

Texas Department of Insurance
Division of Workers' Compensation



Physical Medicine and Rehabilitation
Services

Plan-Based Audit

May 29, 2019

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 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, 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 aid DWC in monitoring compliance with the Labor Code and DWC rules and help ensure that injured employees in the workers' compensation system receive medically necessary and appropriate 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.

As stated in the Workers' Compensation Research Evaluation Group (REG) *Health Care Cost and Utilization in the Texas Workers' Compensation System, 2000-2017* report, "One of the goals of the workers' compensation system is to expedite injured employee's recovery and return to work. Physical medicine and rehabilitation (PM&R) service bills are by far the most numerous bills, accounting for about half of all professional bills. Sixty-five million service bills out of 135 million total bills from 1998 to 2011 were physical medicine services." Furthermore, the *Outcome Comparisons of Return to Work Rehabilitation Programs by Accreditation Status* report also issued by the REG in September 2017, stated "Implications of ineffective or failed PM&R services could result in costly work hardening/conditioning services and delayed recovery of the injured employee." The full reports can be found at: <https://www.tdi.texas.gov/reports/wcreg/index.html#wcreports>.

According to Texas Labor Code §408.021(a), an employee who sustains a compensable injury is entitled to all health care reasonably required by the nature of the injury as and when needed. The employee is specifically entitled to health care that cures or relieves the effects naturally resulting from the compensable injury, promotes recovery or enhances the ability of the employee to return to or retain employment.

Section II: Purpose

- Promote the delivery of quality health care that is cost-effective and that serves the goals of all workers' compensation system participants.
- Evaluate the appropriateness of health care providers' decision-making and recordkeeping.
- Promote the delivery of evidence-based PM&R services and management.

Section III: Scope and Methodology

- DWC will select health care providers who rendered the majority¹ of PM&R services to an injured employee who subsequently participated in a work hardening/conditioning program during the selection criteria time frame as discussed in Section IV below.
- PM&R services will be identified by the *American Medical Association, CPT 2017 and CPT 2018 Professional* codebooks.
- The procedure for determining the appropriateness of health care services is set forth in Section II of the Medical Quality Review Process. See also Texas Labor Code §413.002.
- The request for medical records will offer health care providers an opportunity to provide documentation to support the effectiveness and outcomes of PM&R services and treatment of the injured employee.

Section IV: Selection Criteria

Services

DWC will select PM&R services billed with Current Procedural Terminology (CPT) codes:

- 97545-97546 – Work hardening/conditioning;
- 97001-97002, 97161-97164 – Physical therapy evaluation, re-evaluation;
- 97003-97004, 97165-97168 – Occupational therapy evaluation, re-evaluation;
- 97010, 97012, 97014, 97016, 97018, 97022, 97024, 97026, 97028, 97032-97039, 97110, 97112, 97113, 97116, 97124, 97127, 97139, 97140, 97150, 97530, 97532, 97533, 97535, 97537, 97542 – PM&R services;
- 98925-98929 – Osteopathic manipulations; or
- 98940-98943 – Chiropractic services.

Time Frame

DWC will use the following time frames for subject selection:

- claims where work hardening/conditioning services were performed between January 1, 2018, and December 31, 2018, using CPT codes 97545 or 97546;
- claims with dates of injuries occurring in calendar years 2017 and 2018;
- claims within 18 months of the first work hardening/conditioning service where PM&R services occurred (using CPT codes listed above); and
- claims where the last PM&R service occurred 1-30 days from the first date of service for work hardening/conditioning.

Subjects

¹ Majority is defined as the health care provider who rendered the most PM&R services on a specific claim.

DWC will select the top 10 health care providers who have six or more claims when they render the majority¹ of PM&R services on an individual claim and where the health care provider rendered PM&R services within 30 days of the first work hardening/conditioning service. In the event of a tie, DWC will select the health care provider with the highest number of bills.

Cases

DWC will select five claims where the subject also rendered work hardening/conditioning. In the event where a subject does not have five claims as the rendering health care provider of work hardening/conditioning, DWC will select cases with the highest number of bills within the selection criteria. In the event of a tie, DWC will select cases with the highest number of lines billed.

Section V: Roles and Responsibilities

DWC Information Management Services (IMS)

- Provides a list of health care providers who rendered PM&R services to injured employees 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 subjects and case files for medical quality review based on selection criteria.

DWC Health Care Quality Review

- Notifies subjects chosen 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 MQRP members to perform a review in accordance with Texas Labor Code §§408.0043-408.0045 and 28 Texas Administrative Code §§180.22, 180.66, and 180.68.
- Provides an executive summary to the commissioner of workers' compensation upon conclusion of the plan-based audit.

DWC 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.

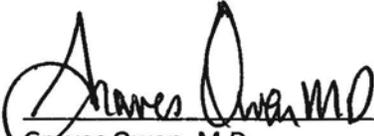
Section VI: Conflicts

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.

¹ Majority is defined as the health care provider who rendered the most PM&R services on a specific claim.

Section VII: Approvals

Submitted by:

 5/29/19
Graves Owen, M.D. Date
Acting Medical Advisor

Approved by:

 5/29/19
Cassie Brown Date
Commissioner of Workers' Compensation