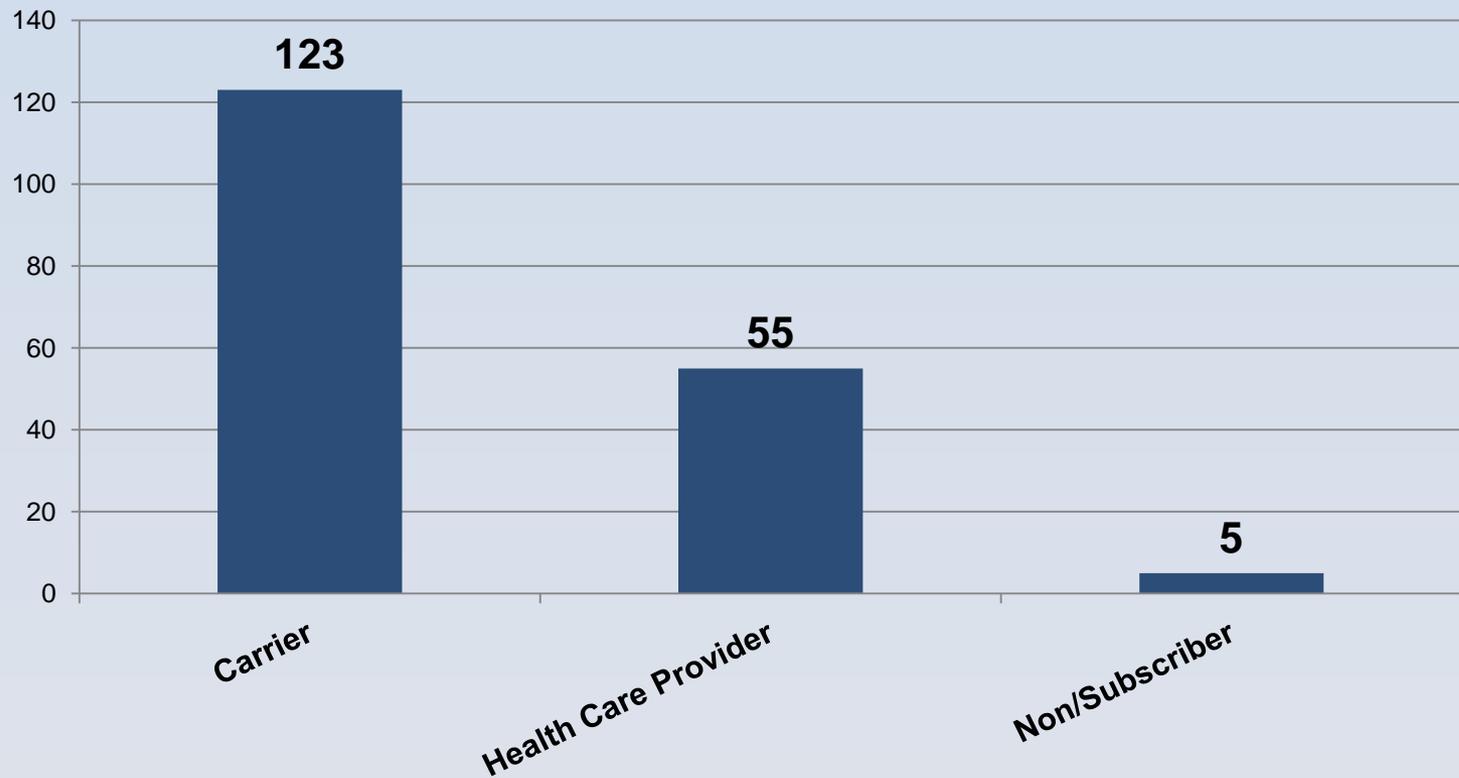
- Use clear, express statutory authority for all enforcement cases
- Inform workers' compensation stakeholders about compliance goals
- Partner with Division of Workers' Compensation program areas to foster compliance
- Assist the Office of the Medical Advisor
- Provide swift, appropriate actions for statutory and rule violations

