

Quarterly Insurance Carrier Meeting

July 10, 2014
1:30 p.m. to 3:30 p.m.

Texas Department of Insurance
Division of Workers' Compensation

Agenda Items

- Welcome
- Complaint Data Update
- Medical Fee Dispute Resolution Update
- Enforcement Update
- Office of Medical Advisor Update
- Research and Policy Update
- Performance Based Oversight Update
- Q&A and General Issues
- Closing

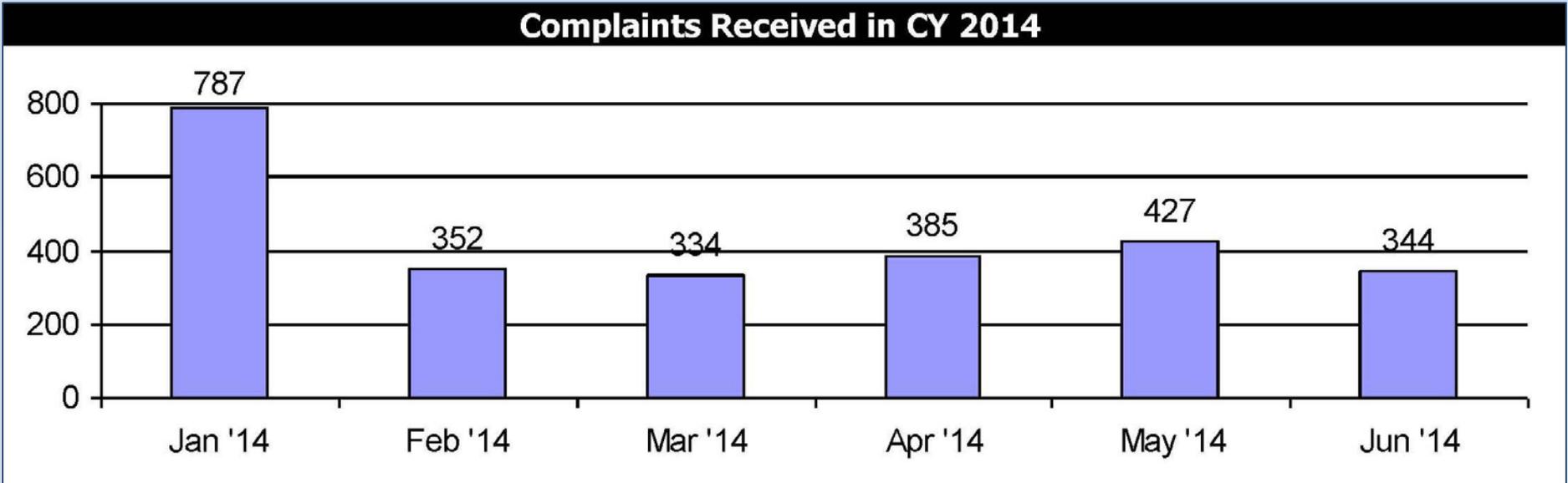
WELCOME

Rod Bordelon, Commissioner
Division of Workers' Compensation

COMPLAINT DATA UPDATE

Teresa Carney, Director
System Monitoring & Oversight

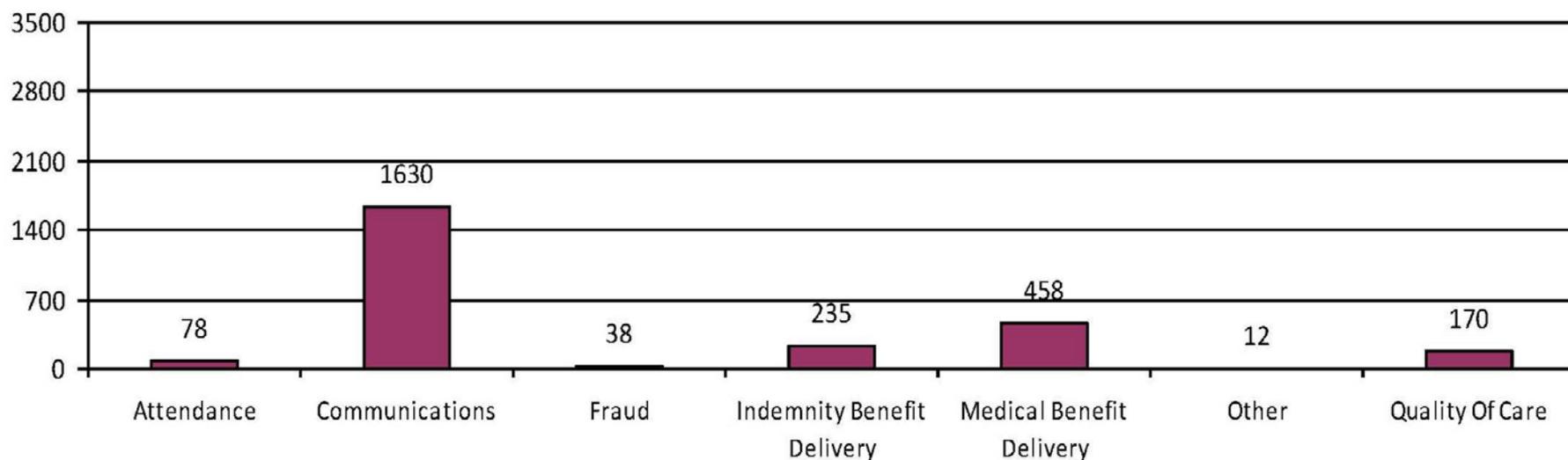
Complaints Received CY2014



Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14	Jan'14
787	352	334	385	427	344	787

