

# DWC Educational Forum: Utilization Review (UR) and Independent Medical Review (IMR)

January 13, 2014, Van Nuys

January 14, 2014, Oakland

# Introduction

- Presenters:
  - Destie Overpeck, Acting Administrative Director
  - Rupali Das, M.D., M.P.H, Executive Medical Director
  - George Parisotto, Acting Chief Counsel
- Purpose:
  - Overview of data regarding UR and IMR
  - Update on final regulations
  - Educational overview of how processes work

# Ground Rules

- Sign-in sheet
- Facilities
- Question breaks after general topic presentation
  - Questions should focus on UR and IMR and be general
    - Please no proper names or identifiable information
  - Limit of 3 minutes per question

# Agenda

## **Utilization Review (UR)**

- UR regulations
  - Request for Authorization form
  - Role of physician
  - Role of claims administrator
- UR data/statistics

## **Independent Medical Review**

- IMR regulations
  - IMR application
  - Penalties
- IMR data/statistics

## **Examples of IMR decisions**

## **Medical Treatment Utilization Schedule**

## **Conclusions/Wrap-Up**

# UR Regulations

# UR Process Overview

- Physicians submit Request for Authorization
- Claims administrators approve treatments
- Cases that not approved must be reviewed by a physician who uses medical evidence to
  - Approve treatment or
  - Deny treatment
- Response in five working days

# SB 863 Utilization Review Changes

- UR may be deferred if there is a liability dispute for either the injury or the recommended treatment.
- A UR decision to deny or modify a treatment request is effective for 12 months.
- No action needed on a request for the same treatment unless there is a documented change in material facts.
- An explanation of benefits can serve as notification of a retrospective UR approval.

# Utilization Review/ RFA Form

- Mandatory use of the Request for Authorization Form (DWC Form RFA-1) or accepted alternate.
- RFA must (1) identify the employee and the provider,(2) specify the recommended treatment, and (3) include documentation showing the medical necessity of the treatment.
- The claims administrator may accept an alternate RFA:
  - “Request for Authorization” must be clearly written at the top of the first page.
  - All requested treatment must be on the first page.
  - The request is accompanied by supporting documentation.

# Utilization Review

- A request for expedited review that is not reasonably supported by evidence may be reviewed under the standard timeframes.
- If an additional test or specialized consultation is requested, a denial can issue if the results are not provided within 30 days of the RFA.

State of California, Division of Workers' Compensation  
**REQUEST FOR AUTHORIZATION**  
 DWC Form RFA

Attach the Doctor's First Report of Occupational Injury or Illness, Form DLSR 5021, a Treating Physician's Progress Report, DWC Form PR-2, or equivalent narrative report substantiating the requested treatment.

<input type="checkbox"/> New Request	<input type="checkbox"/> Resubmission – Change in Material Facts
<input type="checkbox"/> Expedited Review: Check box if employee faces an imminent and serious threat to his or her health	
<input type="checkbox"/> Check box if request is a written confirmation of a prior oral request.	

**Employee Information**

Name (Last, First, Middle):	
Date of Injury (MM/DD/YYYY):	Date of Birth (MM/DD/YYYY):
Claim Number:	Employer:

**Requesting Physician Information**

Name:	
Practice Name:	Contact Name:
Address:	City: State:
Zip Code: Phone:	Fax Number:
Specialty:	NPI Number:
E-mail Address:	

**Claims Administrator Information**

Company Name:		Contact Name:
Address:		City: State:
Zip Code: Phone:	Fax Number:	
E-mail Address:		

**Requested Treatment (see instructions for guidance; attached additional pages if necessary)**

List each specific requested medical services, goods, or items in the below space or indicate the specific page number(s) of the attached medical report on which the requested treatment can be found. Up to five (5) procedures may be entered; list additional requests on a separate sheet if the space below is insufficient.

