

Quarterly Insurance Carrier Meeting

January 27, 2016
1:30 p.m. to 3:00 p.m.

Texas Department of Insurance
Division of Workers' Compensation

Agenda Items

- Welcome
- Health Care Management Update
- Complaint Data Update
- Enforcement Update
- Office of the Medical Advisor Update
- Medical Fee Dispute Resolution Update
- Rules Update
- Q&A
- Closing

WELCOME

Ryan Brannan, Commissioner
Division of Workers' Compensation

HEALTH CARE MANAGEMENT UPDATE

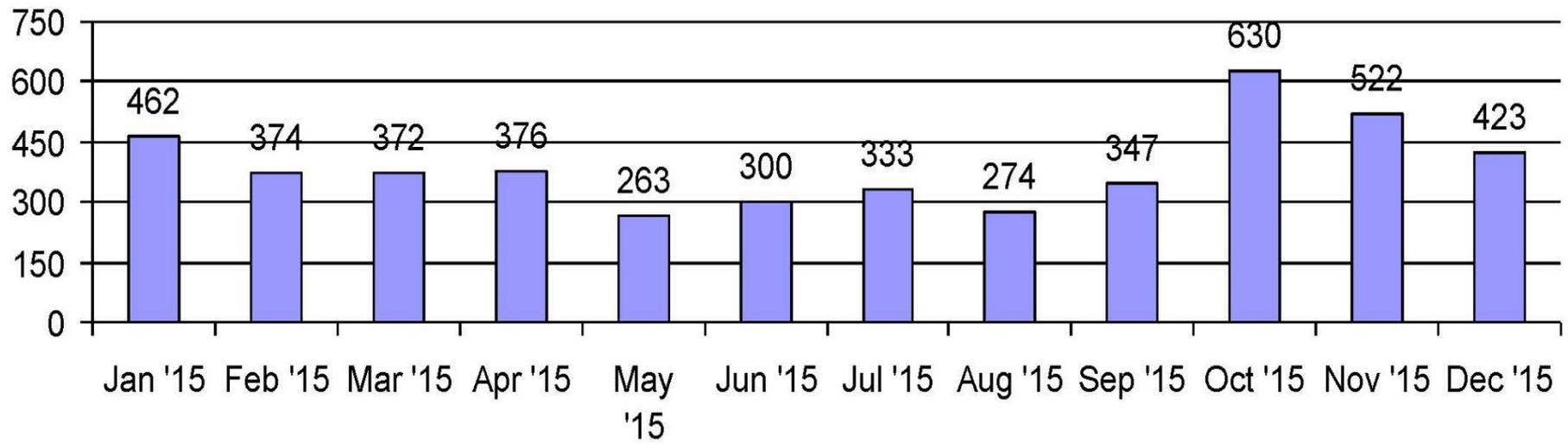
Matt Zurek, Deputy Commissioner
Healthcare Management & System Monitoring

COMPLAINT DATA UPDATE

Teresa Carney, Director
System Monitoring & Oversight

Complaints Received CY2015

Complaints Received in CY 2015



Jan'15	Feb'15	Mar'15	Apr'15	May'15	Jun'15	Jul'15	Aug'15	Sep'15	Oct'15	Nov'15	Dec'15
462	374	372	376	263	300	333	274	347	630	522	423

Complaints

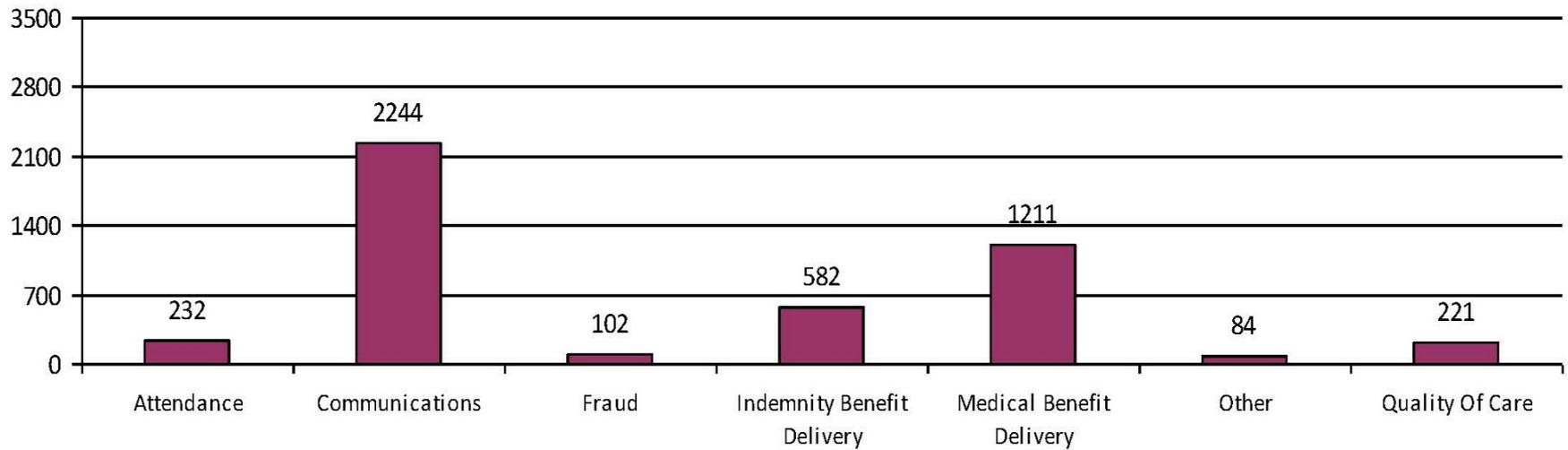
Complaints Received Per Calendar Year



	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
Complaints	6809	6174	5692	5402	5399	4676