Complaints Received CY2014 by Category

Complaints Received in CY 2014 by Category

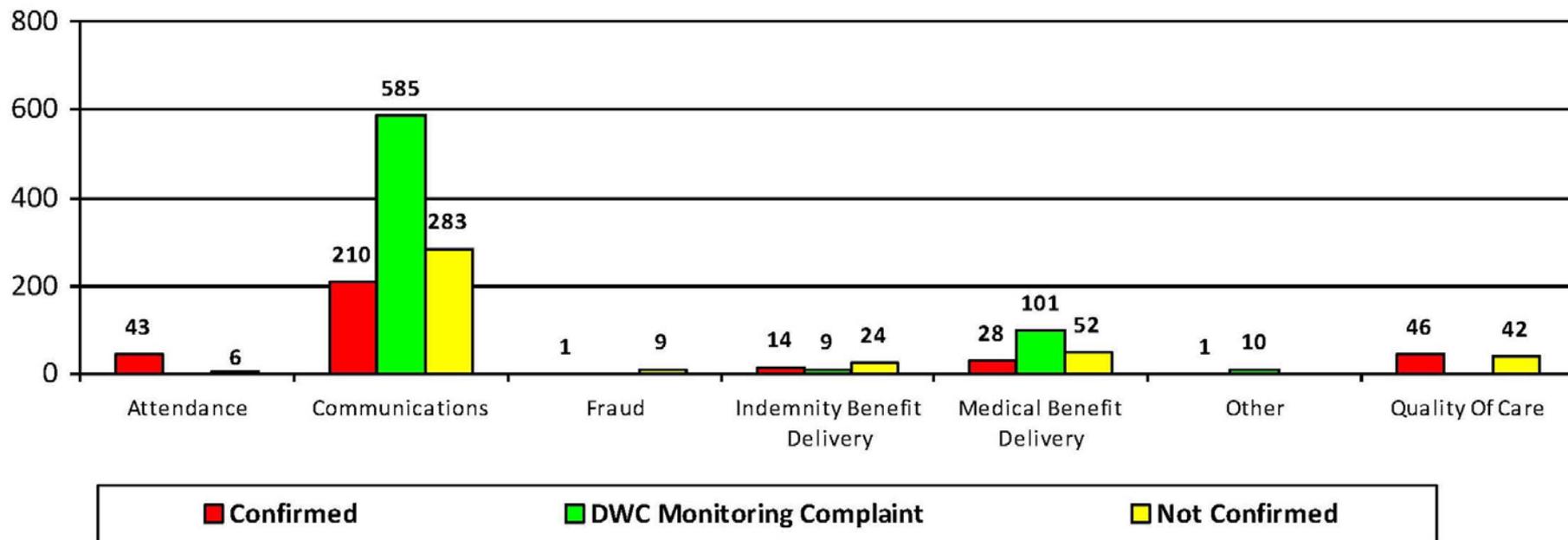


Attendance	Communication	Fraud	Indemnity Benefit Delivery	Medial Benefit Delivery	Other	Quality of Care
78	1630	38	235	458	12	170

