

# Insurance Carrier Quarterly Meeting

April 25, 2024 – 1:30 p.m. to 3 p.m.

**TDI** Division of Workers'  
Compensation

# Agenda

- Welcome.
- Compliance and Investigations update.
- Business Process Update
- Health and Safety update.
- Operations and External Relations update.
- Hearings update.
- Claims and Customer Service update.
- Q&A.
- Closing remarks.

# Welcome

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Jeff Nelson, Commissioner of Workers' Compensation



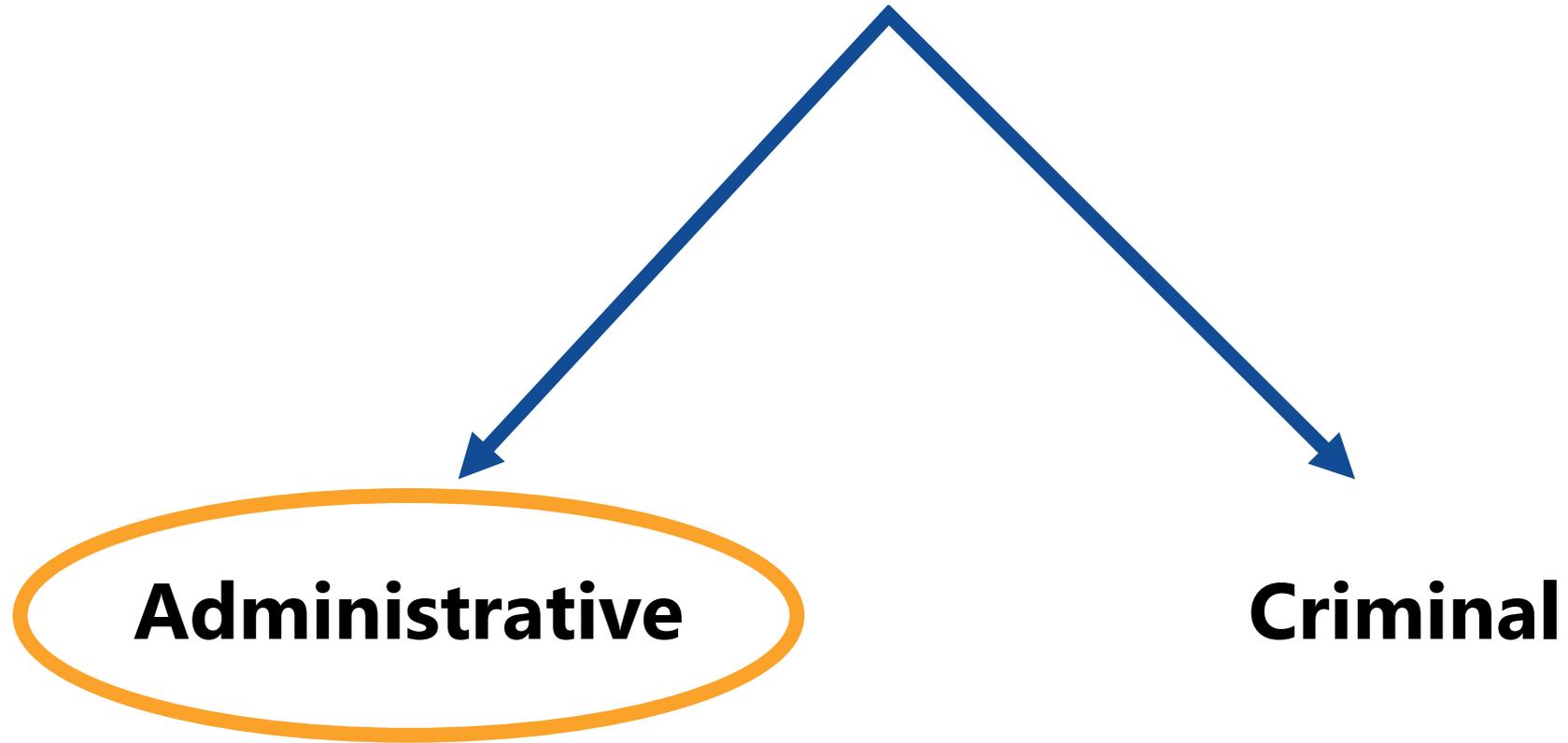
# Compliance and Investigations

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Dan LaBruyere, Deputy Commissioner of Compliance & Investigations



# Compliance and Investigations



# Lifecycle of a complaint

# **Administrative violation**

A violation of the Texas Labor Code, a rule, or an order or decision of the commissioner of DWC.

[Texas Labor Code §401.011\(2\)](#)

Complaint



Audits & Investigations



Enforcement

# Complaint

A written submission to DWC alleging that a system participant violated the Labor Code or rules.

[Texas Administrative Code §180.1\(6\)](#)

# Complaint

- Written.
- Violation of Labor Code or DWC rules.
- Against a system participant.

# Complaint

Any person may submit a [complaint](#).

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" (which is highlighted in orange). A secondary navigation bar includes "Home", "Injured Employees", "Empleados Lesionados", "Employers", "Health Care Providers", and "Carriers". The main content area is titled "Workers' compensation complaints" and includes a link for "Quejas de compensación para trabajadores en español". A paragraph defines a complaint and provides contact information. A section titled "Steps to file a complaint" lists three steps, with the first step including links for "English - complaint form" and "Spanish - complaint form". The "English - complaint form" link is circled in red. The email address "Email: DWCCOMPLAINTS@tdi.texas.gov" is visible at the bottom of the page.

**Workers' Compensation Complaint Form**

Este formulario está disponible en español en el sitio web de la División en <https://www.tdi.texas.gov/forms/dwc/dwc154compt.pdf>  
Para obtener asistencia en español, llame a la División al 800-252-7031.

**Complainant Information (Person Filing Complaint)**

<b>1. Name*</b> (First, Middle, Last)	<b>2. Date of Complaint</b> (mm/dd/yyyy)	<b>3. Email Address</b>
<b>4. Address</b> (Street or P.O. Box, City, State, ZIP Code)		<b>5. Phone Number</b> ( )

\*Required under Texas Labor Code [§402.023\(d\)\(2\)](#)

**Injured Employee Information**

<b>6. Name</b> (First, Middle, Last)	<b>7. Phone Number</b> ( )
<b>8. Address</b> (Street or P.O. Box, City, State, ZIP Code)	<b>9. DWC Claim # (if known)</b>
<b>10. Employer</b> (at time of injury)	<b>11. Date of Injury</b> (mm/dd/yyyy)

**Complaint**

A **complaint** is a written allegation that a system participant has violated [Title 5, Subtitle A, of the Texas Labor Code](#) or Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) rules. If your issue is a **complaint**, please describe the facts of the alleged violation of workers' compensation laws or rules, including the dates or time period during which the violation occurred, in the space below (attach additional pages if necessary). Also include the following information:

- the nature of the violation, including specific sections of Title 5, Subtitle A, of the Texas Labor Code or TDI-DWC rules alleged to have been violated, if known;
- name and contact information of the subject of or parties to the complaint, if known; and
- name and contact information of witnesses, if known.

