

Quarterly Insurance Carrier Meeting

April 27, 2017
1:30 p.m. to 3:30 p.m.

Texas Department of Insurance
Division of Workers' Compensation

Agenda Items

- Welcome
- Health Care Management Update
- System Monitoring & Oversight Update
- Enforcement Update
- Office of the Medical Advisor Update
- Medical Fee Dispute Resolution Update
- Workplace Safety Update
- Hearings Update
- Designated Doctor Update
- Q&A
- Closing

WELCOME

Ryan Brannan, Commissioner
Division of Workers' Compensation

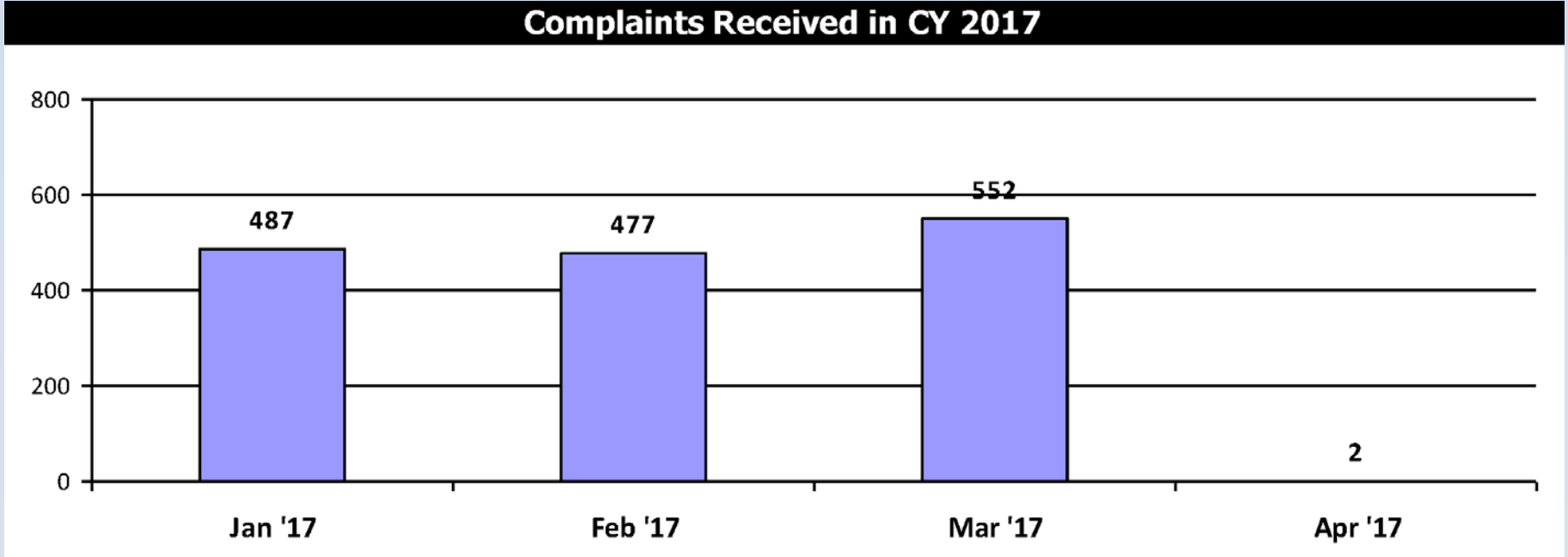
HEALTH CARE MANAGEMENT UPDATE

Matt Zurek, Deputy Commissioner
Healthcare Management & System Monitoring

SYSTEM MONITORING & OVERSIGHT UPDATE

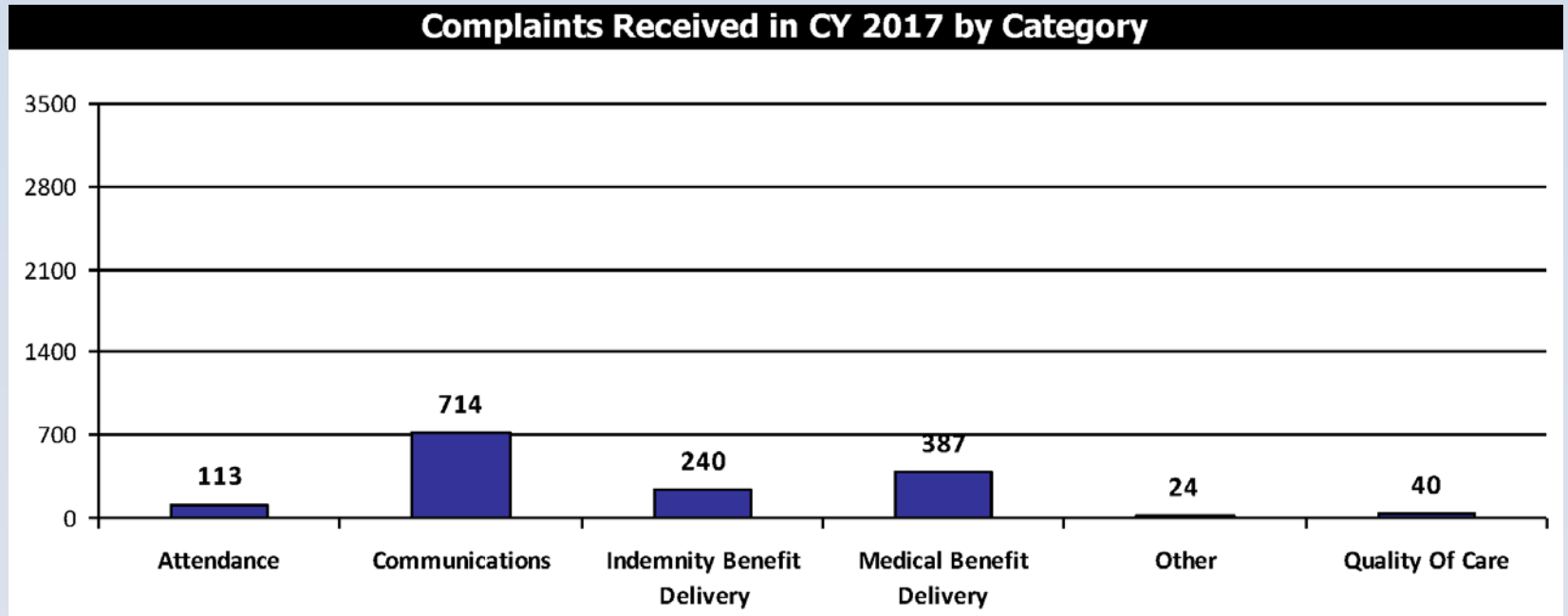
Teresa Carney, Director
System Monitoring & Oversight

