

Insurance Carrier Quarterly Meeting

May 12, 2022

1:30 p.m. to 3 p.m.

Agenda Items

- Welcome
- Office of the Medical Advisor Update
- Compliance and Investigations Update
- Legislative Update
- Designated Doctor and Business Process Update
- EDI
- Research and Evaluation Group Reports
- Q&A
- Closing

Welcome

Dan Paschal, Deputy Commissioner
Policy and Customer Services

Office of the Medical Advisor Update

Mary Landrum, Director
Health Care Business Management

Quality of Care Complaints

- Calendar Year 2022
 - 49 complaints forwarded to OMA
(includes external complaints and internal referrals)
 - 81 complaints investigated by OMA
 - 35% closed with no action
 - 12% issued letters of education
 - 25% initiated a medical quality review
 - 28% referred to enforcement

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 5/9/22

Medical Quality Reviews

- Calendar Year 2022
 - 6 reviews initiated
 - includes complaint, audit, or monitoring-based reviews
 - assigned to MQRP members for review
 - 5 reviews concluded
 - 20% referred to Enforcement
 - 80% 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 5/10/22

OMA Enforcement Cases

Calendar Year 2022

- 6 OMA referrals received in Enforcement
- 1 OMA cases concluded by Enforcement
 - 1 consent orders/final orders
 - 0 warning letters
 - 0 other action
- 32 OMA cases pending in Enforcement
- 1 OMA cases pending at SOAH

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 5/9/22

Questions?

Compliance and Investigations Update

Nikki Karr, Director
Enforcement
for

Debra Knight, Deputy Commissioner
Compliance and Investigations

CY2022 Complaints

CY2022 - Complaints

560 Complaints Received

6	Attendance
193	Communications
0	Fraud
196	Indemnity Benefit Delivery
113	Medical Benefit Delivery
32	Other
20	Quality of Care

606 Complaints Closed

197	Confirmed
176	DWC Education Complaint
233	Not Confirmed

Based on complaint data as of 4/20/2022

CY2022 – Complaints By Respondent Type

Type of Complaint	Injured Employee	Insurance Carrier	Health Care Provider	Employer	Attorney	Other
Attendance	3	0	1	0	2	0
Communications	0	126	45	20	2	0
Indemnity Benefits	0	190	5	1	0	0
Medical Benefits	0	86	25	0	0	2
Quality of Care	N/A	N/A	20	N/A	N/A	N/A
Other	2	11	2	17	0	0

Based on complaint data as of 4/20/2022

FY2022 Compliance Audits

FY2022 - Compliance Audits

Death Benefits/Lifetime Income Benefits

- 25 initiated
 - 1 canceled
 - 22 completed
 - 2 in progress

Initial Payment of TIBs

- 11 initiated (round 1)
 - 7 completed
 - 4 in progress
- 7 in progress (round 2)

Medical Bill Processing

- 9 in progress (round 1)
- 6 in progress (round 2)

Based on audit data as of 4/29/2022

2022 Performance Based Oversight

Performance Based Oversight

2022 Insurance Carrier Assessment

- Assessed:
 - Timeliness of initial payment of temporary income benefits (IP) and of submission of IP EDI
 - Timeliness of medical bill (MB) processing and MB EDI submission
 - Timeliness of MB reconsideration and EDI submission
- Assessment period- January-June 2022
- Preliminary findings will be distributed August 2022
- Management responses will be due 30 days after preliminary findings
- Email: PBO@tdi.texas.gov

DWC Fraud & Prosecution Units

CY2022 – DWC Fraud Unit

420 fraud referrals received

72 fraud cases open*

45 fraud cases closed

1 fraud referral for prosecution

**Based on data received as of 4/29/2022*

CY2022 – DWC Fraud & Prosecution Units

1 indictment

1 injured employee

*Based on data received as of 4/29/2022

CY2022 – DWC Fraud & Prosecution Units

2 convictions

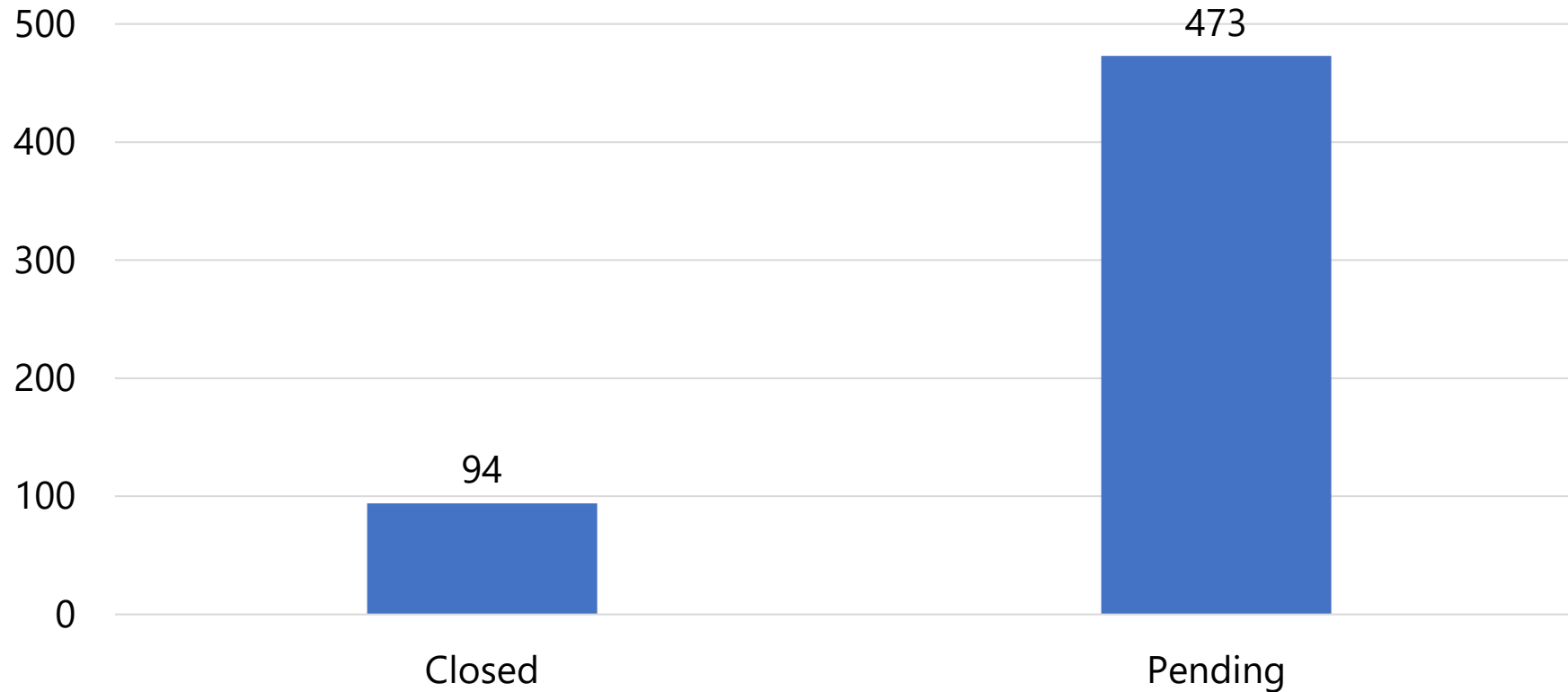
- 1 health care provider
- 1 injured employee