**Example:** *By failing to send my impairment income benefit check for the week of December 13<sup>th</sup>, ABC Insurance Company violated Texas Labor Code Section 408.061, which requires weekly payment of income benefits. The insurance adjuster is Mr. Jones and his phone number is (512) 555-1234.*

**12. Description of Complaint**

**What types of documentation should I submit to support my complaint?**

Please submit any supporting documentation with your complaint. Supporting documentation may include:

- medical bills;
- explanations of benefits (EOBs);
- copies of invoices or checks;
- evidence of communications (written correspondence or documentation of conversations) between you and the insurance carrier, attorney, or health care provider, including names, dates, and phone numbers;
- proof of timely submission or filing (for example, certified receipts or fax receipts);
- off-work slips;
- copies of relevant DWC forms;
- photographs, reports, and recordings (video, audio, surveillance) if fraud is alleged; and
- any other documentation to support your complaint.

**Where can I find additional information about complaints?**

- Texas Labor Code [§402.023](#), Complaint Information, and [§402.0235](#), Priorities for Complaint Investigation;
- 28 Texas Administrative Code [§180.2](#), Filing a Complaint; and
- The "File a Complaint" section of the TDI-DWC website, <https://www.tdi.texas.gov/wc/ci/wccomplaint.html>.

**Is the information I submit confidential?**

The information in TDI-DWC's investigation files is confidential per Texas Labor Code §402.092 and generally may not be disclosed except:

- in a criminal proceeding;
- in a hearing conducted by TDI-DWC;
- on a judicial determination of good cause;
- to a governmental agency, political subdivision, or regulatory body if the disclosure is necessary or proper for the enforcement of the laws of this or another state or of the United States; or
- to an insurance carrier if the investigation file relates directly to a felony regarding workers' compensation or to a claim in which restitution is required to be paid to the insurance carrier.

In addition, TDI-DWC investigation files are not open records for purposes of the Public Information Act, Chapter 552, Government Code.

**How do I submit my complaint and supporting documentation to DWC?**

**E-mail:** [DWCCOMPLAINTS@tdi.texas.gov](mailto:DWCCOMPLAINTS@tdi.texas.gov)  
**Fax:** (512) 490-1030  
**Mail:** Texas Department of Insurance  
Division of Workers' Compensation  
PO Box 12050  
Austin, Texas 78711

For questions or assistance with submitting a workers' compensation complaint, call **(800) 252-7031**.

**Note:** With few exceptions, on your request, you are entitled to:

- be informed about the information DWC collects about you;
- receive and review the information (Government Code Sections 552.021 and 552.023); and
- have DWC correct information that is incorrect (Government Code Section 559.004).

For more information, contact [DWCLegalServices@tdi.texas.gov](mailto:DWCLegalServices@tdi.texas.gov) or refer to the Corrections Procedure section at [www.tdi.texas.gov/commissioner/legal/accorpcr.html](http://www.tdi.texas.gov/commissioner/legal/accorpcr.html)

# Processing complaints

## Audits & Investigations

22 full-time employees

1 director

# Complaint process



# Initial processing

- Routed into our system.
- Processed as they come in.
- Approximately seven days.
- Assigned a problem report I.D. number (PRI number).

# Initial processing

Ambiguous or uncertain complaints:

- Insurance specialist with DWC will reach out to the complainant to request clarification.

# Initial processing

Received and looked at:

- Insurance specialist will send confirmation of receipt to the complainant.

# Complaint process



# Complaint process



# Assigning complaint

Program supervisor assigns complaint to an insurance specialist.

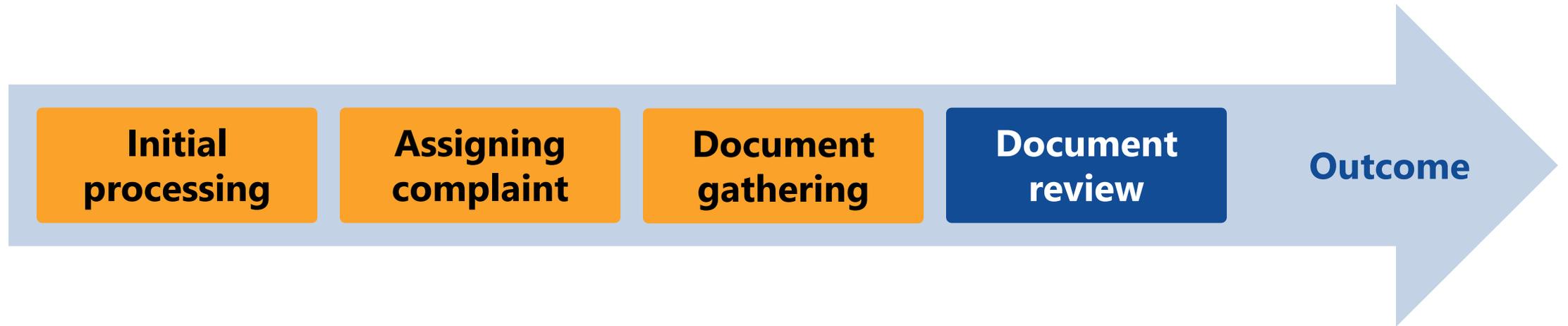
# Document gathering

Insurance specialist requests documents from the respondent relevant to the complaint.

## **Common documents:**

- Adjuster's notes.
- Payment summaries.
- Medical bills.
- DWC forms.
- First report of injury.
- Work status reports.
- Maximum medical improvement (MMI) reports.
- Documents establishing accrual of benefits.

# Complaint process



## Document review

Once all documents are gathered, the insurance specialist determines if the allegation in the complaint forms the basis of an actionable violation.

# Complaint process



# Possible outcomes

**Confirmed**

**Unconfirmed**

## Confirmed

- If the insurance specialist confirms the allegation in the complaint the case is sent to a quality assurance specialist for review.
- Insurance specialist sends complainant and respondent a letter confirming the finding and the matter will be sent to DWC Enforcement.
- Complaint is closed in A&I.

## Unconfirmed

- Insurance specialist sends the complaint and evidence to a quality assurance specialist for review.
- Complaint is then closed in our system.
- Letter sent to complainant and respondent with explanation of DWC's findings.

# Enforcement

7 attorneys

2 program  
specialists

1 legal assistant

1 director

# Confirmed complaint case

- A program specialist assigns a case number to a confirmed complaint allegation.
- Director of Enforcement evaluates the case subject matter and complexity and assigns to Enforcement attorney.