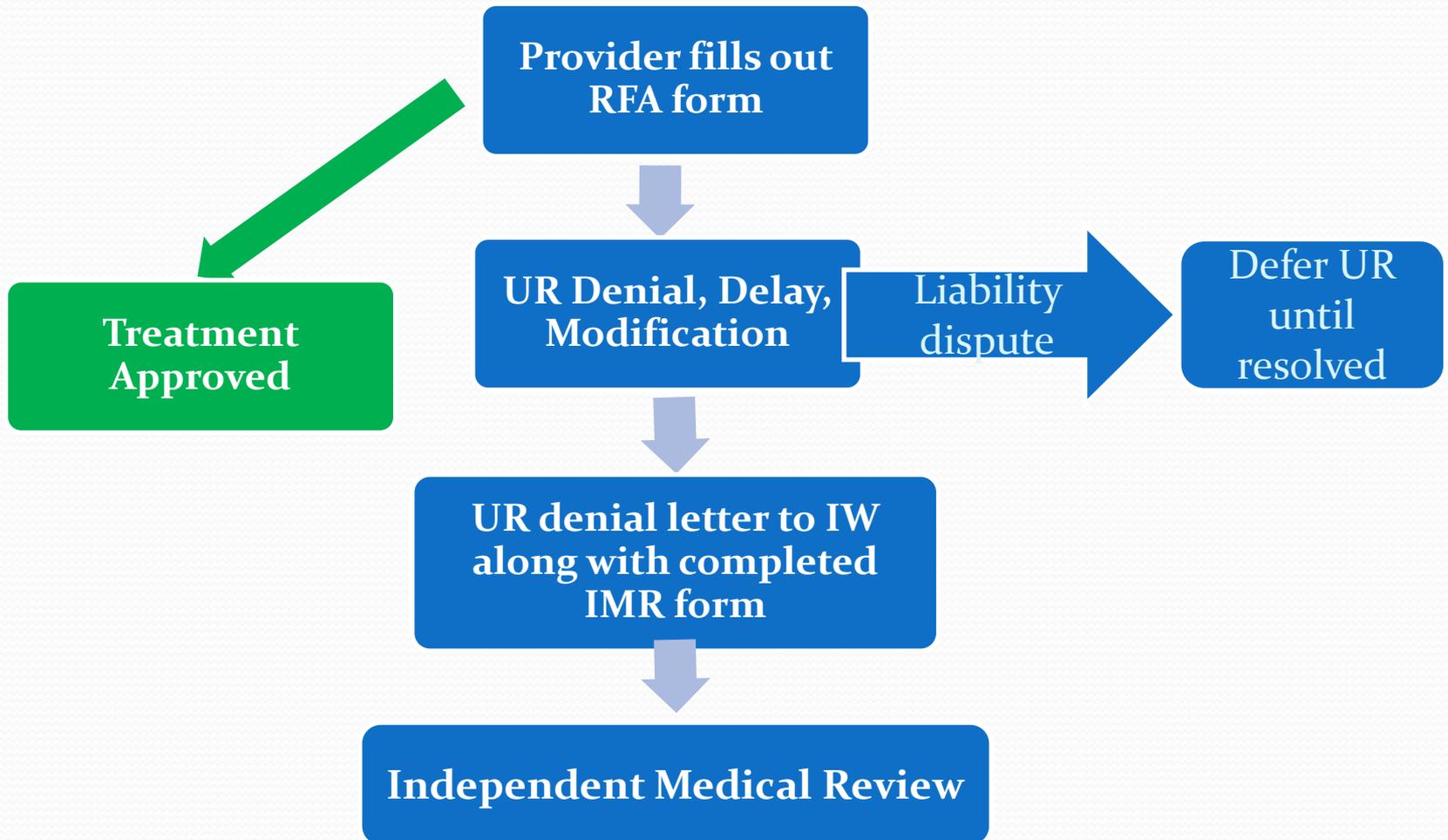
Diagnosis (Required)	ICD-Code (Required)	Service/Good Requested (Required)	CPT/HCPCS Code (If known)	Other Information: (Frequency, Duration Quantity, etc.)

Requesting Physician Signature:	Date:
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**Claims Administrator/Utilization Review Organization (URO) Response**

<input type="checkbox"/> Approved		<input type="checkbox"/> Denied or Modified (See separate decision letter)		<input type="checkbox"/> Delay (See separate notification of delay)	
<input type="checkbox"/> Requested treatment has been previously denied		<input type="checkbox"/> Liability for treatment is disputed (See separate letter)			
Authorization Number (if assigned):			Date:		
Authorized Agent Name:			Signature:		
Phone:	Fax Number:	E-mail Address:			
Comments:					

# Utilization Review



# Utilization Review and Independent Medical Review

- Appeals of UR decisions for medical necessity must be made by independent medical review (IMR).
- UR decision final unless IW requests IMR.
  - Includes denial of spinal surgery.
- The written UR delay, denial, or modification of a treatment request must be sent to IW with an “Application for Independent Medical Review,” DWC Form IMR-1, with all fields, except for the signature of the employee, completed by the claims administrator.
- Must include envelope to the Injured Worker.