Complaints Received CY2015 by Category

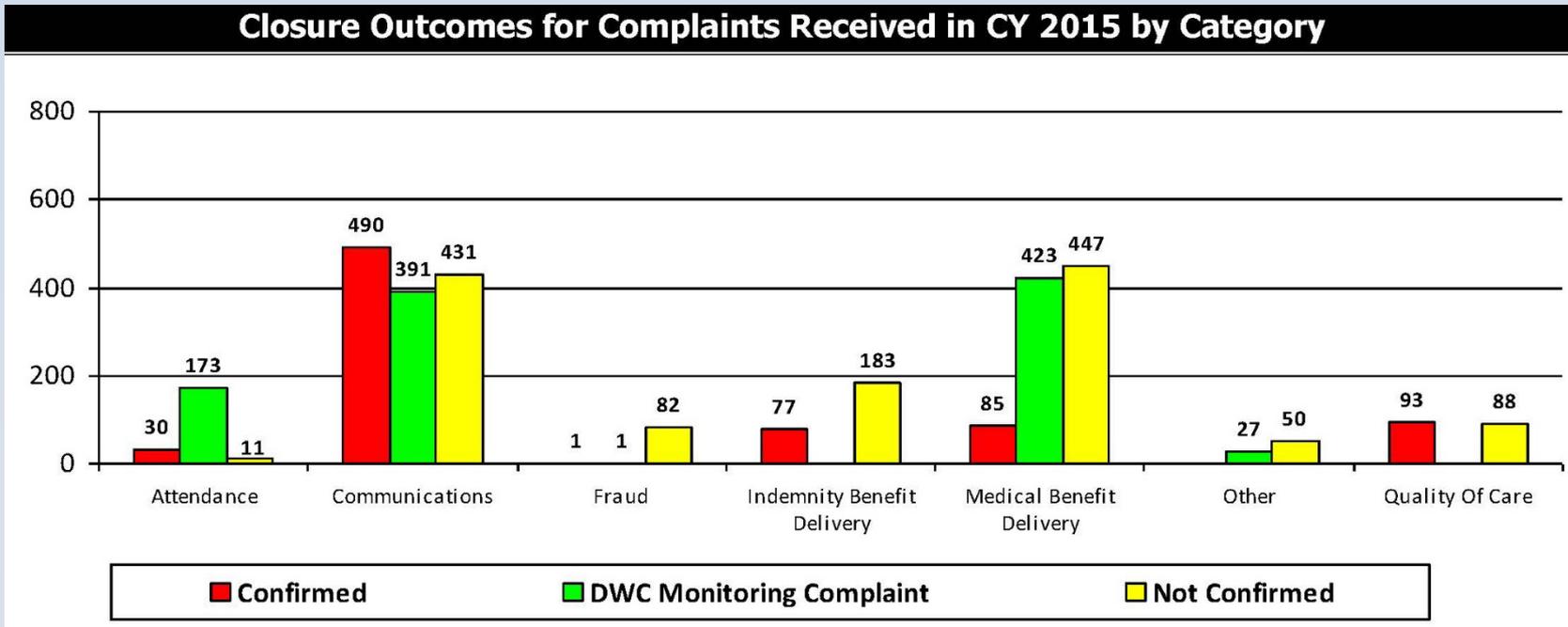
Complaints Received in CY 2015 by Category



Attendance	Communication	Fraud	Indemnity Benefit Delivery	Medial Benefit Delivery	Other	Quality of Care
232	2244	102	582	1211	84	221

Complaints Received CY2015

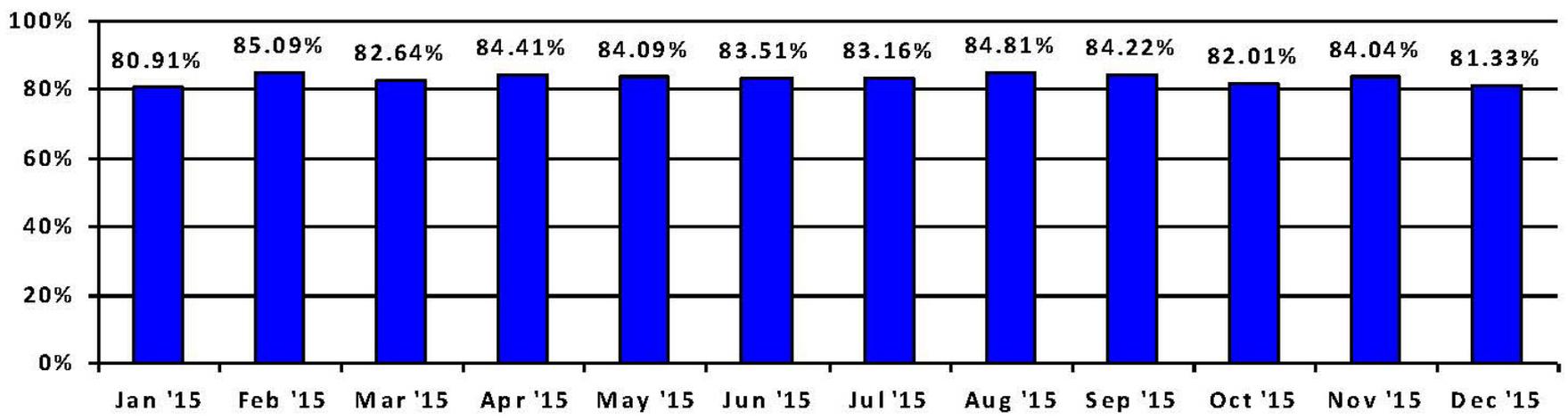
“Closed” Status



	Attendance	Communication	Fraud	Indemnity Benefit Delivery	Medical Benefit Delivery	Other	Quality Of Care
Confirmed Complaint	30	490	1	77	85	0	93
DWC Monitoring Complaint	173	391	1	0	423	27	0
Not Confirmed	11	431	82	183	447	50	88

