

# Health Care Provider Quarterly Meeting

August 26, 2020

9:30 a.m. to 10:30 a.m.

# Agenda Items

- Welcome
- Office of Medical Advisor Update
- DD and Business Process Update
- Compliance and Investigations Update
- Telemedicine Update
- MFDR Update
- Q&A
- Closing

# Welcome

Cassie Brown, Commissioner  
Division of Workers' Compensation

# Office of Medical Advisor Update

Mary Landrum, Director  
Health Care Business Management

# Quality of Care Complaints

## Calendar Year 2020

- 59 complaints forwarded to OMA  
(includes external complaints & internal referrals)
- 91 complaints investigated by OMA
  - 54% closed with no action
  - 34% issued letters of education
  - 5% initiated a medical quality review
  - 7% referred to Enforcement

*Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 07/27/20*

# Medical Quality Reviews

## Calendar Year 2020

- 2 reviews initiated
  - includes complaint, audit, or monitoring based reviews
  - assigned to MQRP members for review
  
- 6 reviews concluded
  - 67% referred to Enforcement
  - 33% 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 07/30/20*

# OMA Enforcement Cases

## Calendar Year 2020

- 13 OMA referrals received in Enforcement
- 9 OMA cases concluded by Enforcement
  - 2 consent orders/final orders
  - 5 warning letters
  - 2 other action
- 33 OMA cases pending in Enforcement
- 2 OMA cases pending at SOAH

*Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 07/27/20*

# DD and Business Process Update

Joe McElrath, Deputy Commissioner  
Business Process



# Compliance and Investigations Update

Debra Knight, Deputy Commissioner  
Compliance and Investigations

# CY2020 Complaints

# CY2020 - Complaints

## **1,053 Complaints Received**

72	attendance
307	communications
0	fraud
269	indemnity benefit delivery
254	medical benefit delivery
84	other
67	quality of care

## **1,408 Complaints Closed**

318	confirmed
448	DWC education complaint
642	not confirmed

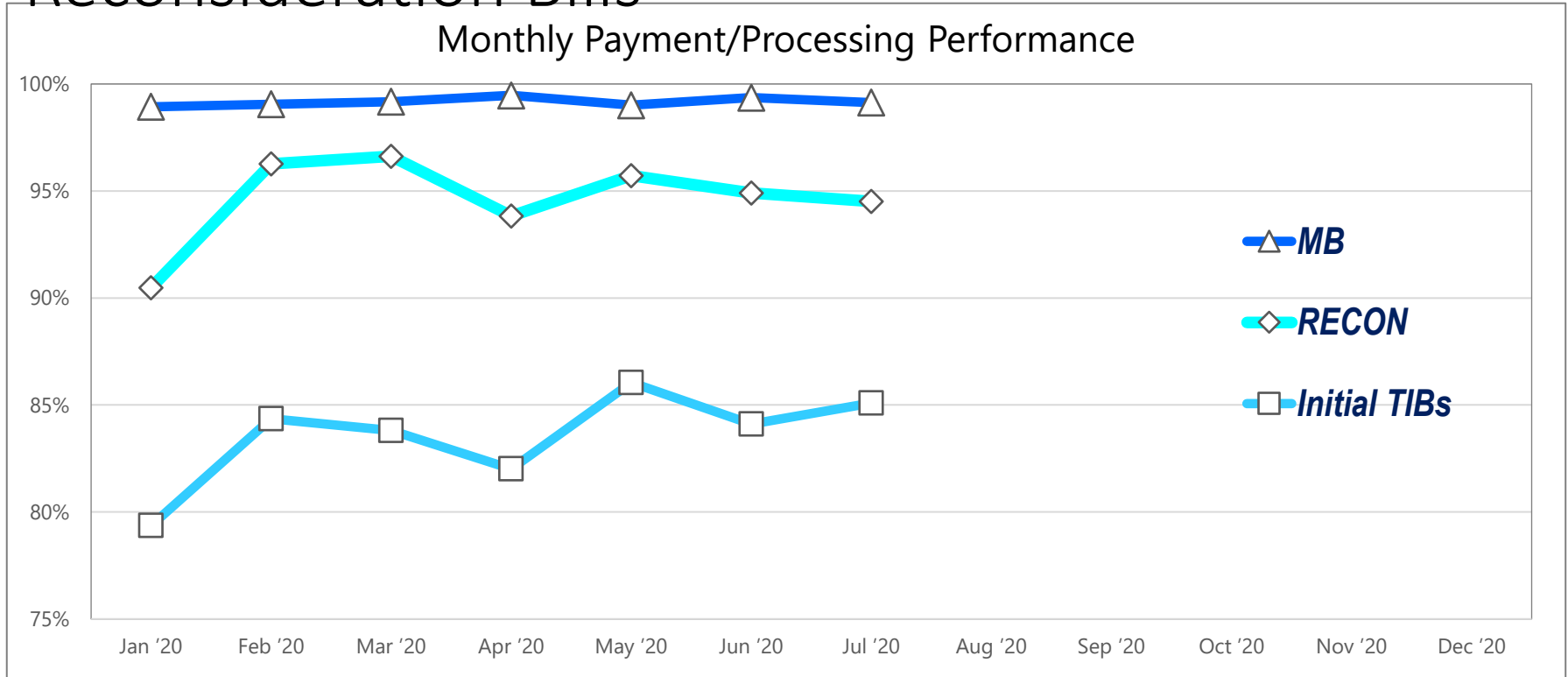
*\*Based on complaint data as of 8/3/2020*