State of California, Division of Workers' Compensation  
**APPLICATION FOR INDEPENDENT MEDICAL REVIEW**  
 DWC Form IMR

**TO REQUEST INDEPENDENT MEDICAL REVIEW:**

1. Sign and date this application and consent to obtain medical records.
2. Mail or fax the application and a copy of the written decision you received that denied or modified the medical treatment requested by your physician to:  
**DWC-IMR, c/o Maximus Federal Services, Inc., P.O. Box 138009, Sacramento, CA 95813-8009**  
**FAX Number: (916) 605-4270**
3. Mail or fax a copy of the signed application to your Claims Administrator.

Type of Utilization Review: <input type="checkbox"/> Regular <input type="checkbox"/> Expedited		Modification after Appeal <input type="checkbox"/>
<b>Employee Name (First, MI, Last):</b>		
Address:		
Phone Number:	Employer Name:	
Claim Number:	Date of Injury (MM/DD/YYYY):	
WCIS Jurisdictional Claim Number (if assigned):	EAMS Case Number (if applicable):	
Employee Attorney (if known):		
Address:		
Phone Number:	Fax Number:	
<b>Requesting Physician Name (First, MI, Last):</b>		
Practice Name:	Specialty:	
Address:		
Phone Number:	Fax Number:	
<b>Claims Administrator Name:</b>		
Adjuster/Contact Name:		
Address:		
Phone Number:	Fax Number:	
<b>Disputed Medical Treatment (complete below section)</b>		
Primary Diagnosis (Use ICD Code where practical):		
Date of Utilization Review Determination Letter:		
Is the Claims Administrator disputing liability for the requested medical treatment besides the question of medical necessity? <input type="checkbox"/> Yes <input type="checkbox"/> No Reason:		
List each specific requested medical services, goods, or items that were denied or modified in the space below. Use additional pages if the space below is insufficient.		
1.		
2.		
3.		
4.		
<b>Request for Review and Consent to Obtain Medical Records</b>		
I request an independent medical review of the above-described requested medical treatment. I certify that I have sent a copy of this application to the claims administrator named above. I allow my health care providers and claims administrator to furnish medical records and information relevant for review of the disputed treatment identified on this form to the independent medical review organization designated by the Administrative Director of the Division of Workers' Compensation. These records may include medical, diagnostic imaging reports, and other records related to my case. These records may also include non-medical records and any other information related to my case, excepting records regarding HIV status, unless infection with or exposure to HIV is claimed as my work injury. My permission will end one year from the date below, except as allowed by law. I can end my permission sooner if I wish.		
Employee Signature:		Date:

# DWC Oversight of UR Program

- UR Organizations and Claims Administrators are subject to routine investigations every five years.
- Results of UR investigations posted on website
  - [http://www.dir.ca.gov/dwc/UtilizationReview/UR\\_InvestigationResults.htm](http://www.dir.ca.gov/dwc/UtilizationReview/UR_InvestigationResults.htm)
- As an example, 65 active URO plans currently registered with DWC
  - 54 (83%) completed investigations
  - 5 are new; investigations to be conducted in 2014
  - 6 currently in the investigation process

# DWC UR Oversight: Mandatory Penalties

- Plan review—ensure that the URO has a UR Plan, and that it complies with the regulations
- Does the URO have a Medical Director who is responsible for all UR decisions
- Are all adverse decisions made by a physician, within his/her scope of practice
- All requests receive a decision
- All adverse decisions includes the appropriate dispute language and appeal language

Labor Code section 4610; Title 8 California Code of Regulations Sections 9792.6 --9792.12(a)

# DWC UR Oversight: Additional Penalties

- Timelines for making and communicating decisions
  - To treating physicians
  - To injured worker and attorney if applicable
- Notice of modify/delay/deny (adverse decision) must contain all required components
- Criteria / guidelines must be part of an adverse decision letter
- Requirements related to a request for needed additional information

# Utilization Review

Statistics

# UR Process: Layered Review

- Claims administrators approve treatments \*
- Nurses may review and approve treatments \*
- Cases that not approved must be reviewed by a physician who uses medical evidence to
  - Approve treatment or
  - Deny treatment