**Based on data received as of 4/29/2022*

Enforcement Update

CY2022 Enforcement Case Status

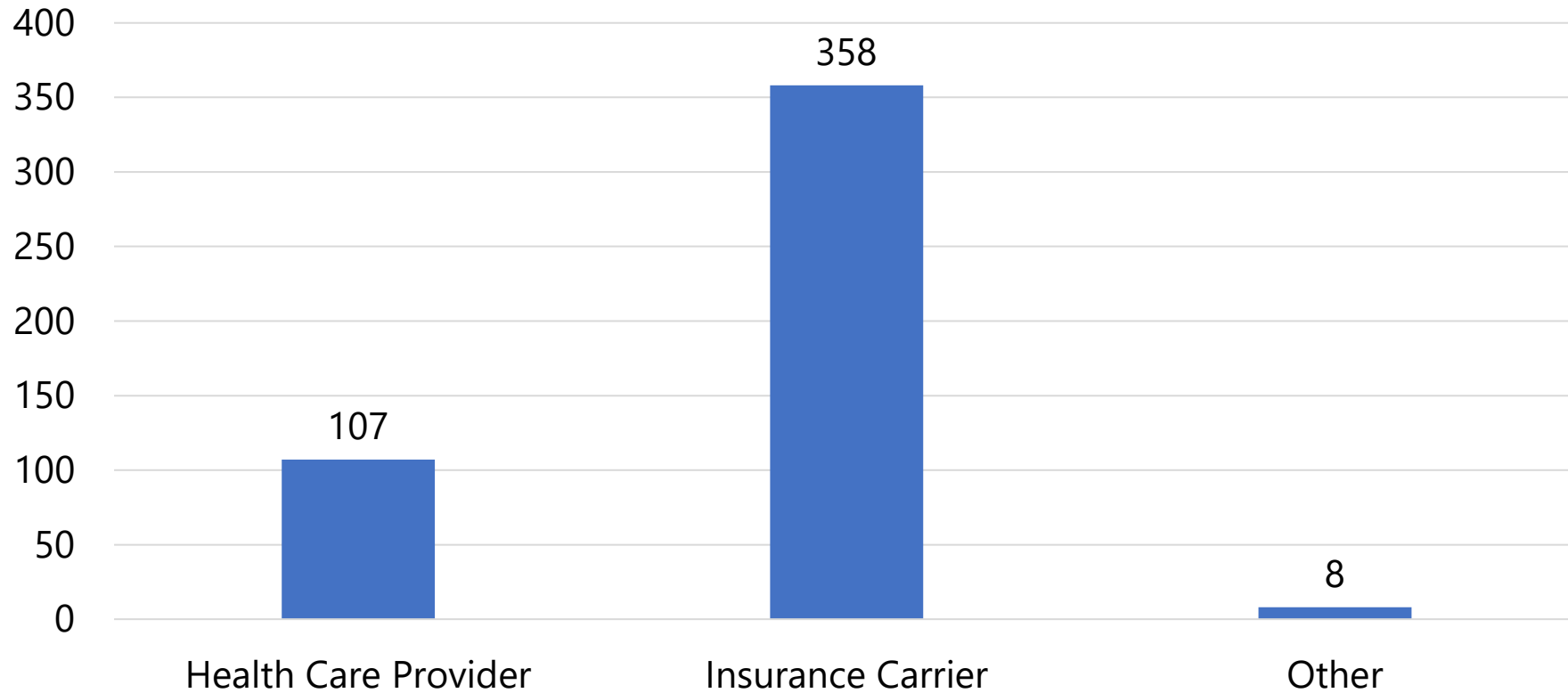
Based on enforcement data as of 04/29/2022



2022	Closed Cases	Pending Cases
Cases	94	473

CY2022 Cases Pending by Subject Type

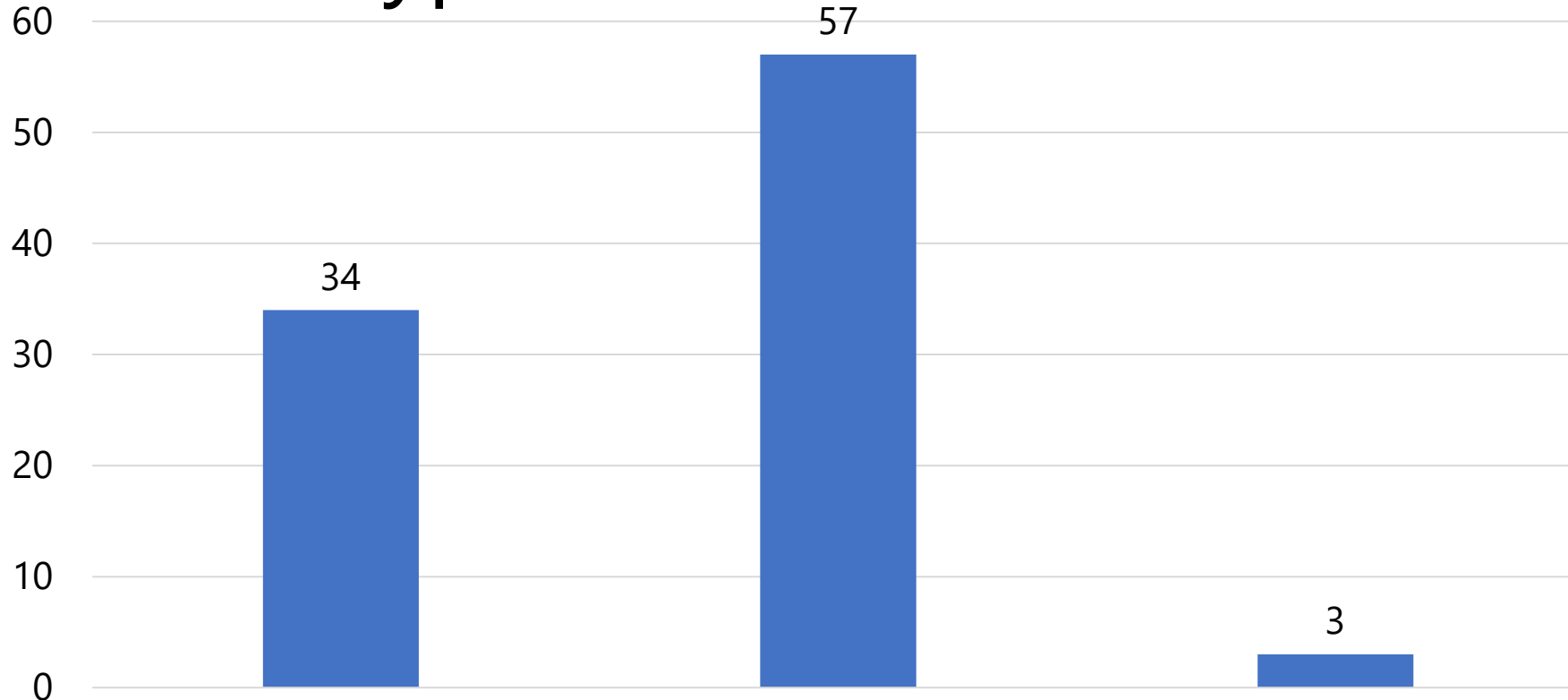
Based on enforcement data as of 04/29/2022