Initial TIBs Payment Performance CY2015

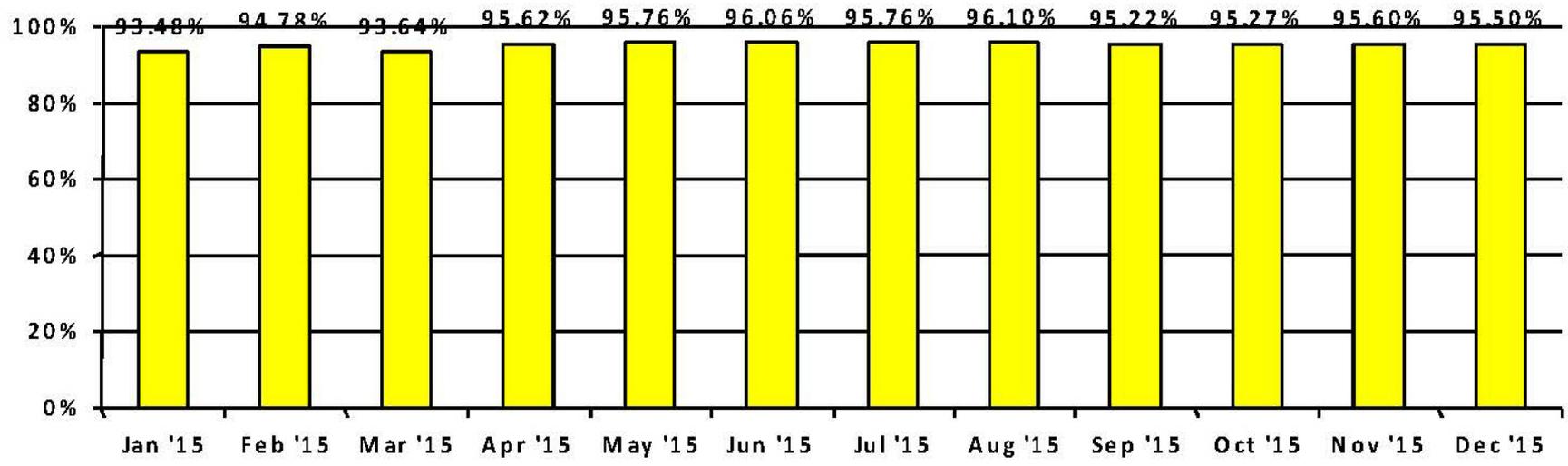
Timely Payment of Initial Temporary Income Benefits in CY 2015



Jan'15	Feb'15	Mar'15	Apr'15	May'15	Jun'15	Jul'15	Aug'15	Sep'15	Oct'15	Nov'15	Dec'15
80.91%	85.09%	82.64%	84.41%	84.09%	83.51%	83.16%	84.81%	84.22%	82.01%	84.04%	81.33%

TIBs Initial Payment Reporting Performance CY2015

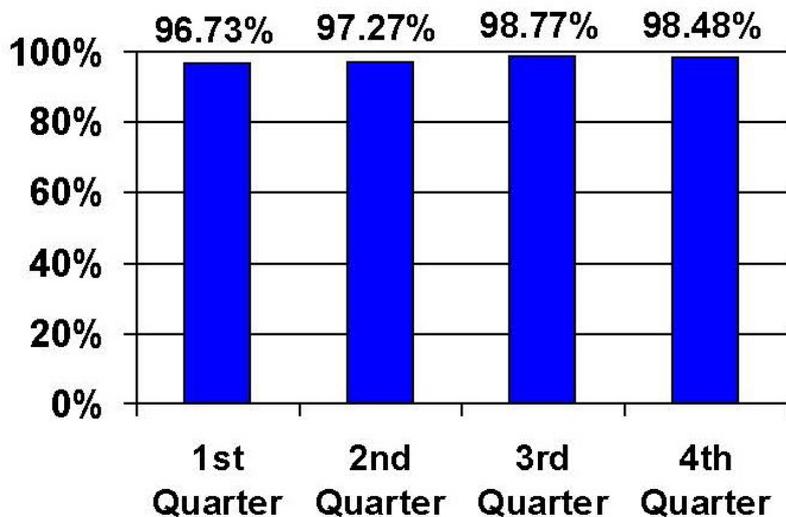
Timely EDI Reporting of Initial Temporary Income Benefits Payment in CY 2015



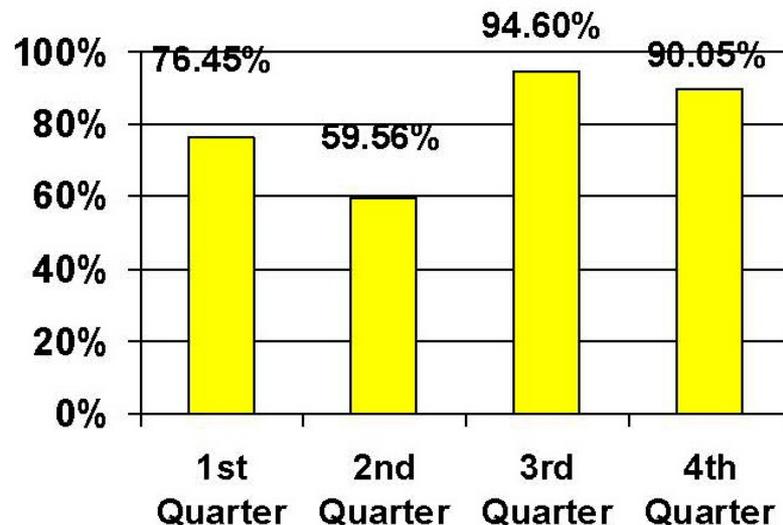
Jan'15	Feb'15	Mar'15	Apr'15	May'15	Jun'15	Jul'15	Aug'15	Sep'15	Oct'15	Nov'15	Dec'15
93.48%	94.78%	93.64%	95.62%	95.76%	95.06%	95.76%	96.10%	95.22%	95.27%	95.60%	95.50%

