

Texas Department of Insurance  
Division of Workers' Compensation



Medical Quality Review  
CY 2015 Annual Audit Plan

December 5, 2014

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

The Texas Department of Insurance, Division of Workers' Compensation (TDI-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 TDI-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 TDI-DWC's Medical Advisor oversees the medical quality review process conducted by the Medical Quality Review Panel (MQRP).

The MQRP aides the TDI-DWC both to monitor compliance with the Texas Workers' Compensation (Act) and TDI-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 the TDI-DWC staff will define the scope, selection criteria, and individual program area responsibilities for a plan-based audit. The TDI-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**

- Appropriateness of doctors' decisions and recordkeeping regarding return to work.
- Appropriateness of doctors' use of and recordkeeping regarding Lumbar Spine Magnetic Resonance Images prior to 21 days from the date of injury.
- Independent Review Organizations (IROs)/independent review doctors – potentially includes the quality of IRO decisions, the appropriateness of medical necessity decisions, and the appropriateness of the professional certification of the IRO reviewer.

In addition to the review categories listed above, members of the MQRP will assist in the review of two measures from the *Performance Based Oversight 2015 Assessment Health Care Providers*. The two measures are documentation supporting why the injured employee is prevented from returning to work as reported on the DWC Form-073, *Work Status Report*; and medical record documentation supporting the ordering of a Lumbar Spine Magnetic Resonance Image prior to 21 days from the date of injury. A copy of the 2015 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 *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

12/4/14  
Date

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



W. Ryan Brannan  
Commissioner of Workers' Compensation

12/4/14  
Date