2022	Health Care Provider	Insurance Carrier	Other
Cases	107	358	8

CY2022 Cases Closed by Subject Type

Based on enforcement data as of 04/29/2022

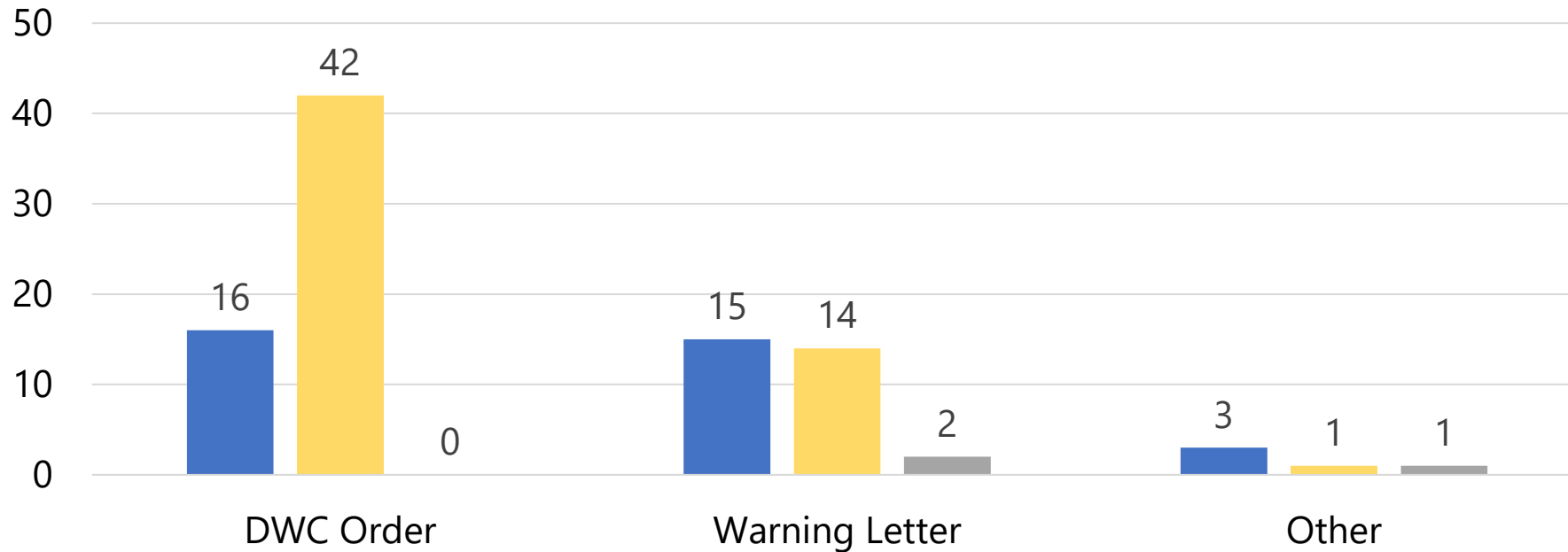


	Health Care Provider	Insurance Carrier	Other
2022			
Cases	34	57	3

CY2022 Cases Closed by Disposition Type

Based on enforcement data as of 04/29/2022

■ Health Care Provider ■ Insurance Carrier ■ Other



2022	Health Care Provider	Insurance Carrier	Other
DWC Order	16	42	0
Warning Letter	15	14	2
Other	3	1	1

DWC Enforcement Disciplinary Orders Link

- www.tdi.texas.gov/wc/orders/index.html

Questions?

Legislative Update

Jeff Nelson
Director of External Relations

House Business and Industry Interim Charges

- Monitor the implementation of Senate Bill 22 relating to certain claims for benefits, compensation, or assistance by certain public safety employees and survivors of certain public safety employees.
- First Responder Study: Study workers' compensation claims involving public safety employees described by SB 22. This study should include an analysis of medical costs, return-to-work outcomes, utilization of care, satisfaction with care, and health-related functional outcomes.

House Insurance Committee

- Review existing state laws, administrative regulations, and agency practices to identify barriers to competition in the insurance marketplace. Examine existing business practices in the industry to determine if additional laws or regulations are needed to promote competition, lower premiums, and protect consumers.
- Monitor implementation of HB 3459, relating to preauthorization requirements for certain health care services and utilization review for certain health benefit plans.

Senate Committee Charges

Business and Commerce Committee

- **State Workforce:** Study where state employees are located and the benefits and drawbacks of remote working. Evaluate the impact of the potential growth of remote work and proximity of employees to their place of employment on traffic studies over the next 10 years. Study and make recommendations for establishing uniform statewide standards for remote work. Study possible implications and standards for statewide recruitment and employment of remote state employees from all parts of the state.

Looking Ahead

- Senate Bill 22 deadline is June 14
- Committee changes
- Legislative recommendations
- Biennial report

Questions?

Designated Doctor and Business Process Update

Joe McElrath, Deputy Commissioner
Business Process

Updates on Electronic Data Interchange (EDI)

Martha Luévano, Director
Enterprise Automation Services (EAS)

Claims EDI R3.1

- Rule adopted March 9, 2022
- Next meeting with the EDI Technical Group May 25, 2022.
- To-do list for insurance carriers:
 - File EDI 03 Claim Compliance Coordinator to edisupport@tdi.texas.gov
 - Complete Trading Partner registration at txdwcedi.info/
 - Complete Billing Registration
 - Information memo will be published this afternoon
 - Billing questions txdwcbillingquestions@verisk.com

Claim Admin Contact Info

DWC Form-121

- The Austin representative is responsible for providing claim service contacts for each insurance carrier they represent.
- Austin representative should review phone numbers, email addresses, links, and contact names.
- Changes, corrections, and updated contacts should be submitted on a DWC Form-121.
- Questions should be directed to coverage.verification@tdi.texas.gov.

Questions?