# 2020 Complaint Volume by Month



# System Performance

# CY2020 – Payment of Initial Temporary Income Benefits ( TIBs) and **Processing** of Medical & Reconsideration Bills

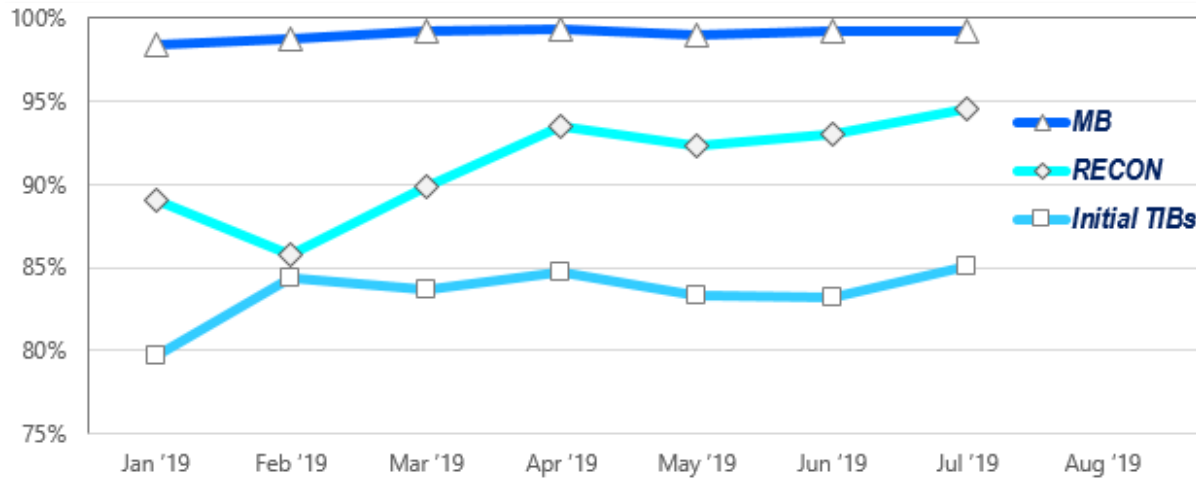


\* Based on data as of 4/1/2020

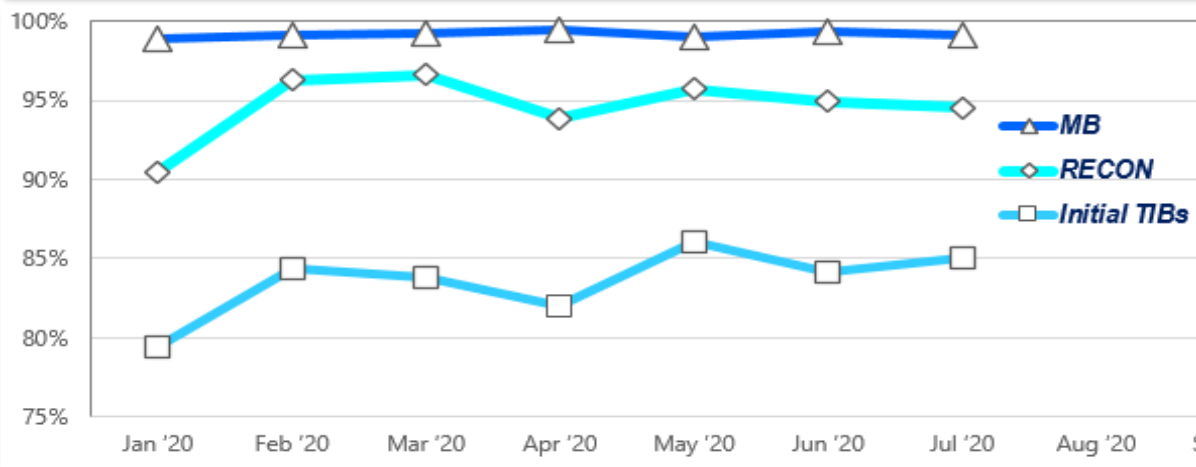
Category	Jan '20	Feb '20	Mar '20	Apr '20	May '20	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20
Medical Bill Processing	98.94%	99.06%	99.18%	99.47%	99.01%	99.37%	99.14%					
Reconsideration MB Processing	90.48%	96.27%	96.62%	93.84%	95.72%	94.91%	94.52%					
Initial TIBs Payment	79.37%	84.36%	83.81%	82.01%	86.05%	84.11%	85.09%					

# Payment of Initial TIBs and Processing of Medical & Reconsideration Bills

**CY2019**

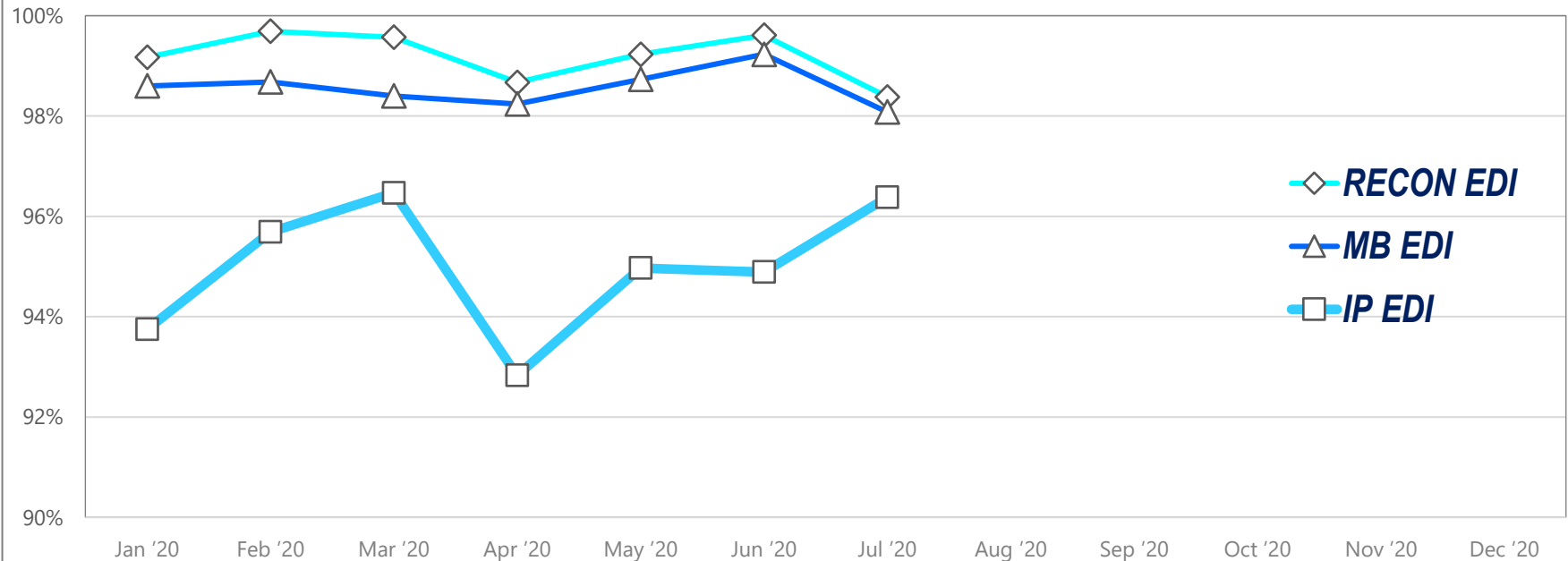


**CY2020**



# CY2020 – EDI Reporting of Initial TIBs Payment, Medical Bill and Reconsideration

Monthly EDI Performance Per Category



\* Based on data as of 4/1/2020

Category	Jan '20	Feb '20	Mar '20	Apr '20	May '20	Jun '20	Jul '20	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20
RECON EDI Reporting	99.17%	99.69%	99.57%	98.67%	99.23%	99.61%	98.38%					
MB EDI Reporting	98.60%	98.68%	98.40%	98.24%	98.73%	99.23%	98.08%					
IP EDI Reporting	93.75%	95.69%	96.47%	92.83%	94.97%	94.89%	96.38%					



# 2021 Performance Based Oversight (PBO)

# 2020 Performance Based Oversight

## Assessment Selection

121 insurance carriers with 20+ initial payment of TIBs between January-June

## Assessment Timeline

August 28, 2020                      distribute preliminary findings

October 5, 2020                      management response due

January 2021                              distribute results

# Performance Based Oversight (PBO)

## 2021 HCP PBO Assessment Timeline

- April 2021                      Data call for DWC-73s
- July 2021                        Distribute initial findings for all measures
- November 2021                DWC distributes results
- December 2021                Publish results

## Assessment Period

- **DWC-73's** identified through medical billing data received between **June 1, 2020, and February 28, 2021.**
- **DWC-69's** with exam dates between **January 1, 2021, and April 30, 2021.**

# Performance Based Oversight (PBO)

## 2021 Methodology Changes

- **No pre-selection** – selection is based on volume of assessment period data.
- **DWC73 measures combined** into one category:
  - **70% weight** – off work measure
  - **30% weight** – completeness measure

## 2021 PBO Methodology Paper

- Located on website  
(<https://www.tdi.texas.gov/wc/pbo/hcppbo.html>)

# DWC Fraud

# Fraud Definition

Per Black's Law Dictionary:

“Fraud includes any intentional or deliberate act to deprive another of property or money by guile, deception, or other unfair means.”