Medical Bill Processing and Reporting Performance FY2015

Timely Processing of Medical Bills in FY 2015



Timely EDI Reporting of Medical Billing Data in FY 2015



	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Processing Medical Bills	96.73%	97.27%	98.77%	98.48%
Reporting of Medical Billing Data	76.45%	59.56%	94.60%	90.05%

ENFORCEMENT UPDATE

Sandra Nicolas, Associate Commissioner
Enforcement

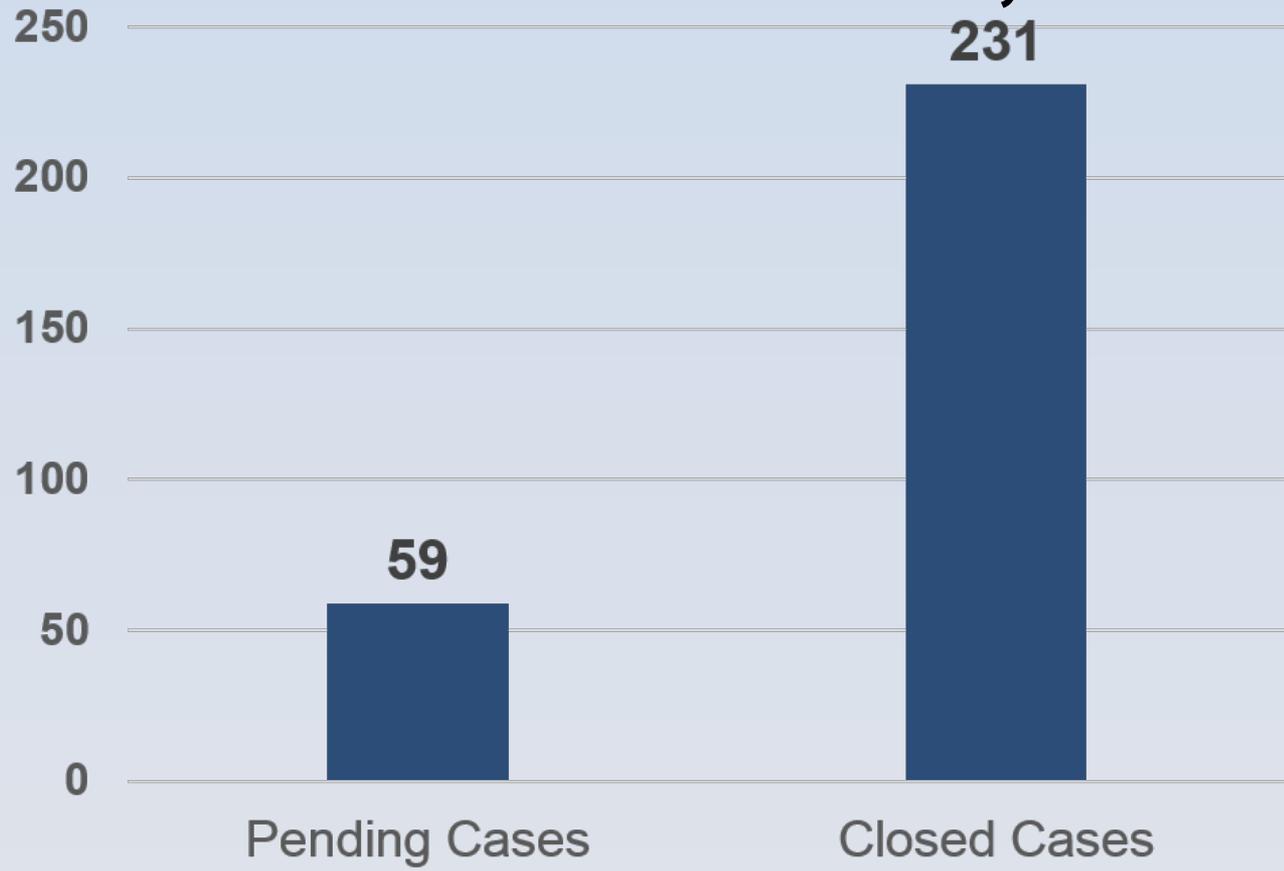
Toya Lutz, Director
Workers' Compensation Litigation Office

Enforcement Key Initiatives

The Compliance Division pursues strategies to improve efficiencies in market compliance and case processing. We:

