### WORKERS' COMPENSATION – UPDATES ON HB334 AND OTHER CHANGES PRESENTED TO THE ECONOMIC AFFAIRS INTERIM COMMITTEE

BY DIANA FERRITER, BUREAU CHIEF

Workers' Compensation Claims Assistance Employment Relations Division MT Department of Labor & Industry October 5, 2011

#### **Department Medical Director:**

- Hired John C Schumpert, MD, MPH, FACOEM
- Working Part Time with Department
- Maintains medical practice in Missoula

## Medical Utilization and Treatment Guidelines: <a href="http://erd.dli.mt.gov/utilization-a-treatment-guidelines-project.html">http://erd.dli.mt.gov/utilization-a-treatment-guidelines-project.html</a>

- Implemented and effective July 1, 2011 Refer to ARM Summary Handout
- Searchable web tool available on ERD's website user friendly
- Hard copies of Guidelines available for cost of printing and mail \$100
- Dr. Schumpert conducted 10 U & T six hour training sessions for medical providers Billings, Missoula, Great Falls, Helena, Kalispell, Bozeman Insurance Reps and Claims Examiners also attended
- Department developed Webinars for stakeholders to watch on ERD's website
- Other training upon request is available
- Independent Medical Review (IMR )Process by Dr. Schumpert in Place One request to date
- Department will monitor success of IMR process and report to stakeholders
- Dr. Schumpert will lead Department through Annual Review in 2012
- Department plans to compare frequency and costs pre and post implementation

#### Non-Facility and Facility Fee Schedules: <a href="http://erd.dli.mt.gov/">http://erd.dli.mt.gov/</a>

- Reimbursement rates frozen from 7-1-11 through 6-30-13 at 12-31-10 rates
- Reimbursement rates effective on date of service are used
- Fee Schedules at 12-31-10 rates are posted on ERD's website
- Department will work with stakeholders beginning in 2012 to develop methodology of reimbursement rates that will be effective 7-1-13, after freeze
- Department is drafting rules to clarify billing and payment issues as result of freeze

#### **Choice of Treating Physician:**

- Insurer will determine when and how to designate or approve the treating physician
- Insurer will determine how to apply the various payment percentages
- 100% of fee schedule for all medical providers prior to designation
- o 110% of fee schedule for designated physician
- o 90% of fee schedule for other medical providers once designation occurs
- Department is drafting rules to provide guidance on notice to medical providers and injured workers regarding how insurers accomplish the designation or approval of treating physician

#### Medical Status Form: http://erd.dli.mt.gov/med-status-form.html

- Department created and finalized form for treating physician completion following each office visit
  Refer to Hard Copy Handout
- Two purposes: 1) provide necessary information to insurer for adjusting claim and 2) assist employer, worker, and insurer in providing stay-at-work/return-to-work
- Goal is for a universal, easily-recognized form rather than multiple, diverse forms
- Use of this form should reduce requests for information from insurers
- Provided by hard copy to medical providers at no charge
- Available in a PDF fill able form on ERD's website
- Available in a Word format for conversion into medical providers/insurers computer systems

#### Medical Frequently Asked Questions (FAQs):

#### http://erd.dli.mt.gov/images/stories/pdf/wcca/medstatus/erd medical fags 9-19-11frmt.pdf

- Department partnered with the MT Medical Association in developing FAQs for stakeholders
- Montana State Fund allowed us to use some of their FAQs available on their website
- Document is available on ERD's website and MMA's website
- Currently over 50 questions with responses
- Will be updated as needed
- Provides guidance to medical providers and insurers regarding:
  - Designated treating physician and responsibilities
  - o Medical Status Form
  - o Fee schedule payment levels
  - o U & T Guidelines
  - General benefit and administration

# Settlement of Medical Benefits on Accepted Claims: <a href="http://erd.dli.mt.gov/workers-comp-claims-assistance/claims-assistance-domes-assistance-domes-assistance-domes-assistance-domes-assistance-domes-domes-assistance-domes-

- HB359 Effective 3-23-11 allows mutual agreement to settle future medical benefits on accepted claims – retroactive to all dates of injuries
- Petition forms, descriptions, instructions, and checklists are on ERD's website
- Department has approved 35 of these settlements as of September 27<sup>th</sup>

#### Stay at Work/Return to Work:

- New process available upon request effective 7-1-2012
- Injured worker, employer, or medical provider may request Department or Insurer to provide assistance as early as first day of disability
- Department will draft ARMs beginning in late October, 2011
- The project team will include department staff and system stakeholders

#### **Medical Benefit Termination and Reopening:**

- Medical benefits will automatically close on permanent partial disability claims five years from date of injury/date of occupational disease (OD)
- Department will draft ARMs some time in future prior to 2016

#### Plan to Measure Impacts of Workers' Compensation Reform:

- Too soon to collect and analyze data resulting from changes
- Department will assess ability to measure the impacts and report periodically to Legislature and stakeholders
- Refer to Annual Report Handout