

Insurance Carrier Quarterly Meeting

Sept. 20, 2023 – 2 to 3:30 p.m.

TDI Division of Workers'
Compensation

Agenda items

- Welcome.
- Compliance and Investigations update.
- Health and Safety update.
- Legislative update.
- Legal Services update.
- Workers' Compensation Research & Evaluation Group (REG) update.
- EDI update.
- Q&A.
- Closing remarks.



Compliance and Investigations update

Nikki Karr, Director of Enforcement

CY2023 complaints

1,332 complaints received

17	attendance
453	communications
375	indemnity benefit delivery
317	medical benefit delivery
103	other
67	quality of care

1,496 complaints closed

599	confirmed
279	DWC education letter (low risk)
618	not confirmed

Based on complaint data as of 8/31/2023.

CY2023 – complaints received by respondent type

Type of complaint	Injured employee	Insurance carrier	Health care provider	Employer	Attorney	Other
Attendance	4	5	2	0	6	0
Communications	2	186	115	82	64	4
Indemnity benefits	4	354	5	8	1	3
Medical benefits	0	247	68	0	0	2
Quality of care	N/A	1	66	N/A	N/A	0
Other	2	48	8	41	1	3

Based on complaint data as of 8/31/2023.

FY2023 compliance audits

Death benefits/lifetime income benefits (LIBs)

Initial payment of temporary income benefits (TIBs)

Medical bill processing

24 initiated

22 initiated

19 initiated

24 completed

17 completed

18 completed

Based on audit data as of 8/31/2023.

CY2023 DWC Fraud Unit

900 fraud referrals received

- 43** fraud cases open
- 46** fraud cases closed
- 2** fraud referrals for prosecution

Based on data as of 8/31/2023.

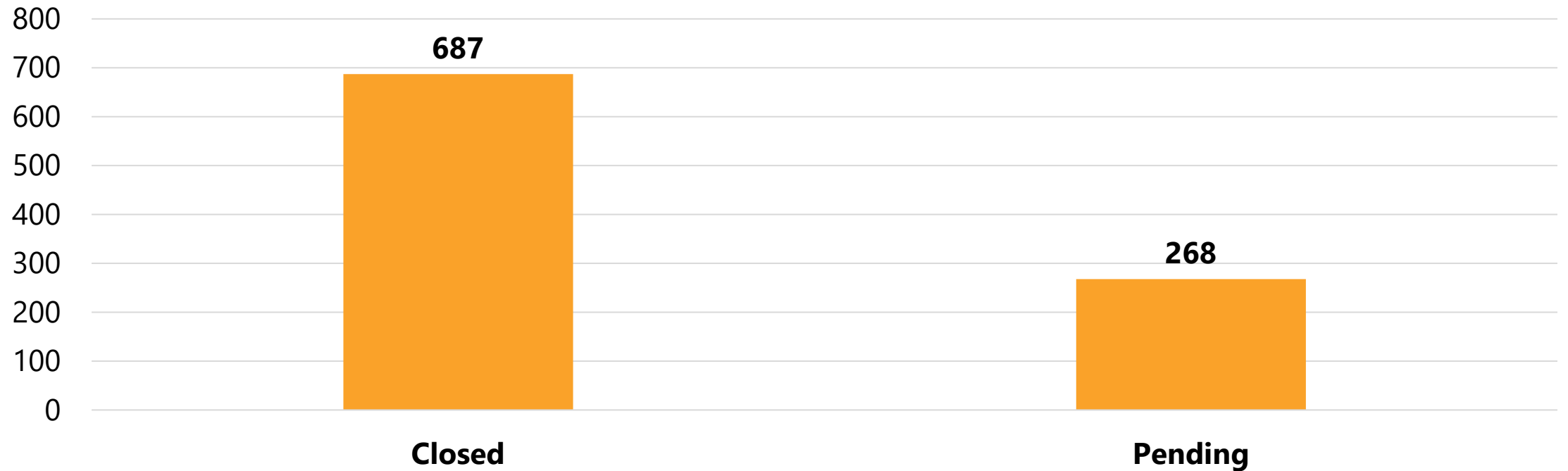
CY2023 DWC Fraud & Prosecution Units

2 convictions

- 1 claimant
- 1 attorney

Based on data as of 8/31/2023.