Martha Luévano
Director for Enterprise Automation
Services (EAS)
WC coverage | Open Records | eBill | EDI
Reporting | Informal Networks
martha.luevano@tdi.texas.gov
512-804-4858

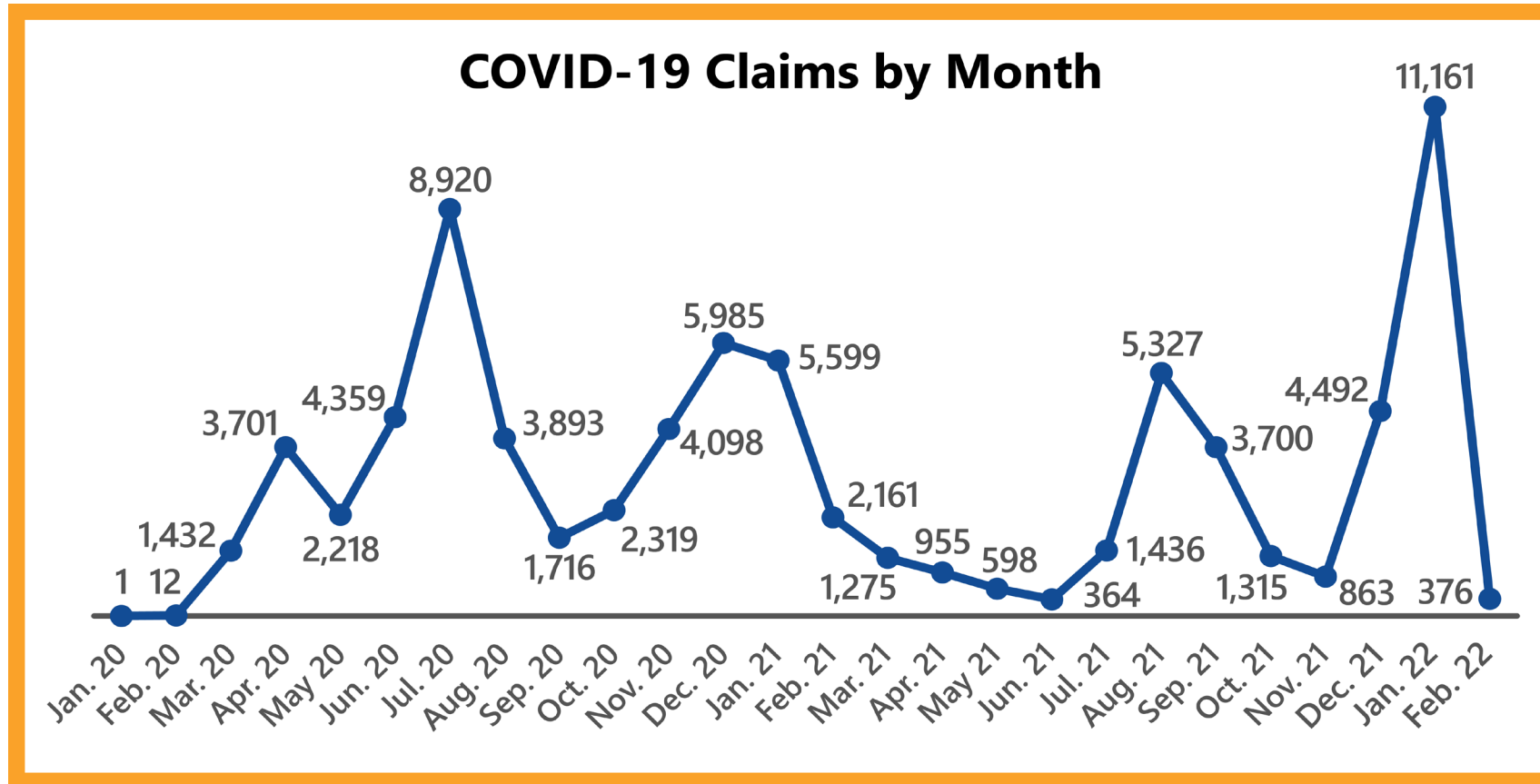
COVID-19 Workers' Compensation Claims in Texas

Workers' Compensation Research
and Evaluation Group

COVID-19 Workers' Compensation Claims in Texas

- Data sources:
 - claim and medical EDI for workers' compensation claims
 - COVID-19 data call
 - COVID-19 case data collected by Texas Department of State Health Services
- Analysis time frame: COVID-19 claims reported to an insurer as of December 31, 2021.
- More than 78,000 claims identified, including 422 fatalities and 166 disputes filed as of February 6, 2022.

Number of COVID-19 Claims by Month Insurance Carrier Received Claim Notice

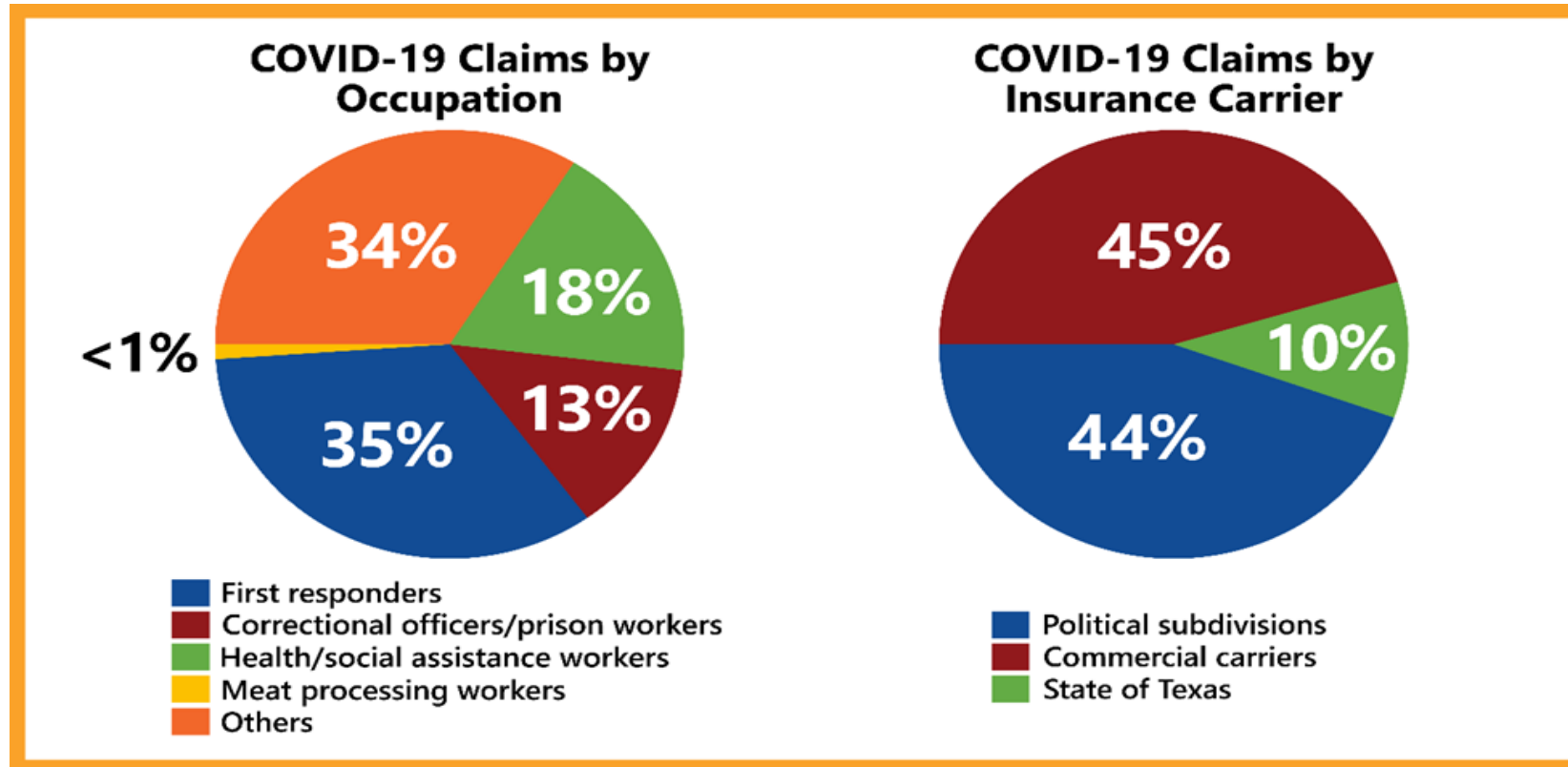


Note: Monthly counts may change over time as insurance carriers file updated claim reports with DWC.

