TDI Division of Workers' Compensation
PO Box 12050 | Austin, TX 78711 | 800-252-7031 | tdi.texas.gov/wc

To: Texas Workers' Compensation System Participants

From: Graves Owen, M.D., Medical Advisor

Date: November 16, 2026

Subject: Seeking input on the 2027 Annual Audit Plan

The Texas Department of Insurance, Division of Workers' Compensation (DWC) seeks input for the proposed Medical Quality Review Calendar Year 2027 Annual Audit Plan (Annual Audit Plan).

Specifically, we're looking for input on these proposed topics:

- Reviewing utilization review agents' peer review reports for compliance with evidence-based treatment guidelines, accepted medical standards, and reviewer qualifications.
- Conducting a follow-up audit of designated doctors from the 2026 designated doctor audit to evaluate the medical necessity and documentation supporting referrals for additional testing to ensure compliance.
- Evaluating medical documentation supporting injured employees' inability to return to work as part of the performance-based oversight assessment.

We will select the audit topics based on a combination of stakeholder feedback and other relevant considerations with all audits conducted if resources allow. The medical advisor may recommend revisions to the Annual Audit Plan, subject to commissioner approval.

The Annual Audit Plan sets the priorities for the medical quality review audits during the upcoming year. Information about the Medical Quality Review Process (Process) and the proposed Annual Audit Plan is on the TDI website at www.tdi.texas.gov/wc/hcprovider/medadvisor.html.

The medical advisor is responsible for developing the Annual Audit Plan, which is approved by the commissioner of workers' compensation. To conduct the audit, the

medical advisor evaluates plan categories using the criteria listed in the Process. Medical quality reviews help DWC monitor compliance with the Labor Code and DWC rules.

Email your suggestions for this proposed Annual Audit Plan to OMA@tdi.texas.gov by 5 p.m., Central time, on November 30, 2026.

If you have any questions, contact Jennifer Self at 512-804-4852 or Jennifer.Self@tdi.texas.gov.