Case Status as of March 31, 2014



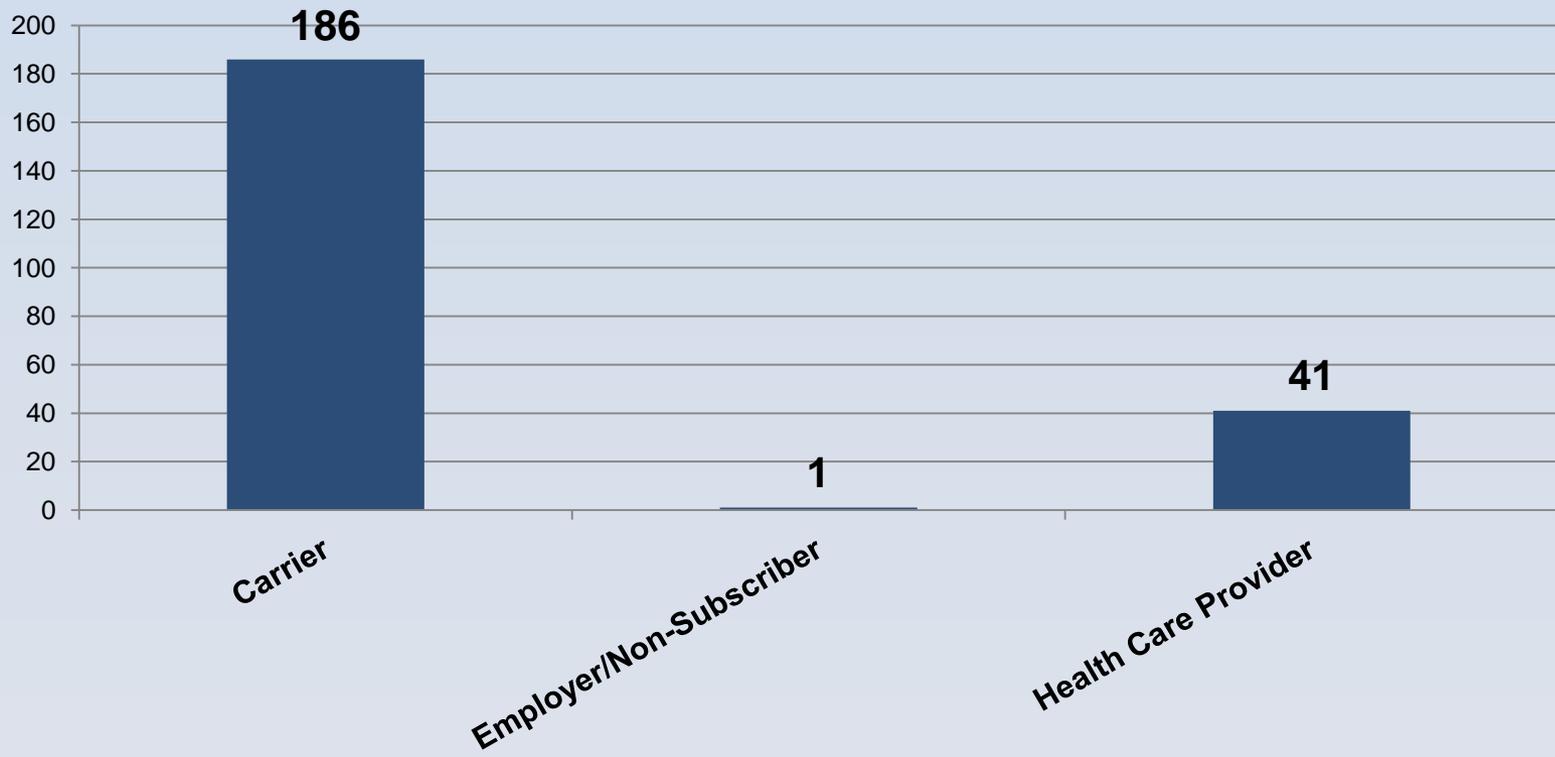
	Closed Cases	Pending Cases
Cases	228	183

