



Shoulder Surgery Plan-Based Audit

December 16, 2021

Section I: General Statement and Overview

Texas Department of Insurance, Division of Workers' Compensation (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." Texas Labor Code §413.0512 requires the Medical Quality Review Panel (MQRP) to recommend to the medical advisor "appropriate action regarding doctors, other health care providers, insurance carriers, utilization review agents, and independent review organizations."

DWC will manage the Medical Quality Review Process in a manner that is fair to all workers' compensation system participants, open, and transparent 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.

Medical quality reviews help DWC monitor compliance with the Texas Labor Code and DWC rules. They also ensure that injured employees in the workers' compensation system receive reasonable and medically necessary health care that is timely, cost-effective, and facilitates functional recovery and appropriate return-to-work outcomes. Under Texas Labor Code §408.023(l)(3), DWC shall collect information regarding cost and utilization of health care provided or authorized by a treating doctor.

Preauthorization is a form of prospective review of health care services to be provided to an injured employee. The insurance carrier is liable for all reasonable and necessary medical costs relating to the preauthorization of health care. All requests for preauthorization must go through utilization review under 28 Texas Administrative Code (TAC) Chapter 19, Subchapter U, and 28 TAC Chapters 133 and 180. Under Labor Code §§408.026 and 413.014, and TAC §134.600, non-emergency health care requiring preauthorization includes outpatient surgical or ambulatory surgical services.

Neither acromioplasty nor distal clavicle resection procedures conducted as part of a shoulder rotator cuff repair are recommended by the *Official Disability Guidelines* (ODG) for workers' compensation patients. Acromioplasty has been found to offer no additional benefit during rotator cuff repair, adding potential increased morbidity. Pain reduction has not been significantly reduced following surgery for shoulder impingement syndrome, and over half fail to regain normal shoulder function or active range-of-motion. Distal clavicle resection is not recommended for asymptomatic radiographic acromioclavicular arthritis during rotator cuff repair. A higher incidence of pain and cosmetic acromioclavicular instability has been reported for distal clavicle resection when performed in conjunction with rotator cuff repair, where distal clavicle resection is not recommended for asymptomatic arthritis. Reviewing the appropriateness and recordkeeping of an acromioplasty or distal clavicle resection procedure conducted as part of a shoulder rotator cuff repair is necessary to ensure the delivery of quality health care in a cost-effective manner, including protecting the safety of injured employees.

Section II: Purpose

- Promote the delivery of quality health care in a cost-effective manner, including protecting the safety of injured employees.
- Ensure that health care providers adhere to the ODG and medically accepted standards of care for performing acromioplasty or distal clavicle resection procedures conducted as part of a shoulder rotator cuff repair, including the appropriate recordkeeping of these procedures.

Section III: Scope and Methodology

- Includes health care providers who performed acromioplasty or distal clavicle resection procedures conducted as part of a shoulder rotator cuff repair for injured employees:
 - Where the shoulder rotator cuff repair was billed with Current Procedural Terminology (CPT) codes 23410, 23412, or 29827;
 - Where the shoulder rotator cuff repair was no earlier than 90 days from date of injury;
 - Where the shoulder rotator cuff repair was the first rotator cuff repair; and
 - Where the shoulder rotator cuff repair was also billed for an acromioplasty or distal clavicle resection procedure with CPT codes 29824, 29826, 23420, or 23120.
- Procedures for determining the reasonableness of a doctor's decision and recordkeeping regarding return to work are set forth in Section II of the Medical Quality Review Process, specifically, the adopted return to work guidelines. See also Texas Labor Code §§413.002, 413.013, and 413.05115.

Section IV: Selection Criteria

- Time frame to select data:
 - Health care providers will be identified through the medical bill and payment data.
 - Cases will be identified through medical bill and payment data submitted to DWC with dates of service on or after July 1, 2019, through March 31, 2020, which contain CPT codes 23410, 23412, or 29827 as the primary procedure and CPT codes 29824, 29826, 23420, or 23120 as the secondary procedure;
- Subject selection:
 - DWC will select the top 10 health care providers who performed the most acromioplasty or distal clavicle resection procedures as part of a first-time rotator cuff repair procedure.

- In the event of a tie, DWC will select the health care provider with the highest number of bills.
- Case selection:
 - Identify bills where the injured employee had a shoulder rotator cuff repair surgery:
 - billed with CPT codes 23410, 23412, or 29827;
 - was no earlier than 90 days from date of injury;
 - was the first rotator cuff repair; and
 - an acromioplasty or distal clavicle resection procedure was billed with CPT codes 29824, 29826, 23120, or 23420.
 - Include only one bill per each unique surgical event.
 - Randomly select five (5) bills.

Section V: Roles and Responsibilities

Information Management Services (IMS)

- Provides a list of subjects and cases based on the scope, methodology, and selection criteria.
- Coordinates code review of programming used to meet the scope, methodology, and selection criteria as outlined in Sections III and IV.
- Selects the case files for medical quality review based on selection criteria.

Health Care Quality Review (HCQR)

- Notifies health care providers identified through the chosen cases for medical quality review and requests documents.
- Requests another subject or case from IMS if the nurse investigator verifies in writing that a subject or case did not meet the approved plan-based audit criteria.
- Selects MGRP members to perform a review in accordance with 28 TAC §§180.22, 180.66, and 180.68.
- Provides an executive summary to the commissioner of workers' compensation upon conclusion of the plan-based audit.

Medical Advisor


- Develops questions for MQRP experts. The questions will be approved by the commissioner of workers' compensation prior to records being sent to MQRP experts.

Section VI: Conflicts


This plan-based audit complies with the approved medical quality review process. However, if a specific conflict exists between this plan-based audit and the medical quality review process, this plan-based audit prevails.

Section VII: Approvals

Submitted by:

 12/16/21
Graves Owen, M.D. Date
Medical Advisor

Approved by:

 12/16/21
Dan Paschal Date
Acting Commissioner of Workers' Compensation