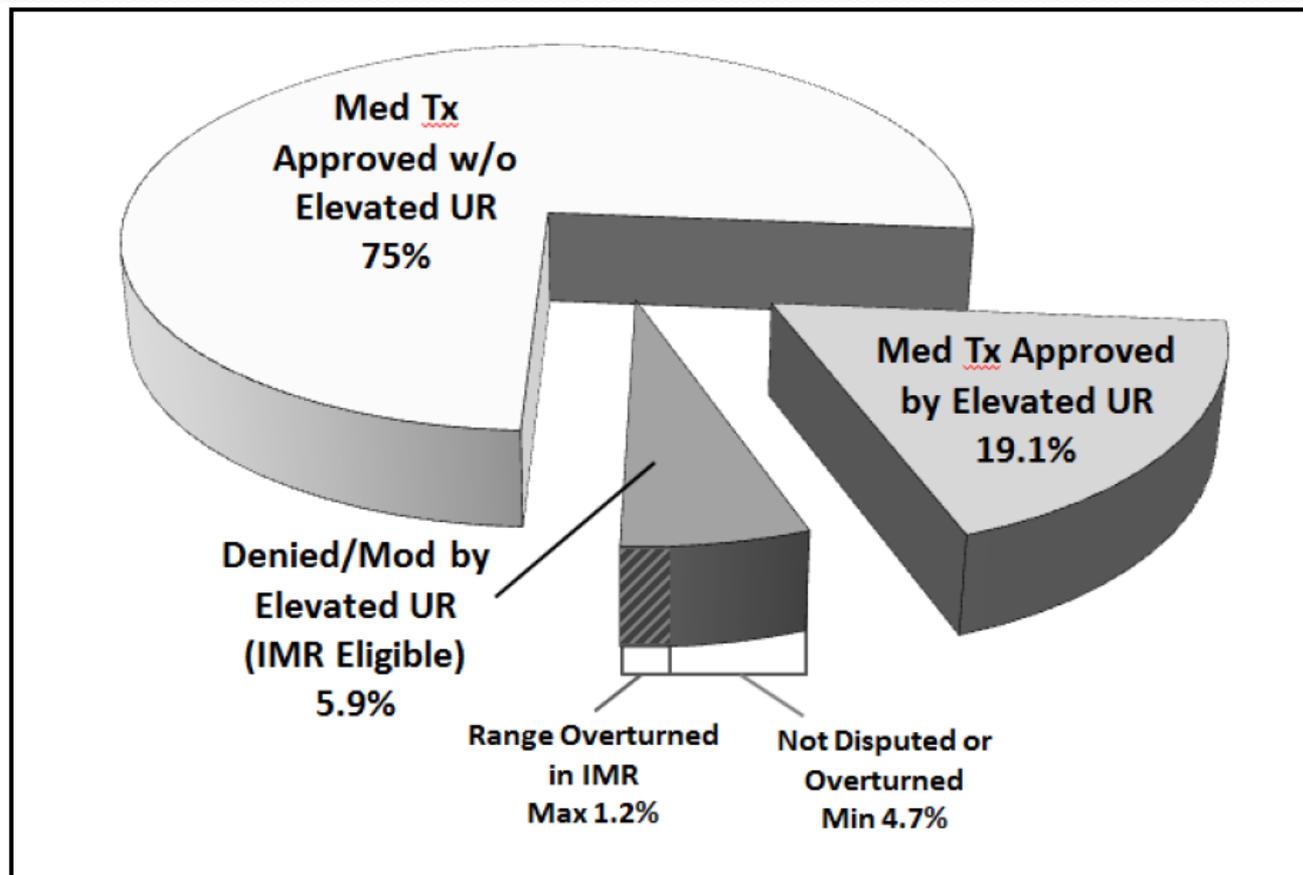
\* The best patient outcomes are obtained by following evidence-based guidelines during all phases of treatment and review

# Most Medical Treatments Approved Upon First Request

- Based on UR investigations 2007-11
  - 70-75% requested medical services approved
  - 22% denied
  - 6% modified
  - 2% delayed

*--RAND 2011. Medical Care Provided Under California's Workers' Compensation Program*

# Most Medical Treatments Approved Upon First Request



# Less than 6% of All Treatment Requests Eligible for IMR

- Of the UR events “elevated” to physician review
  - 76.6% approved requested treatment
  - 6.6 % modified requested treatment
  - 16.9 % denied requested treatment