Complaints Received CY2017



Jan '17	Feb '17	Mar '17	Apr '17
487	477	552	2

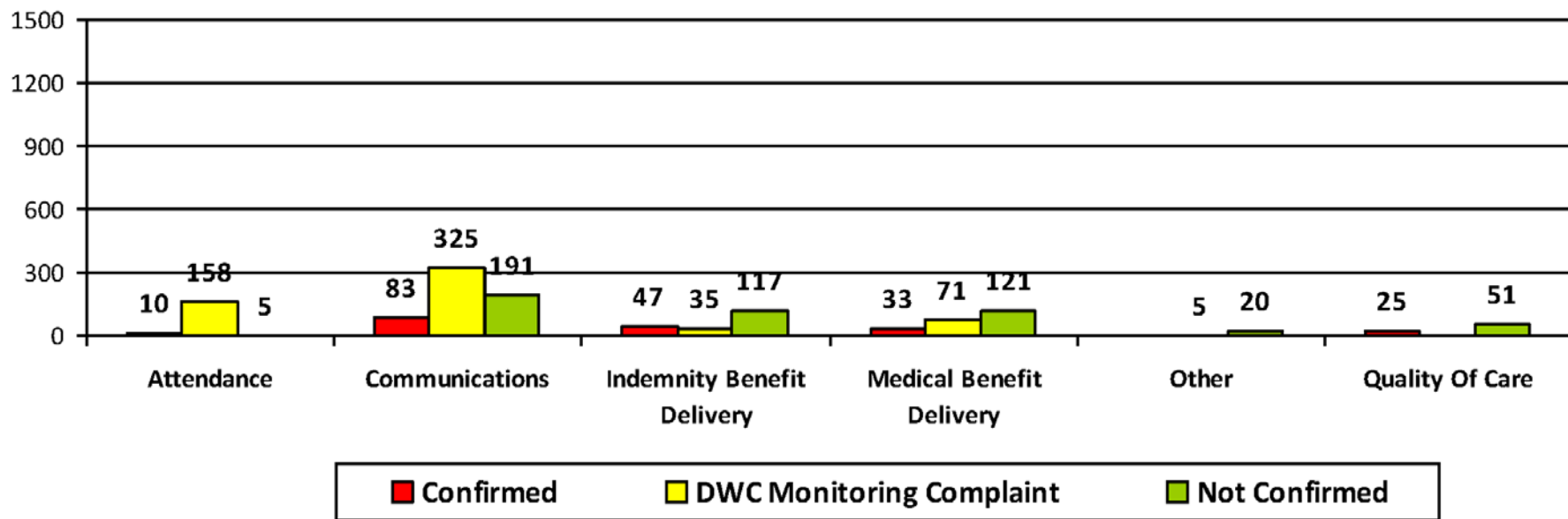
Complaints Received CY2017 by Category



Attendance	Communication	Indemnity Benefit Delivery	Medial Benefit Delivery	Other	Quality of Care
113	714	240	387	24	40

Complaints Closed in CY2017 by Category and Finding

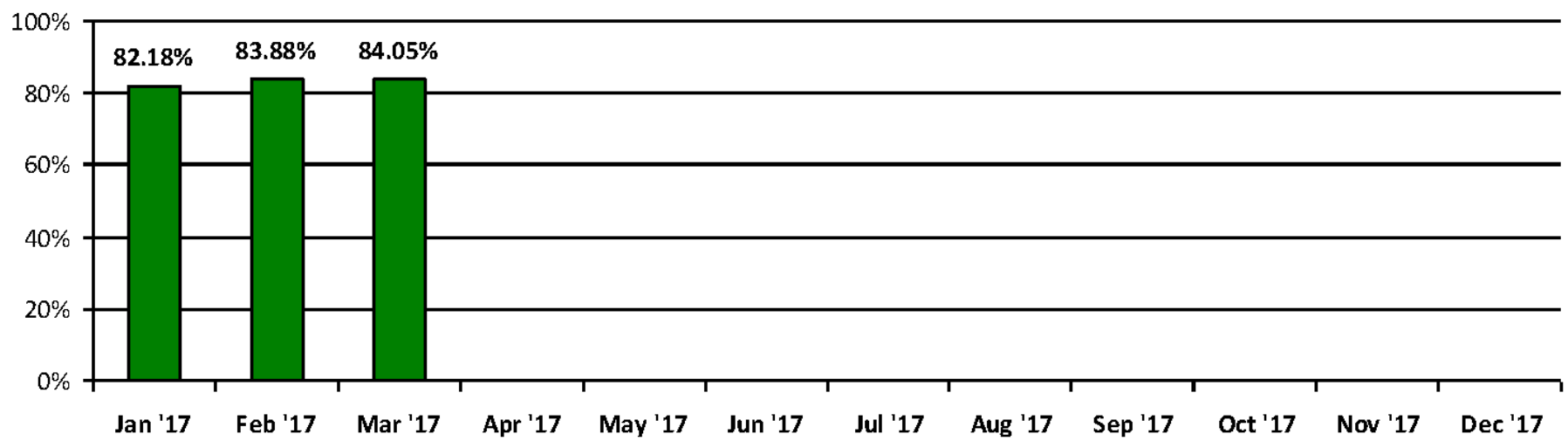
Complaints Closed in CY 2017 by Category and Finding