<https://www.acfe.com/fraud-101.aspx>

# Fraud Schemes

Examples of fraud the DWC Fraud and Prosecution teams investigate:

- Billing for services not performed by attorneys and healthcare providers.
- Under reporting employees or misclassifying high risk employees in order to obtain lower premium rates.
- Working and drawing.
- Falsifying documents to keep from having to pay benefits.

# CY2020 – DWC Fraud Stats

**889** fraud referrals received

**137** fraud cases open \*

**781** fraud cases closed

**2** fraud referrals for prosecution

*\*Based on data received as of 6/30/2020*



# CY2020 – DWC Prosecution Stats

## 4 Indictments

- 3 healthcare provider
- 1 injured employee

*\*Based on data received as of 6/30/2020*

# CY2020 – DWC Prosecution Stats

## **2 Convictions**

- **1** employer
- **1** injured employee

*\*Based on data received as of 6/30/2020*

# Enforcement Update

# Enforcement Key Initiatives

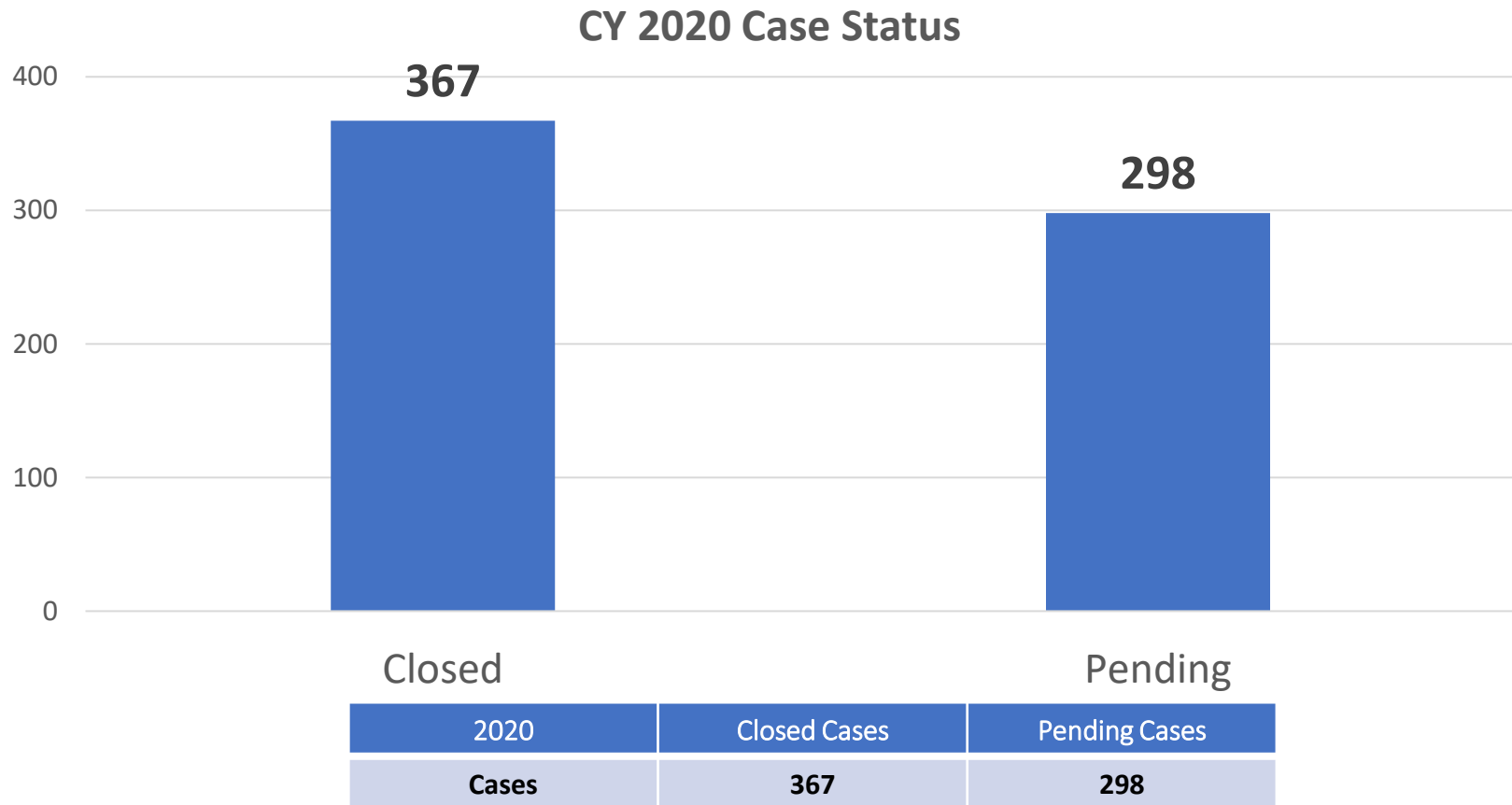
Strategies DWC Enforcement uses to improve efficiencies in market compliance and case processing:

- Using clear, express statutory authority for all enforcement cases.
- Informing workers' compensation stakeholders about compliance goals.
- Partnering with DWC program areas to foster compliance.
- Assisting the Office of the Medical Advisor.
- Providing swift, appropriate actions for statutory and rule violations.