Twenty-three claims did not include information on the date of claims.

Source: DWC administrative data as of February 6, 2022.

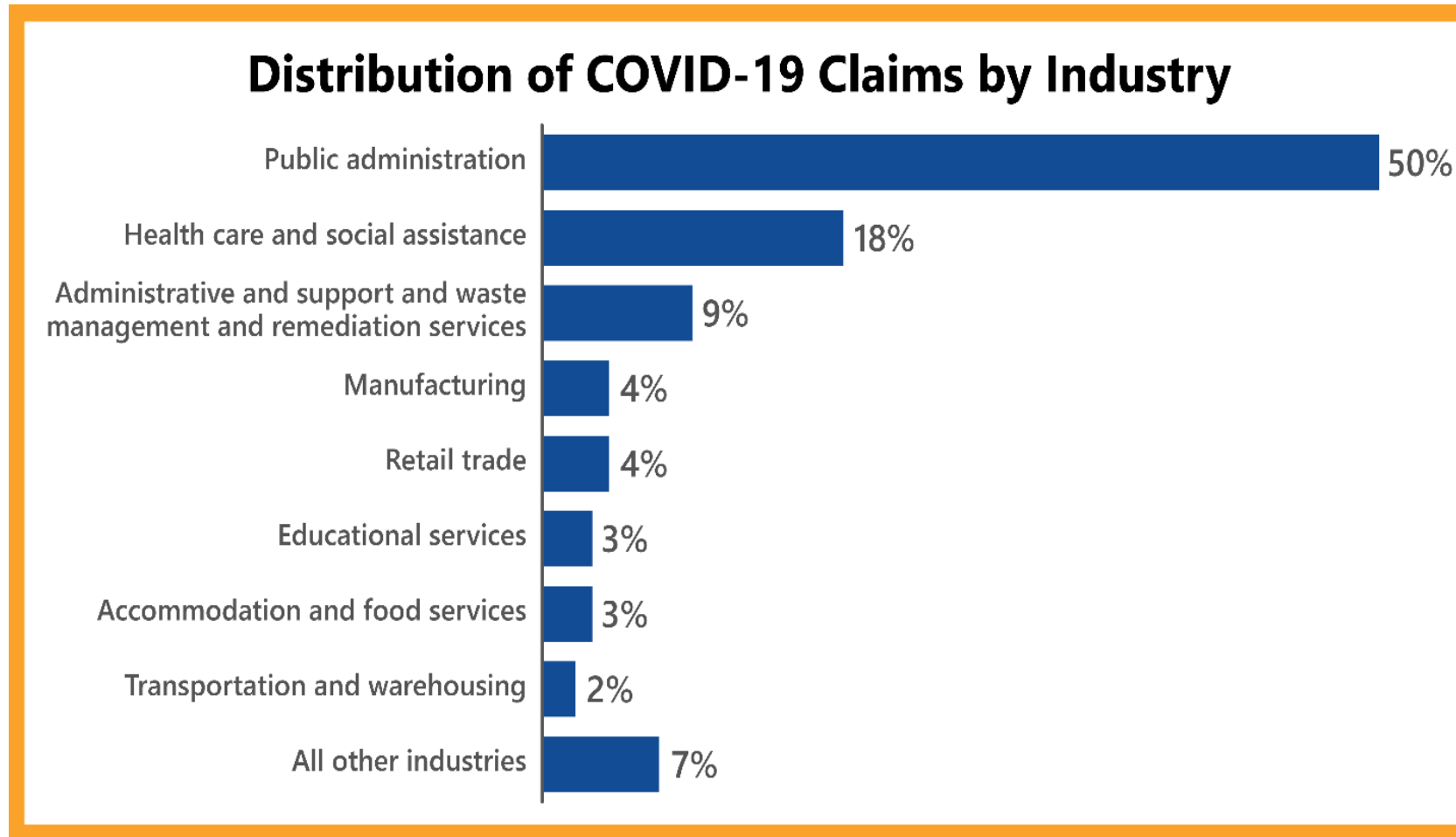
COVID-19 Claims by Occupation and Type of Insurance Carrier



Note: "State of Texas" includes the State Office of Risk Management, the University of Texas System, the Texas A&M University System, and the Texas Department of Transportation. "Commercial carriers" include licensed insurance companies and certified self-insured employers.

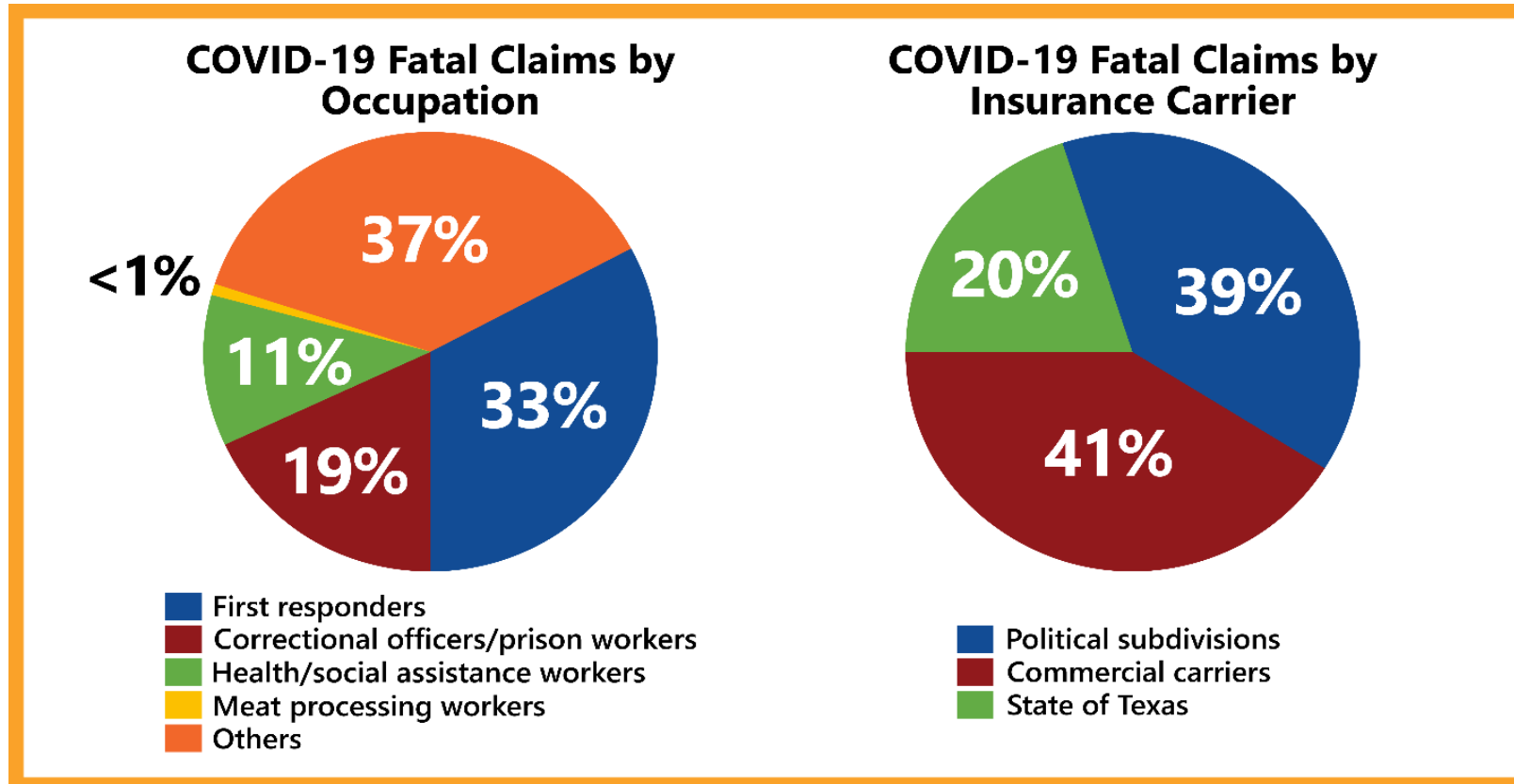
Source: DWC administrative data as of February 6, 2022.