Outcome Status	Attendance	Communication	Indemnity Benefit Delivery	Medical Benefit Delivery	Other	Quality Of Care
Confirmed Complaint	10	83	47	33	0	25
DWC Monitoring Complaint	158	325	35	71	5	0
Not Confirmed	5	191	117	121	20	51

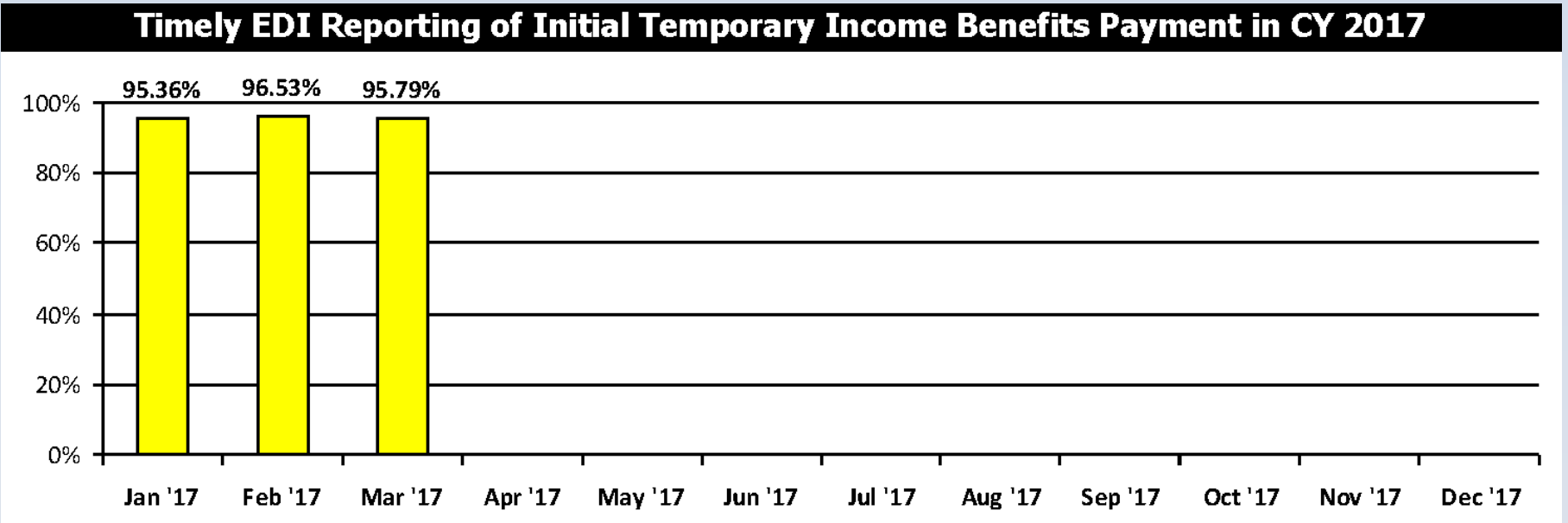
Initial TIBs Payment Performance CY2017

Timely Payment of Initial Temporary Income Benefits in CY 2017



Jan '17	Feb '17	Mar '17
79.70%	84.59%	84.78%

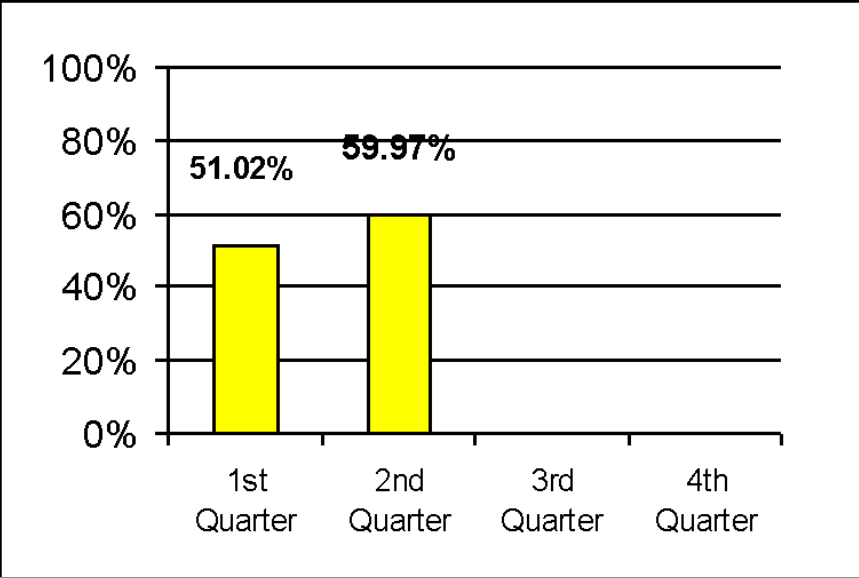
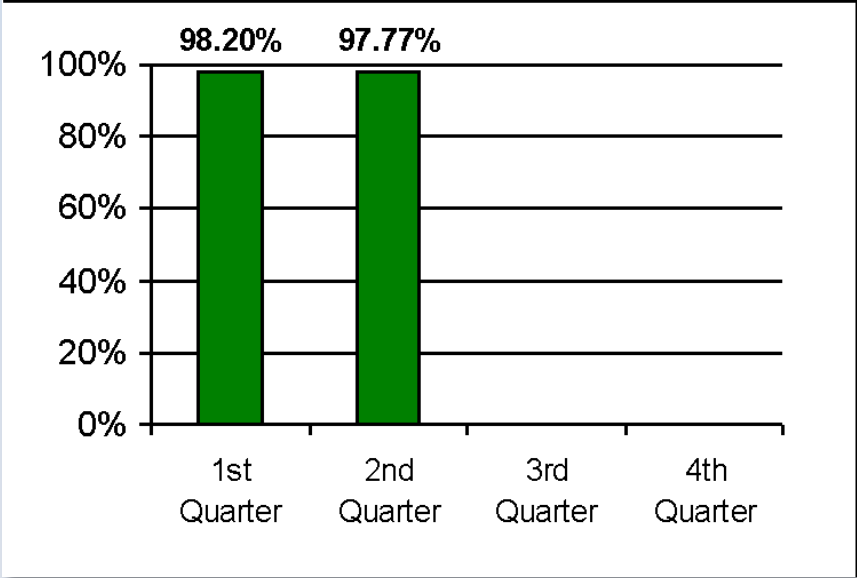
TIBs Initial Payment Reporting Performance CY2017