Complaints Received CY2014

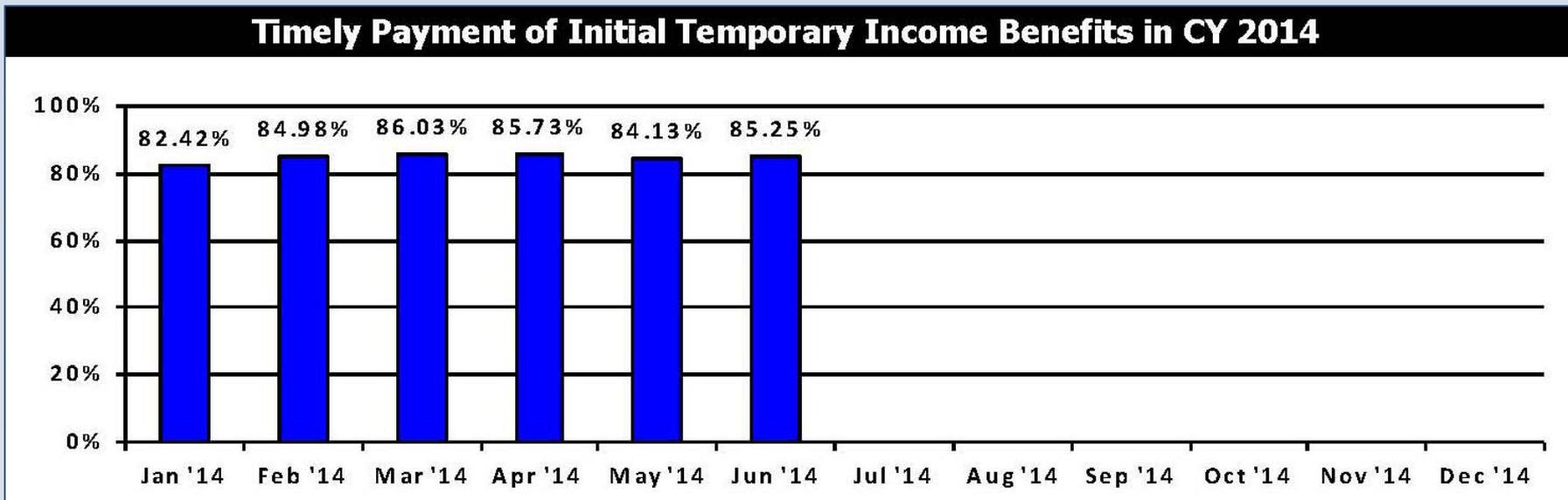
“Closed” Status

Closure Outcomes for Complaints Received in CY 2014 by Category



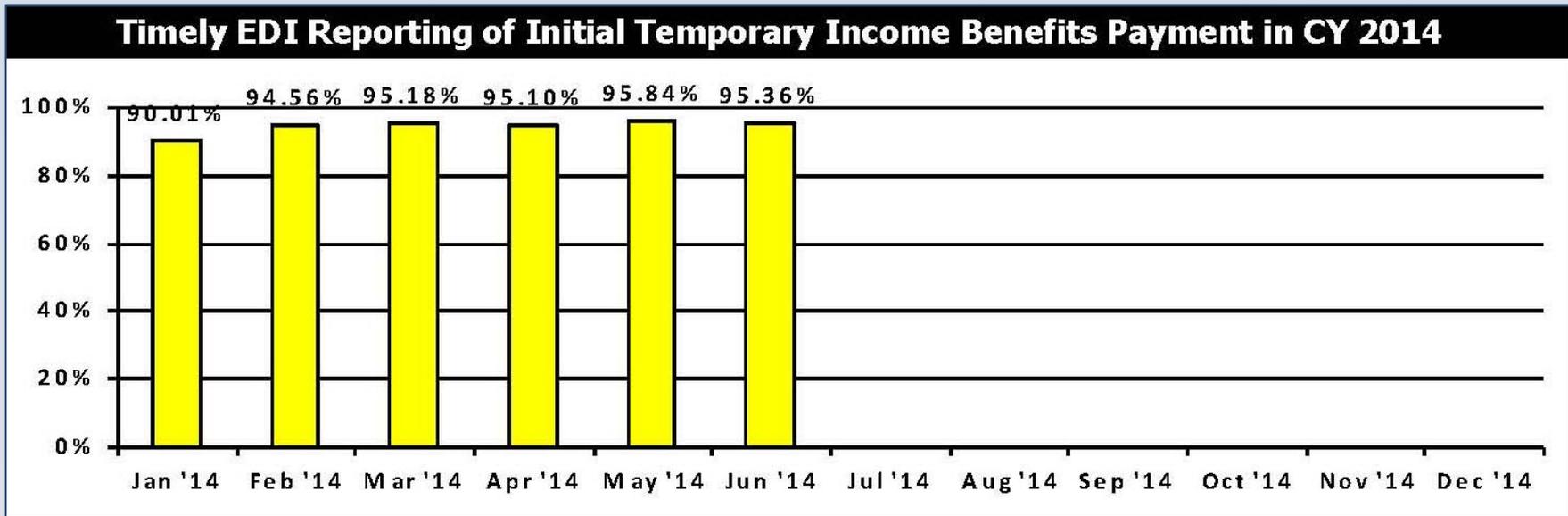
	Attendance	Communication	Fraud	Indemnity Benefit Delivery	Medical Benefit Delivery	Other	Quality Of Care
Confirmed Complaint	43	210	1	14	28	1	46
DWC Monitoring Complaint	0	585	0	9	101	10	0
Not Confirmed	6	283	9	24	52	0	42

Initial TIBs Payment Performance CY2014



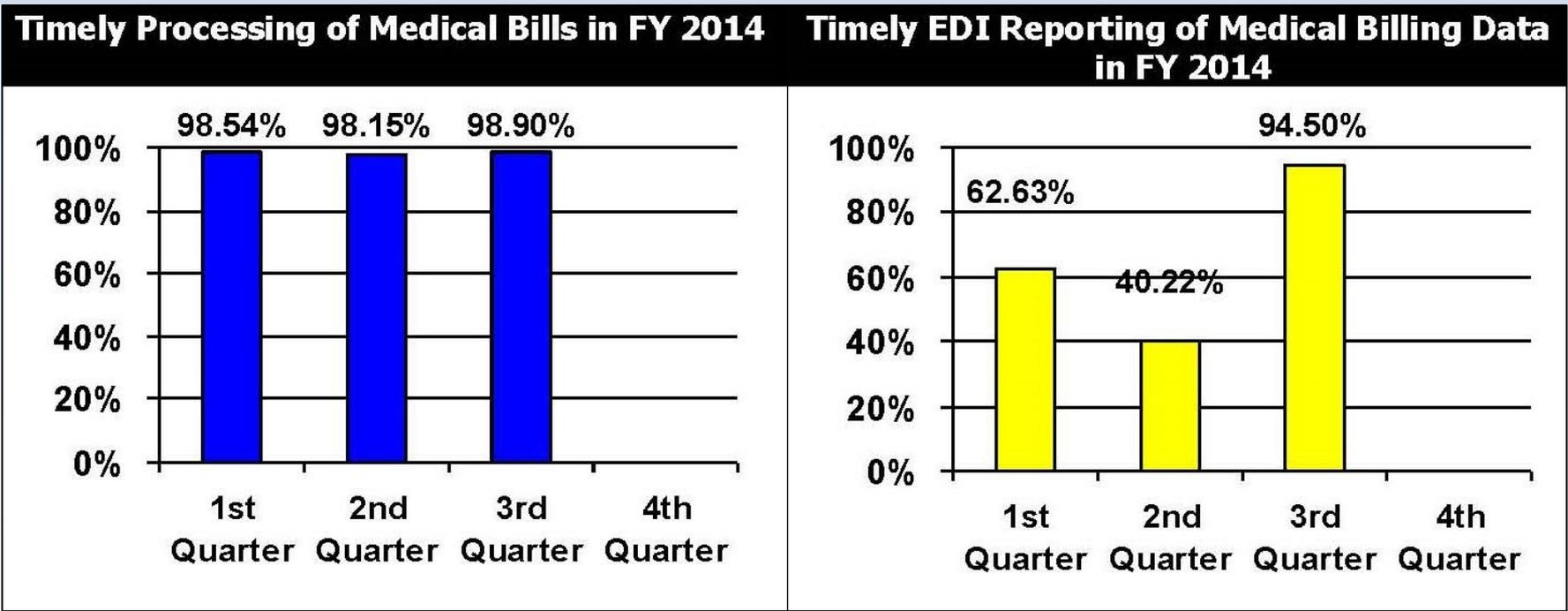
Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14
82.42%	84.98%	86.03%	85.73%	84.13%	85.25%