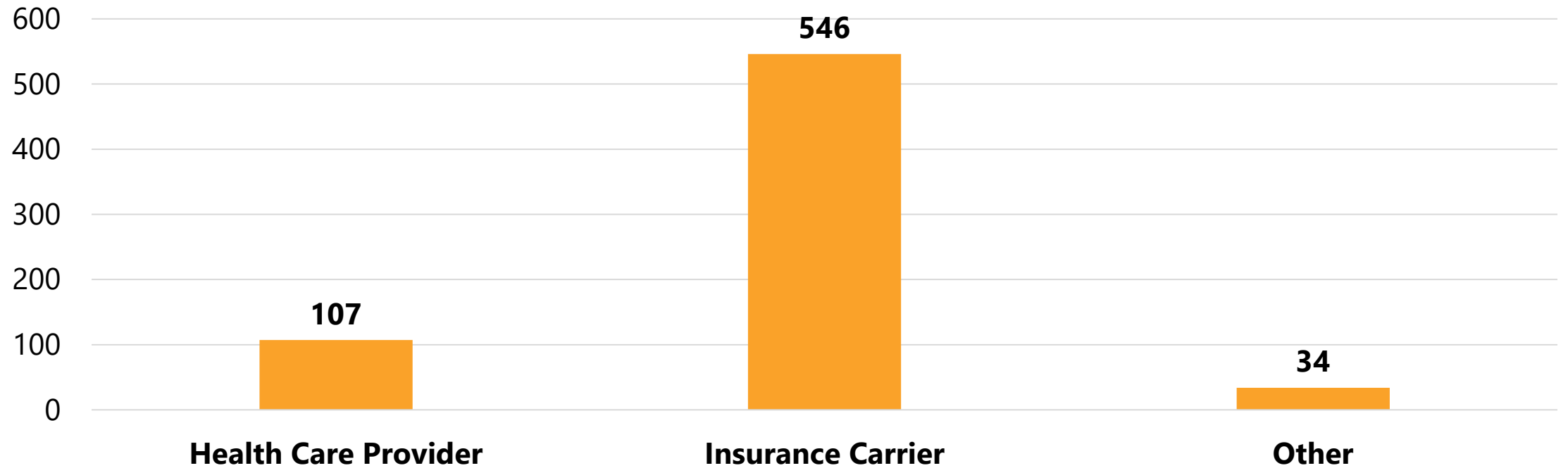
CY2023 – Enforcement case status



2023	Closed cases	Pending cases
Cases	687	268

Based on enforcement data as 9/8/2023.

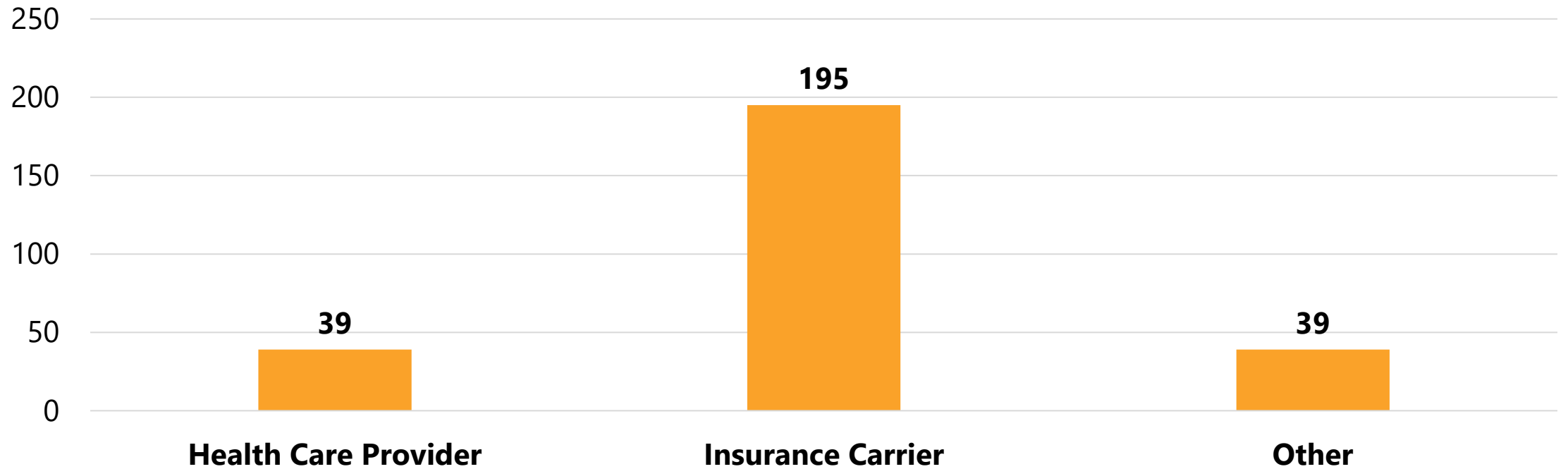
CY2023 – cases closed by subject type



2023	Health Care Provider	Insurance Carrier	Other
Cases	107	546	34

Based on enforcement data as 9/8/2023.