Jan'17	Feb'17	Mar'17
93.48%	94.78%	93.64%

Medical Bill Processing and Reporting Performance FY2017

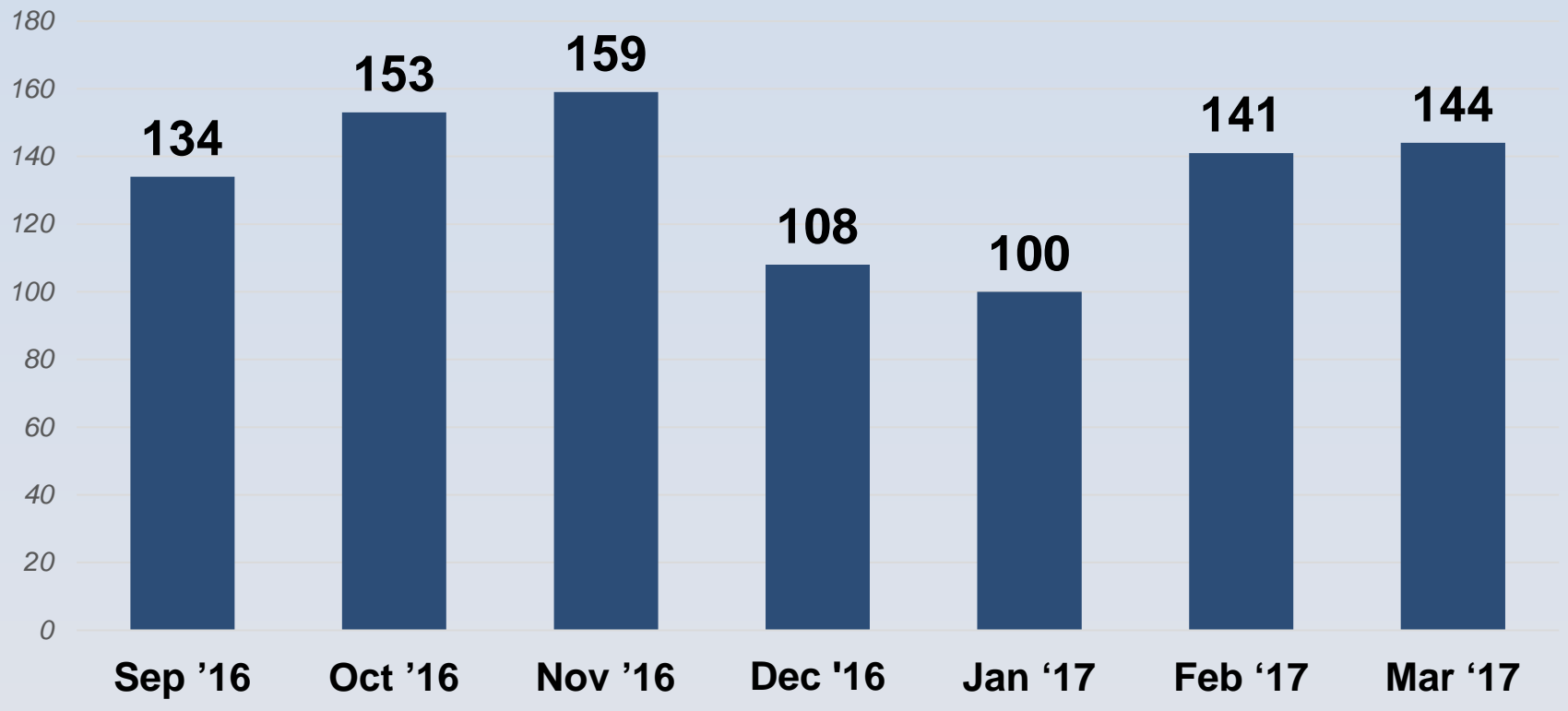
Timely Processing of Medical Bills in FY 2017 **Timely EDI Reporting of Medical Billing Data in FY 2017**



Category	1 st Quarter	2 nd Quarter
Processing Medical Bills	98.08%	98.32%
Reporting of Medical Billing Data	91.07%	84.64%