TIBs Initial Payment Reporting Performance CY2014



Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14
90.01%	94.56%	95.18%	95.10%	95.84%	95.36%

Medical Bill Processing and Reporting Performance FY2014



	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Processing Medical Bills	98.54%	98.15%	98.90%	
Reporting of Medical Billing Data	62.63%	40.22%	94.50%	

Monitoring Activities

- **Nonsubscriber Reporting**
- **Health Care Providers**
- **Claims Data**
- **Medical Data**

Monitoring Activities

- **Claims Data**

- Timeliness of Initial Pay
- Ongoing Indemnity Benefits
- Illogical Payments
- Accuracy of DBs payments
- Audit Results

Monitoring Activities

- **Medical Data**

- Volume of medical data reporting (Professional, Rx, etc)
- NPI
- DN 507
- Reporting reconsideration bills (W3)
- Claims Adjustment Reason Codes (CARC)

Monitoring Activities

- **FY 2014 Audits**
 - Medical Data Accuracy
 - Service Facility Postal Code
 - ANSI Reason Adjustment Code 1
 - Date Bill Received Date Paid or Denied

Monitoring Suggestions

- Insurance Carriers must request their own data
- Sample audits against bills/EORs
- Send ORR request via instructions on website (www.tdi.texas.gov/commish/legal/lcoprc1i.html)

Monitoring Suggestions

- Types of Reports
 - **Detailed Medical Bill Monitoring Data** (*Standard Report*) through Open Records Request (www.tdi.texas.gov/commish/legal/lcoprc1i.html)
 - *Include in your request:*
 - **Insurance Carrier Name/FEIN**
 - **Quarterly Medical Bill Processing Monitoring Data Report** (*which will include an excel workbook for each type of medical bill (SV1, SV2, SV3, & SV4) with the most recent quarter of refresh MB data, unless necessary to provide in MS Access due to the volume or specifically requested*)
 - **ATTENTION System Monitoring & Oversight**
 - **How you would like the data set delivered** (*email, disc, etc*)

Monitoring Suggestions

- Types of Reports
 - **Individual Carrier Performance Score Card** by EMAIL Request through smo@tdi.texas.gov
 - Include in your request:
 - **Insurance Carrier Name/FEIN**
 - **Score Card** (*which will be a performance score card for an insurance carriers performance related to complaints, timeliness of initial payment and reporting of TIBs for the current CY, and timeliness of medical bill processing and reporting (excluding recon-bills) for the current FY*)
 - **ATTENTION System Monitoring & Oversight**
 - **How you would like the data set delivered** (*email, disc, etc*)

Monitoring Suggestions

- Medical Refresh Data Schedule

FY Quarter	FY Quarter Months	Refresh Data Available
Q1	September – November	Mid/Late December
Q2	December – February	Mid/Late March
Q3	March – May	Mid to Late June
Q4	June – August	Mid to Late September

