



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Office of General Counsel (MS-15)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4703 | F: (512) 804-4276 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

memo

To: Workers' Compensation System Participants
From: Emily McCoy, Associate General Counsel, Division of Workers' Compensation
Date: March 16, 2018
RE: Workers' Compensation Research and Evaluation Group FY 2018 Research Agenda

The commissioner of workers' compensation adopts, effective immediately, the following FY 2018 Research Agenda for the Workers' Compensation Research and Evaluation Group (REG):

1. Completion and publication of the twelfth edition of the Workers' Compensation Health Care Network Report Card (required under Insurance Code §1305.502(a)-(d) and Labor Code §405.0025(b)).
2. An update of the 2016 "Setting the Standard," biennial report on the impact of the HB 7 (2005) legislative reforms of the Texas workers' compensation system. This report presents results on the affordability and availability of workers' compensation insurance for Texas employers; and the impact of certified workers' compensation health care networks on return-to-work outcomes, medical costs, quality of care issues, and medical dispute resolution (required by Insurance Code §2053.012 and Labor Code §405.0025(a)-(c)). The report is due on December 1, 2018.
3. An update of the 2016 biennial study to estimate employer participation in the Texas workers' compensation system (required by Insurance Code §2053.012(a) and Labor Code §405.0025(a)(6)). The report is due on December 1, 2018.
4. An update of return-to-work outcomes for injured workers, including an examination of the impact of pharmaceutical utilization on return-to-work rates (required under Labor Code §405.0025(a)(4)).
5. An update of medical costs and utilization in the Texas workers' compensation system, to meet the requirements for the "Setting the Standard" biennial report.
6. A study of the patterns of re-injuries in the Texas workers' compensation system, to include an analysis of re-injury rates by injury types and industry sectors, as well as an analysis of pharmaceutical patterns (N-drugs, Opioids, pre and post formulary), medical costs, and medical utilization for employees with multiple injury dates as compared to employees with one injury.
7. A study of the outcomes impact of DWC's implementation of the Texas workers' compensation pharmacy closed formulary, to include functional outcomes, return to work rates, injured employee satisfaction, re-injury rates, and disputes.

Under Texas Labor Code §405.0025, the REG is charged with conducting professional studies and research related to: 1) the delivery of benefits; 2) litigation and controversy related to workers' compensation; 3) insurance rates and ratemaking procedures; 4) rehabilitation and reemployment of injured employees; 5) the quality and cost of

medical benefits; 6) employer participation in the workers' compensation system; 7) employment health and safety issues; and 8) other matters relevant to the cost, quality, and operational effectiveness of the workers' compensation system.

The division of workers' compensation published the proposed research agenda in the January 19, 2018 issue of the *Texas Register* (43 TexReg 370).

The adopted agenda will be published in the March 23, 2018 issue of the *Texas Register* and will be available at www.sos.state.tx.us/texreg/index.shtml once published. You may also visit the Division of Workers' Compensation website at www.tdi.texas.gov/wc/ for copies of the proposed research agenda. You may send any questions you have regarding the proposed agenda to D.C. Campbell at wcresearch@tdi.texas.gov.