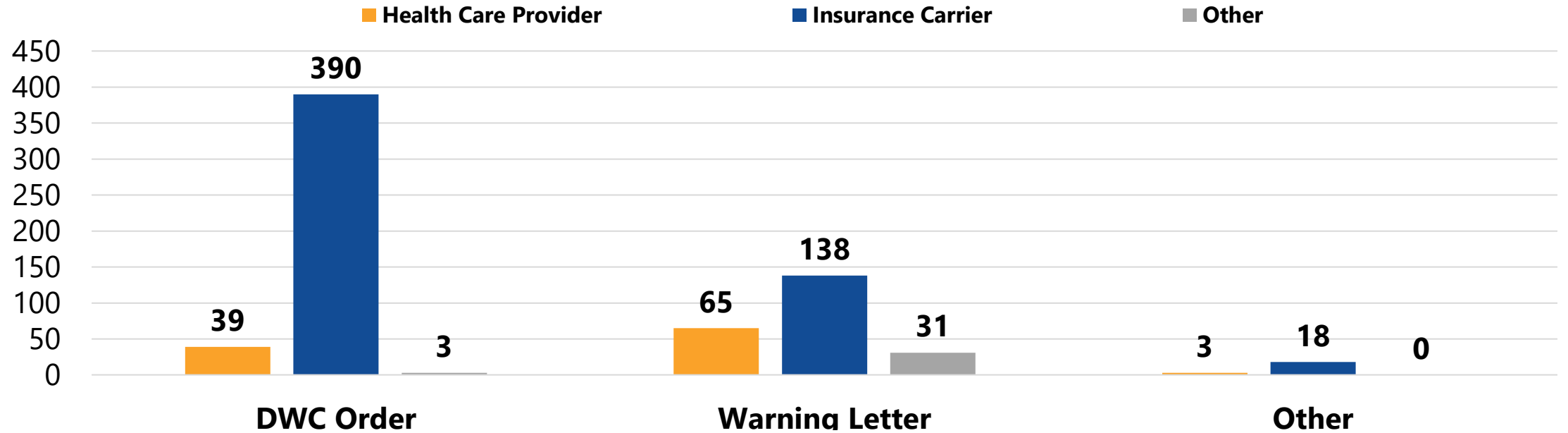
CY2023 – cases pending by subject type



2023	Health Care Provider	Insurance Carrier	Other
Cases	39	195	39

Based on enforcement data as 9/8/2023.

CY2023 – cases closed by disposition type



2023	Health Care Provider	Insurance Carrier	Other
DWC Order	39	390	3
Warning Letter	65	138	31
Other	3	18	0

Based on enforcement data as 9/8/2023.

New Sircon payment system

Approved administrative penalties imposed by DWC and audit billing invoices may now be paid using Vertafore's Sircon solution.

(Please don't pay **before** receiving the final order and invoice from DWC.)

If you don't already have a Sircon account, sign up to pay administrative penalties:

www.sircon.com/products/company/signup/

If you're paying an audit billing invoice:

www.sircon.com/products/carrier/signup/

If you have any questions about your Sircon account or this new payment service, contact:

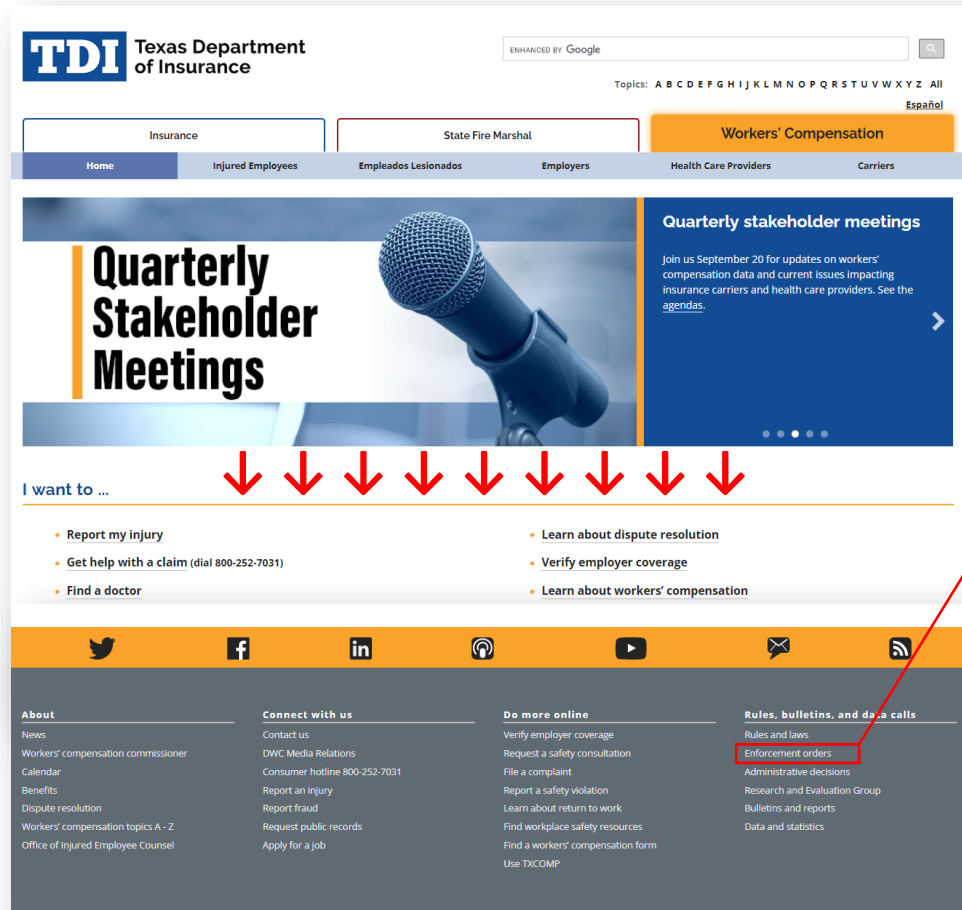
Sircon Customer Services
at 877-876-4430

Violations to watch

Failure to timely comply with a CCH Decision and Order.