# **Case resolution**

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1. Dismissal
2. Letter of education
3. Warning letter
4. Consent order
5. Final order

# Process of working a case to a consent order

# **Evidence and review**

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- If there is sufficient evidence, the assigned attorney recommends a penalty and drafts a consent order.
- Parties negotiate and exchange further information.

# If the parties agree:

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# No agreement:



[Texas Labor Code §415.036](#)

# **Practice tips**

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- If documents are requested following the complaint investigation, please comply with that request as it is made.
- If you expect a delay, please let us know.
- We don't punish good-faith negotiations.

# Audits & Investigations update

# CY 2024 Q1 and Q2 complaints

## 985 complaints received

<b>11</b>	attendance
<b>277</b>	communications
<b>284</b>	indemnity benefit delivery
<b>296</b>	medical benefit delivery
<b>70</b>	other
<b>47</b>	quality of care

## 1,154 complaints closed

<b>423</b>	confirmed
<b>184</b>	DWC education letter (low risk)
<b>545</b>	not confirmed
<b>2</b>	frivolous

*Based on data as of 2/29/2024.*

# CY 2024 Q1 and Q2 – complaints received by respondent type

Type of complaint	Injured employee	Insurance carrier	Health care provider	Employer	Attorney	Other
<b>Attendance</b>	3	4	2	0	2	0
<b>Communications</b>	0	156	53	65	3	0
<b>Indemnity benefits</b>	0	280	0	4	0	0
<b>Medical benefits</b>	0	240	55	0	0	1
<b>Quality of care</b>	N/A	1	46	N/A	N/A	0
<b>Other</b>	0	25	8	35	1	1

Based on data as of 2/29/2024.