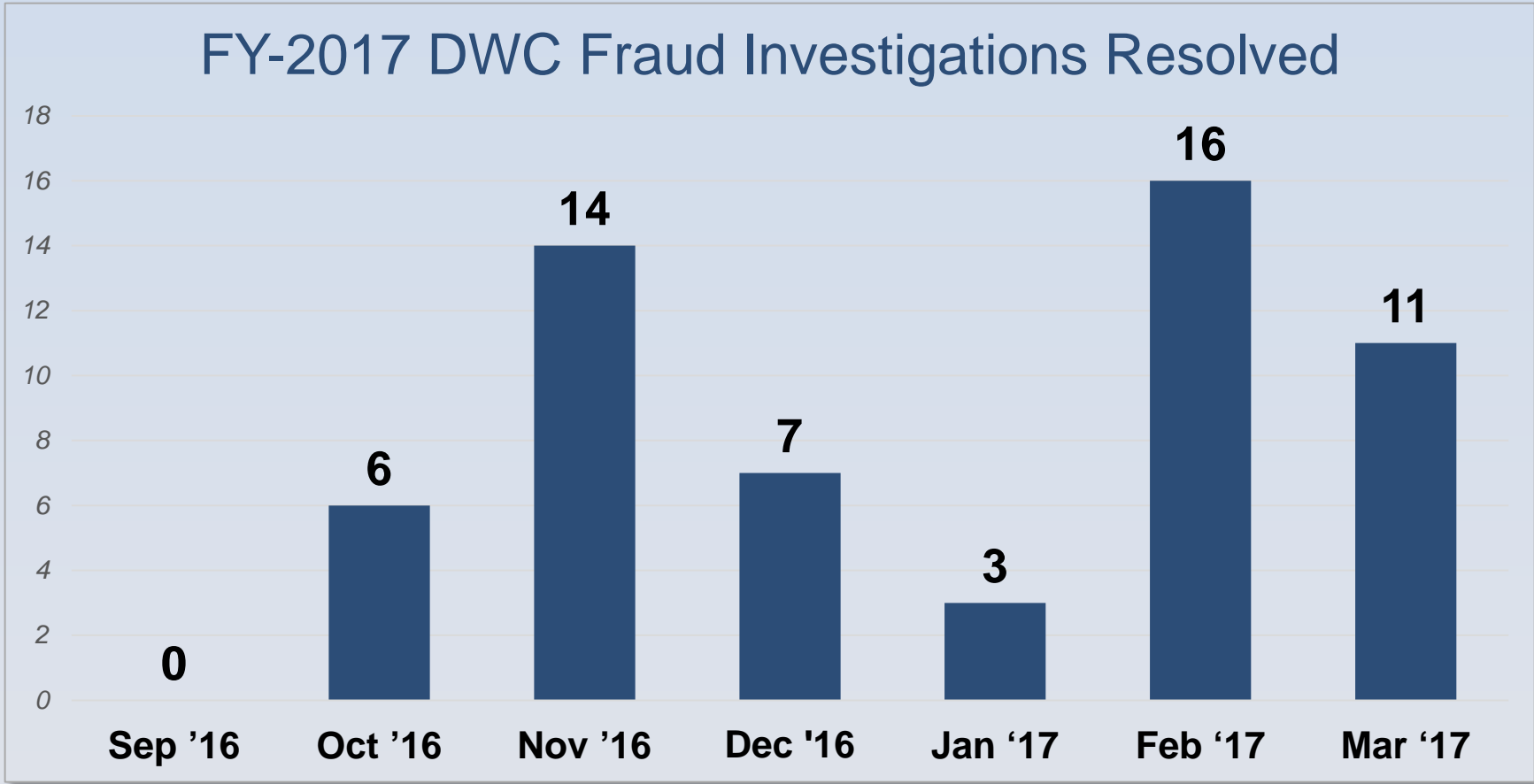
DWC Fraud – Received FY2017

FY-2017 DWC Fraud Reports Received



FY-2017	Sep'16	Oct' 16	Nov '16	Dec '16	Jan '17	Feb '17	Mar '17
Fraud Reports Received	134	153	159	108	100	141	144

DWC Fraud - Resolved FY2017



FY-2017	Sep'16	Oct' 16	Nov '16	Dec '16	Jan '17	Feb '17	Mar '17
Fraud Investigations Resolved	0	6	14	7	3	16	11

DIVISION OF WORKERS' COMPENSATION (DWC)

ENFORCEMENT UPDATE

Marisa Lopez Wagley, Deputy Commissioner,
DWC Enforcement

Toya Lutz, Director
DWC Enforcement

Enforcement Key Initiatives

Ways the DWC Enforcement section pursues strategies to improve efficiencies in market compliance and case processing:

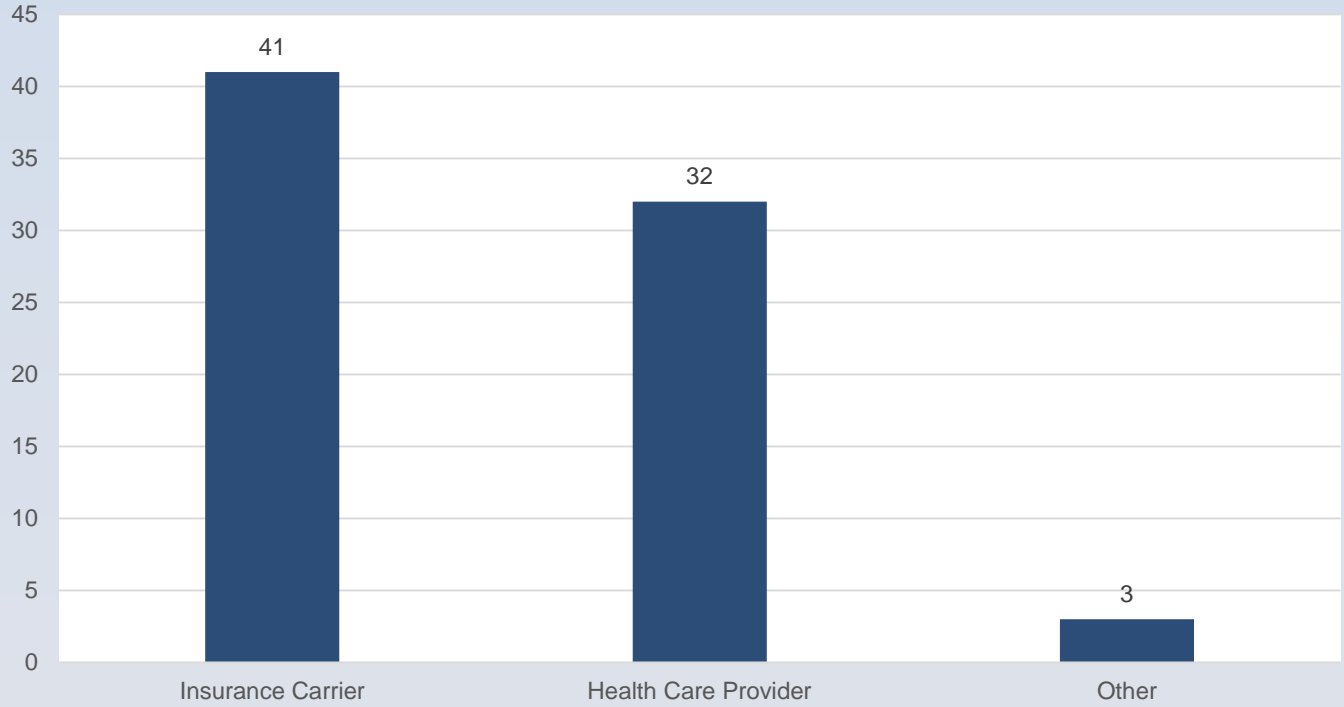
- Use clear, express statutory authority for all enforcement cases
- Inform workers' compensation stakeholders about compliance goals
- Partner with Division of Workers' Compensation program areas to foster compliance
- Assist the Office of the Medical Advisor
- Provide swift, appropriate actions for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