Pursuant to Texas Labor Code §410.169 and 28 TAC §142.16, a party is required to comply with a CCH D&O within 20 days of the order becoming final. However, if the CCH D&O involves benefits, a party must comply no later than the fifth day after filing a written request to appeal.

Enforcement orders webpage



Scroll to bottom of [DWC homepage](#) and click "Enforcement orders".

or

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

An aerial photograph of a city campus, likely in Madison, Wisconsin, featuring a central greenway with multiple rectangular lawns and walkways. A prominent domed building is visible on the right side, and the Wisconsin State Capitol is in the background. The entire image is overlaid with a semi-transparent blue filter.

Questions?

An aerial, blue-tinted photograph of a city street. The street is wide and has a central greenway with grass and trees. On the right side, there is a large, classical-style building with a prominent dome. In the background, a city skyline is visible, including a large domed building that appears to be a state capitol. The overall scene is urban and well-maintained.

Health and Safety update

Mary Landrum, Deputy Commissioner of Health and Safety

Health and Safety update

Office of the
Medical
Advisor

Health Care
Provider
Outreach

Designated
Doctor
Program

Medical Fee
Dispute
Resolution

An aerial view of a city campus, likely the University of California, Berkeley. The image shows a central greenway with multiple rectangular lawns and walkways. In the background, the California State Capitol building is visible. To the right, there is a large, classical-style building with a prominent dome. The entire image is overlaid with a semi-transparent blue filter.

Designated Doctor Program update

Santiago Calderon, Director of Designated Doctor Operations

DD rule update

Amendments to 28 Texas Administrative Code (TAC) Chapter 127 and §180.23

- DD's and doctors with MMI/IR certifications.

DD applications

55 DD applications
received from

Jan. 1, 2023 – April 29, 2023

117 DD applications
received after

April 30, 2023

274 DDs currently
on DDL

78 MD/DO

Billing and reimbursement update

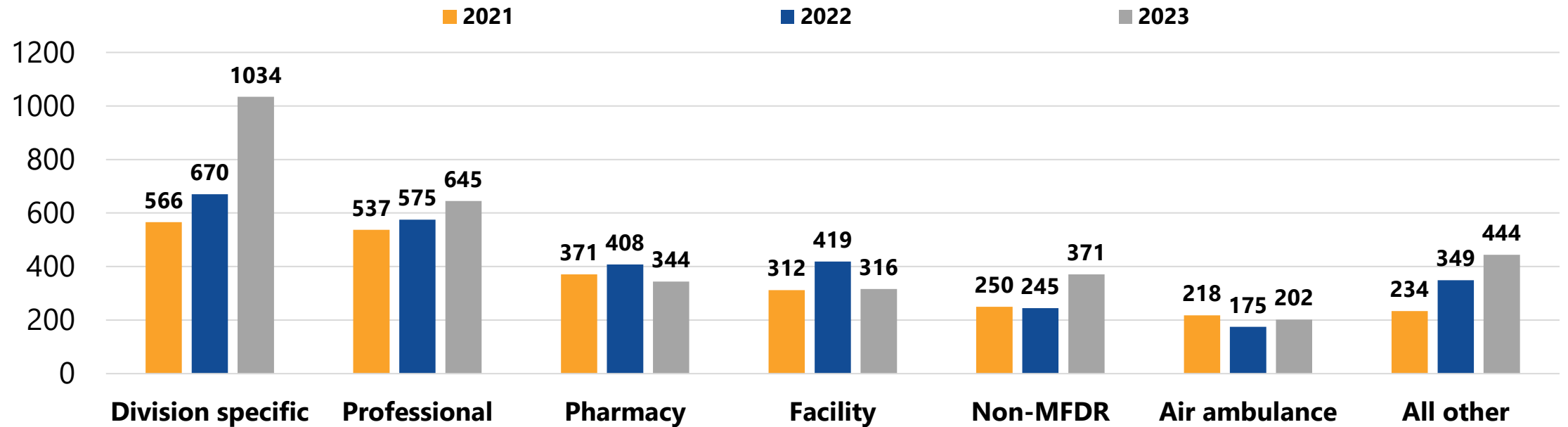
- Survey sent to system participants.
- Goal is formal proposal to be published for comment in the coming weeks.
- Goal is to adopt rule by end of CY2023. Effective date may be towards end of 1st quarter.



MFDR update

Greg Arendt, Director of Medical Fee Dispute Resolution

Disputes by type – FY2021 - FY2023



	Division specific	Professional	Pharmacy	Facility	Non-MFDR	Air ambulance	All other
2021	566	537	371	312	250	218	234
2022	670	575	408	419	245	175	349
2023	1034	645	344	316	371	202	444

Carrier response issues

14% of disputes did not receive a carrier response in FY2023.