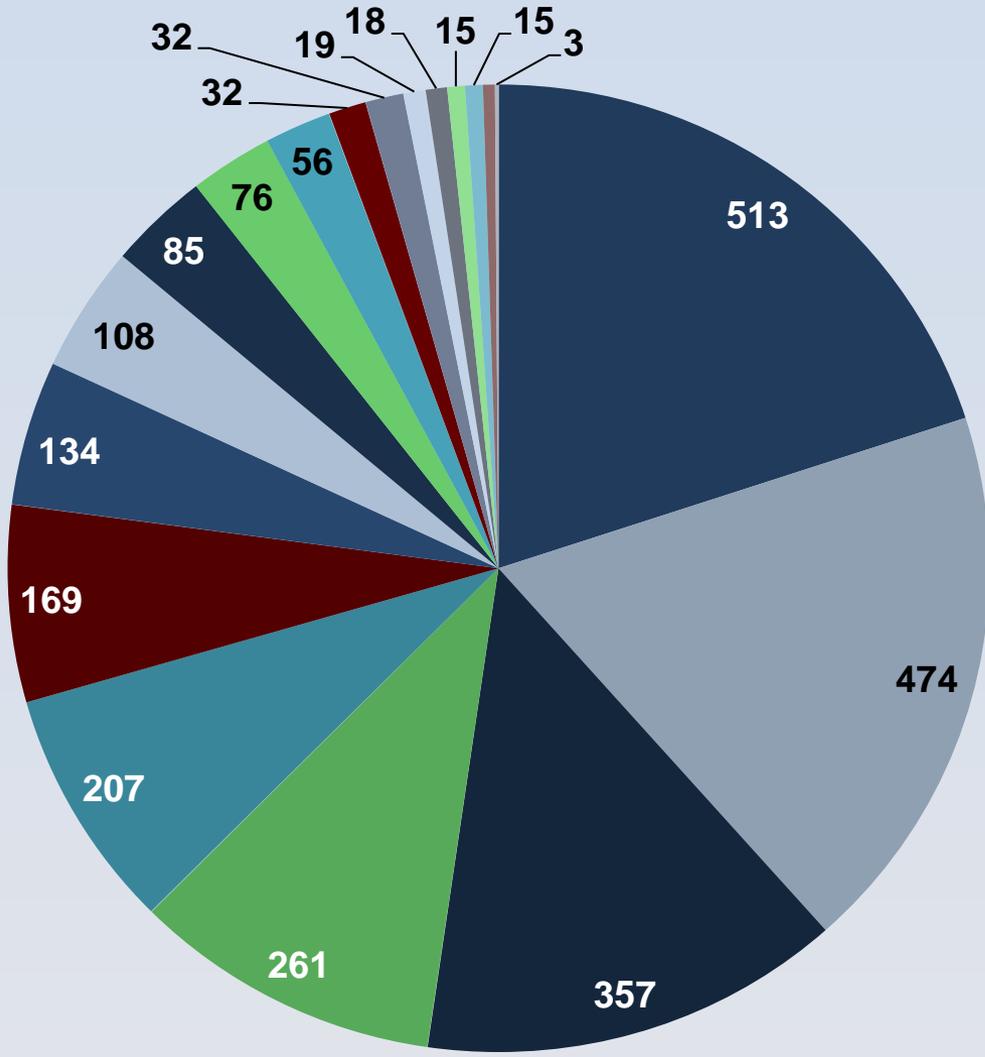
Monitoring Questions

- Teresa.carney@tdi.texas.gov
- 512-804-4702
- Compliance is the goal!

MEDICAL FEE DISPUTE RESOLUTION UPDATE

Martha Luevano, Manager
Medical Fee Dispute Resolution

Active Medical Fee Disputes



Active	Total
Professional	513
Air Ambulance	474
134.204	357
Contract	261
95-Day	207
Hospital Outpatient	169
Preauthorization	134
409.0091	108
Comp/Extent	85
Stop Loss	76
Hospital Inpatient	56
Hospital F&R	32
ASC	32
Out of State	19
Injured Employee	18
Other	15
Pharmacy	15
Medical Necessity	3
Total	2,574

2014 Summary

- Medical Fee Disputes
 - Docketed – 2,087
 - Remanded – 138 (72 Stop Loss + 66 Air Ambulance)
 - Closed – 2,385
- Focus on resolving older disputes
- Goal is to be under 2,000 active disputes by the end of the calendar year
- No new issues

MFDR Contact Information

- Manager, Martha Luevano
512-804-4858
martha.luevano@tdi.texas.gov
- Team Lead, Greg Arendt
512-804-4859
greg.arendt@tdi.texas.gov
- Email MDRInquiry@tdi.texas.gov
- MFDR Phone 512-804-4812
- MFDR Fax 512-804-4811