Enforcement Case Status through 1st Quarter, CY 2017



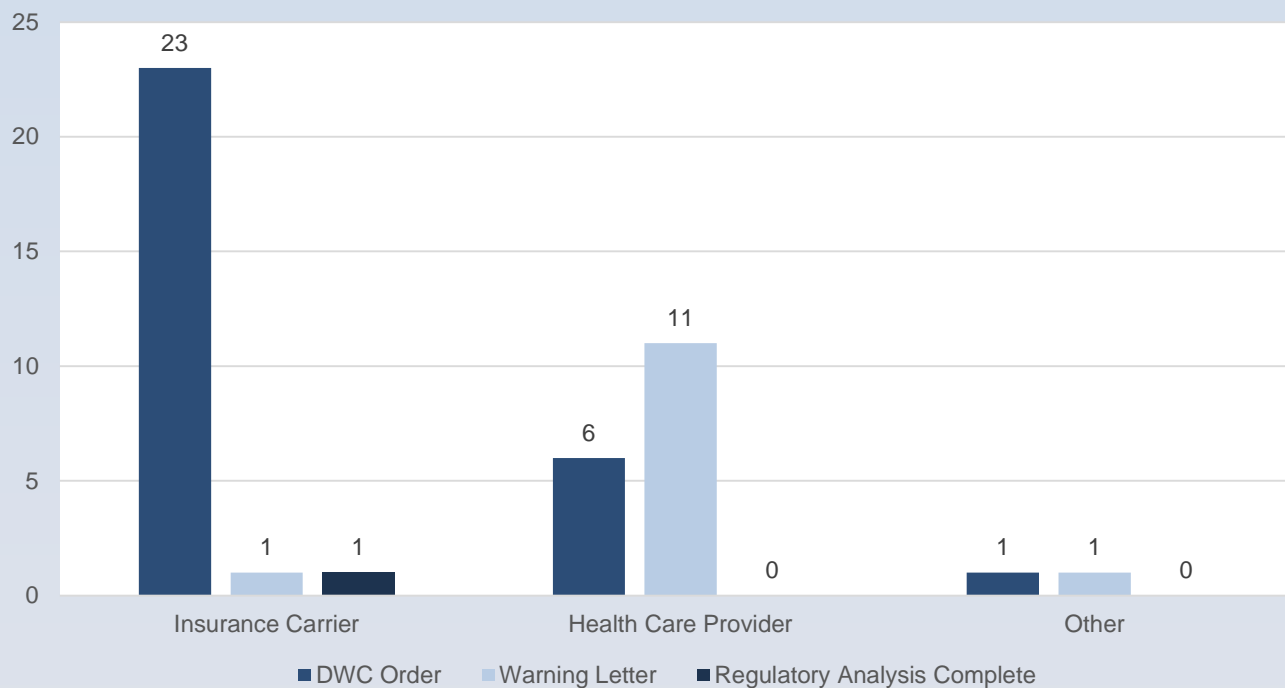
2017	Pending Cases	Closed Cases
Cases	76	44

Cases Pending by Subject Type as of March 31, 2017



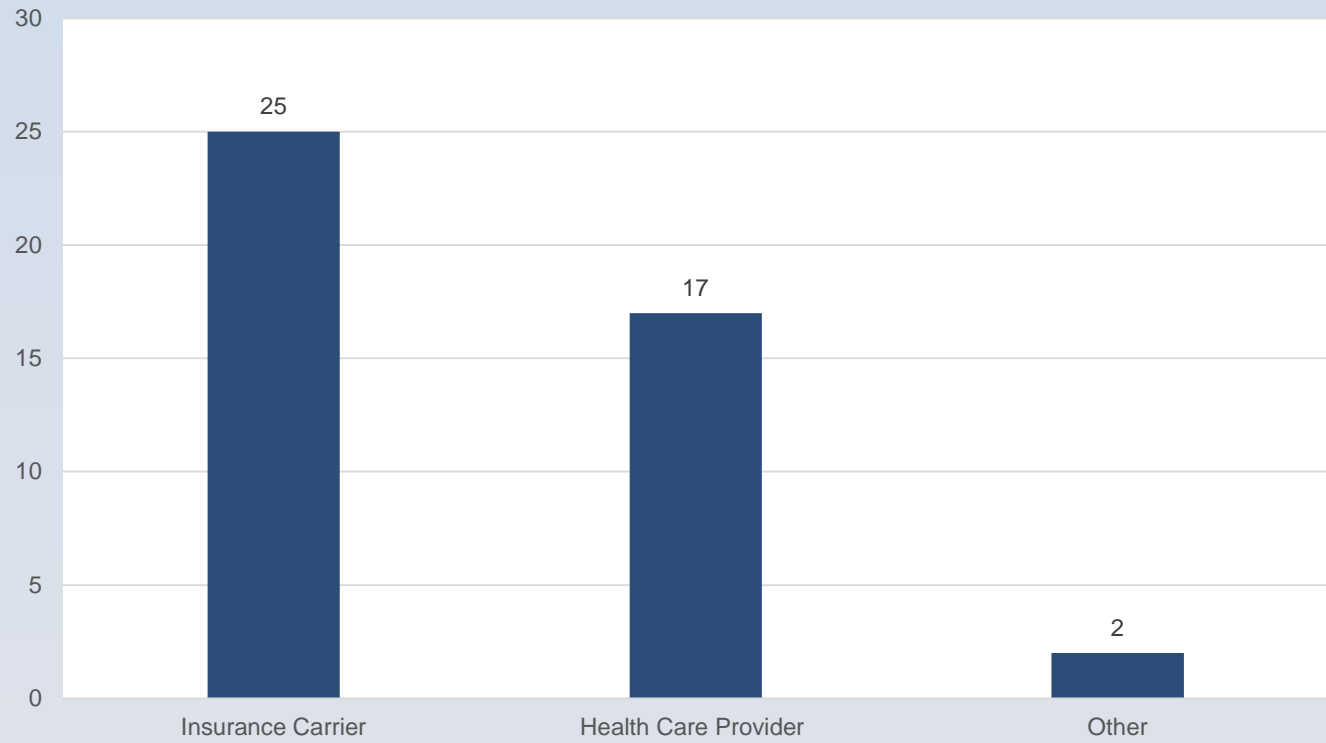
2017	Insurance Carrier	Health Care Provider	Other
Cases	41	32	3