} Eligible for IMR

□ 5.9% of all medical treatment requests and 23.4% of “elevated UR” requests are eligible for IMR

CWCI 2014: Based on 919, 370 elevated UR decisions made by CA workers’ comp insurance companies between July 2011 and July 2012

# Questions on UR?



# IMR Regulations

# Independent Medical Review (IMR)

- Medical expertise to resolve treatment disputes to provide timely, appropriate care for injured workers
- Determinations are binding
  - Limited grounds for appeal
- Provided by Maximus Federal Services until 12/31/14
  - Reviewers specialty matched to request
  - IMR reviewers anonymous outside IMRO

# IMR Process

- Requested by injured worker/designee
  - 30 days from issuance of UR determination
  - Physician may join with or assist in IMR process
- Complete IMR application requires:
  - Signed, completed IMR Form
  - Copy of UR determination letter
  - Copy of application to be sent to the claims administrator

# IMR Process

- Expedited review: unless UR decision was expedited, need documentation confirming employee's condition
- Internal appeal by claims administrator/URO
  - Runs concurrently with IMR process
  - Must be requested 10 days after UR decision
  - Must be completed 30 days after the request received
  - IMR Application only if decision is modified
- Costs paid by the employer/carrier/adjuster
  - \$550 for one reviewer

# Eligibility for IMR

- Initial review of application for eligibility
  - Incomplete application despite attempts to obtain missing documentation
    - Liability dispute
    - Issue at dispute is not medical treatment
  - Denied claim
  - Timelines not met
  - UR denied due to absent medical records
- Separate IMR requests may be consolidated for review

# IMR Assignment and Records

- Notice of Assignment and Request for Information (NOARFI)
- Records submission by claims administrator and employee within 15 days following NOARFI, e.g.:
  - Six months of medical records relevant to the condition
  - Copy of the IMR Application
  - Reasonable information supporting medical necessity of the treatment
  - Newly developed or discovered records