# Examples of Administrative Violations

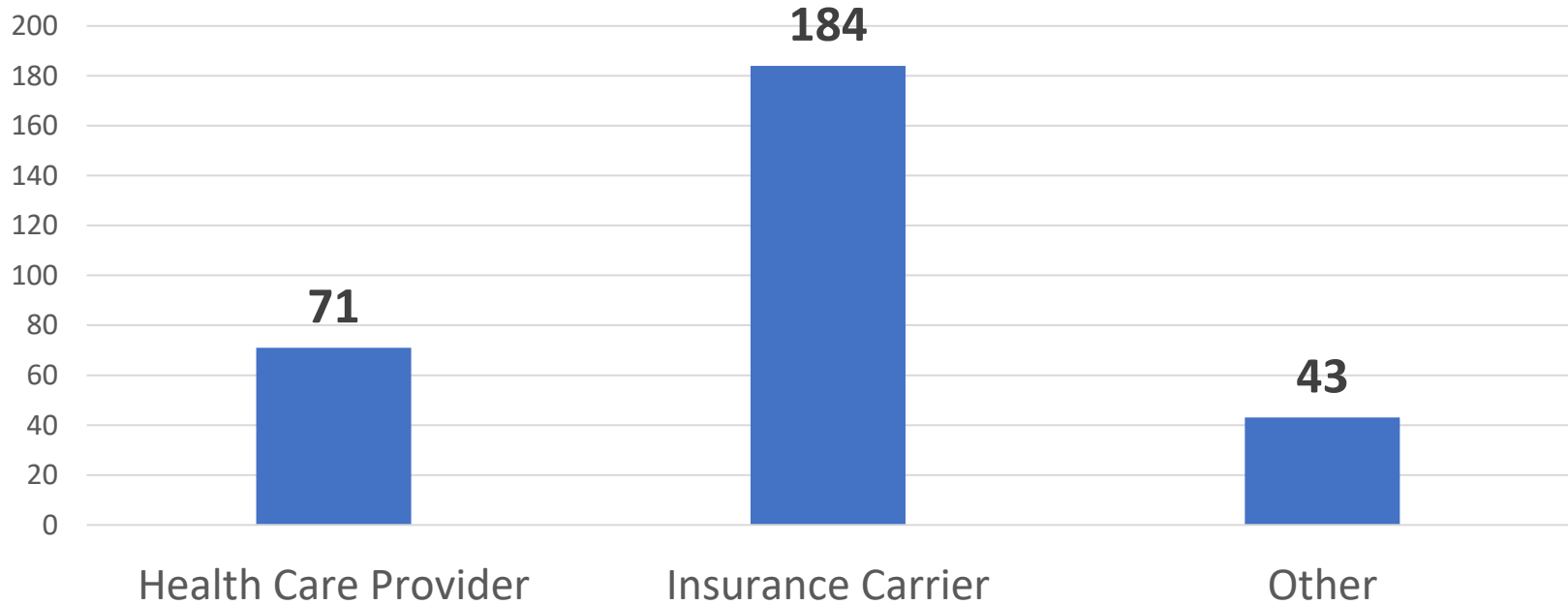
- Billing injured employee;
- Quality of care;
- Failure to pay timely indemnity benefits;
- Failure to initiate TIBS;
- Failure to accurately pay TIBS;
- Attorney fee billing violations; and
- Failure to comply with medical fee dispute resolution (MFDR) or decision and order (D&O) order.

# Enforcement Case Status for CY2020



# Cases Pending by Subject Type as of July 31, 2020

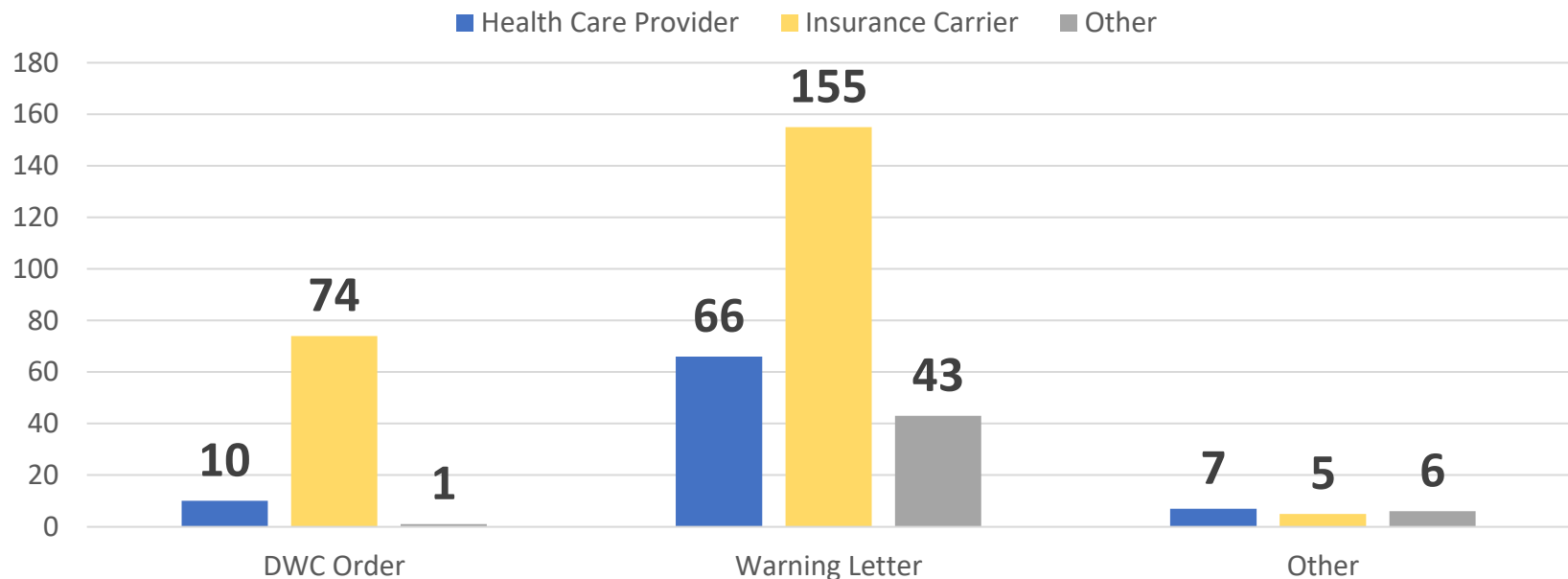
CY 2020 Cases Pending by Subject Type



2020	Health Care Provider	Insurance Carrier	Other
Cases	71	184	43

# Cases Closed by Disposition Type for CY2020

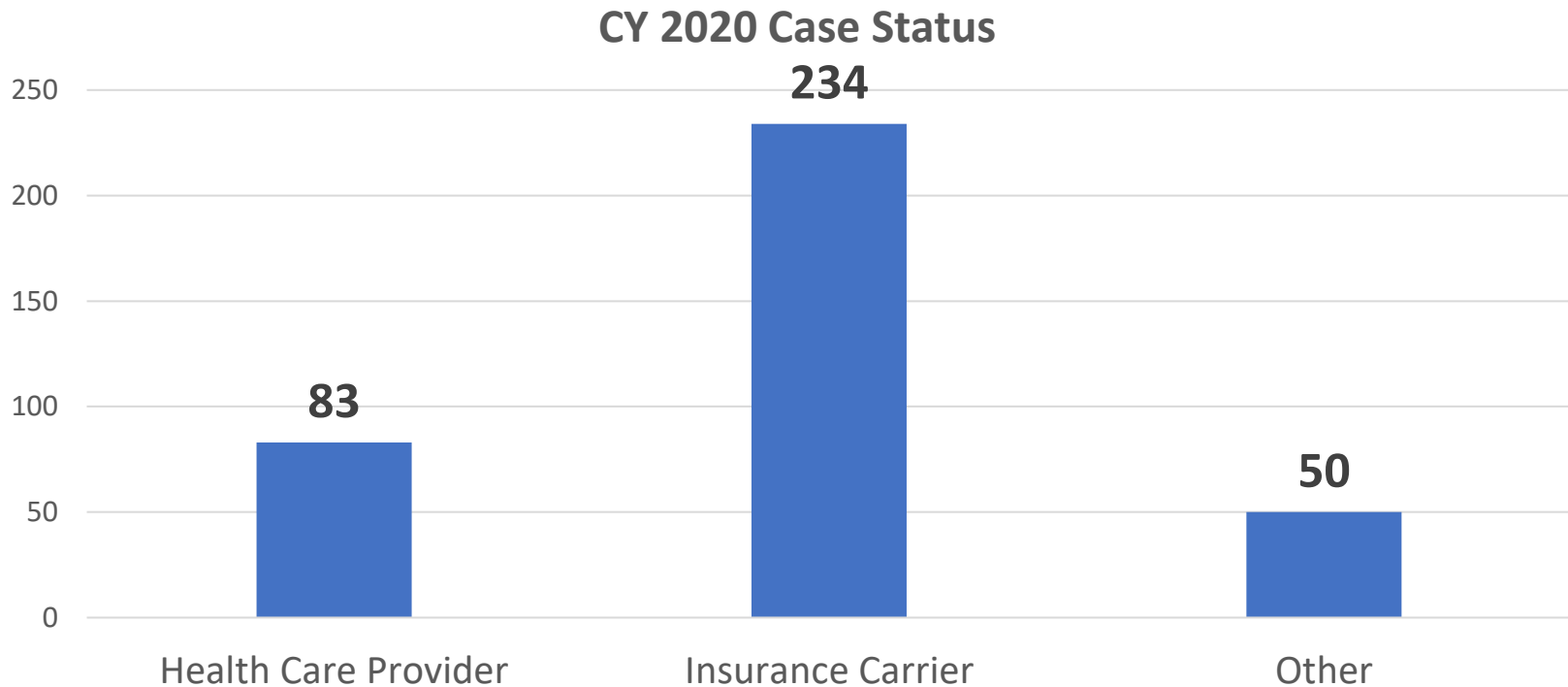
CY 2020 Cases Closed by Disposition Type