ENFORCEMENT UPDATE

Sandra Nicolas, Associate Commissioner,
Enforcement

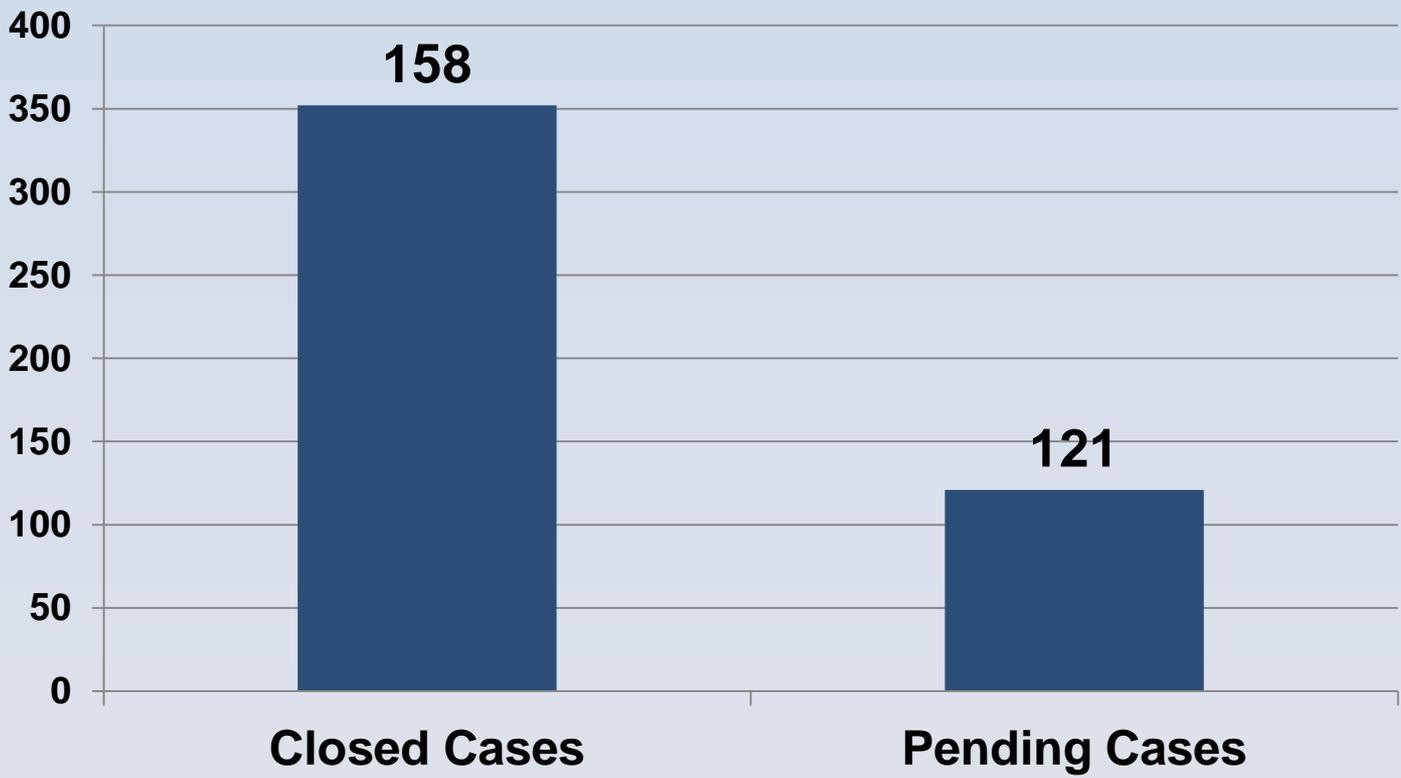
Toya Lutz, Acting Director,
Workers' Compensation Litigation Office, Enforcement

Enforcement Key Initiatives

The Compliance Division pursues strategies to improve efficiencies in market compliance and case processing. We:

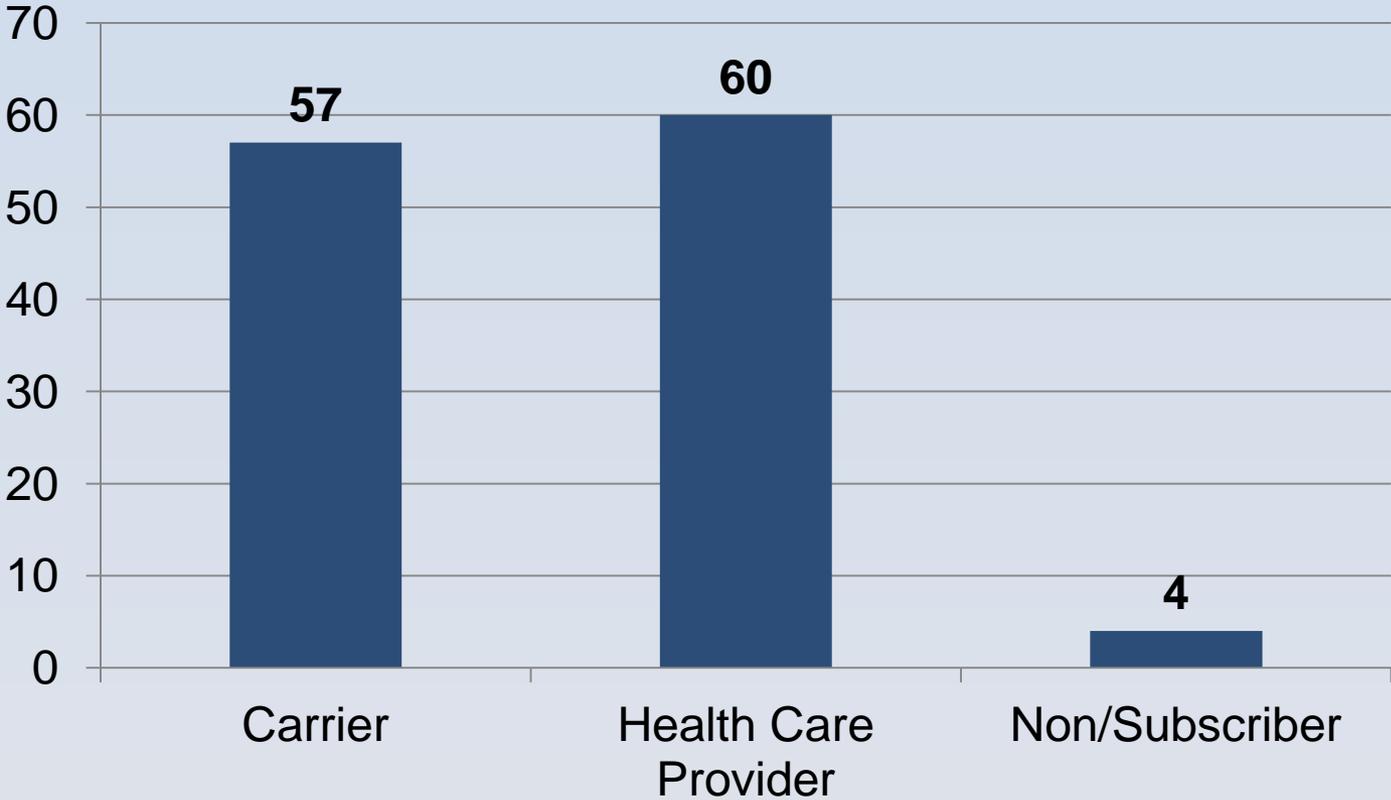
- Use clear, express statutory authority for all enforcement cases
- Inform workers' compensation stakeholders about compliance goals
- Partner with Division of Workers' Compensation program areas to foster compliance
- Assist the Office of the Medical Advisor
- Provide swift, appropriate actions for statutory and rule violations