# FY 2024 compliance audits

## Death benefits/lifetime income benefits (LIBs)

**20** initiated  
**7** completed

## Initial payment of temporary income benefits (TIBs)

**21** initiated  
**5** completed (initiated in FY23)

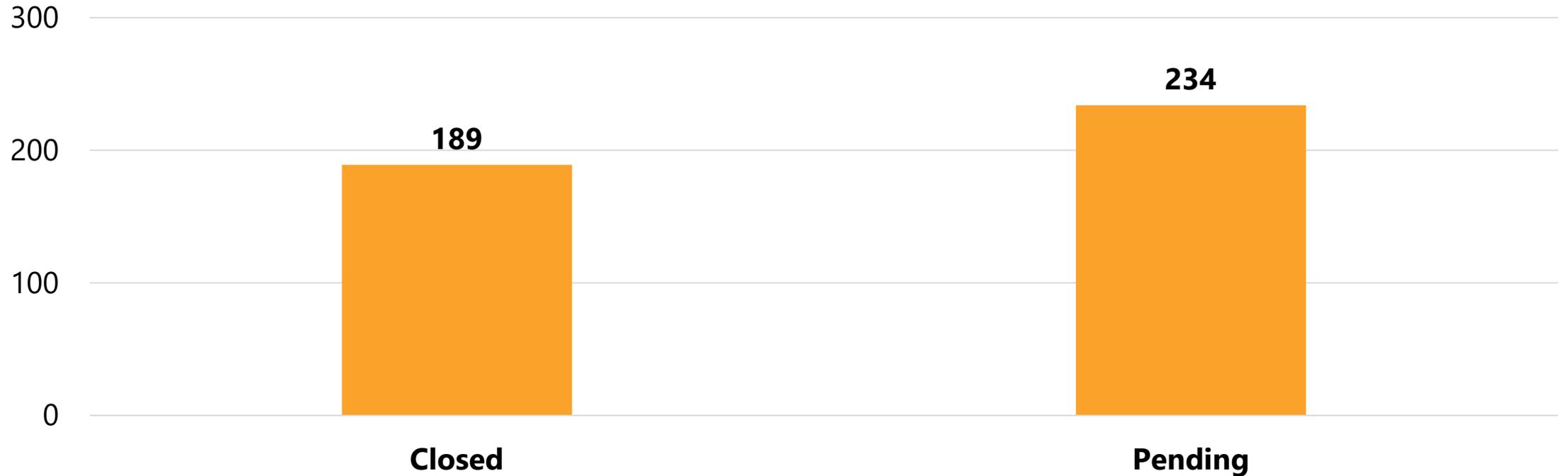
## Medical bill processing

**8** initiated  
**8** completed (initiated in FY23)

*Based on data as of 4/2/2024.*

# Enforcement update

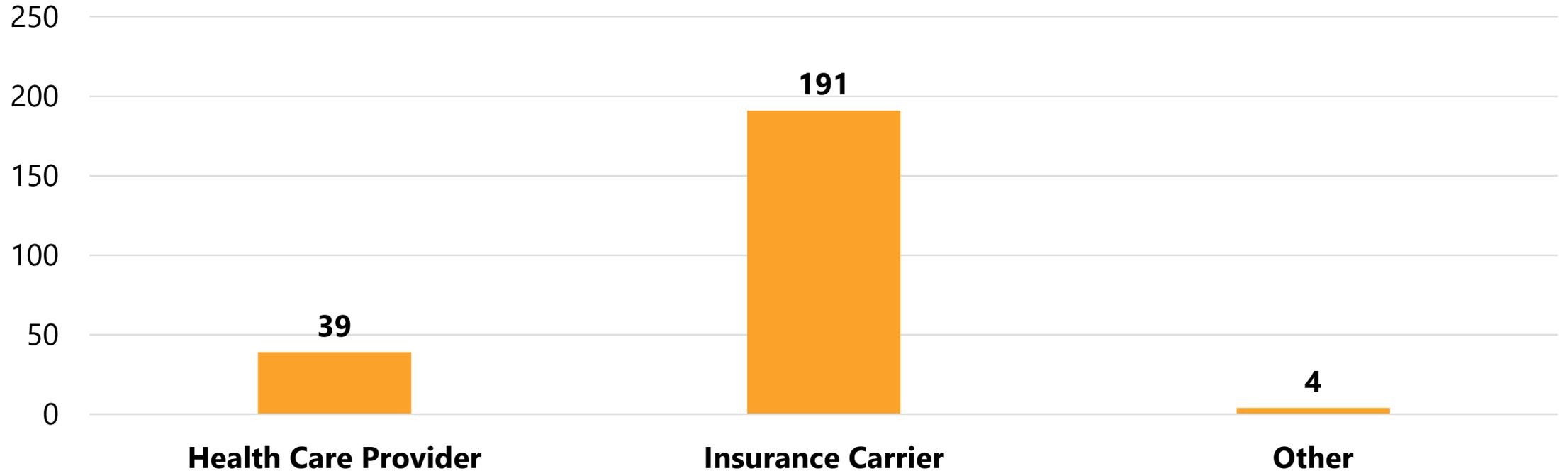
# CY 2024 – Enforcement case status



2024	Closed cases	Pending cases
Cases	189	234

*Based on enforcement data as of 4/2/2024.*

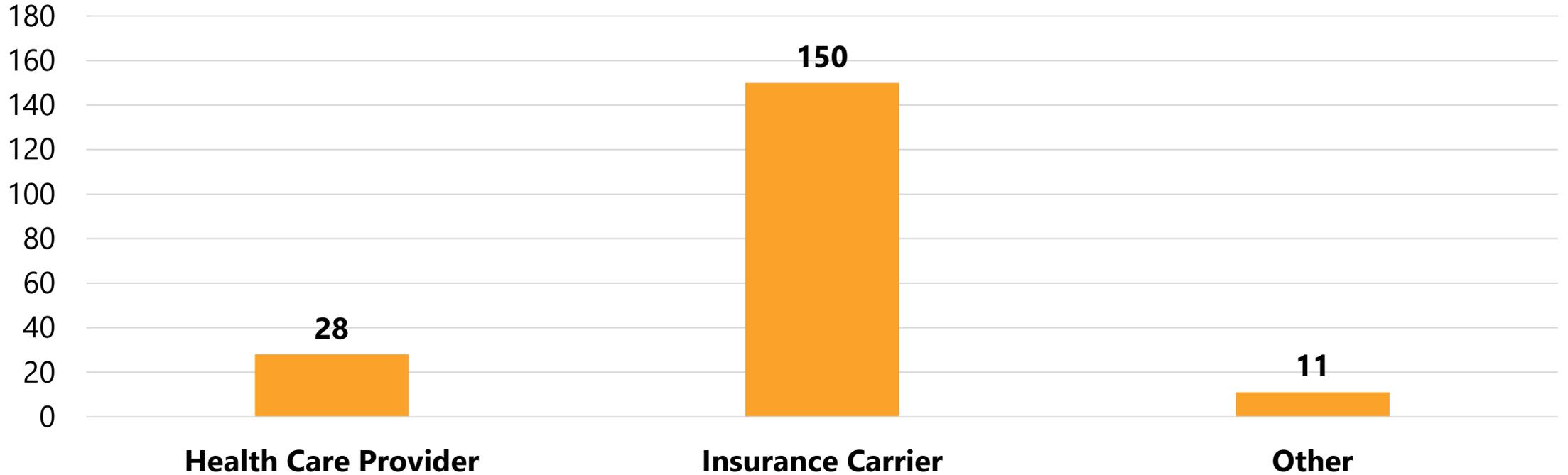
# CY 2024 – cases pending by role



2024	Health Care Provider	Insurance Carrier	Other
Cases	39	191	4

Based on enforcement data as of 4/2/2024.

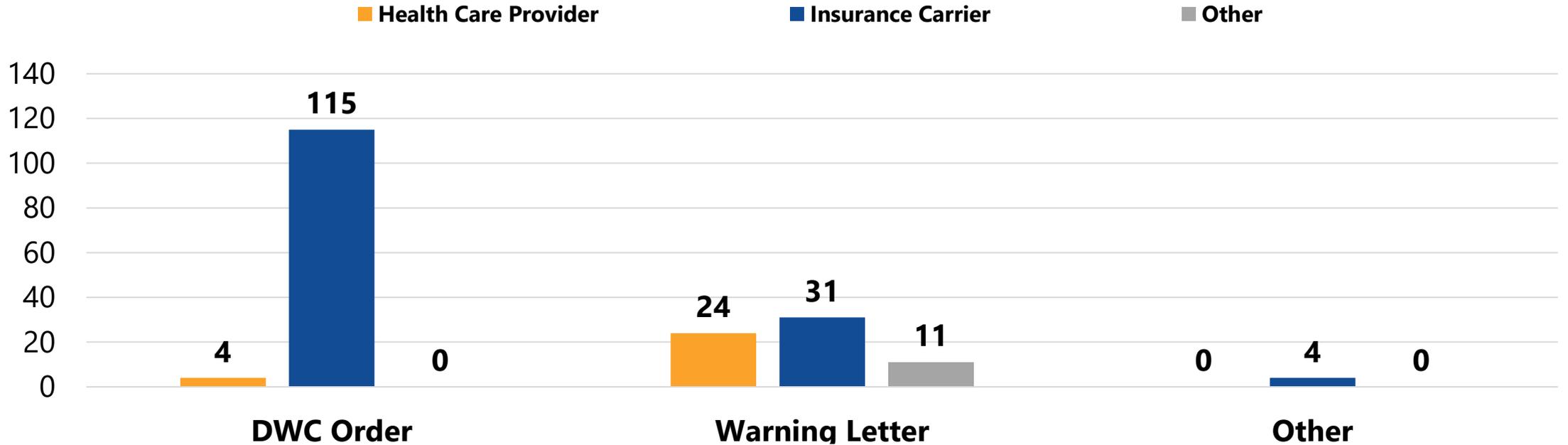
# CY 2024 – cases closed by role



2024	Health Care Provider	Insurance Carrier	Other
Cases	28	150	11

Based on enforcement data as of 4/2/2024.

# CY 2024 – cases closed by disposition type



2024	Health Care Provider	Insurance Carrier	Other
DWC Order	4	115	0
Warning Letter	24	31	11
Other	0	4	0

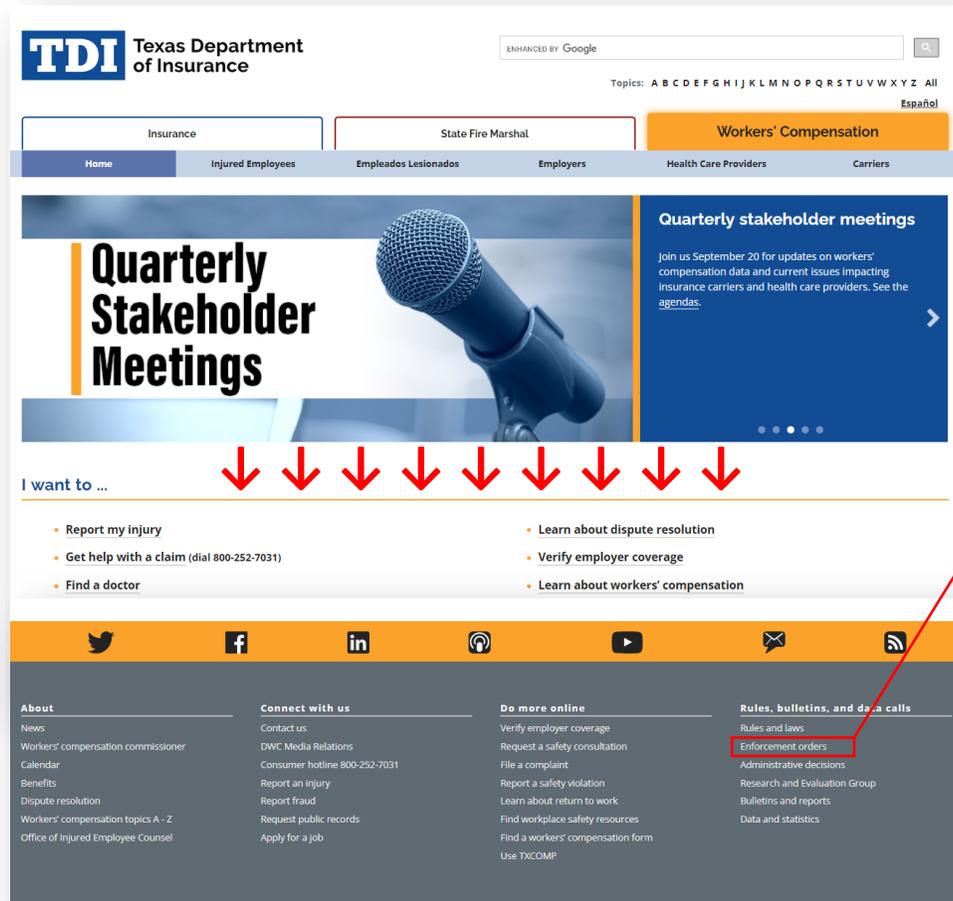
Based on enforcement data as of 4/2/2024.