2020	Health Care Provider	Insurance Carrier	Other
DWC Order	10	74	1
Warning Letter	66	155	43
Other	7	5	6



# Cases Closed by Subject Type for CY2020



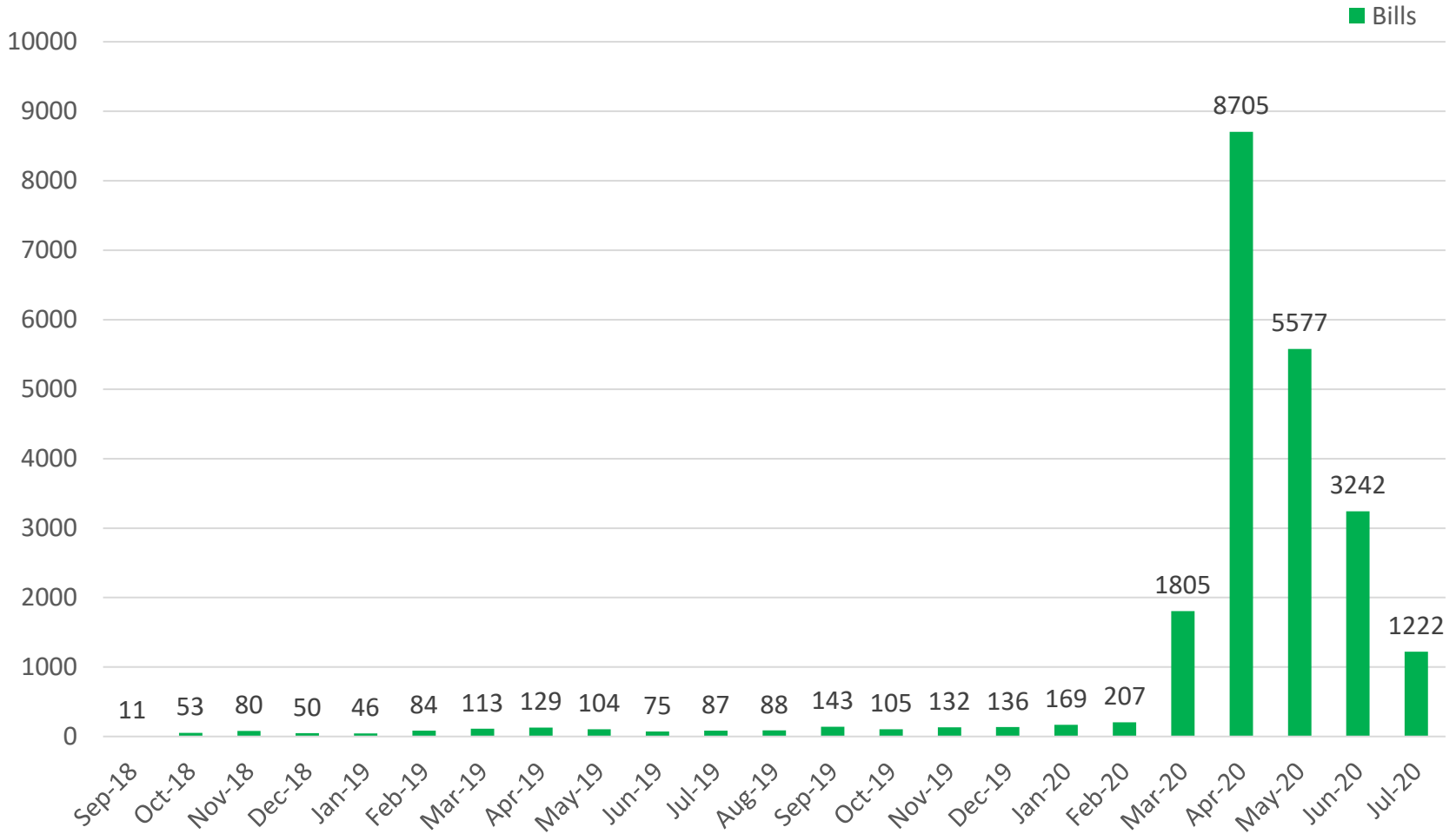
2020	Health Care Provider	Insurance Carrier	Other
<b>Cases</b>	<b>83</b>	<b>234</b>	<b>50</b>