Case Status as of June 30, 2014



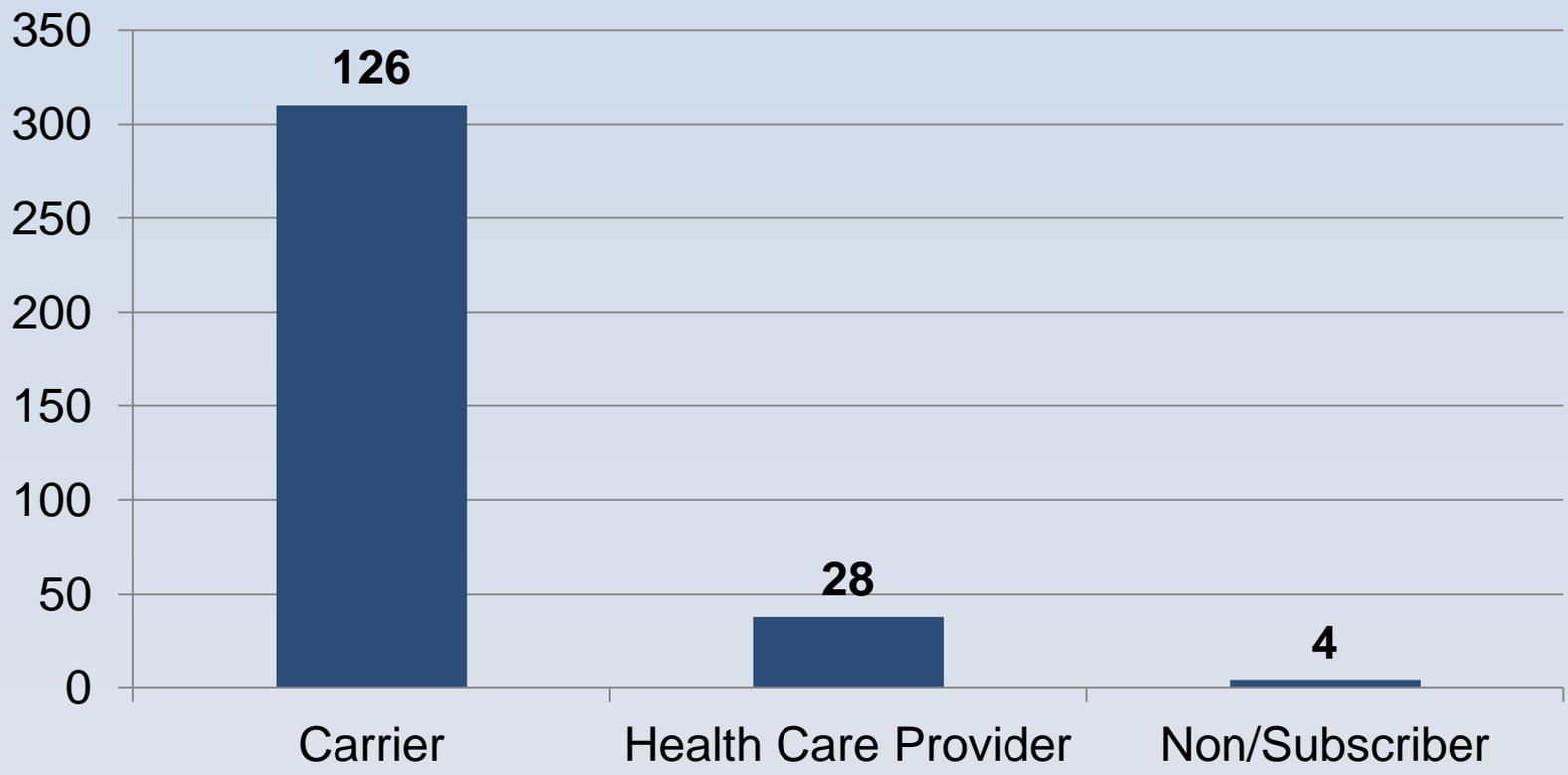
	Closed Cases	Pending Cases
Cases	158	121