Cases Closed by Disposition Type through 1st Quarter, CY 2017



2017	Insurance Carrier	Health Care Provider	Other
DWC Order	23	6	1
Warning Letter	1	11	1
Regulatory Analysis Completed	1	0	0

Cases Closed by Subject Type through 1st Quarter, CY 2017



2017	Insurance Carrier	Health Care Provider	Other
Cases	25	17	2

OFFICE OF THE MEDICAL ADVISOR UPDATE

Mary Landrum, Director
Health Care Business Management

Quality of Care Complaints

- Calendar Year 2017
 - 45 complaints forwarded to OMA
(includes external complaints & internal referrals)
 - 52 complaints investigated by OMA
 - 65% closed with no action
 - 21% issued letters of education
 - 6% initiated an medical quality review
 - 8% referred to enforcement

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 04/01/17

Medical Quality Reviews

- **Calendar Year 2017**
 - 24 reviews initiated
 - includes complaint, audit, or monitoring based reviews
 - assigned to MQRP members for review
 - 11 reviews concluded
 - 82% referred to Enforcement
 - 18% 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 04/03/17

OMA Enforcement Cases

- Calendar Year 2017
 - 37 OMA referrals received in Enforcement
 - 9 OMA cases concluded by Enforcement
 - 3 consent orders/final orders
 - 6 warning letters
 - 0 no further action
 - 26 OMA cases pending in Enforcement
 - 6 OMA cases pending at SOAH

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 04/03/17

MEDICAL FEE DISPUTE RESOLUTION UPDATE

Martha Luevano, Manager
Greg Arendt, Team Lead
Medical Fee Dispute Resolution

Goals

- 2017 Goals

- Reduce the number of active disputes to under 500 by September 1st 2017
 - MFDR is currently at 538 active disputes (this number does not include abated air ambulance disputes)
- Adjudicate 95% of disputes within 90 days from docket
 - For disputes received in January 2017, 94% were closed by April 1st

Active Categories Today

April 21, 2017

538 Active Disputes
788 Abated Disputes

Est. 4,000 Projected
Dockets for 2017

Active Categories Today

Dispute Type	Total
Air Ambulance Disputes	788
Division Specific Services	132
Pharmacy	132
Professional	90
Experimental & Investigational	26
Rest	158

Incoming 2017

Dispute Type	%
Division Specific Services	31%
Professional	21%
Pharmacy	8%
Air Ambulance	7%
Outpatient Hospital	5%
Rest	28%

Carrier Responses

- 28 TAC §133.307(d)(2) in part requires the carrier to:
 - respond timely
 - provide initial and appeal EOBs not already provided
 - provide PLN if the EOB denial is compensability, extent or liability
 - provide documentation that supports that an adverse determination was made in accordance with §19.2005, if EOB denial relates to medical necessity

MFDR Contact Information

- Director, Martha Luévano
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 Fax 512-804-4811

WORKPLACE SAFETY UPDATE

Karen Puckett, Director
Workplace Safety

Accident Prevention Services

28 TAC Chapter 166

Karen Puckett

Director, Workplace Safety

Texas Department of Insurance,

Division of Workers' Compensation



Common Issues Found During APS Inspections

- Procedures [28 TAC §166.2(a)(9)]
- Documentation [28 TAC §§166.2(a)(10), 166.5(b)(3)(K)(xv)]
- Notice to policyholders [28 TAC §166.2(b)(1)]
- Service provision in accordance with DWC Form-109 (annual report) [28 TAC §166.2(b)(4)]

21st Annual Workplace Safety and Health Conference

tdi | **Safety @ Work**
Division of Workers' Compensation

May 9-11
Austin, TX

TEXAS
SAFETY SUMMIT
★★ 2017 ★★

Check out last year's Safety Summit!

Texas Safety Summit

Karen.Puckett@tdi.texas.gov

512-804-5020

www.txafetyatwork.com

HEARINGS UPDATE

Kerry Sullivan, Deputy Commissioner
Hearings

DESIGNATED DOCTOR UPDATE

Joe McElrath, Deputy Commissioner
Business Process



Texas Department of Insurance Division of Workers' Compensation

Designated Doctor Program



What does a Designated Doctor do?