# Enforcement orders webpage

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

or

Visit [www.tdi.texas.gov/wc/orders/index.html](http://www.tdi.texas.gov/wc/orders/index.html).



# Fraud Investigations & Fraud Prosecution update

# FY 2024 DWC Fraud Unit

## 857 fraud allegations received

- 38 fraud cases open
- 35 fraud cases closed
- 2 fraud referrals for prosecution

*Based on data as of 2/29/2024.*

# FY 2024 DWC Fraud & Prosecution Units

## Referrals and indictments

### Referrals to Travis County special prosecutor

- 1 employer fraud
- 1 beneficiary fraud

### Indictments

- 1 claimant

## Prosecutions and restitution

### Successful prosecutions

- 2 claimants

### Restitution recovered

**\$32,100**

*Based on data as of 2/29/2024.*

# Questions?

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[Dan.LaBruyere@tdi.texas.gov](mailto:Dan.LaBruyere@tdi.texas.gov)

**TDI** Division of Workers'  
Compensation

# Business Process

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**TDI** Division of Workers'  
Compensation

# EDI and PBO updates

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Martha Luévano, Director for Enterprise Automation Services (EAS)



# Recent changes

	DWC program	Deputy commissioner	Program contact	General questions
<b>Performance based oversight</b> (PBO)	Business Process	Tammy Campion	Martha Luévano	<a href="mailto:PBO@tdi.texas.gov">PBO@tdi.texas.gov</a>
<b>Scorecards</b> Claim and medical EDI data (raw)	Business Process	Tammy Campion	Martha Luévano	<a href="mailto:edisupport@tdi.texas.gov">edisupport@tdi.texas.gov</a>
<b>Scorecards</b> Complaint data	Compliance & Investigations	Dan LaBruyere	Martha Luévano	<a href="mailto:edisupport@tdi.texas.gov">edisupport@tdi.texas.gov</a>
<b>Audits &amp; Investigations</b>	Compliance & Investigations	Dan LaBruyere	Diana Ramos	<a href="mailto:DWC-ComplianceReview@tdi.texas.gov">DWC-ComplianceReview@tdi.texas.gov</a>
<b>Complaints</b>	Compliance & Investigations	Dan LaBruyere	Diana Ramos	<a href="mailto:DWC-ComplianceReview@tdi.texas.gov">DWC-ComplianceReview@tdi.texas.gov</a>

# **Claim EDI reporting updates**

## **Claim EDI reporting**

- Scorecards are current.
- Detail claim data delivery is current.
- Developing compliance coordinator dashboard.

## **Claim EDI outreach**

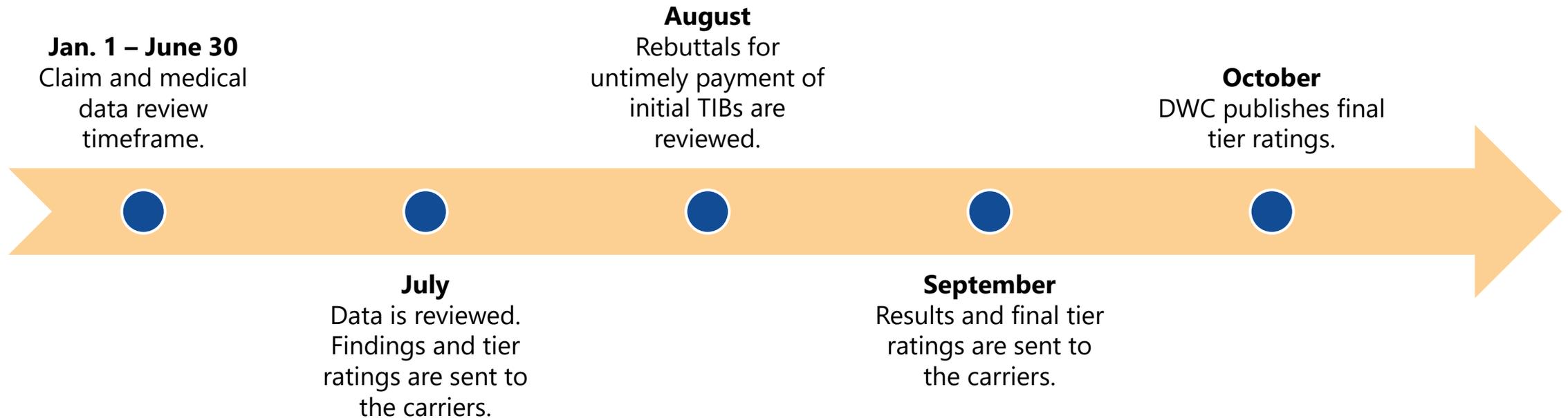
- PLN 1s missing EDI denial (FROI 04).
- PLN 11 dispute over disability missing first report of injury (FROI 00) and/or partial denial report (SROI PD).
- First report of injury rejections.

New claim EDI FAQ posted at [txdwcedi.info/faq](http://txdwcedi.info/faq).

# PBO update

2024 insurance carrier PBO assessment plan posted at [www.tdi.texas.gov/wc/pbo/index.html](http://www.tdi.texas.gov/wc/pbo/index.html).

## PBO schedule:



# Contacts

[txdwcedi@verisk.com](mailto:txdwcedi@verisk.com)

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

[txdwcbillingquestions@verisk.com](mailto:txdwcbillingquestions@verisk.com)

Claim EDI 3.1.4 billing, invoices, and billing registration.

