

No. 2018 5428

OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF WORKERS' COMPENSATION

Date: MAR 14 2018

Subject Considered:

FY 2018 RESEARCH AGENDA FOR THE
WORKERS' COMPENSATION RESEARCH AND EVALUATION GROUP

General remarks and official action taken:

The commissioner of workers' compensation considers the proposed Fiscal Year (FY) 2018 Research Agenda for the Workers' Compensation Research and Evaluation Group (REG or group) at the Texas Department of Insurance, Division of Workers' Compensation (division).

Labor Code §405.0026 requires the commissioner of insurance to adopt an annual research agenda for the Workers' Compensation Research and Evaluation Group at the Texas Department of Insurance (TDI). Labor Code §405.0025 requires the REG to conduct professional studies and research related to the delivery of benefits; litigation and controversy related to workers' compensation; insurance rates and ratemaking procedures; rehabilitation and reemployment of injured employees; the quality and cost of medical benefits; employer participation in the workers' compensation system; employment health and safety issues; and other matters relevant to the cost, quality, and operational effectiveness of the workers' compensation system. Insurance Code §1305.502 requires the REG to develop and issue an annual informational report card that identifies and compares, on an objective basis, the quality, costs, health care provider availability, and other analogous factors of the workers' compensation system of this state with each other and with medical care provided outside of networks.

Labor Code §405.0026 requires the group to prepare and publish annually in the *Texas Register* a proposed workers' compensation research agenda for the commissioner's review and approval.

On January 9, 2017, the commissioner of insurance delegated the functions of the REG to the commissioner of workers' compensation.

In January 2018, the REG posted on the TDI website an informal request for stakeholders and the public to provide input on a suggested FY 2018 research agenda. The REG also requested input from legislative offices. TDI received no responses.

The division published the proposed research agenda in the January 19, 2018 issue of the *Texas Register* (43 TexReg 370) for public review and comment. The division received no requests for hearing. The division received no comments.


The commissioner of workers' compensation adopts the following FY 2018 Research Agenda for the Workers' Compensation Research and Evaluation Group.

1. Completion and publication of the twelfth edition of the Workers' Compensation Health Care Network Report Card (required under Insurance Code §1305.502(a)-(d) and Labor Code §405.0025(b)).
2. An update of the 2016 "Setting the Standard," biennial report on the impact of the HB 7 (2005) legislative reforms of the Texas workers' compensation system. This report presents results on the affordability and availability of workers' compensation insurance for Texas employers; and the impact of certified workers' compensation health care networks on return-to-work outcomes, medical costs, quality of care issues, and medical dispute resolution (required by Insurance Code §2053.012 and Labor Code §405.0025(a)-(c)). The report is due on December 1, 2018.
3. An update of the 2016 biennial study to estimate employer participation in the Texas workers' compensation system (required by Insurance Code §2053.012(a) and Labor Code §405.0025(a)(6)). The report is due on December 1, 2018.
4. An update of return-to-work outcomes for injured workers, including an examination of the impact of pharmaceutical utilization on return-to-work rates (required under Labor Code §405.0025(a)(4)).
5. An update of medical costs and utilization in the Texas workers' compensation system, to meet the requirements for the "Setting the Standard" biennial report.
6. A study of the patterns of re-injuries in the Texas workers' compensation system, to include an analysis of re-injury rates by injury types and industry sectors, as well as an

analysis of pharmaceutical patterns (N-drugs, Opioids, pre and post formulary), medical costs, and medical utilization for employees with multiple injury dates as compared to employees with one injury.

7. A study of the outcomes impact of DWC's implementation of the Texas workers' compensation pharmacy closed formulary, to include functional outcomes, return to work rates, injured employee satisfaction, re-injury rates, and disputes.

The commissioner of workers' compensation approves and adopts the FY 2018 Research Agenda for the Workers' Compensation Research and Evaluation Group, as specified above, effective immediately.



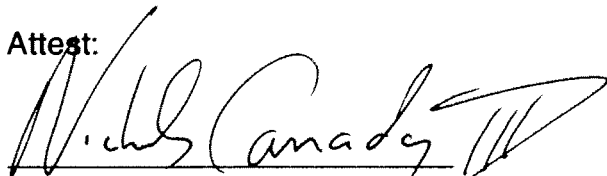
W. RYAN BRANNAN *wrb*
COMMISSIONER OF WORKERS' COMPENSATION

Recommended by:



D.C. Campbell
Director of the Workers' Compensation Research and Evaluation Group
Texas Department of Insurance, Division of Workers' Compensation

Attest:



Nicholas Canaday III
General Counsel
Texas Department of Insurance, Division of Workers' Compensation

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