COVID-19 Claims by Types of Industry



Source: DWC administrative data as of February 6, 2022.

Fatal COVID-19 Claims by Occupation and Type of Insurance Carrier



Note: "State of Texas" includes the State Office of Risk Management, the University of Texas System, the Texas A&M University System, and the Texas Department of Transportation. "Commercial carriers" include licensed insurance companies and certified self-insured employers.

Source: DWC administrative data as of February 6, 2022.

COVID-19 Data Call Results, 7th Submission

Insurance Carriers	# of Claims Reported to Insurance Carriers	# of Claims with a Positive Test or Diagnosis (% of exposure)	# of Positive Test Claims Accepted by Insurance Carriers (% of positive test)	# of Positive Test Claims Denied by Insurance Carriers (% of positive test)	# of Positive Test Claims Still Under Investigation (% of positive test)
Commercial carriers	30,034	20,452 (68%)	5,465 (27%)	14,651 (72%)	336 (2%)
Political subdivisions	27,746	17,236 (62%)	14,440 (84%)	2,257 (13%)	539 (3%)
State of Texas	7,958	2,363 (30%)	1,039 (44%)	1,197 (51%)	127 (5%)
All carriers total	65,738	40,051 (61%)	20,944 (52%)	18,105 (45%)	1,002 (3%)

Note: "State of Texas" includes the State Office of Risk Management, the University of Texas System, the Texas A&M University System, and the Texas Department of Transportation. "Commercial carriers" include licensed insurance companies and certified self-insured employers.

Source: Data call submission as of December 31, 2021.

First Responders' COVID-19 Claims Filed After Passage of SB 22, and Their Disposition

Insurance Carriers	# of PLN-15's Filed	# of PLN-15's Accepted	# of PLN-15's Denied
Commercial carriers	2	0	2
Political subdivisions	33	27	3
State of Texas	94	64	28
All carriers total	129	91	33

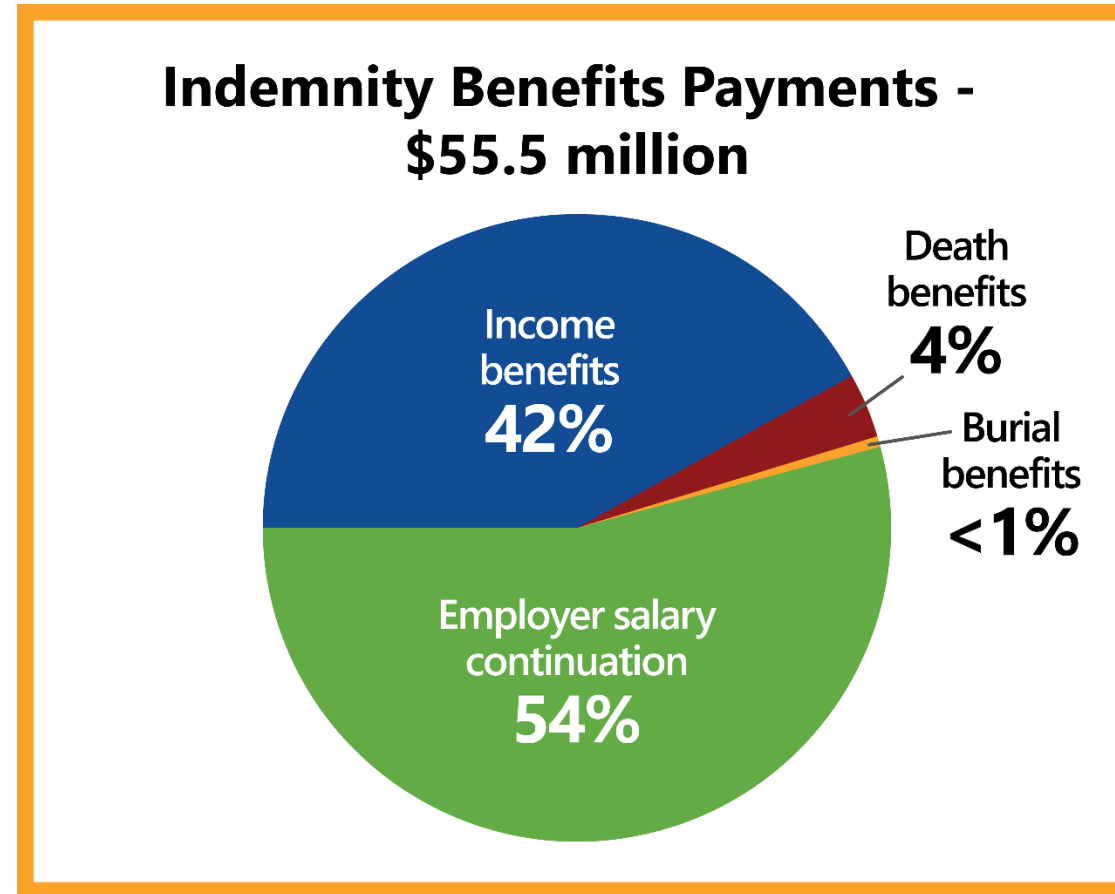
Source: DWC administrative data as of February 6, 2022.