[edisupport@tdi.texas.gov](mailto:edisupport@tdi.texas.gov)

Request for training, EDI-03 compliance coordinators, and EDI rules.

[PBO@tdi.texas.gov](mailto:PBO@tdi.texas.gov)

Questions about PBO.

# Health and Safety

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Mary Landrum, Deputy Commissioner of Health and Safety



# Designated doctor (DD) billing and reimbursement implementation

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Santiago Calderon, Director of Designated Doctor Operations



# DD billing and reimbursement rule

## About

Stakeholders affected:

- DDs.
- Doctors with maximum medical improvement (MMI) and impairment rating (IR) certifications.
- Health care providers who conduct DD-ordered testing or evaluation.

## Implementation

DWC adopted amendments to 28 TAC Chapters 133 and 134.

## Effective date

6/1/2024

# DD assignment number

A 12-digit alphanumeric assignment number will now appear on the commissioner's order and the cancellation order.

The assignment number has three parts:

- DWC claim number + DD + sequence number.
- Example: 12345678DD01
  - Note: The sequence will pick up on the actual sequence number starting 6/1/2024. Not all orders will start at sequence #1.

# DD order (OA32A) example



PO Box 12050 | Austin, TX 78711 | 800-252-7031 | tdi.texas.gov/wc

**Injured employee:** Name

**DWC #:** DWC Claim #

**Date of injury:** Date

**Employer:** Name

**Insurance carrier:** Name

**Insurance carrier claim #:** Carrier Claim #

**DD Assignment #:** DD Appointment ID

**Date:** Letter Date

DWC 12-digit  
assignment # given to  
DD from DWC



# Workers' comp insurance carrier billing example

## **Insurance carrier medical bill processing contact information:**

DD assignment #: DWC Claim # + DD + Sequence #

Business name: Name

Mailing address: Address

Phone number: Phone #

Fax number: Fax #

Email address: Email Address

Workers' compensation  
insurance carrier billing  
information

# Live training events for rule change

Training for billing/reimbursement for DD and other certifying doctor exams:

- **May 14, 2024**, from 12 – 1:30 p.m. Central time.
- **May 21, 2024**, from 12 – 1:30 p.m. Central time.

Note: Training will be recorded and added to website.

# Other resources

## **Webpages:**

- DWC training calendar: [www.tdi.texas.gov/wc/events/index.html](http://www.tdi.texas.gov/wc/events/index.html)
- DD program homepage: [www.tdi.texas.gov/alert/event/dd.html](http://www.tdi.texas.gov/alert/event/dd.html)
- HCP training resources: [www.tdi.texas.gov/wc/hcprovider/index.html](http://www.tdi.texas.gov/wc/hcprovider/index.html)
- Medical fee guideline conversion factors:  
[www.tdi.texas.gov/wc/fee/conversionfactors.html](http://www.tdi.texas.gov/wc/fee/conversionfactors.html)

## **Email addresses:**

[DDScheduler@tdi.texas.gov](mailto:DDScheduler@tdi.texas.gov)

[DDRecords@tdi.texas.gov](mailto:DDRecords@tdi.texas.gov)

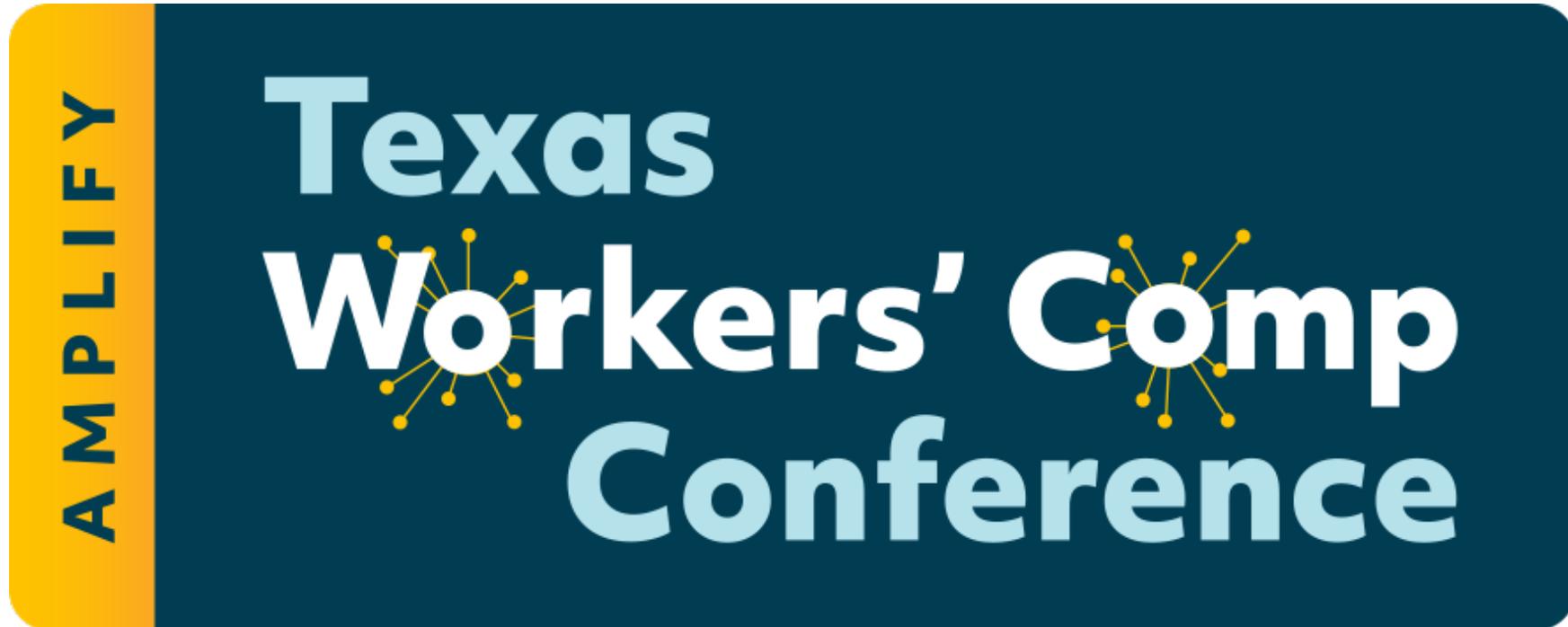
# Operations and External Relations

Matt Posey, Deputy Commissioner for Operations and External Relations



# 2024 Texas Workers' Compensation Conference

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# Save the date: October 22-23



The graphic features a light blue background with a network of dots and lines. At the top, the dates "OCTOBER 22-23, 2024" are displayed. Below this is a dark blue box with a yellow vertical bar on the left containing the word "AMPLIFY" in white. The main text in the box reads "Texas Workers' Comp Conference" in white and light blue. A QR code is centered below the box, with the text "Visit our conference page!" underneath it. To the right of the graphic, a list of topics is presented with yellow arrowheads. At the bottom right of the graphic is the TDI logo and the text "Division of Workers' Compensation".