# Telemedicine Update

Matt Zurek, Deputy Commissioner  
Health and Safety

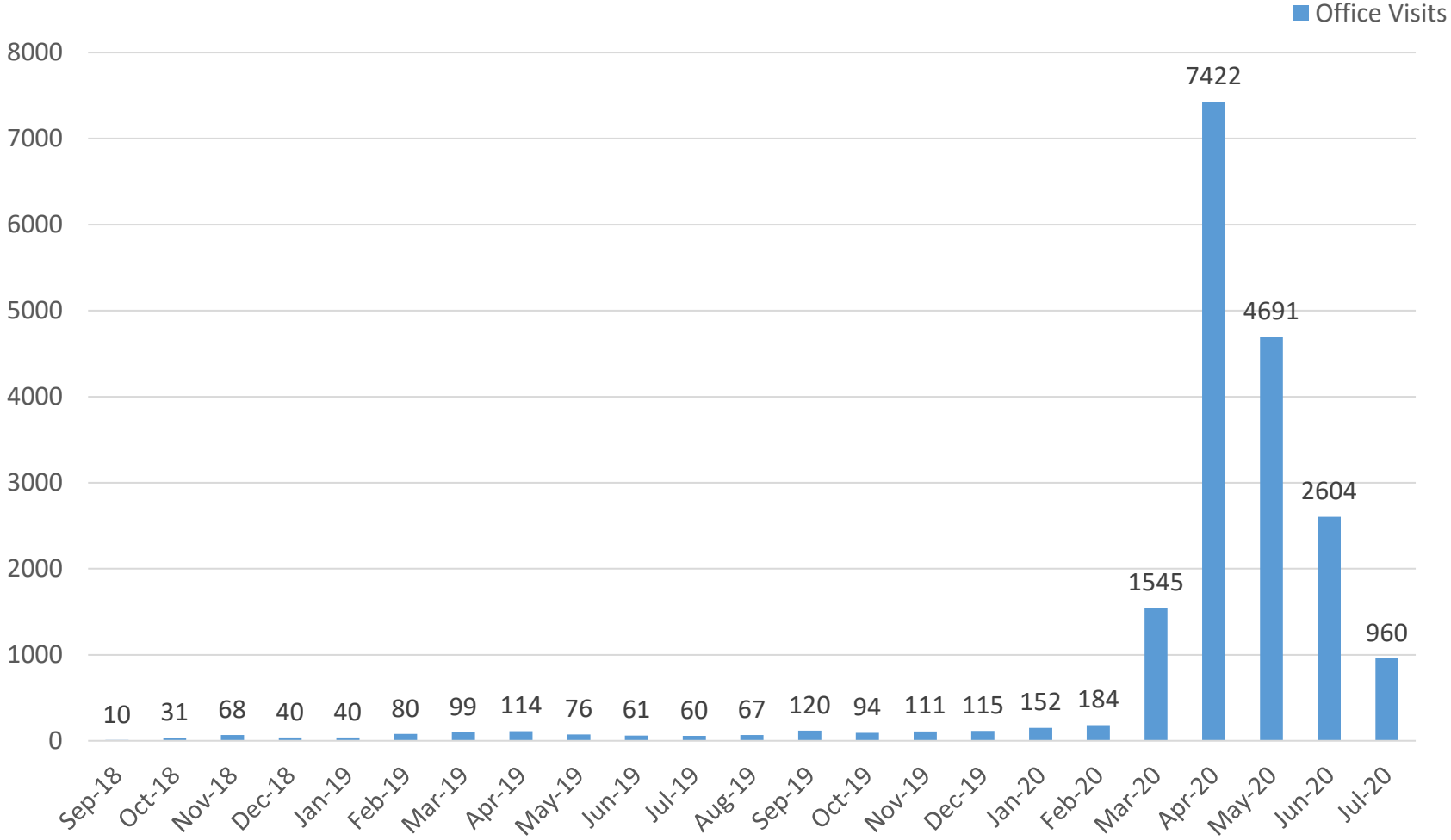
# Telemedicine Activity

## Bills by Date of Service



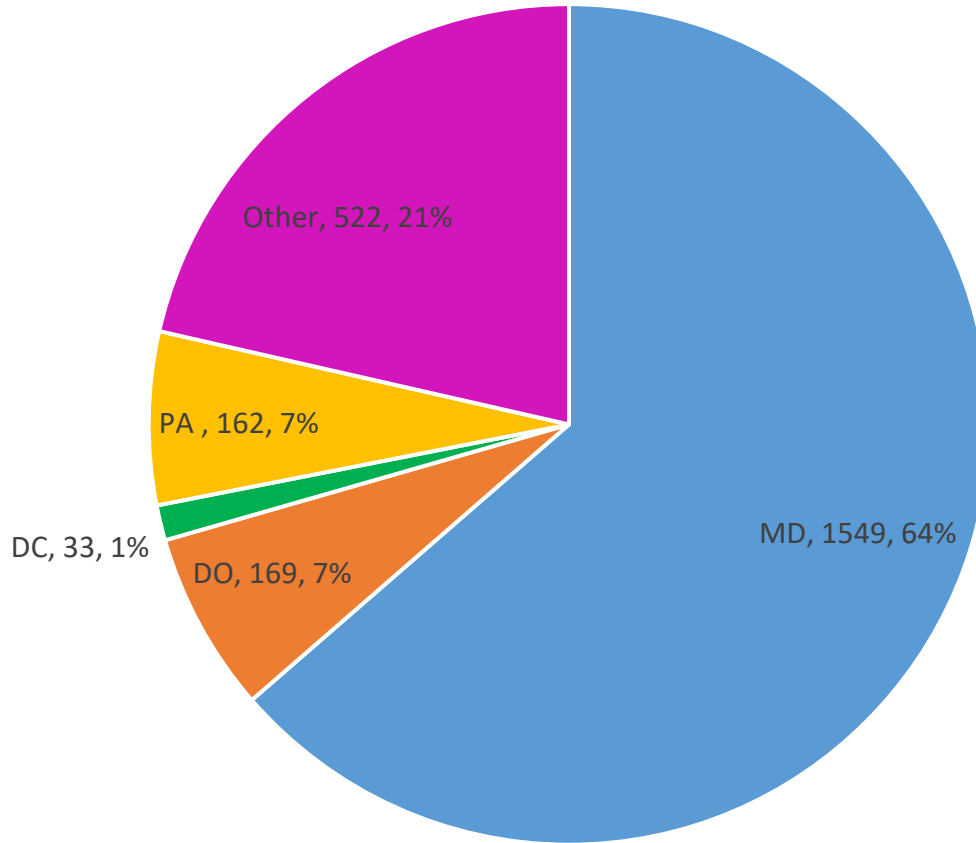
# Telemedicine Activity

## Office Visits



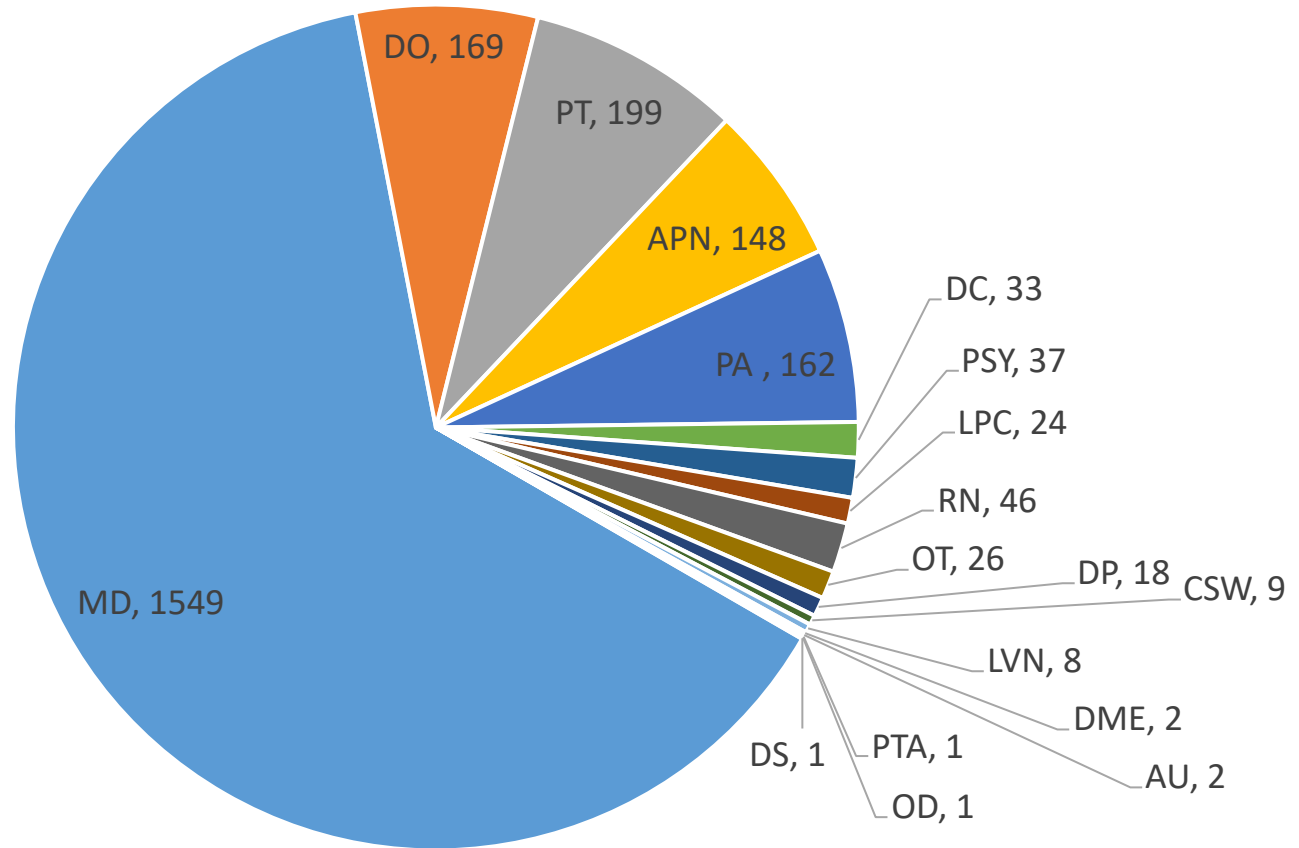
# Types of Telemedicine Providers

Provider Count



# Types of Telemedicine Providers

Provider Count



# Telemedicine

## Most frequently reported diagnosis codes

Diagnosis code	Description	Times Reported
M54.5	Low back pain	1217
S33.5XXD	Sprain of ligaments of lumbar spine, subsequent encounter	978
S39.012A	Strain of muscle, fascia and tendon of lower back, initial encounter	883
G89.4	Chronic pain syndrome	813
S33.5XXA	Sprain of ligaments of lumbar spine, initial encounter	682
M54.16	Radiculopathy, lumbar region	678
M96.1	Post laminectomy syndrome, not elsewhere classified	663
M51.26	Other intervertebral disc displacement, lumbar region	485