Cases Pending by Subject Type as of March 31, 2014



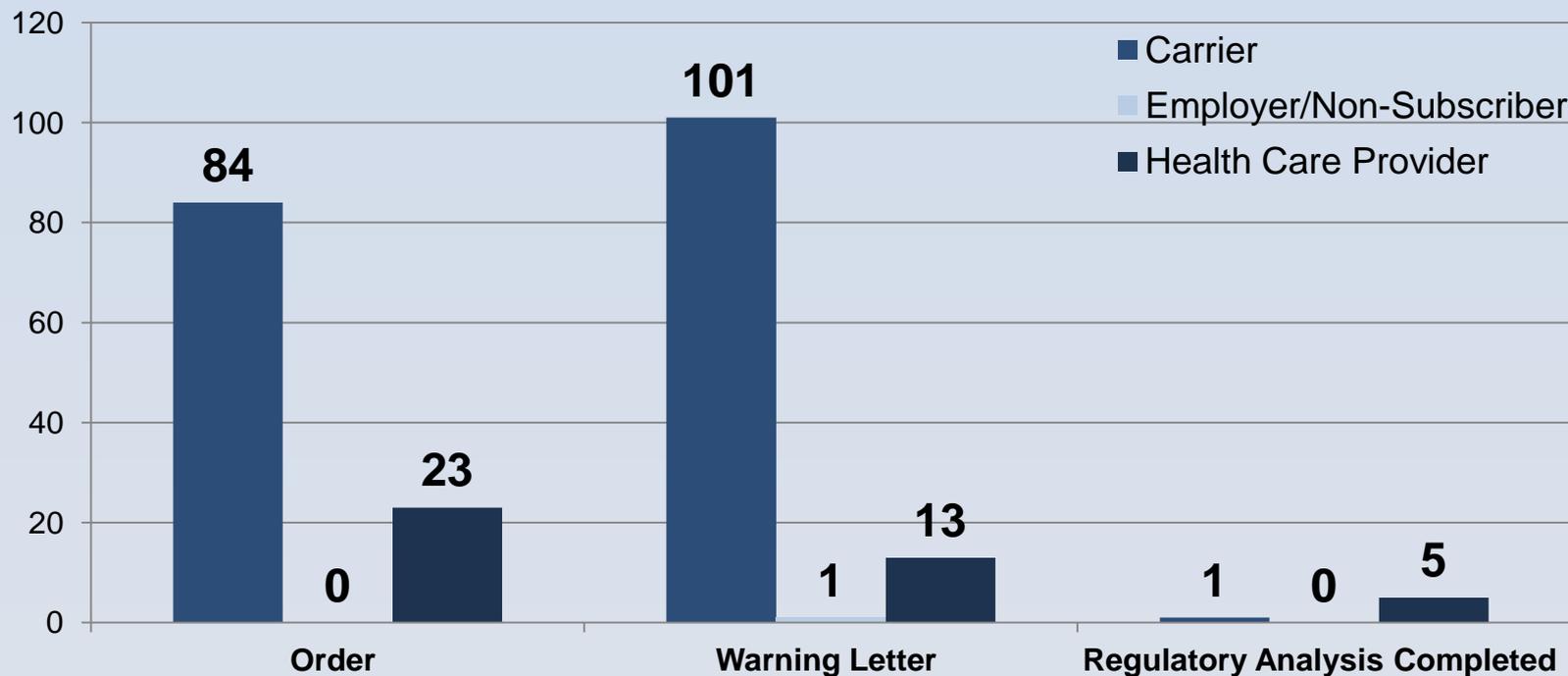
	Carrier	Health Care Provider	Non/Subscriber
Cases	123	55	5