Some responses do not meet the requirements of TAC §133.307(d)(2).

Responses received after 14 days may not be considered in the final dispute decision.

Responses that include prospective payment for disputed services may be supplemented with proof of payment.



Legislative update

Kate Sidora, Director of External and Media Relations

Senate Bill 1122

About

Amends the definition of “insurance services” in Tax Code §151.0039(b) to exclude a medical examination, service or test performed to determine the appropriate level of benefits under Labor Code, Title 5, Subtitle A, Chapter 408.

Implementation

No implementation – Comptroller ruling no longer applies.

Effective date

June 18, 2023

House Bill 2314

About

Allows for death benefit filing to both carriers and DWC.

Implementation

- Updating the DWC-042 Form.
- Proposal will publish September 29 in Texas Register. Deadline to submit comments is 5 p.m., Central time, on October 30, 2023.

Effective date

Effective for death benefit claims on or after June 10, 2023.

House Bill 90 – Texas Military Forces

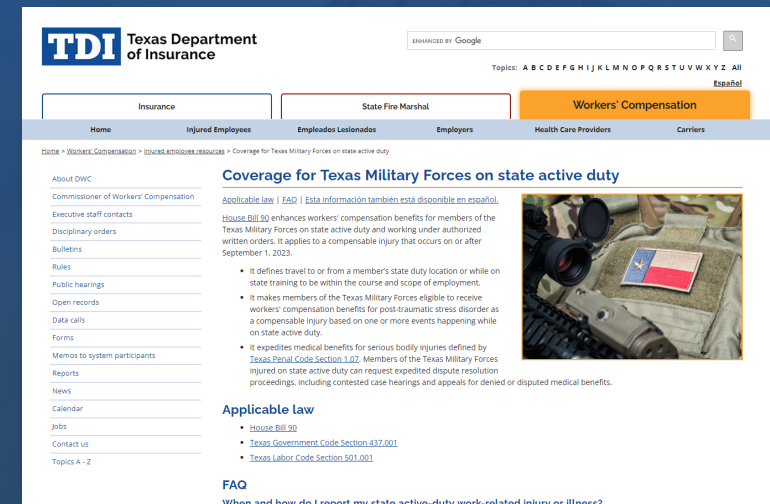
About

- Texas Military Forces on state active duty and working under authorized written orders.
- Applies to a compensable injury occurring on or after September 1, 2023.
- Defines travel to or from a member's state duty location or while on state training to be within the course and scope of employment.
- Eligible to receive workers' compensation benefits for post-traumatic stress disorder as a compensable injury based on **one or more** events happening while on state active duty.
- Expedites medical benefits and dispute proceedings for serious bodily injuries defined by Texas Penal Code §1.07.

House Bill 90 – continued

Implementation

- New topic webpage for Texas Military Forces coverage.
- Call Claims and Customer Service at 800-252-7031, Opt. 1 for questions.



The screenshot shows the Texas Department of Insurance (TDI) website. The main navigation bar includes 'Insurance', 'State Fire Marshal', and 'Workers' Compensation'. The 'Workers' Compensation' section is active, and a new article titled 'Coverage for Texas Military Forces on state active duty' is highlighted. The article text states: 'House Bill 90 enhances workers' compensation benefits for members of the Texas Military Forces on state active duty and working under authorized written orders. It applies to a compensable injury that occurs on or after September 1, 2023.' The article lists three key points: 1) It defines travel to or from a member's state duty location or while on state training to be within the course and scope of employment. 2) It makes members of the Texas Military Forces eligible to receive workers' compensation benefits for post-traumatic stress disorder as a compensable injury based on one or more events happening while on state active duty. 3) It expedites medical benefits for serious bodily injuries defined by Texas Penal Code Section 1.02. Members of the Texas Military Forces injured on state active duty can request expedited dispute resolution proceedings, including contested case hearings and appeals for denied or disputed medical benefits. The article also lists applicable laws: House Bill 90, Texas Government Code Section 432.001, and Texas Labor Code Section 501.001. A FAQ section is also visible at the bottom of the page.

House Bill 2468 – lifetime income benefits

About

- New traumatic brain injury LIBs eligibility standard “a major permanent neurocognitive disorder...for which the employee requires occasional supervision in the performance of routine daily tasks of self-care **and**...that renders the injured employee permanently unemployable.”
- Expands coverage for third degree burns.

Effective date

Effective for eligible claims on or after September 1, 2023.

House Bill 2468 – continued

About

Certain first responders:

- Adds serious bodily injuries (Penal Code §1.07) that renders the employee permanently unemployable as a qualifying condition.
- Creates a right to review by the insurance carrier.
- Requires annual certification that the first responder has not been employed in the previous year.
- Provides expedited dispute resolution proceedings for first responder LIBs claims on new Labor Code §408.1615 (serious bodily injury).

House Bill 2468 – continued

Implementation

Rules:

- required annual employee certification.
- process for 5-year review and designated doctor exam.