First Responders' COVID-19 Fatal Claims: Initially Denied, Filed After Passage of SB 22, and Their Disposition

Insurance Carriers	# of PLN-15's Filed for Fatal Claims	# of PLN-15's Accepted for Fatal Claims	# of PLN-15's Denied for Fatal Claims
Commercial carriers	2	0	2
Political subdivisions	5	3	1
State of Texas	17	16	1
All carriers total	24	19	4

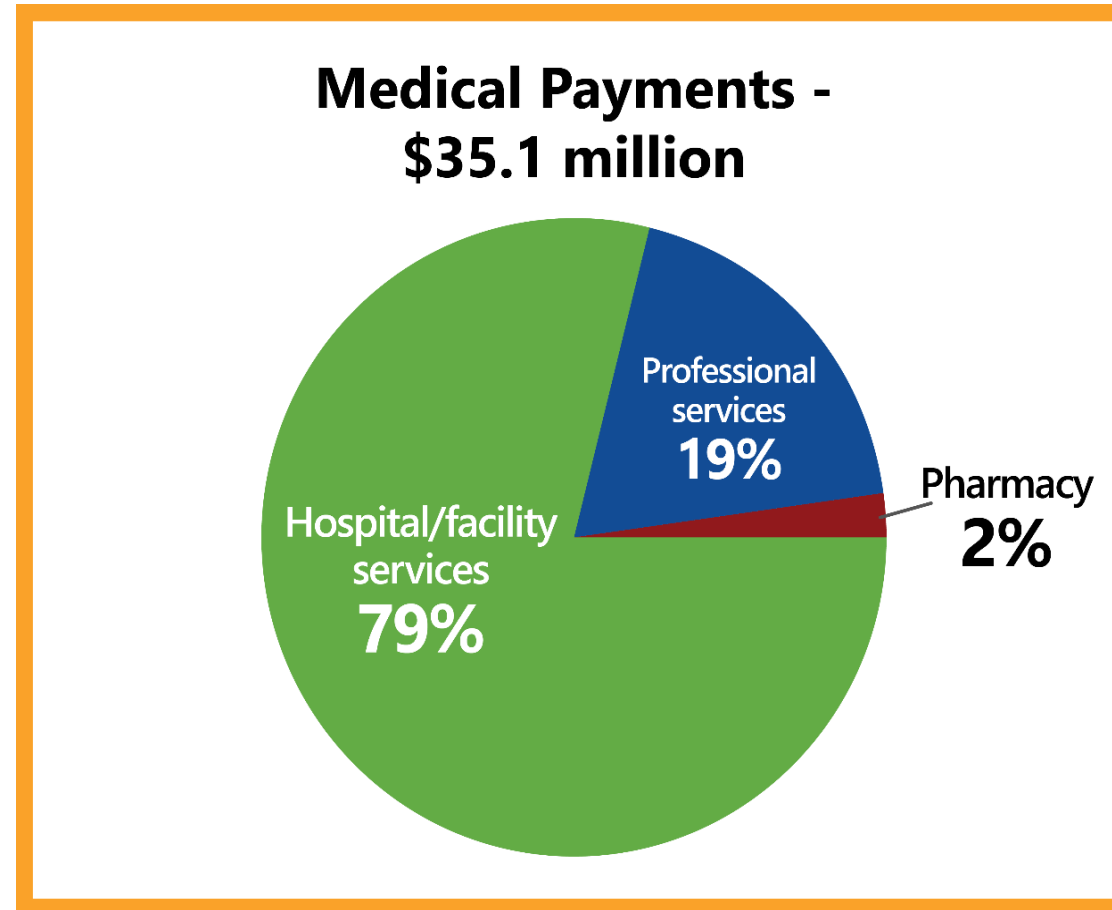
Note: A decision about acceptance or denial is not mentioned for one of the fatal claims.
 Source: DWC administrative data as of February 6, 2022.

COVID-19 Indemnity Benefits Paid



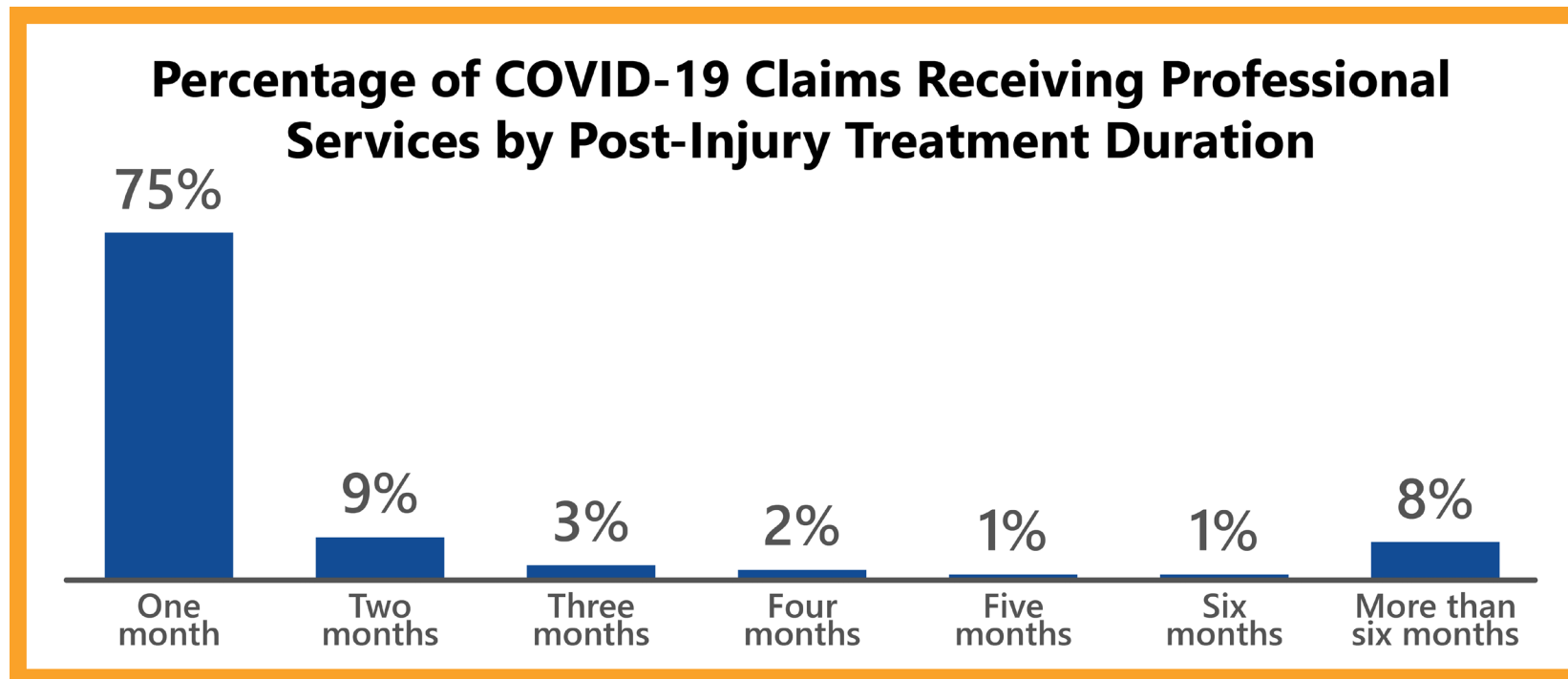
Source: DWC administrative data as of February 11, 2022, for claims reported to insurance carriers as of December 31, 2021.