**OCTOBER 22-23, 2024**

**AMPLIFY**

**Texas Workers' Comp Conference**

Visit our conference page!

**Get the latest on:**

- ▶ Harnessing the power of AI in Texas.
- ▶ Emerging trends in workers' compensation.
- ▶ Making a good fraud case.
- ▶ Modernizing data collection with EDI 3.1.
- ▶ How stress, attitude, and behavior influence driving.
- ▶ DWC rule projects and key case law updates.

**TDI** | Division of Workers' Compensation

# Get continuing education credit all year



Learn more:



# Coming soon

**TDI** Division of Workers' Compensation

**QUARTERLY** **UPDATE**

**Introducing a new way to connect**

Introducing **The DWC Quarterly Update**, our new quarterly newsletter aimed at increasing engagement with our stakeholders and providing helpful resources.

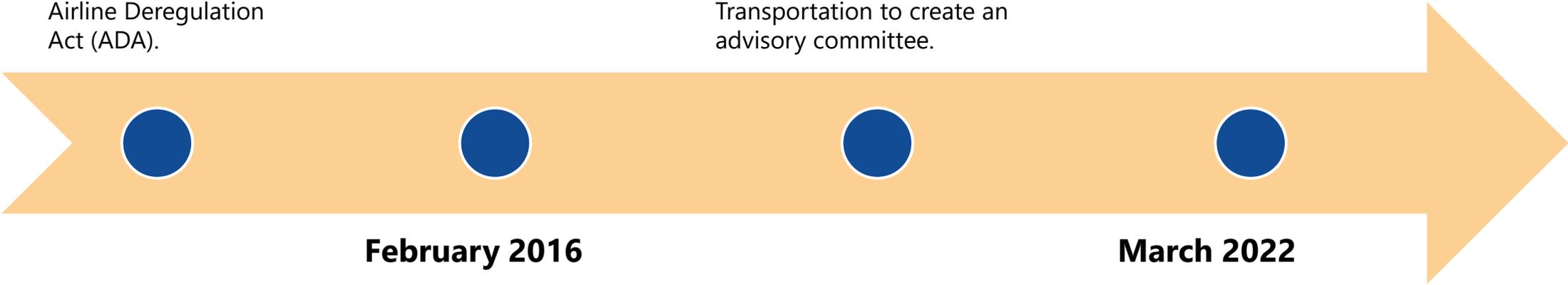
[Learn more](#)

# Sign up for DWC news:



# Air ambulance update

# Background



## 1978

- Congress enacted the Airline Deregulation Act (ADA).

## 2018

- [Federal Aviation Administration Reauthorization \(FAA\) Act](#) directs the U.S. Department of Transportation to create an advisory committee.

## February 2016

- DWC's MFDR program abated decisions to air ambulance providers.

## March 2022

- Air Ambulance and Patient Billing Advisory Committee issue a [report](#) to Congress.

# 2023 FFA reauthorization

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- Working with Office of State-Federal Relations on possible amendment to the ADA during the 2023 FAA Reauthorization process ([S.1939](#), [H.R. 3935](#)).
- July 12, 2023, Congressman Gooden of Texas (R-TX 5th District) proposed an amendment to Section 41713(b) of Title 49, United States Code declaring that state laws regulating billing and payments for air ambulance services within workers' compensation insurance programs fall outside the scope of federal preemption.
- DWC worked with IAIABC and SAWCA organizations on letters of support for a narrow amendment to the ADA to address state workers' compensation air ambulance services.
- Reauthorization process is ongoing with S.1939 on the Senate Legislative calendar. Congress has until **May 10, 2024**, to pass legislation before the 3rd funding extension expires.

# Hearings

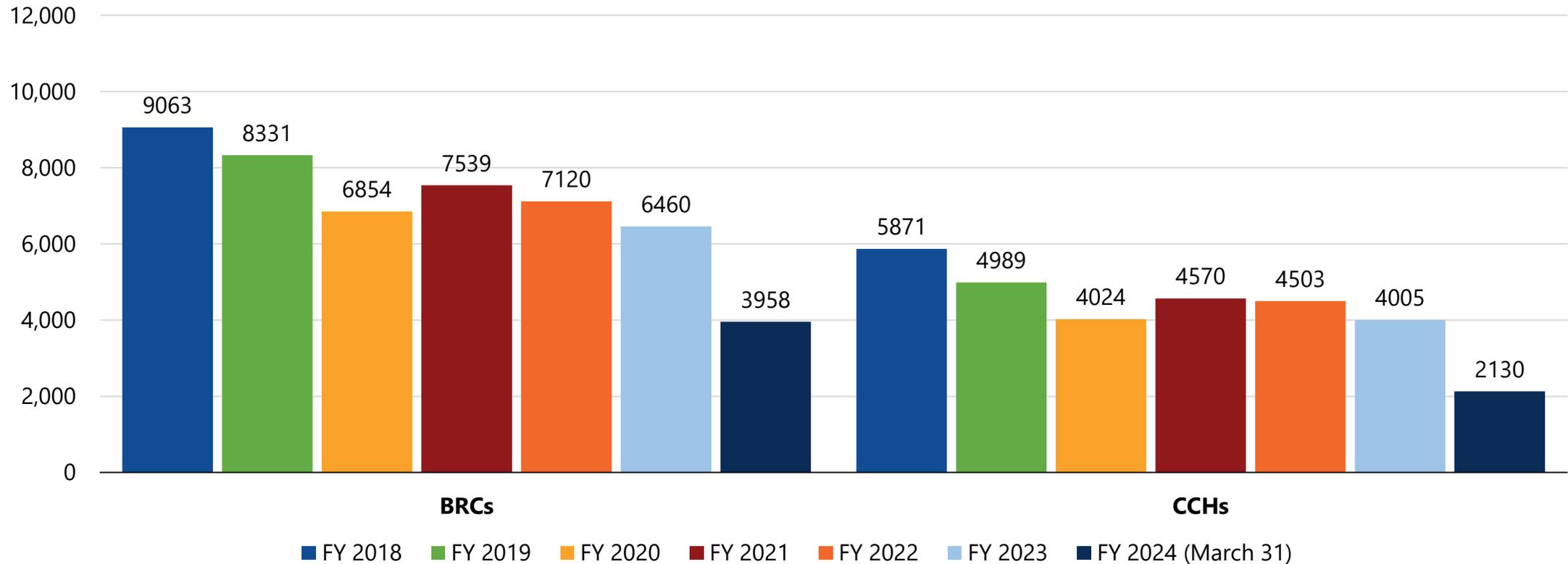
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Allen Craddock, Deputy Commissioner of Hearings



# Proceedings concluded

FY 2022 – March 2024



# Austin field office construction

## Brenda Foster Austin Field Office

- During construction:
  - Loud construction after hours.
  - Two hearing rooms.
- New field office:
  - Waiting area.
  - Three hearing rooms.
  - Two caucus/meeting rooms.