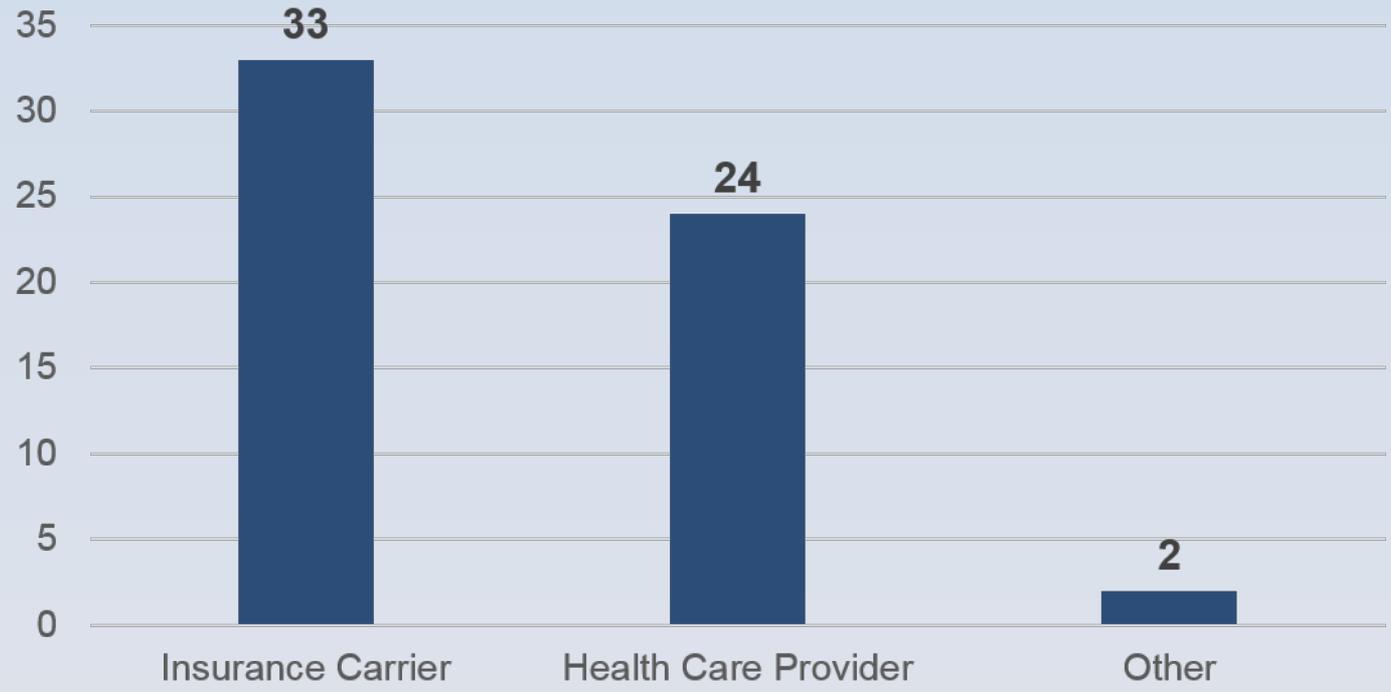
- Use clear, express statutory authority for all enforcement cases
- Inform workers' compensation stakeholders about compliance goals
- Partner with Division of Workers' Compensation program areas to foster compliance
- Assist the Office of the Medical Advisor
- Provide swift, appropriate actions for statutory and rule violations