Looking at potential new or updated forms.

Two updated web resources until final rules are adopted.

Call Claims and Customer Service at 800-252-7031, Opt. 1 for questions.

House Bill 2468 – continued

LIBs topic page

The screenshot shows the TDI Texas Department of Insurance website. The top navigation bar includes 'Home', 'Injured Employees', 'Empleados Lesionados', 'Employers', 'Health Care Providers', and 'Carriers'. The 'Workers' Compensation' tab is highlighted. The main content area is titled 'Lifetime income benefits (LIBs)'. It features a sidebar with links to 'About DWC', 'Commissioner of Workers' Compensation', 'Executive staff contacts', 'Disciplinary orders', 'Bulletins', 'Rules', 'Public hearings', 'Open records', 'Data calls', 'Forms', 'Memos to system participants', 'Reports', 'News', 'Calendar', 'Jobs', 'Contact us', and 'Topics A - Z'. The main text explains that HB 2468, effective September 1, 2023, made changes to LIBs eligibility requirements. It lists several conditions for eligibility, such as total and permanent loss of sight in both eyes, loss of both feet or hands, or a third-degree burn covering at least 40 percent of the body. A box on the right provides links to 'Read more about other types of workers' compensation benefits' and 'See historical benefits data'. Below the text, there are sections for 'What you could get:' (LIBs are 75% of your average weekly wage) and 'When LIBs start:' (send a request to your insurance carrier).

First responder FAQ page

The screenshot shows the TDI Texas Department of Insurance website. The top navigation bar is identical to the previous page. The main content area is titled 'First responder FAQ'. It features a sidebar with the same links as the previous page. The main text explains that the Division of Workers' Compensation (DWC) makes sure everyone follows the workers' compensation rules and laws in Texas. It lists several frequently asked questions, such as 'Who is a first responder?', 'When and how do I report my work-related injury or illness?', 'What will workers' compensation cover?', 'Who should I call if I have questions about my claim or benefits?', 'What conditions are presumed to be work-related?', 'Who should I call if the insurance carrier denied my claim?', and 'Do I have rights under workers' compensation?'. Below the text, there are sections for 'Who is a first responder?' (listing peace officers, paramedics, firefighters, etc.) and 'When and how do I report my work-related injury or illness?' (reporting to your employer within 30 days).

Updates and rules recap

Expired

- Presumption under Texas Government Code §607.0545 for COVID-19 claims (SB 22, 87th session).

Recently adopted

- Teledentistry.
- MQRP.

Current

- Designated doctor billing and reimbursement.

An aerial photograph of a city campus, likely in Madison, Wisconsin, featuring a central greenway with multiple rectangular lawns and walkways. A prominent domed building is visible on the right side, and the Wisconsin State Capitol is in the background. The entire image is overlaid with a semi-transparent blue filter.

Questions?



Legal Services update

Kara Mace, General Counsel


Fast-track rules

What are they?

Fast-track rules make nonsubstantive or editorial changes to the Texas Administrative Code.

Why do we do them?

To clean up the code and update for style and plain language.



(c) Information required by subsection (b) of this section must [shall] be mailed to the Texas Mutual Insurance Company at 2200 Aldrich Street, Austin, Texas 78723-3474 [the appropriate address].

2023 adopted fast-track rules

28 TAC §55.15

Lump sum payments

- Updated obsolete submission method requirements and obsolete references to the Industrial Accident Board, a predecessor agency of DWC.
- Eliminated the use of colored or carbon copy paper when submitting settlement agreements to DWC.
- Updated the agency's name.

28 TAC §102.11

Electronic formats for electronic claim data request and report

- Corrected a reference.
- Made updates for plain language and agency style.
- Ensured that the rule provides DWC's current website address.

28 TAC §165.1

Identification and notification of certain policyholders insured by the Texas Mutual Insurance Company acting as the insurer of last resort

- Updated obsolete Insurance Code references.
- Added Texas Mutual Insurance Company's physical address.
- Made updates for plain language and agency style.
- Updated Insurance Code references.

Updates to our rules webpage

2023 DWC proposed and adopted rules

[2022](#) | [2021](#) | [2020](#) | [2019](#) | [2018](#) | [2017](#) | [2016](#) | [2015](#) | [adoptions prior to March 2015](#)

Rules marked with a star ★ are open for comment.

Need to search the page? Select **Open all** first.

