

# Texas Department of Insurance Division of Workers' Compensation



## Medical Quality Review CY 2017 Annual Audit Plan

March 3, 2017

## **Section I: General Statement and Overview**

The Texas Department of Insurance, Division of Workers' Compensation (TDI-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." TDI-DWC will manage the medical quality review process in a manner that is fair, open, and transparent to all workers' compensation system participants 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.

Pursuant to 28 Texas Administrative Code (TAC) §180.68, the medical quality review process is medical case review initiated on the basis of complaints, plan-based audits, or monitoring as a result of a consent order and performed in accordance with criteria adopted under Labor Code §413.05115. TDI-DWC's Medical Advisor oversees the medical quality review process conducted by the Medical Quality Review Panel (MQRP).

The MQRP aides TDI-DWC in monitoring compliance with the Texas Workers' Compensation Act and TDI-DWC rules, and helps ensure injured employees in the workers' compensation system receive medically necessary and appropriate health care that is timely and cost-effective and facilitates functional recovery and appropriate return-to-work outcomes.

## **Section II: Purpose**

- Promote the delivery of quality health care in a cost-effective manner, with emphasis on injured employee safety.
- Ensure that health care providers adhere to medically accepted standards of care.
- Support return-to-work outcomes and avoid unnecessary disability.

## **Section III: Scope, Methodology, and Selection Criteria**

For each category within the *Medical Quality Review Annual Audit Plan* (Audit Plan), the Medical Advisor and TDI-DWC staff will define the scope, selection criteria, and individual program area responsibilities for a plan-based audit. TDI-DWC will obtain system participants input on the development of each individual plan-based audit proposal within the Audit Plan. Each individual plan-based audit proposal shall specify the program area(s) responsibilities for all relevant steps and include specific procedures for each step, including but not limited to the following:

- inclusion and exclusion criteria,
- service time frame to be audited,
- sample size, and
- subject and case file selection.

The basis for determining the medical necessity and appropriateness of health care services is pursuant to the Texas Labor Code, 28 TAC Chapter 180, Subchapter C, and the medical quality review process.

## **Section IV: Review Categories**

- Quality of designated doctor reports and the necessity of additional testing and/or referrals ordered by designated doctors to resolve the issue in question.
- Appropriateness of a doctor's decision and recordkeeping supporting the ordering of Magnetic Resonance Image (MRI) prior to one month from the date of injury.

In addition to the review categories listed above, members of the MQRP will assist with the *Performance Based Oversight 2017 Assessment Health Care Providers* to evaluate documentation of why an injured employee is prevented from returning to work as reported on the DWC Form-073, *Work Status Report*. A copy of the 2017 Health Care Provider Methodology Paper can be found at <http://www.tdi.texas.gov/wc/pbo/hcppbo.html>. These medical case reviews are excluded from the medical quality review process pursuant to 28 TAC §180.68.

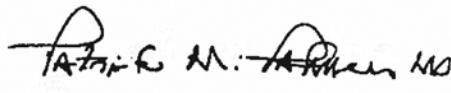
The Audit Plan may be modified by the Medical Advisor if deemed necessary. Any recommended changes must be approved by the Commissioner of Workers' Compensation prior to adoption.

## **Section V: Conflicts**

The Audit Plan incorporates the approved medical quality review process. However, if a specific conflict exists between this plan and the medical quality review process, this plan prevails.

## Section VI: Approvals

This 2017 Medical Quality Review Annual Audit Plan is respectfully submitted by:

 3/3/17  
Patrick Palmer, M.D.  
*Medical Advisor*

This 2017 Medical Quality Review Annual Audit Plan is respectfully approved by:

 3/3/17  
W. Ryan Brannan  
*Commissioner of Workers' Compensation*