Case Status as of December 31, 2015



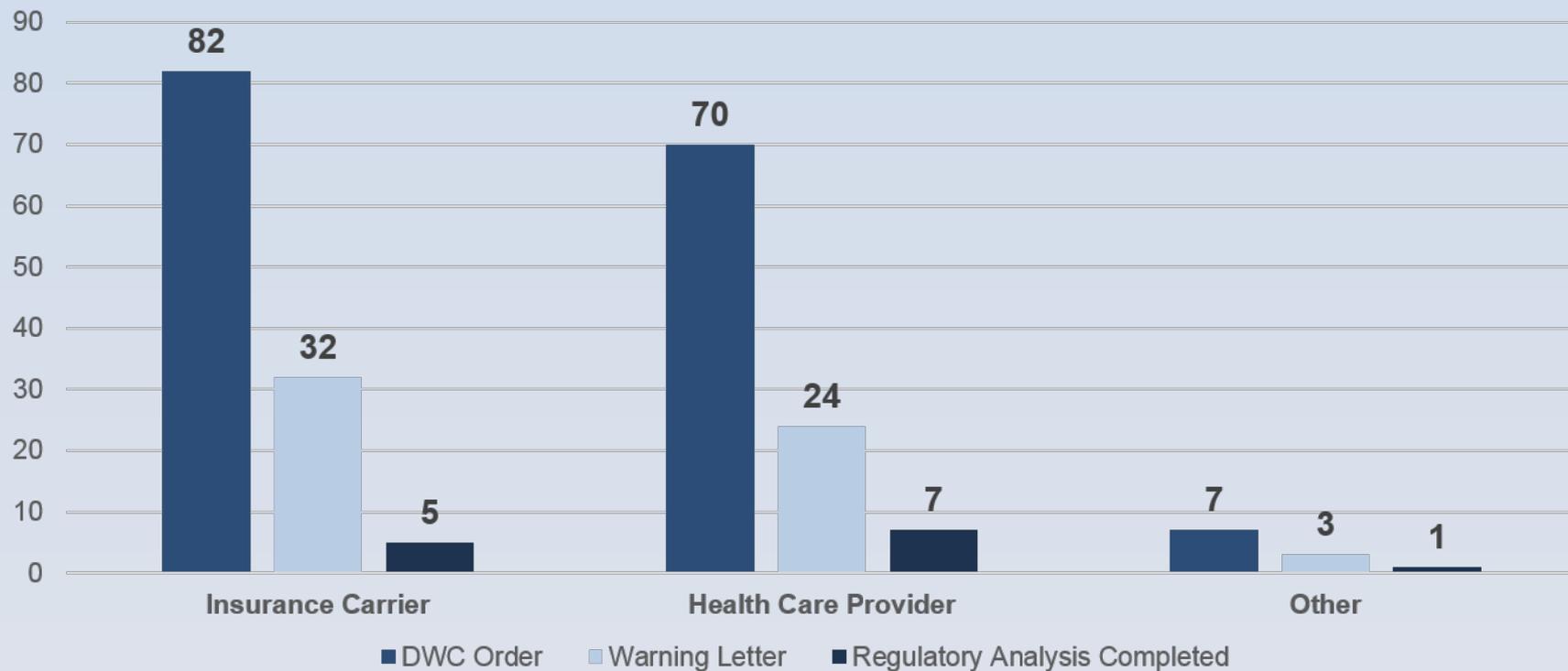
	Pending case	Closed Cases
Cases	59	231

Cases Pending by Subject Type as of December 31, 2015



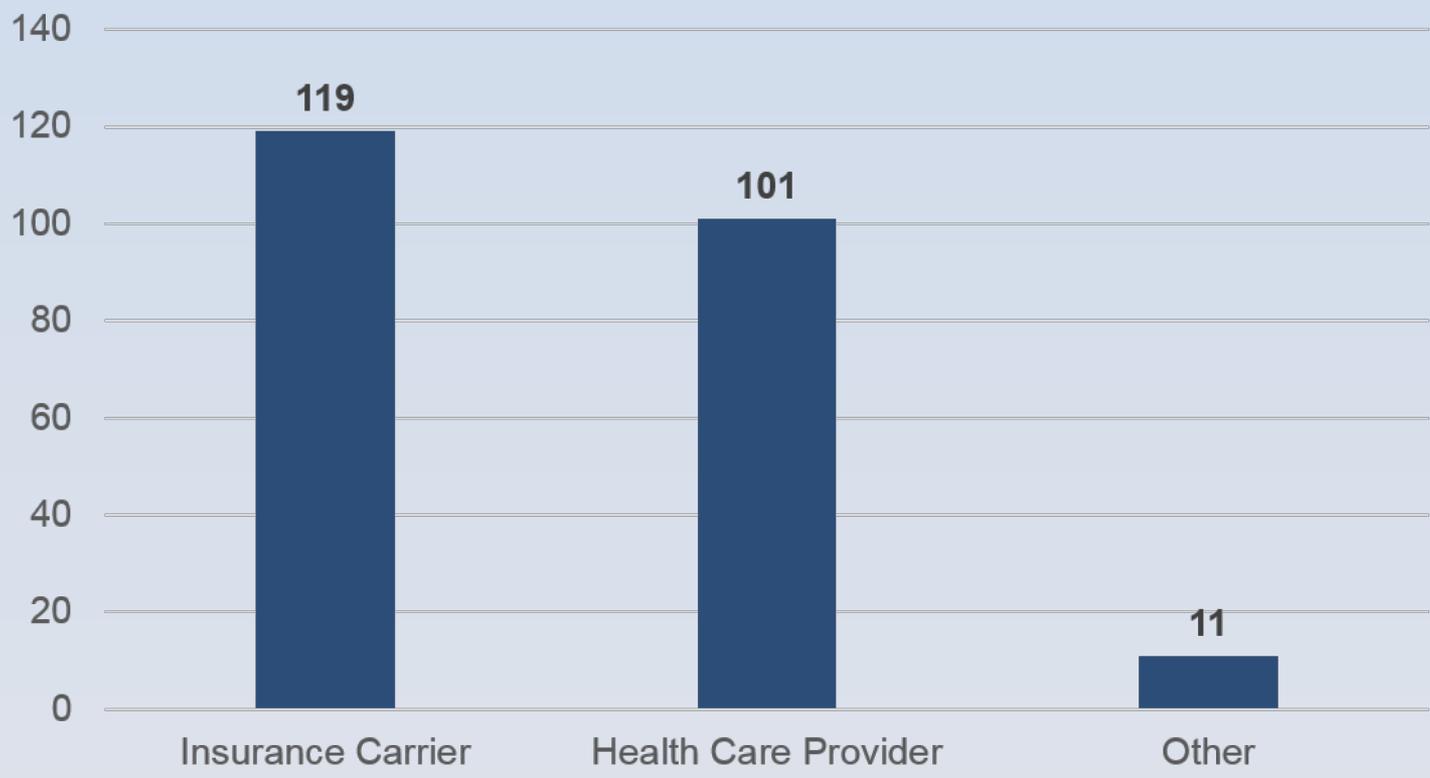
2015	Insurance Carrier	Health Care Provider	Other
Cases	33	24	2

Cases Closed by Disposition Type CY 2015



	Insurance Carrier	Health Care Provider	Other
DWC Order	82	70	7
Warning Letter	32	24	3
Regulatory Analysis Completed	5	7	1

Cases Closed by Subject Type As of December 31, 2015



2015	Insurance Carrier	Health Care Provider	Other
Cases	119	101	11

OFFICE OF THE MEDICAL ADVISOR UPDATE

Mary Landrum, Director
Health Care Business Management

Quality of Care Complaints

- Calendar Year 2015
 - 209 complaints forwarded to OMA
 - (includes external complaints & internal referrals)
 - 248 complaints investigated by OMA
 - 58% closed with no action
 - 13% issued letters of education
 - 19% initiated an medical quality review
 - 10% referred to enforcement

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 01/12/16

Medical Quality Reviews

- Calendar Year 2015
 - 35 reviews initiated
 - includes complaint, audit, or monitoring based reviews
 - assigned to MQRP members for review
 - 35 reviews concluded
 - 77% referred to Enforcement
 - 23% 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 01/12/16

Medical Quality Reviews PBO Assessments

- Calendar Year 2015
 - 1461 assessments initiated
 - 1461 assessments concluded

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 01/12/16

OMA Enforcement Cases

- Calendar Year 2015
 - 48 OMA referrals received in Enforcement
 - 61 OMA cases concluded by Enforcement
 - 40 consent orders/final orders
 - 20 warning letters
 - 1 no further action
 - 19 OMA cases pending in Enforcement
 - 6 OMA cases pending at SOAH

Source: Texas Department of Insurance, Division of Workers' Compensation, data as of 01/19/16