Open all

Close all

★ Death benefits (HB 2314) ▾

Teledentistry ▾

Medical Quality Review Panel ▾

Designated doctor billing and reimbursement rules ▾

Designated doctor procedures and requirements; division-required training for doctors ▾

Electronic formats for electronic claim data request and report ▾

Lump sum payments ▾

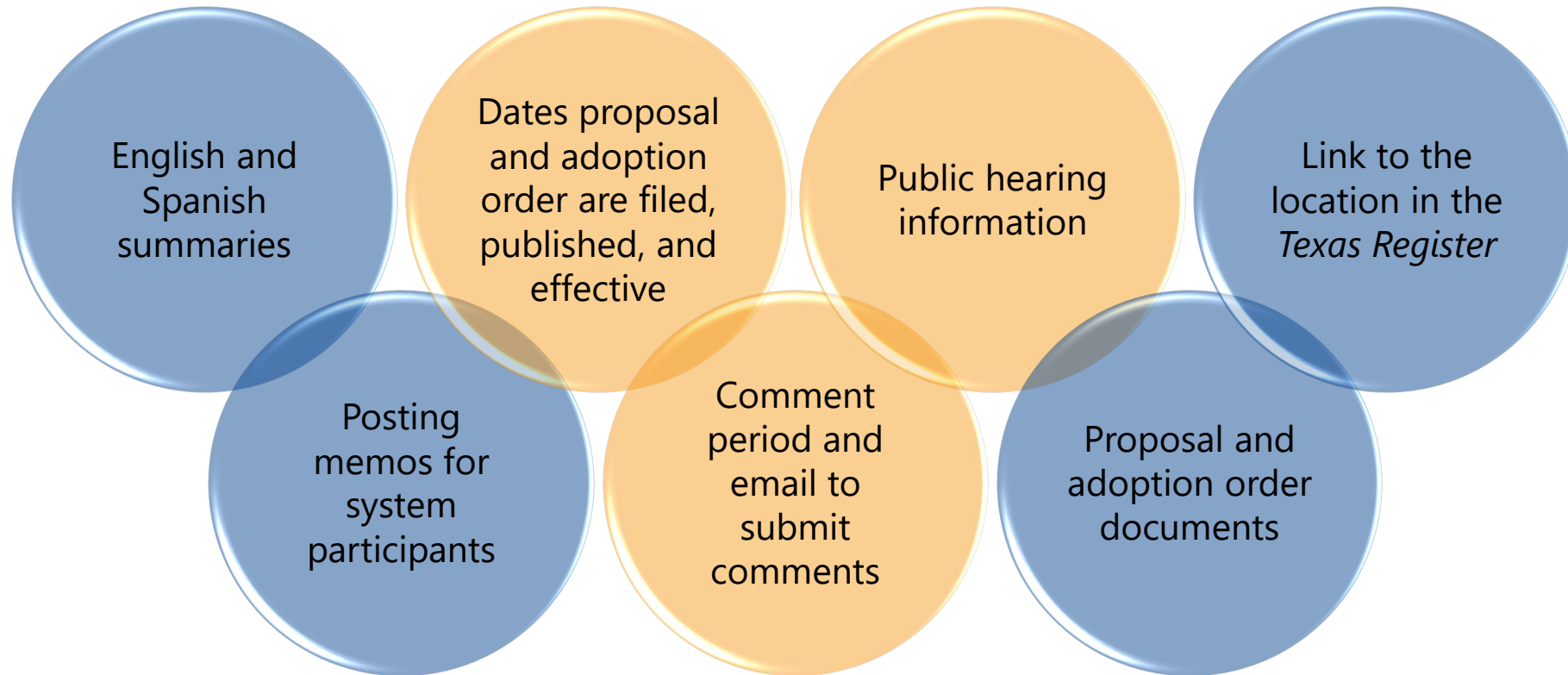
Identification and notification of certain policyholders insured by the Texas Mutual Insurance Company acting as the insurer of last resort ▾

If you see a ★, the rule comment period is open. Email your comments to RuleComments@tdi.texas.gov.

<https://WWW.tdi.texas.gov/wc/rules/index.html>

Updates to our rules webpage

You can find:



Lump sum payments ▾

Summary

28 TAC Section 55.15 (which has been in effect since November 20, 1977) implements requirements for the contents of compromise settlement agreements. The amendments remove the requirement that “old law” settlement agreements be submitted on multi-colored carbon or carbonless paper. The amendments require that “old law” settlement agreements be submitted in the form and manner prescribed by DWC. The amendments also replace references to “the board” with “the division.” This rule does not change the people the rule affects or impose a cost on stakeholders, DWC, or the state.

Resumen

La Sección 55.15 del 28 TAC (la cual ha estado vigente desde el 20 de noviembre de 1977) implementa los requisitos para el contenido de los acuerdos de compromiso de pago (compromise settlement agreements, por su nombre en inglés). Las enmiendas eliminan el requisito que indica que los acuerdos de pago (settlement agreements, por su nombre en inglés) de la “ley antigua” sean presentados en papel carbón o en papel de copia sin carbón multicolor. Las enmiendas requieren que los acuerdos de pago de la “ley antigua” sean presentados en la forma y manera prescrita por DWC. Las enmiendas también reemplazan las referencias a “la junta” (the board, por su nombre en inglés) con “la división”. Este reglamento no cambia las personas a las que afecta el reglamento ni impone un costo a las partes interesadas, a DWC, o al estado.