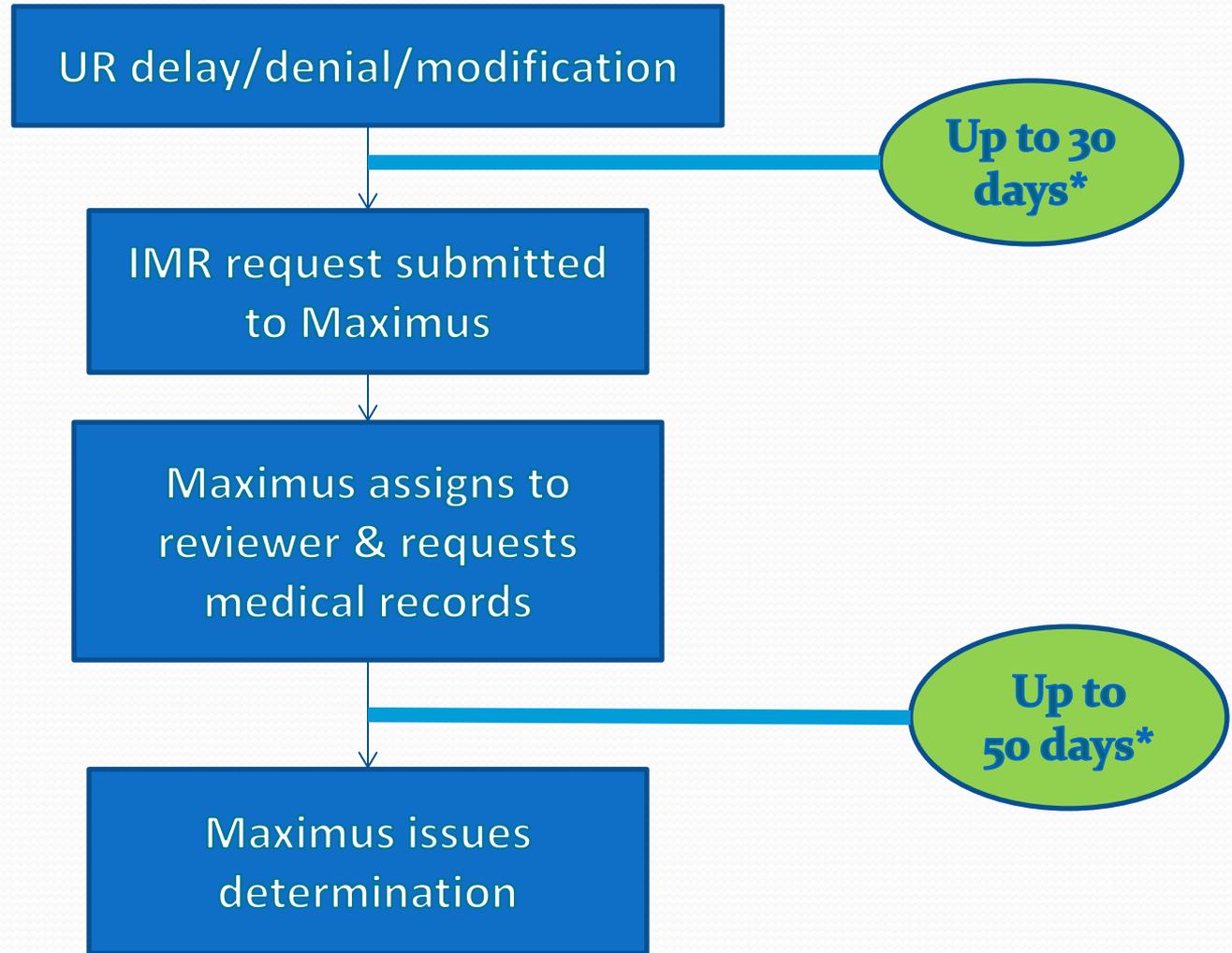
# Withdrawal of IMR

- IMR may be terminated at any time if employer approves treatment
- Reduced cost if withdrawn before assignment to reviewer (\$215)

# IMR Review

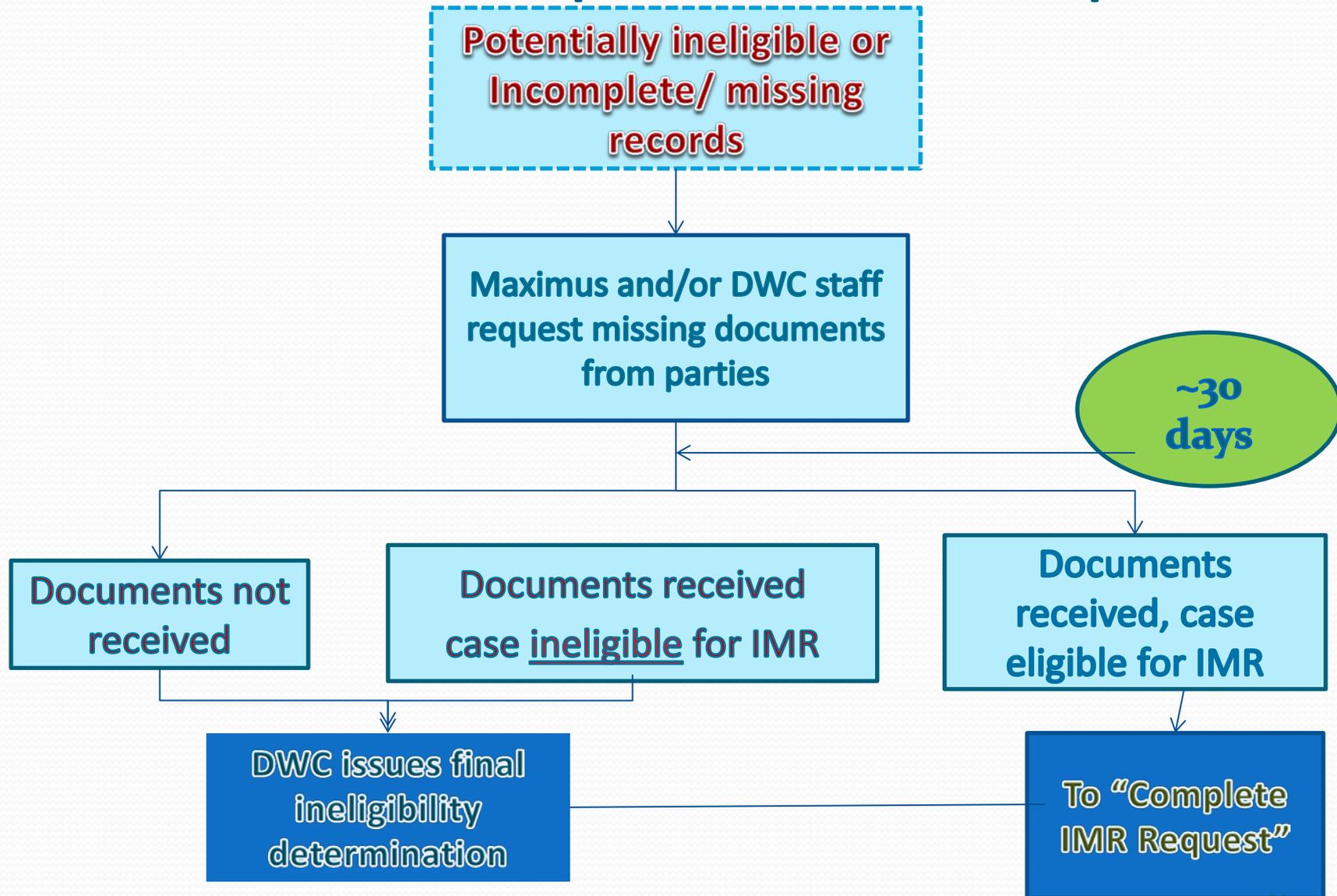
- 30 days from receipt of documentation
- Costs paid by the employer/claims administrator
  - \$550 for one reviewer
- No records submitted by claims administrator?
  - No IMR determination based solely in information in UR determination