MEDICAL FEE DISPUTE RESOLUTION UPDATE

Martha Luevano, Manager
Greg Arendt, Team Leader
Medical Fee Dispute Resolution

Progress & Goals

- **2015 Progress**

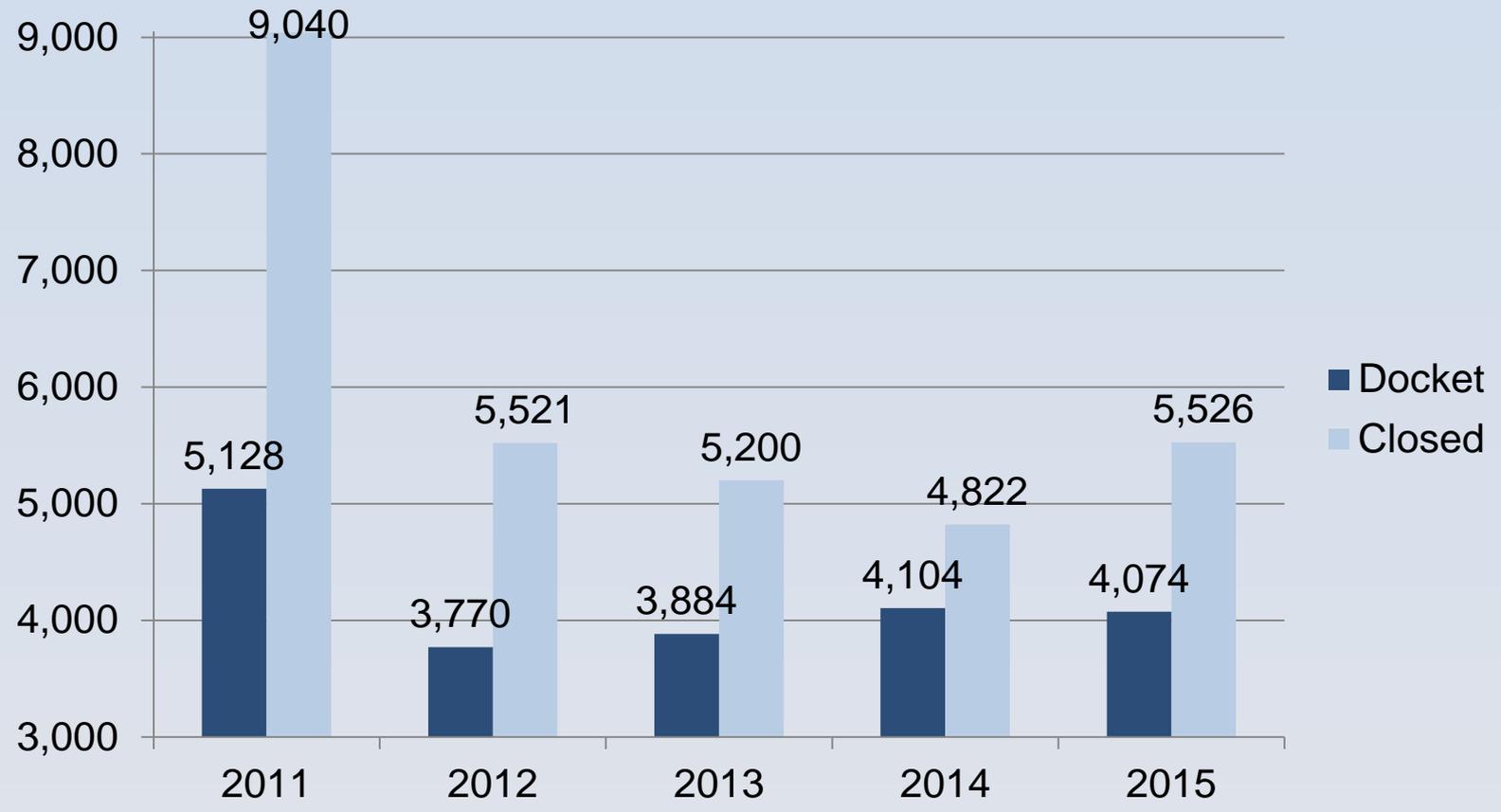
- Reduced active disputes from 1,900 to 939
- Adjudicated about 80% of disputes within 90 days from docket

- **2016 Goals**

- To reduce active disputes from 939 to under 700
- To adjudicate about 90% of disputes within 90 days from docket