COVID-19 Medical Benefits Paid

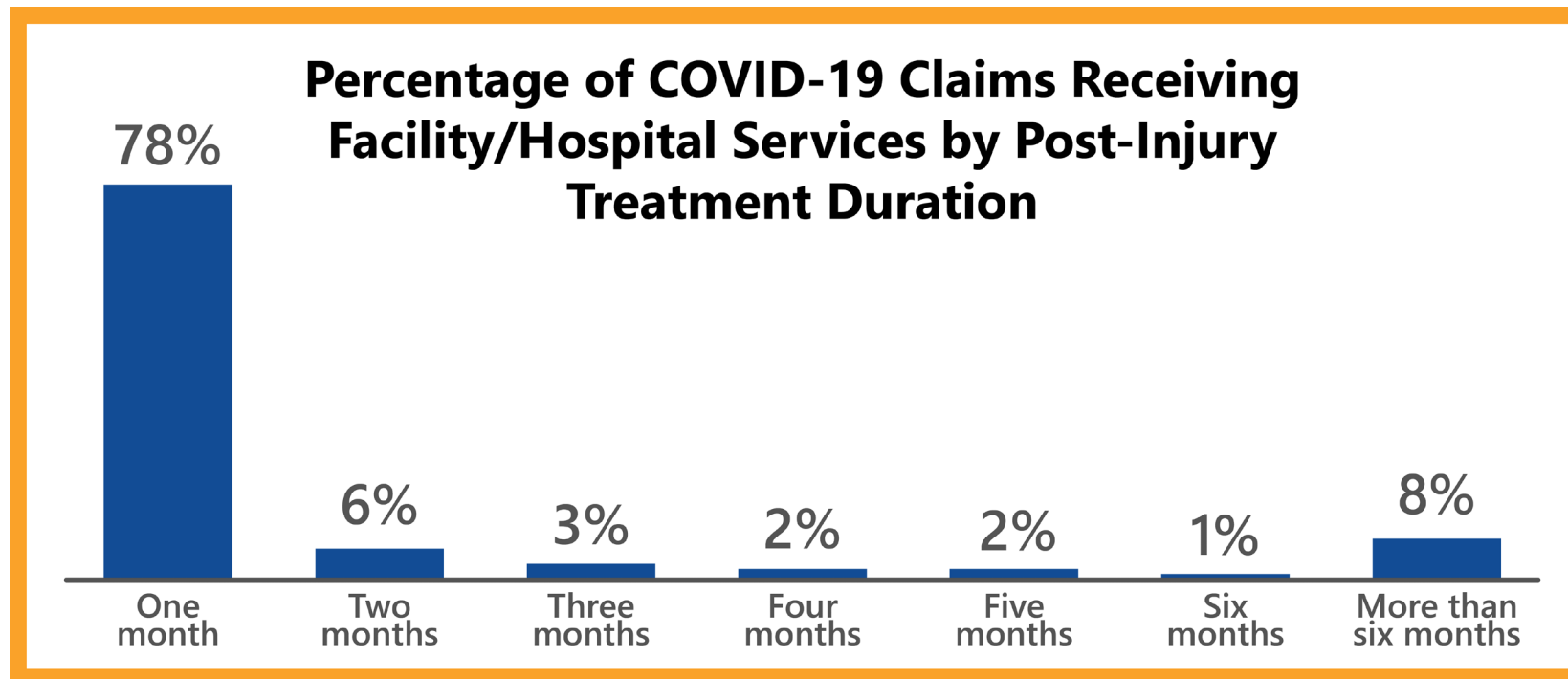


Source: DWC administrative data as of February 11, 2022, for claims reported to insurance carriers as of December 31, 2021.

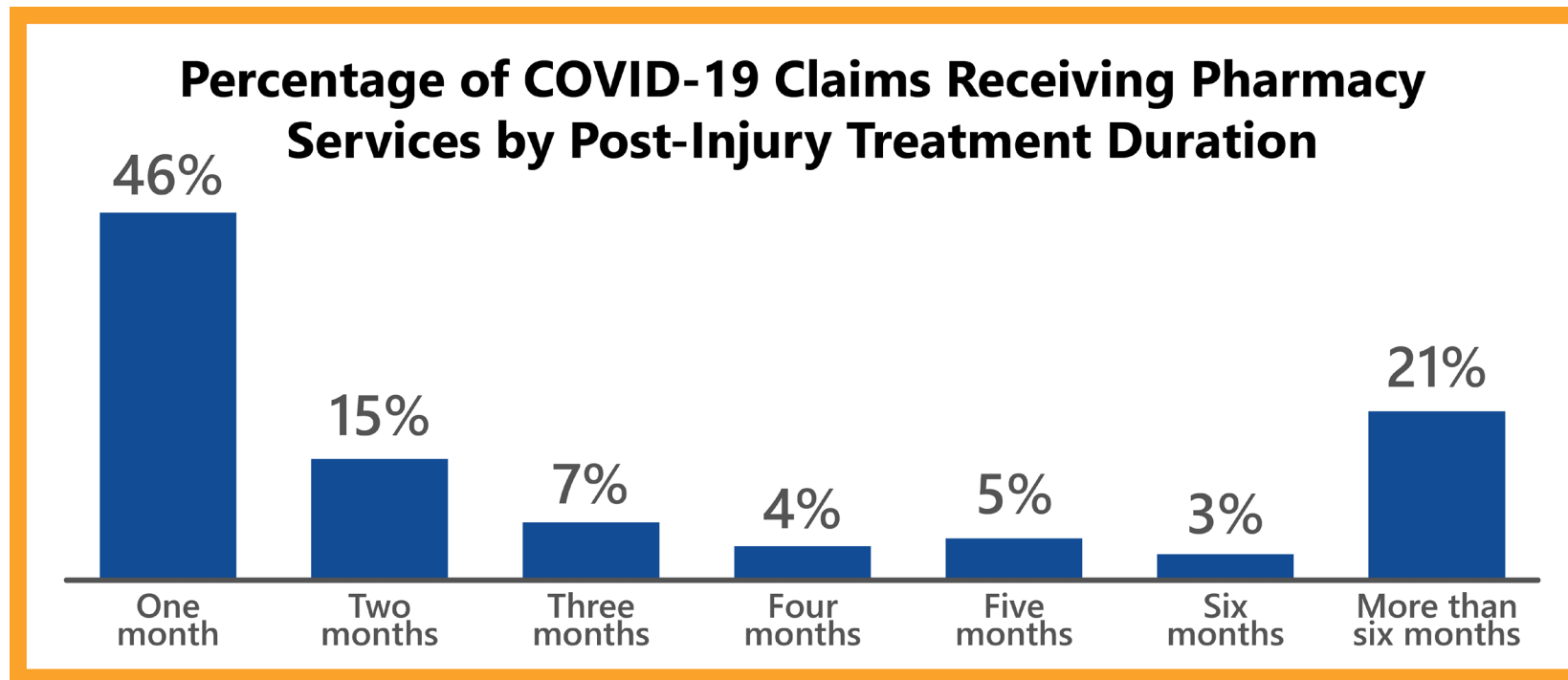
Professional Services by Post-Injury Treatment Duration



Hospital Services by Post-Injury Treatment Duration



Pharmacy Services by Post-Injury Treatment Duration



Workers' Compensation Research and Evaluation Group

Questions? Contact us!

Web: tdi.texas.gov//wc/reg/index.html

Email: WCResearch@tdi.Texas.gov

Closing

Dan Paschal, Deputy Commissioner
Policy and Customer Services



June 27-29, 2022

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