Proposal

- [Posting memo for proposal](#)
- Proposal: [28 TAC §55.15](#)
- Proposal filed: 1/27/23
- Proposal published: 2/10/2023 at [48 TexReg 639](#)
- Comments: email RuleComments@tdi.texas.gov by 5:00 pm, Central time, on March 13, 2023

Adoption

- [Posting memo for adoption](#)
- Adoption: [28 TAC §55.15](#)
- Adoption filed: 6/13/23
- Adoption published: 6/30/23
- Effective date: 7/3/23





REG update

Kimberly Donovan, Deputy Commissioner of Operations and External Relations

2023 Return to Work report



92%

of employees
back at work
within 1 year of
their injury



69%

of employees
back at work
within 6 months
stay at work



2 years

for employees
who RTW within 6
months to get back
to pre-injury wage



43 days

on average for
employees to
return to work

Snapshot: www.tdi.texas.gov/wc/reg/rtw2023.html

Upcoming reports

**Pharmacy cost
and utilization**

**Medical cost
and utilization**

Access to care

FY2024 research agenda

Proposed research projects:

- Completion and publication of the seventeenth edition of the Workers' Compensation Health Care Network Report Card (required under Insurance Code §1305.502(a)-(d) and Labor Code §405.0025(b)).
- An update of the 2022 biennial study to estimate employer participation in the Texas workers' compensation system.
- An update of key workers' compensation system trends to meet the requirements for the DWC biennial report required under Labor Code §402.066, including medical costs and utilization of care, return-to-work rates for injured employees, access to care for injured employees, and medical dispute resolution trends.
- Income Benefit Adequacy in the Texas Workers' Compensation System.
- An update of medical costs and utilization in the Texas workers' compensation system.

Comments due in writing by 5 p.m., Central time, on October 16, 2023.

Find everything REG-related

The screenshot shows the Texas Department of Insurance (TDI) website. The header includes the TDI logo and the text "Texas Department of Insurance". A search bar is present with the text "ENHANCED BY Google". Below the header, there are navigation tabs for "Insurance", "State Fire Marshal", and "Workers' Compensation". The "Workers' Compensation" tab is active. Underneath, there are sub-tabs for "Home", "Injured Employees", "Empleados Lesionados", "Employers", "Health Care Providers", and "Carriers". The main content area features a "Data call results" section with a list of dates: "COVID-19 in the Texas Workers' Compensation System 6/2/23 | 3/29/23 | 12/20/22 | 8/29/22 | 5/31/22 | 3/2/22 | 12/8/21 | 8/30/21 | 6/2/21 | 3/4/21 | 12/17/20 | 11/10/20 (pdf)". A sidebar on the left lists various links such as "Research & Evaluation", "Website for Injured Workers", and "Information for Employers". The main content area is titled "Workers' Compensation Research and Evaluation Group - REG" and contains text about House Bill 28 (78th Legislature, 2003) and House Bill 7 (79th Legislature, 2005). A "Stay connected!" button is also visible.

www.tdi.texas.gov/wc/reg/index.html

An aerial view of a city, likely Washington D.C., showing a large central park area with a prominent domed building in the foreground. The image is overlaid with a blue tint.

EDI update

Martha Luévano, Director for Enterprise Automation Services (EAS)

Claims EDI R3.1 implementation

- Texas Claim EDI 3.1.4 was implemented on Wednesday, July 26, 2023.
- Claim EDI staff are monitoring PLN 1, PLN 11, and PLN 14 for required EDI reports.
- File a Claim EDI change report to update injured employees IDs, address, phone, and date of injury.
 - Do not email DWC.
- Scorecards and other Claim EDI reports are delayed.
 - Will be posted and provided to the registered EDI compliance when complete.

Claims EDI R3.1 billing

Billing for cost associated with Claim EDI 3.1

- Data collection agent (DCA) may recover start-up costs and ongoing costs.
- Carriers must provide billing contacts to the DCA.
- Governmental entities are excluded.

Ongoing billing

- Verisk will soon bill for the remaining half of the one-time costs plus the cost to process the first year of Texas Claim EDI 3.1.4 transactions.
- Memos detailing costs and how invoices are calculated:
<https://txdwcedi.info/news>
- Billing FAQ: <https://txdwcedi.info/faq>

Claims EDI R3.1 implementation

txdwcedi@verisk.com

Texas Claim EDI 3.1.4 filing requirements, rejections, and updates to registration.

txdwcbillingquestions@verisk.com

Billing, invoices, and billing registration.

edisupport@tdi.texas.gov

Request training, EDI-03 Compliance Coordinators, and EDI rules.

An aerial photograph of a city campus, likely in Madison, Wisconsin, featuring a central greenway with multiple rectangular lawns and walkways. A prominent domed building is visible on the right side, and the Wisconsin State Capitol is in the background. The entire image is overlaid with a semi-transparent blue filter.

Questions?

An aerial view of a city street, likely in Denver, Colorado, featuring a central greenway with multiple rectangular lawns and walkways. Modern high-rise buildings line the street, and the Colorado State Capitol building is visible in the background. The entire image is overlaid with a semi-transparent blue filter.

Closing remarks

Jeff Nelson, Commissioner of Workers' Compensation