S13.4XXD	Sprain of ligaments of cervical spine, subsequent encounter	371
S13.4XXA	Sprain of ligaments of cervical spine, initial encounter	370

# Extension of Telemedicine Emergency Rule 167.1

- On April 13, 2020, DWC adopted this rule on an emergency basis.
- DWC has extended Rule 167.1, relating to telemedicine and telehealth.
- Under the authority of Government Code §2001.034(c), the rule will be effective for 60 more days, through October 8, 2020.



# MFDR Update

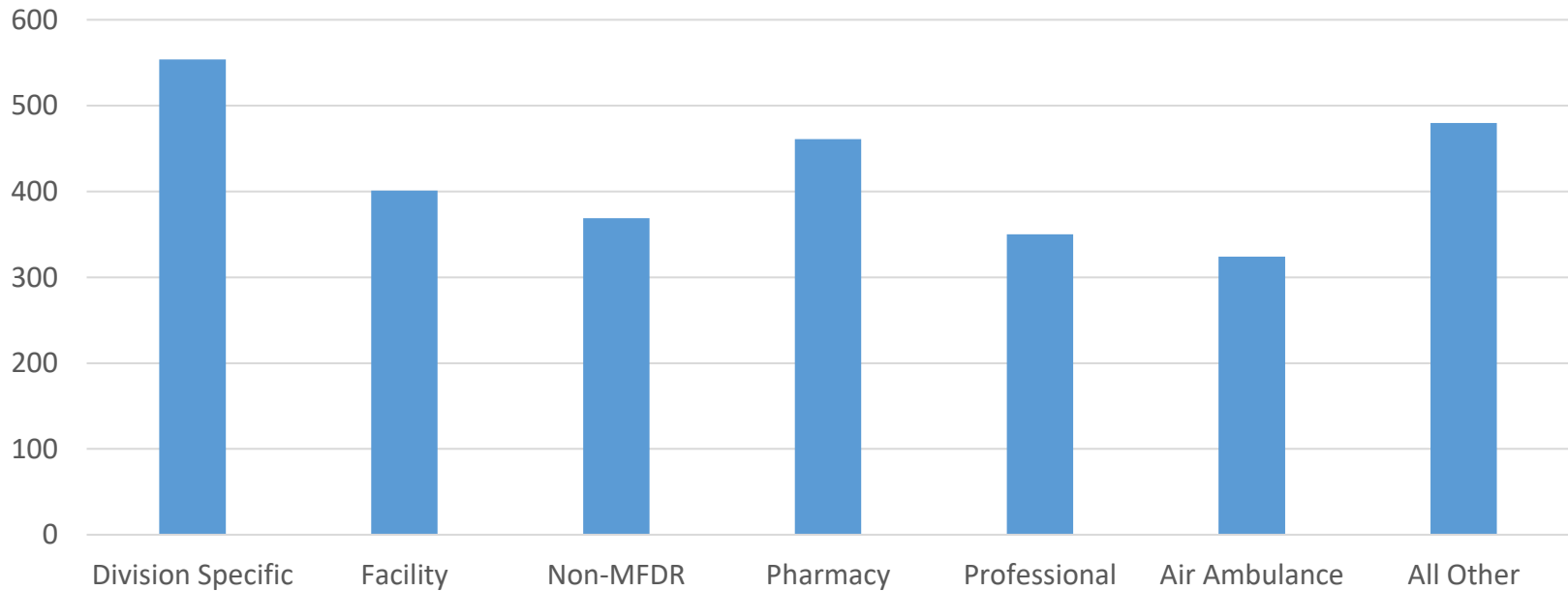
Greg Arendt, Director  
Medical Fee Dispute

# MFDR Reminder

- Medical fee dispute resolution is for **non-network** health care rendered to an injured employee that has been determined to be **medically necessary** and appropriate for treatment of the injured employee's **compensable** injury.
- Examine your Explanation of Benefits carefully. Medical fee dispute resolution is not always the appropriate dispute path.