Cases Closed by Subject Type



	Carrier	Employer/Non-Subscriber	Health Care Provider
2013 Cases	186	1	41

Cases Closed by Disposition



	Carrier	Employer/Non-Subscriber	Health Care Provider
Order	84	0	23
Warning Letter	101	1	13
Regulatory Analysis Completed	1	0	5

OFFICE OF THE MEDICAL ADVISOR UPDATE

Mary Landrum, Director
Health Care Business Management

Quality of Care Complaints

- Calendar Year 2014
 - 86 complaints forwarded to OMA
(includes external complaints & internal referrals)
 - 97 complaints investigated by OMA
 - 8% recommended MQRP review
 - 92% recommended other actions
(includes letters of education, referrals to medical licensing boards, and closures with no action)

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 04/21/14

Medical Quality Reviews

- Calendar Year 2014
 - 11 reviews initiated
 - includes complaint, audit, or monitoring based reviews
 - assigned to MQRP members for review
 - 41 reviews concluded
 - 22% referred to Enforcement
 - 78% recommended other actions
 - (includes letters of education, referrals to medical licensing boards, and closures with no action)

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 04/15/14

OMA Enforcement Cases

- Calendar Year 2014
 - 18 OMA referrals received in Enforcement
 - 13 OMA cases concluded by Enforcement
 - 10 consent orders/final orders
 - 2 warning letters
 - 1 no further action
 - 54 OMA cases pending in Enforcement
 - 0 OMA cases pending at SOAH

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 04/21/14

RESEARCH AND POLICY UPDATE

Amy Lee, Special Deputy Commissioner
Policy and Research

PERFORMANCE BASED OVERSIGHT UPDATE

Teresa Carney

2013 Health Care Provider PBO Assessment

- 2013 HCP PBO consisted of three performance categories as follows:

Performance Categories	Number of Providers
DWC Form-069, Report of Medical Evaluation	57
DWC Form-073, Work Status Report	68
Lumbar Spine Magnetic Resonance Imaging (MRI)	46

DWC Form-069, Report of Medical Evaluation

- **Timeliness Measure – 68 HCP's**

Timeliness of filing the DWC Form-069, *Report of Medical Evaluation* – 100% weight

High Tier Performers	Average Tier Performers	Poor Tier Performers
41	19	8

DWC Form-073, Work Status Report

- **Completeness Measure – 57 HCP's**

Completeness of the DWC Form-073, *Work Status Report* – 100% weight

High Tier Performers	Average Tier Performers	Poor Tier Performers
34	19	9

- **Documentation Measure – 57 HCP's**

Documentation supporting why the injured employee is prevented from returning to work as reported on the DWC Form-073, *Work Status Report* – 100% weight

High Tier Performers	Average Tier Performers	Poor Tier Performers
38	11	8

Lumbar Spine Magnetic Resonance Imaging (MRI)

- Documentation Measure – 46 HCP's
 - Medical record documentation supporting the ordering of a Lumbar Spine Magnetic Resonance Image prior to 21 days from the date of injury – *100% weight*

High Tier Performers	Average Tier Performers	Poor Tier Performers
21	16	9

2014 Insurance Carrier PBO Assessment

- **July 2014** – *Distribute initial findings*
- **September/October 2014** – *The TDI-DWC reviews management responses to initial findings*
- **December 2014** – *Distribution and publication of final results*

2015 Health Care Provider PBO Assessment

- **May 2014** – Methodology Paper – PBO WG Meeting
- **June 2014** – Notification Letters to selected providers
- **2015** – Assessment Process

2014 Insurance Carrier PBO Assessment

- **July 2014** – Preliminary Findings
- **September 2014** – Management Responses Due
- **November 2014** – Final Results
- **December 2014** – Final Results Posted

PBO References

- General PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/pbo.html>
- Insurance Carrier PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/icpbo.html>
- Health Care Provider PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/hcppbo.html>

Q & A

Teresa Carney

CLOSING

Teresa Carney