A designated doctor is a doctor certified and trained by DWC to answer questions about work-related injuries or occupational illnesses

Designated doctors may not provide medical treatment, determine the appropriateness of medical care or determine whether a specific injury is covered



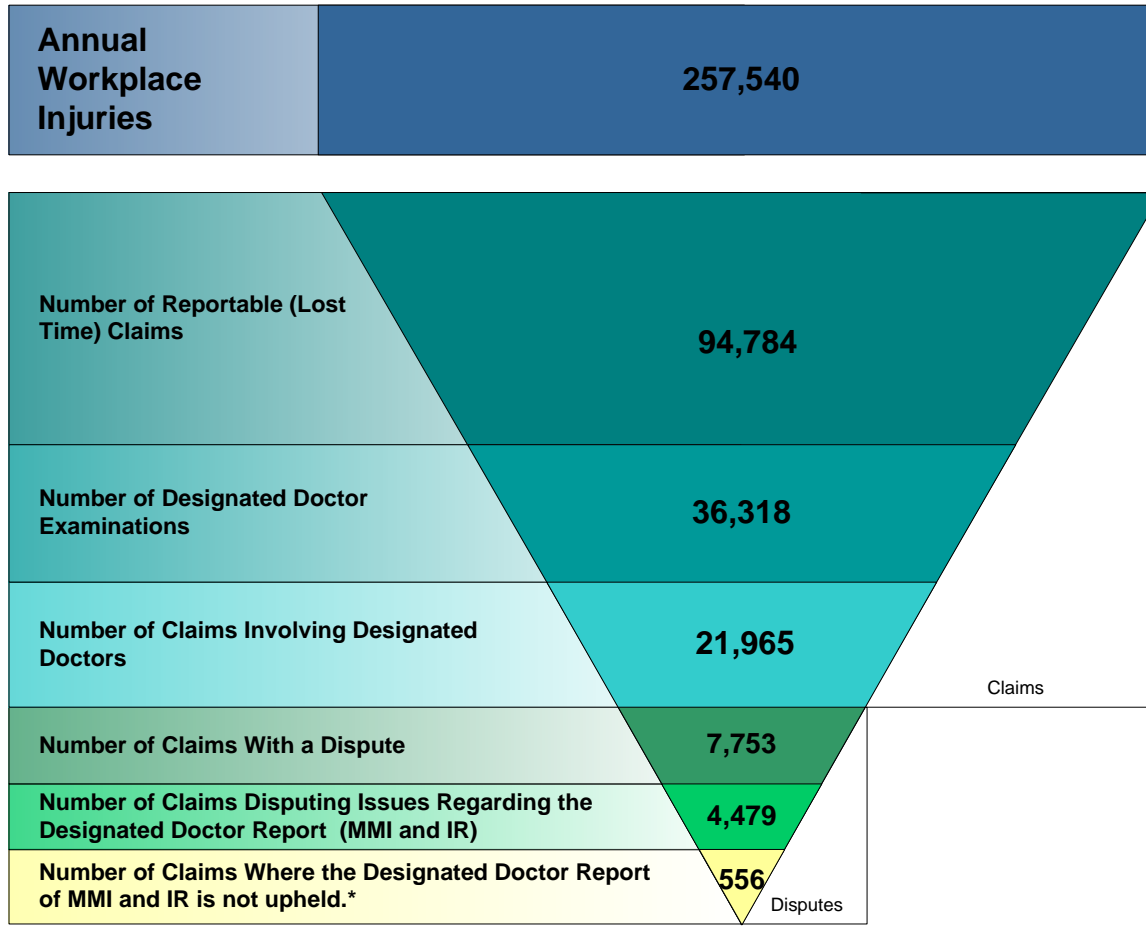
Questions for Designated Doctors

Designated doctors resolve questions about:

- maximum medical improvement (MMI);
- impairment rating (IR);
- extent of the injury;
- whether disability is a direct result of the injury;
- ability to return to work; and
- other similar issues



Designated Doctor Exams in Context



Numbers averaged over 5 years, FY2011 through FY2015



Education

Updated testing and training for designated doctors based on Sunset recommendations and HB 2605 (82nd Legislature)

- required certification training every two years, optional series of workshops
- mandatory testing developed in conjunction with professional test development vendor; offered statewide at proctored testing centers.



Monitoring

DWC provides feedback to Designated Doctors on cases where their opinions are not adoptable as determined via a contested case hearing.

DWC assesses health care providers and designated doctors every two years through its Performance Based Oversight program.

The Medical Advisor investigates complaints regarding the quality of designated doctor reports.



Evaluating

Designated Doctor certification requirements

- maintain an active Texas medical license
- maintain an active practice for at least 3 years after licensure
- own or subscribe to the currently adopted editions of all medical guidelines adopted by DWC
- complete all required training and passed all required testing
- submit a complete application to DWC



Qualifications

Doctors of medicine and doctors of osteopathic medicine can evaluate all body parts.

- certain complex diagnoses, such as traumatic brain injuries, spinal cord injuries, must be evaluated by an MD or DO with certain board certifications

Chiropractors can evaluate injuries to the musculoskeletal aspects of the body, such as hand, arms, legs, and spine.

Doctors of podiatric medicine are qualified to evaluate only feet.

Doctors of optometry are qualified to evaluate only eyes.

Doctors of dental surgery are qualified to evaluate only teeth and jaw.

28 Texas Administrative Code (TAC) §127.130 outlines qualification standards for designated doctors.



Designated Doctor Selection

Select the next available doctor on DWC's list whose qualifications are appropriate to examine the injured body part and the injured employee's diagnosis.

DWC staff:

- evaluate requests and determine the doctor type needed
- select a doctor in the injured employee's county of residence
- if a doctor is not available in that county, select a doctor from a neighboring county

DWC uses information reported by the designated doctor, such as serving in the same network as the injured employee or serving as a prior treating doctor, to help ensure there are no disqualifying associations.



Designated Doctor Selection

Order to all parties with the time and date of the examination.

Once a designated doctor is assigned, another designated doctor can only be assigned by DWC if the first designated doctor:

- is no longer on the designated doctor list;
- relocates their residence or practice;
- is no longer qualified to evaluate the injured employee's body areas and/or diagnoses; or
- continued service on the claim would be impracticable or could impair the quality of examinations performed on the claim.



Designated Doctor Travel

- Up to 50 examination locations
- Decide which counties they are willing to travel to, if any, to conduct examinations
- Are not paid for travel to conduct examinations
- Are required to continue providing designated doctor services for an injured employee, even when they no longer travel to an area unless they are no longer on the designated doctor list



Administrative Services Companies

Private companies may act as the designated doctor's agent for administrative services, including:

- examination location management
- scheduling
- travel coordination
- medical records coordination and summaries
- production of designated doctor reports



Q & A

Teresa Carney

CLOSING

Teresa Carney