# 2,939 Disputes Received Fiscal Year 2020

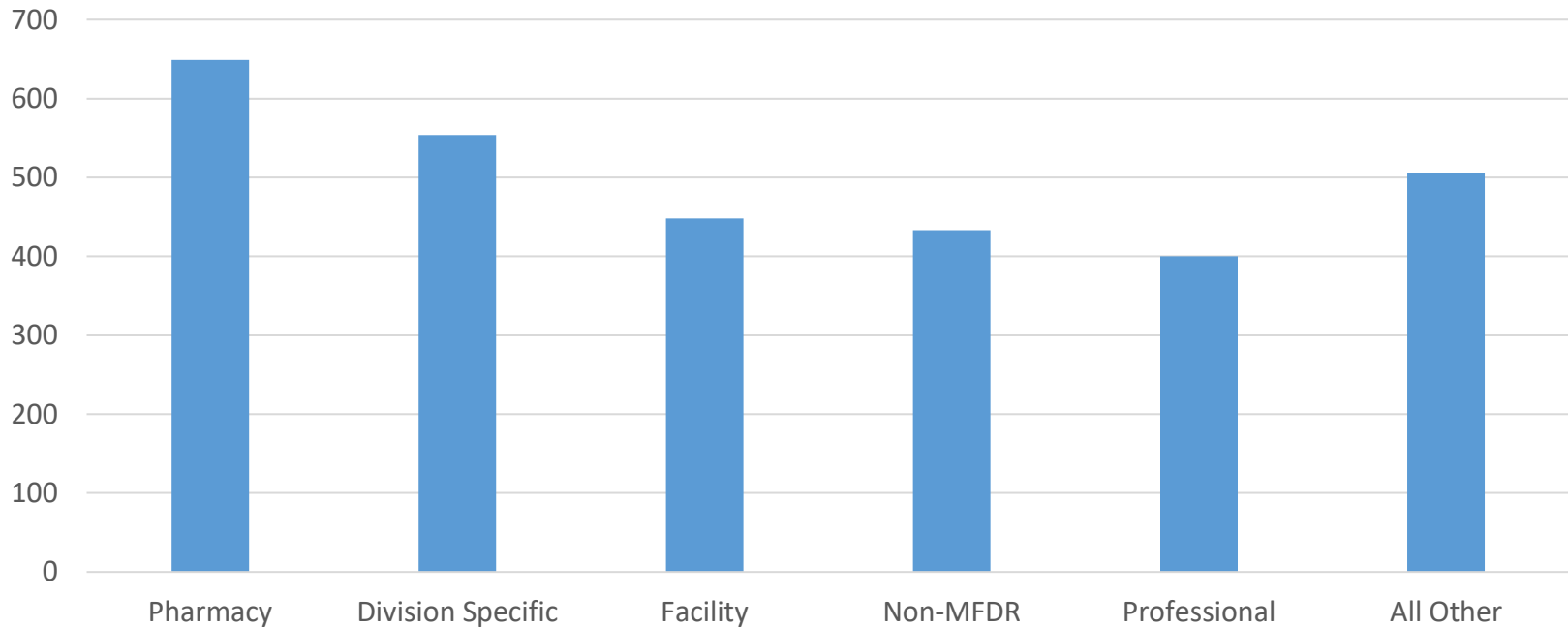
FY 2020



Division Specific	Facility	Non-MFDR Issues	Pharmacy	Professional	Air Ambulance	All Other	Total
554	401	369	461	350	324	480	2,939

# 2,990 Disputes Closed Fiscal Year 2020

Disputes Closed FY 2020



Pharmacy	Division Specific	Facility	Non-MFDR Issues	Professional Services	All Other	Total
649	554	448	433	400	506	2990

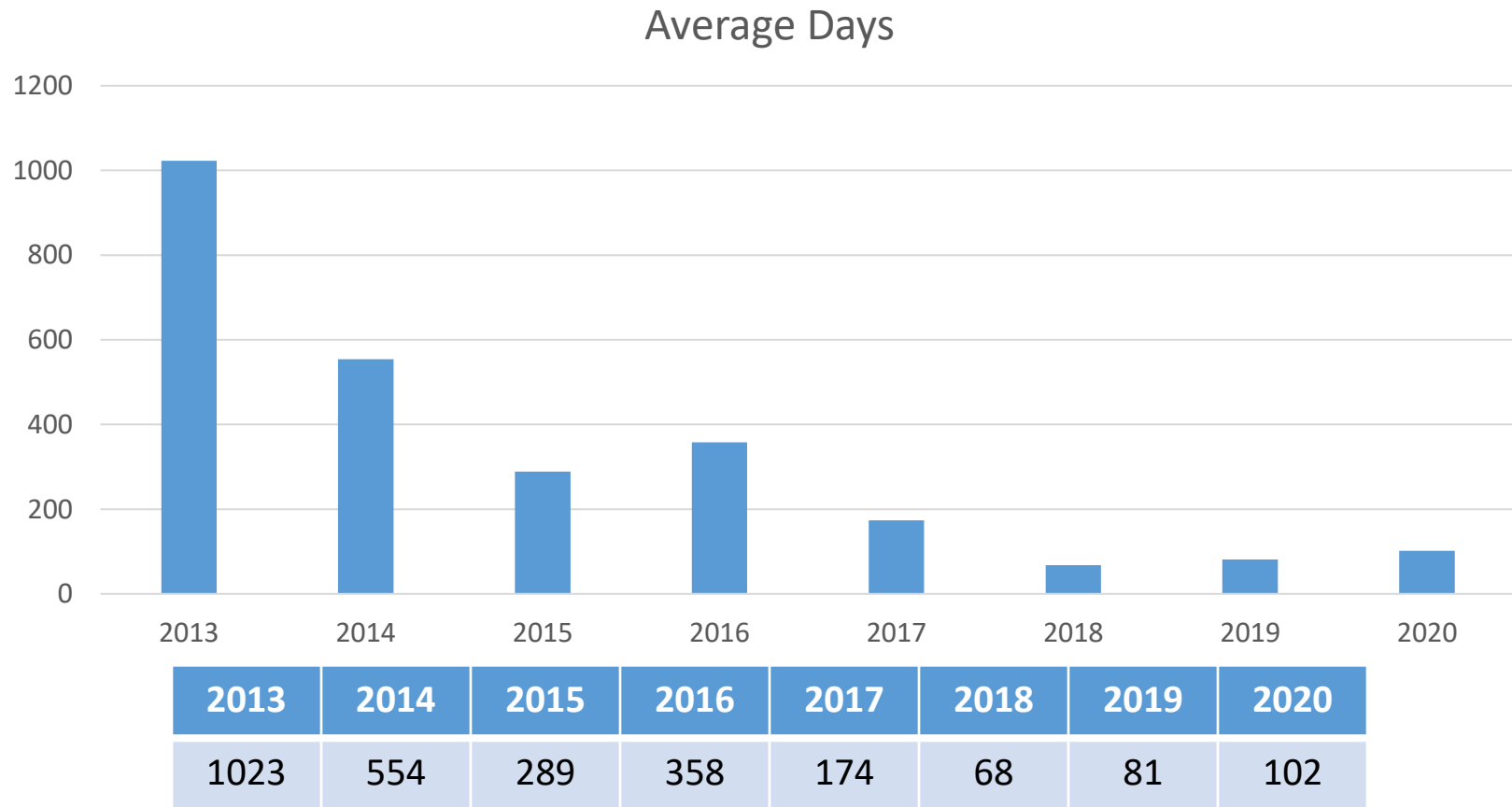
# Types of Closures in Fiscal Year 2020

FY 2020 Closure Types



	Withdrawal	Zero Order Decision	Decision with Order to Pay	Dismissal
Number of Disputes	1104	837	643	406
Percentage	37%	28%	22%	13%

# Average Days to Adjudicate a Dispute



# Q&A

# Closing

Cassie Brown, Commissioner  
Division of Workers' Compensation