Total Dockets & Closures

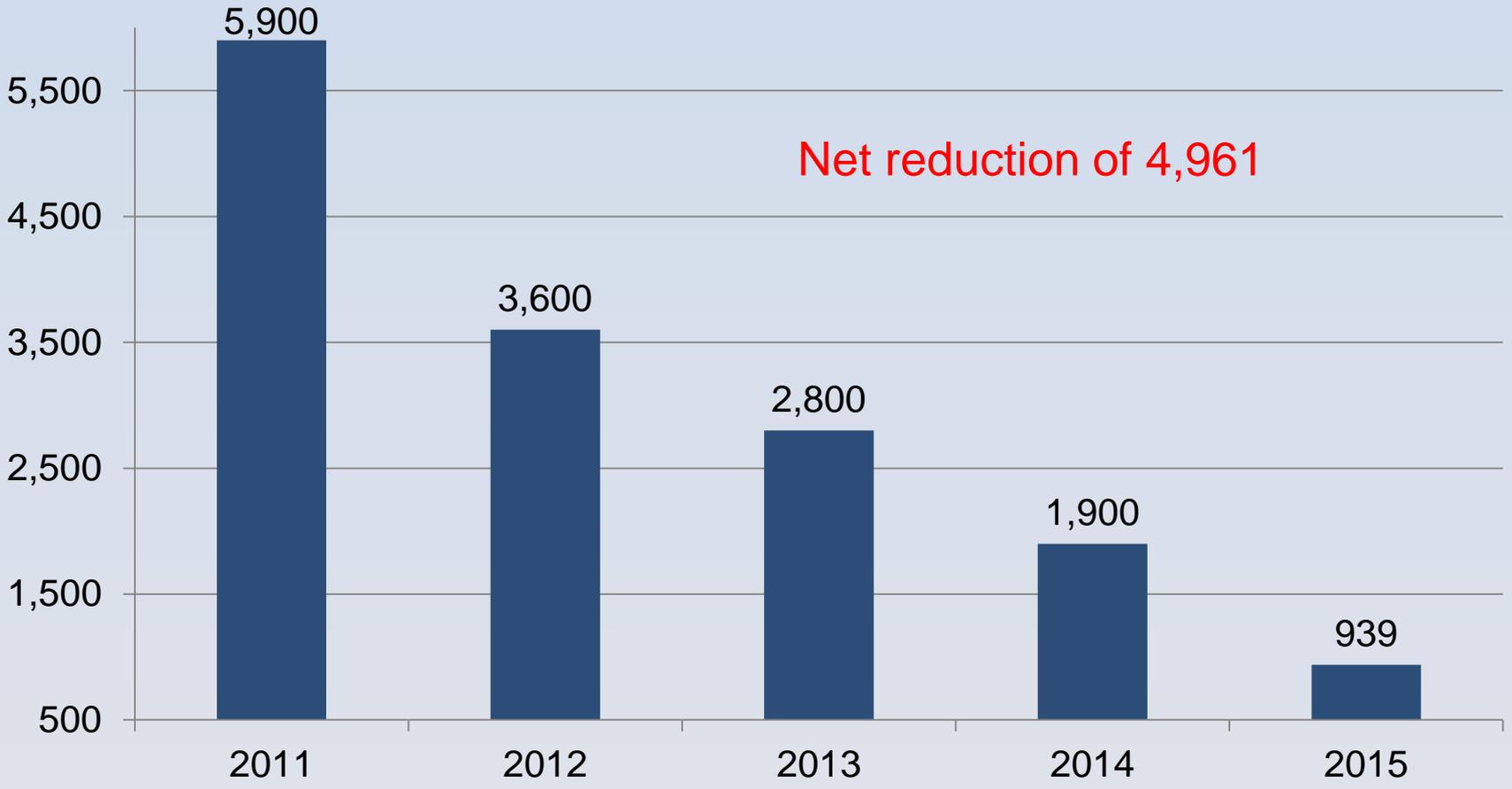
Annual Trends



Status	2011	2012	2013	2014	2015
Docket	5,128	3,770	3,884	4,104	4,074
Closed	9,040	5,521	5,200	4,822	5,526

Total Active Disputes

status at the end of each calendar year



2011	2012	2013	2014	2015
5,900	3,600	2,800	1,900	939

Active Medical Fee Disputes

January 1, 2016

939 Active Disputes

Est. 4,000 Projected Incoming Disputes for 2016

Active Categories Today

Dispute Type	Total
Air Ambulance	436
Professional	101
Division Specific Services	89
Subclaimant	79
Pharmacy	63
Rest	171

Incoming 2016

Dispute Type	%
Division Specific Services	22%
Professional	15%
Outpatient Hospital	9%
95 Day Billing Deadline	8%
Air ambulance	7%
Rest	47%

Carrier Responses

- 28 TAC §133.307(d)(2) in part requires the carrier to:
 - respond timely
 - provide initial and appeal EOBs not already provided
 - provide PLN if the EOB denial is compensability, extent or liability
 - provide documentation that supports that an adverse determination was made in accordance with §19.2005, if EOB denial relates to medical necessity

MFDR Contact Information

- Manager, Martha Luévano
512-804-4858
martha.luevano@tdi.texas.gov
- Team Lead, Greg Arendt
512-804-4859
greg.arendt@tdi.texas.gov
- Email MDRInquiry@tdi.texas.gov
- MFDR Fax 512-804-4811

RULES UPDATE

Emily McCoy, Director
Office of Workers' Compensation Counsel

PERFORMANCE BASED OVERSIGHT UPDATE

Teresa Carney

2015 Health Care Provider PBO Assessment

- 2015 HCP PBO consisted of three performance categories as follows:

Performance Categories	Number of Providers
DWC Form-069, Report of Medical Evaluation	83
DWC Form-073, Work Status Report	124
Lumbar Spine Magnetic Resonance Imaging (MRI)	33

DWC Form-069, Report of Medical Evaluation

- **Timeliness Measure – 83 HCP's**

Timeliness of filing the DWC Form-069, *Report of Medical Evaluation* –
100% weight

High Tier Performers	Average Tier Performers	Poor Tier Performers
61	18	4

DWC Form-073, Work Status Report

- **Completeness Measure – 124 HCP's**

Completeness of the DWC Form-073, *Work Status Report* – 100% weight

High Tier Performers	Average Tier Performers	Poor Tier Performers
55	38	31

- **Documentation Measure – 124 HCP's**

Documentation supporting why the injured employee is prevented from returning to work as reported on the DWC Form-073, *Work Status Report* – 100% weight

High Tier Performers	Average Tier Performers	Poor Tier Performers
62	41	21

Lumbar Spine Magnetic Resonance Imaging (MRI)

- **Documentation Measure – 33 HCP's**
 - Medical record documentation supporting the ordering of a Lumbar Spine Magnetic Resonance Image prior to 21 days from the date of injury – *100% weight*

High Tier Performers	Average Tier Performers	Poor Tier Performers
21	8	4

2016 Insurance Carrier PBO Assessment

- **July 2016** – *Distribute initial findings*
- **September/October 2016** – *The TDI-DWC reviews management responses to initial findings*
- **December 2016** – *Distribution and publication of final results*

PBO References

- General PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/pbo.html>
- Insurance Carrier PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/icpbo.html>
- Health Care Provider PBO Information Link
<http://www.tdi.texas.gov/wc/pbo/hcppbo.html>

Q & A

Teresa Carney

CLOSING

Teresa Carney