Cases Pending by Subject Type as of June 30, 2014



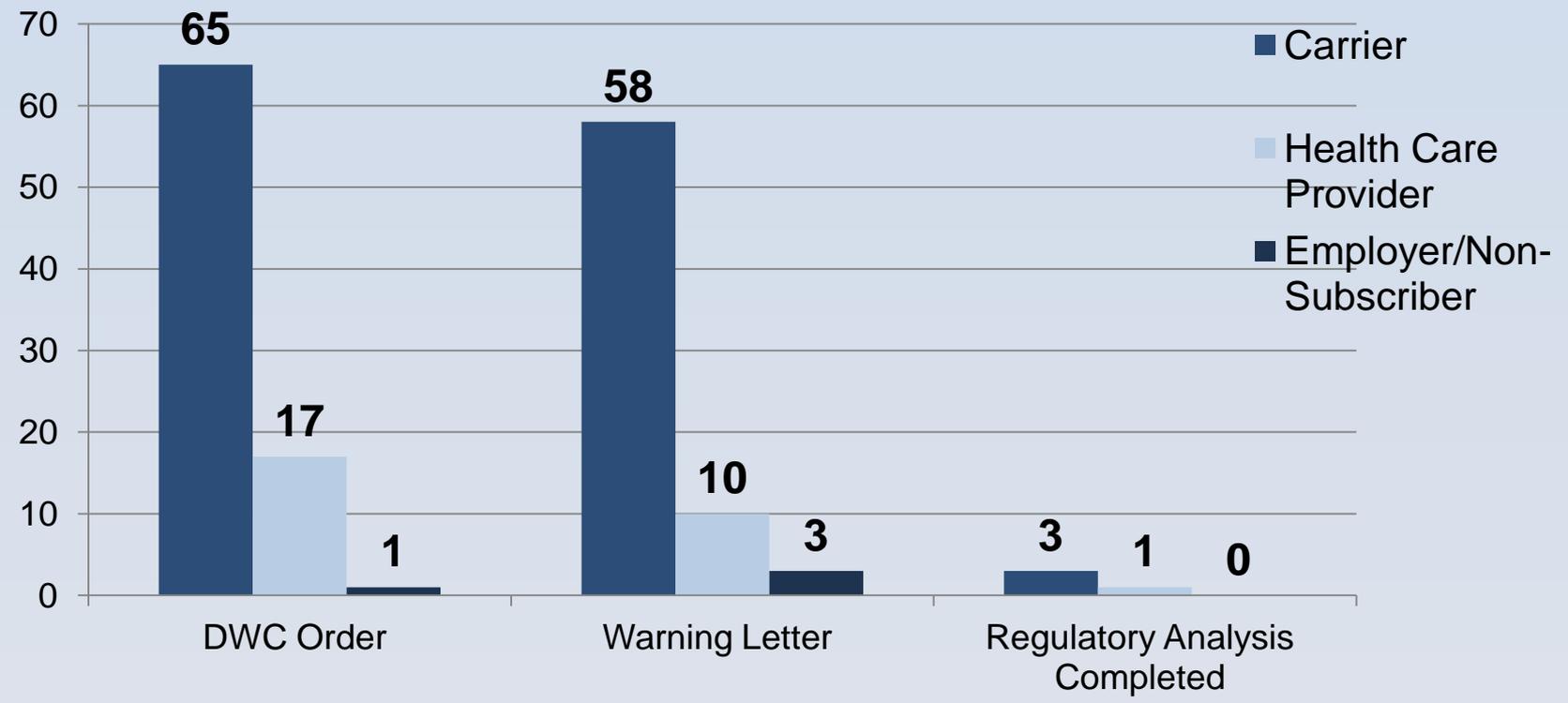
	Carrier	Health Care Provider	Non/Subscriber
Cases	57	60	4

Cases Closed by Subject Type



	Carrier	Health Care Provider	Employer/Non-Subscriber
2014 Cases	126	28	4

Cases Closed by Disposition



	Carrier	Health Care Provider	Employer/Non-Subscriber
DWC Order	65	17	1
Warning Letter	58	10	3
Regulatory Analysis Completed	3	1	0

OFFICE OF THE MEDICAL ADVISOR UPDATE

Mary Landrum, Director
Health Care Business Management

Quality of Care Complaints

- Calendar Year 2014
 - 151 complaints forwarded to OMA
(includes external complaints & internal referrals)
 - 181 complaints investigated by OMA
 - 8% recommended MQRP review
 - 92% 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 07/08/14

Medical Quality Reviews

- Calendar Year 2014
 - 27 reviews initiated
 - includes complaint, audit, or monitoring based reviews
 - assigned to MQRP members for review

 - 65 reviews concluded
 - 38% referred to Enforcement
 - 62% 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 07/08/14

OMA Enforcement Cases

- Calendar Year 2014
 - 37 OMA referrals received in Enforcement
 - 30 OMA cases concluded by Enforcement
 - 15 consent orders/final orders
 - 14 warning letters
 - 1 no further action
 - 54 OMA cases pending in Enforcement
 - 0 OMA cases pending at SOAH

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 07/01/14

RESEARCH AND POLICY UPDATE

Amy Lee, Special Deputy Commissioner
Policy and Research

PERFORMANCE BASED OVERSIGHT UPDATE

Teresa Carney

2014 Insurance Carrier PBO Assessment

- **July 2014** – Preliminary Findings
- **September 2014** – Management Responses Due
- **November 2014** – Final Results
- **December 2014** – Final Results Posted

PBO References

- General PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/pbo.html>
- Insurance Carrier PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/icpbo.html>
- Health Care Provider PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/hcppbo.html>

Q & A

Teresa Carney

CLOSING

Teresa Carney