

**Texas Department of Insurance
Division of Workers' Compensation**



**Designated Doctor
Plan-Based Audit**

December 21, 2012

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." Furthermore, Texas Labor Code §413.0512 allows 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 (URAs), and independent review organizations. The TDI-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 review process as set forth in the Medical Quality Review Process. Medical quality reviews aid the TDI-DWC both to monitor compliance with the Texas Workers' Compensation Act (Act) and TDI-DWC Rules and to help ensure that injured employees in the workers' compensation system receive medically necessary and appropriate health care that is timely and cost-effective, and facilitate functional recovery and appropriate return-to-work outcomes.

A designated doctor is a doctor selected by TDI-DWC to make a recommendation about an injured employee's medical condition or to resolve a dispute about a work-related injury or occupational illness. The injured employee, employee's representative, if any, insurance carrier or the TDI-DWC can request an examination by a designated doctor. The TDI-DWC will determine if a designated doctor should be appointed to conduct the examination.

Section II: Purpose for Plan-Based Audit

- Promote the delivery of quality designated doctor examinations that are cost-effective and serve the goals of all participants in the workers' compensation system.
- Ensure that designated doctors adhere to a reasonable and necessary standard for decisions to perform or refer injured employees for additional testing when conducting designated doctor examinations.

Section III: Scope and Methodology for Plan-Based Audit

- Designated doctors who have decided to perform or refer injured employees for additional testing as part of the designated doctor examination:
 - where the additional testing is an FCE and was billed with Current Procedural Terminology (CPT) code 97750 and modifier FC;
 - where the additional testing is an electrodiagnostic test and was billed with any of the following CPT codes 51785, 51792, 95860-95874, 95900-95905, 95920-95923, 95925-95937;
 - where the additional testing is an MRI and was billed with any for the following CPT codes 70336, 70540, 70543-70549, 70551-70555, 70557-70559, 71550-71552, 71555,

72141-72142, 72146-72149, 72156-72159, 72195-72198, 73218-732223, 73225, 73718-73723, 73725, 74181-74183, 74185, 75557, 75559, 75561, 75563, 77021, 77022, 77058, 77059, 77084; and

- where the additional testing was for a non-network claim.
- Additional testing will be identified by the CPT code as billed by the designated doctors or referral health care providers and reported through Medical State Reporting data (i.e., Medical EDI data).
- The procedure for determining the medical necessity and appropriateness of additional testing is set forth in Section II of the Medical Quality Review Procedure. See also Texas Labor Code Section 413.002.
- The request for medical records will offer the DD an opportunity to explain their reasons for any referral, reasons a referral was not made, and any explanation of how they were unqualified to do the testing if a referral was made.

Section IV: Selection Criteria for Plan-Based Audit

- Time frame to select data:
 - Designated doctor examinations occurred during September 1, 2011 through February 29, 2012.
- Exclusion:
 - Designated doctors who have less than 5 examinations that meet the selection criteria.
 - Designated doctor examinations when the question is anything other than, attainment of medical maximum improvement (MMI), impairment rating (IR) related to the compensable injury, and/or the ability of the injured employee to return to work (RTW).
- The statistical toolbox developed by the State Auditor's Office may be used to determine:
 - Subject Selection:
 - Select no more than 10 designated doctors who have performed or referred additional testing as part of the designated doctor examination and had:
 - the highest number of examinations with additional testing performed or referred per the selection time frame; and
 - the highest average of total examinations with additional testing performed or referred that meet selection criteria.
 - Case Selection:

- Select a sample size at a 99% confidence level with a minimum of seven cases selected.

Section V: Roles and Responsibilities

Information Management Services (IMS), Division of Workers' Compensation

- Provides a list of designated doctors based on the scope, methodology, and selection criteria.
- Selects the subjects and case files for medical quality review based on selection criteria.

Health Care Quality Review (HCQR), Division of Workers' Compensation

- Notifies subjects chosen for medical quality review and requests documents.
- Requests from IMS another subject or case if the nurse investigator verifies in writing that a subject or case was not selected in accordance with the approved plan-based audit criteria.
- Selects MQRP members to perform a review in accordance with Texas Labor Code Sections 408.0043, 408.0044, and 408.0045 and 28 Texas Administrative Code Sections 180.1 and 180.22.
- Provides an Executive Summary to the Commissioner of Workers' Compensation upon conclusion of the plan-based audit.

Medical Advisor, Division of Workers' Compensation

- The Medical Advisor shall develop questions for the MQRP Experts. Those questions shall be approved by all undersigned parties prior to any records being sent to the MQRP Experts.

Section VI: Conflicts

This Designated Doctor plan-based audit incorporates the approved Medical Quality Review Process. However, if a specific conflict exists between this plan-based audit and the Medical Quality Review Procedure, this plan-based audit prevails.

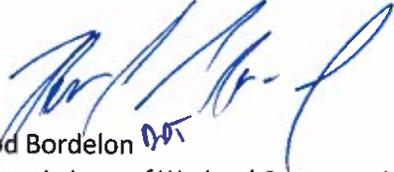
Section VII: Approvals

This Designated Doctor Plan-Based Audit is respectfully submitted by:


Donald Patrick, M.D., J.D.
Medical Advisor

12-20-12
Date

This Designated Doctor Plan-Based Audit is respectfully approved by:


Rod Bordelon ^{DOT}
Commissioner of Workers' Compensation

Date 12/21/12