# Rule updates

**Condense and  
reorganize**

**Update outdated  
information**

**Chapter 147**

**Remove references to  
penalties**

**Comply with agency  
style guide**

# Multi-certification process

Receive dispute with MMI, IR, extent of injury (EOI.)

Work with parties to identify EOI conditions that need to be rated.

Issue presiding officer directive (POD.)

Work with DD section.

Work with DD and parties to get report.

# Request for information



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Notice to parties: We request this information for mediation purposes only, and we will use your answers to order a designated doctor to prepare multiple certifications. **Your answers do not bind you, and you may change your mind.** However, inaccurate answers will likely cause additional exams and delays in the dispute resolution process. You should consult with your attorney or ombudsman.

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# Communication

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- Secure File Transfer Protocol (SFTP).
- TXCOMP.
- PROs:
  - Hearings [webpage](#), click “Dispute Resolution News”, then click “Contact information for PROs.”
- Emails:
  - [BRC Exchanges@tdi.texas.gov](mailto:BRC_Exchanges@tdi.texas.gov).
  - [CCH Exhibits@tdi.texas.gov](mailto:CCH_Exhibits@tdi.texas.gov).
- Hearings fax: 512-804-4011.

# Questions?

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**TDI** Division of Workers'  
Compensation

# What's new in customer service

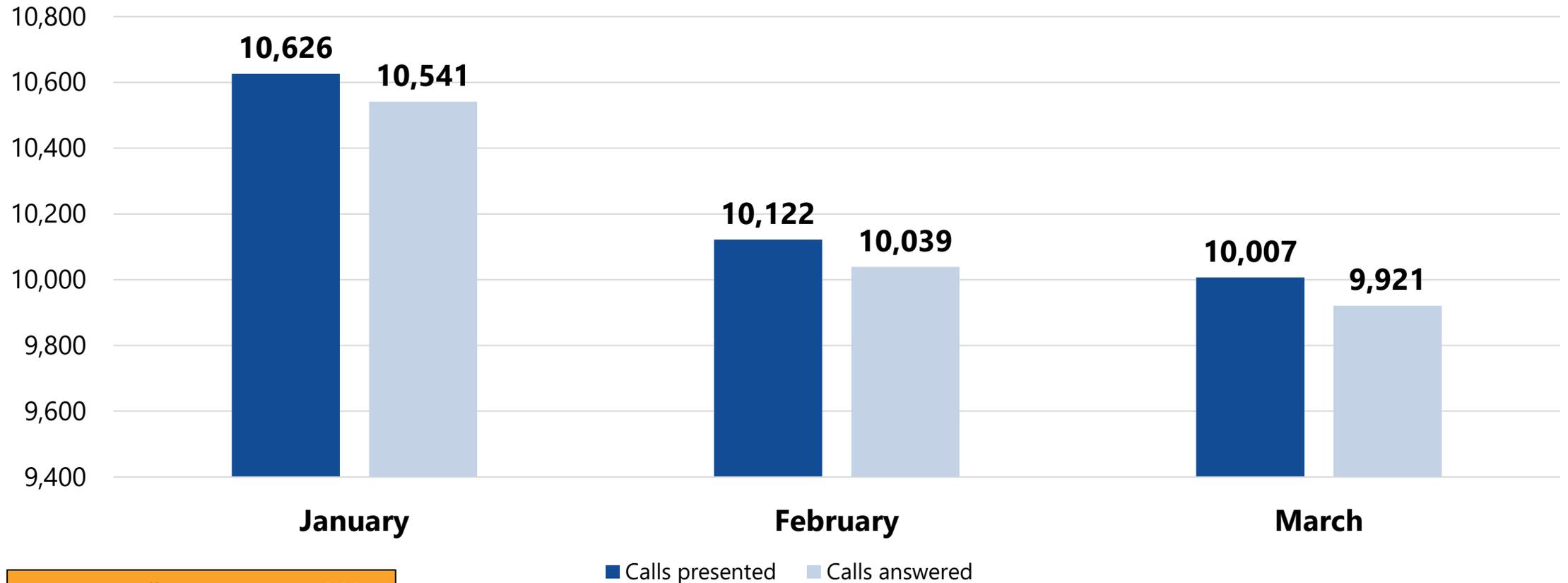
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Erica De La Cruz, Deputy Commissioner of Claims and Customer Service

Teresa Johnson, Director of Outreach & Claims Service



# Customer service helpline dashboard



Average call capture rate: **99%**  
Average wait time: **11 seconds**

# Got a wage statement?

**You should have an employer's wage statement for every claim where income or death benefits are due.**

We'll ask you to send us the wage statement when we're reviewing the following DWC forms:

- [DWC Form-031](#), *Request to change payment period or purchase of an annuity.*
- [DWC Form-033](#), *Request to reduce benefits due to contribution.*
- [DWC Form-046](#), *Request to accelerate impairment income benefits.*
- [DWC Form-047](#), *Request to advance benefits.*
- [DWC Form-052](#), *Application for supplemental income benefits.*
- [DWC Form-055](#), *Request to adjust average weekly wage for seasonal employee.*

# **We'll also ask you to send us the employer's wage statement...**

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...when we're helping potential beneficiaries and first responders with their claims.

The DWC single point of contact (SPOC) verifies the benefit amount and educates about:

- The importance of reviewing information the employer put on the wage statement.
- Completing [DWC Form-003ME](#), *Employee's multiple employment wage statement*, if applicable.

**The insurance carrier, not the employer, is responsible for sending the wage statement to DWC when requested.**

# Want to learn more about wage statements?

## Stay tuned for our upcoming trainings:

### **CompCourses:** The Wage Statement

- Requirements for filing a DWC Form-003, *Employer's Wage Statement*.

### **Texas Workers' Compensation Conference:** Wage Calculations

- Using the wage statement to calculate income and death benefits.

# **Common processing issues with DWC forms**

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Help us process DWC forms timely by:

## **For Required Medical Exam (RME) requests:**

- Requesting to rescind the previous RME approval order that exam **did not** occur.

## **For all DWC forms:**

- Responding to the SPOC timely when requesting information.
- Reporting address changes via EDI.
- Reporting adjuster changes timely via EDI.

# Questions?

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Call us at 800-252-7031, option 1  
Monday through Friday, 8 a.m. to 5 p.m. Central time



# Closing remarks

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Jeff Nelson, Commissioner of Workers' Compensation