# Timeline: Complete IMR Request



\*Up to 80 days to issue determination

# Timeline: Incomplete IMR Request



# How Long Does IMR Take?

- 30 days to submit missing information:
  - No statutory timeline, DWC & Maximus attempt to obtain
- 50 days to make determination:
  - 15 days to get documents to Maximus
    - 8 C.C.R. § 9792.10.5
  - 30 days “of the receipt of the request for review and supporting documentation to issue ... determination”
    - Labor Code § 4610.6; 8 C.C.R. § 9792.9.6(g)(1)
  - 5 days for mailing

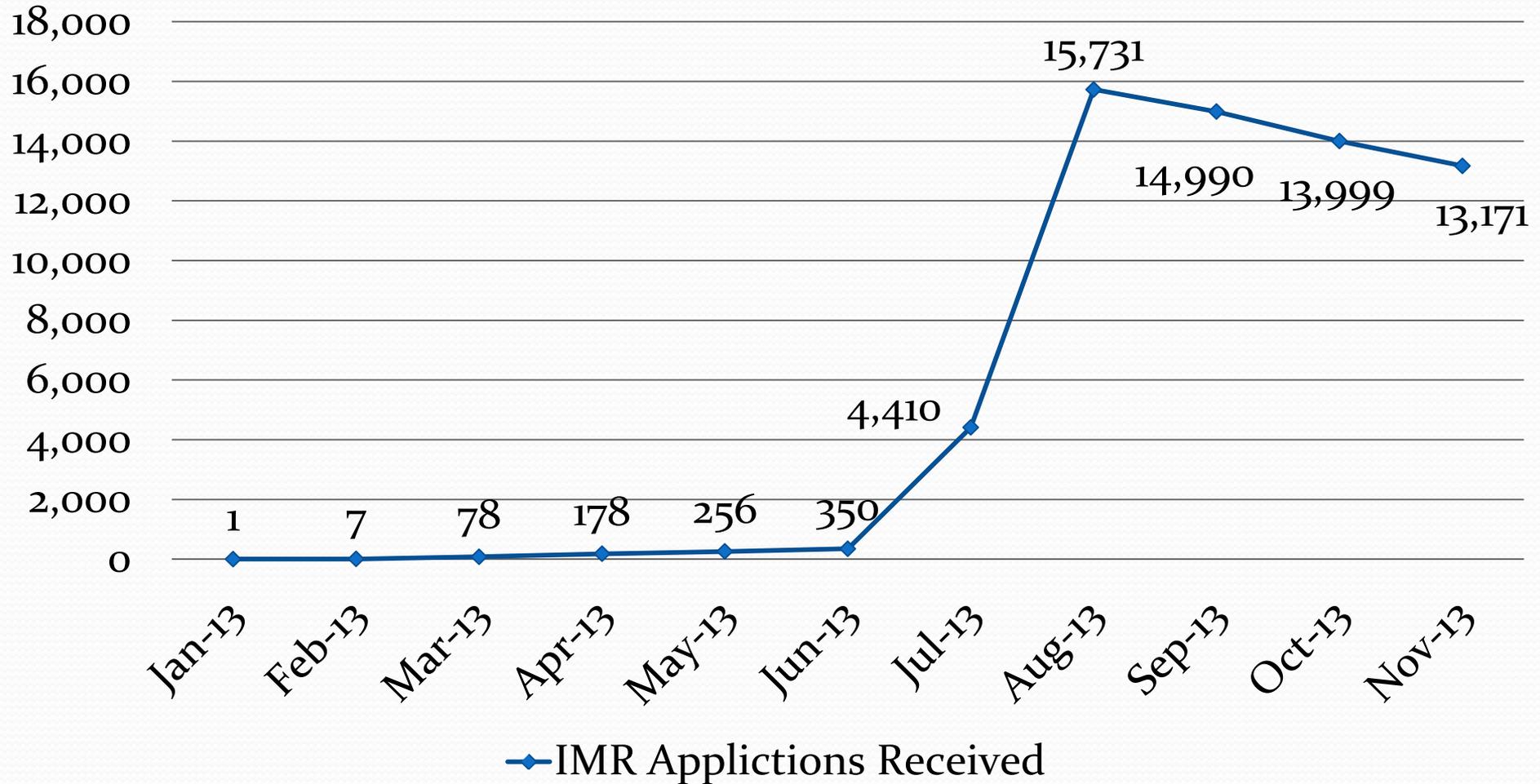
# IMR Appeal and Penalties

- 20 days to appeal IMR Determination to WCAB
  - Limited grounds
  - 8 C.C.R. § 10957.1 (WCAB Rules)
- Administrative Penalties
  - Order to Show Cause by Administrative Director
- IMR Penalties - 8 C.C.R. § 9792.12(c)
  - Failure to include IMR Application in UR decision
  - Failure to advise injured worker of IMR process
  - Failure to provide medical records

# Independent Medical Review

Statistics

# In 2013, Most IMR Applications Were Submitted After July

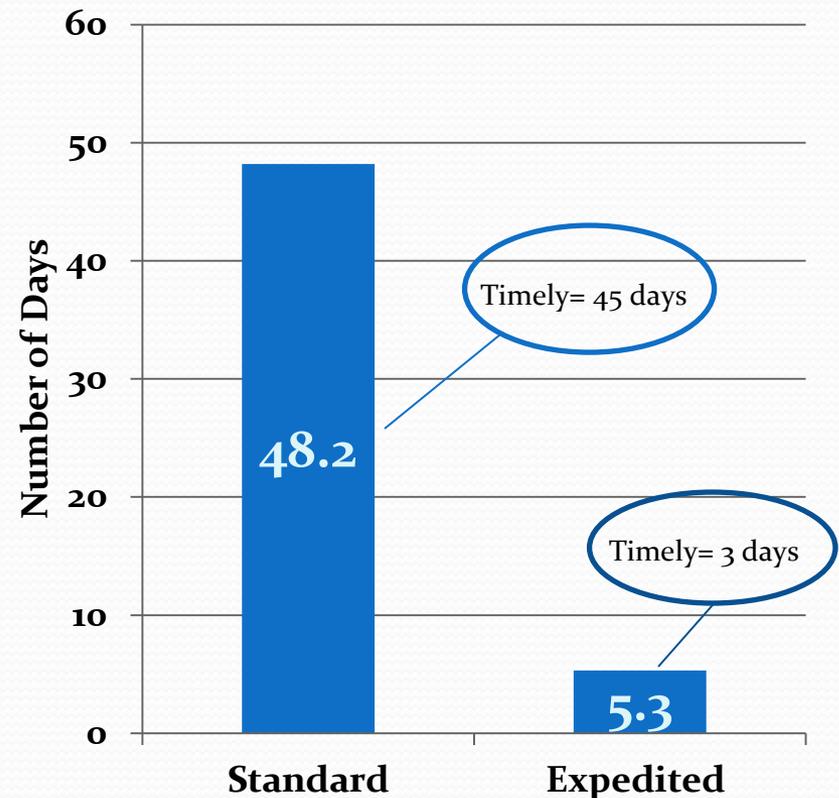


Data as of January 7, 2014

# Timeliness of IMR Decisions Issued

- Most of the untimely IMR decisions were issued in September and October 2013
- Reasons for late decisions
  - Unanticipated high volume
  - Incomplete applications
  - Paper process
- Planned process refinements will help avoid future delays

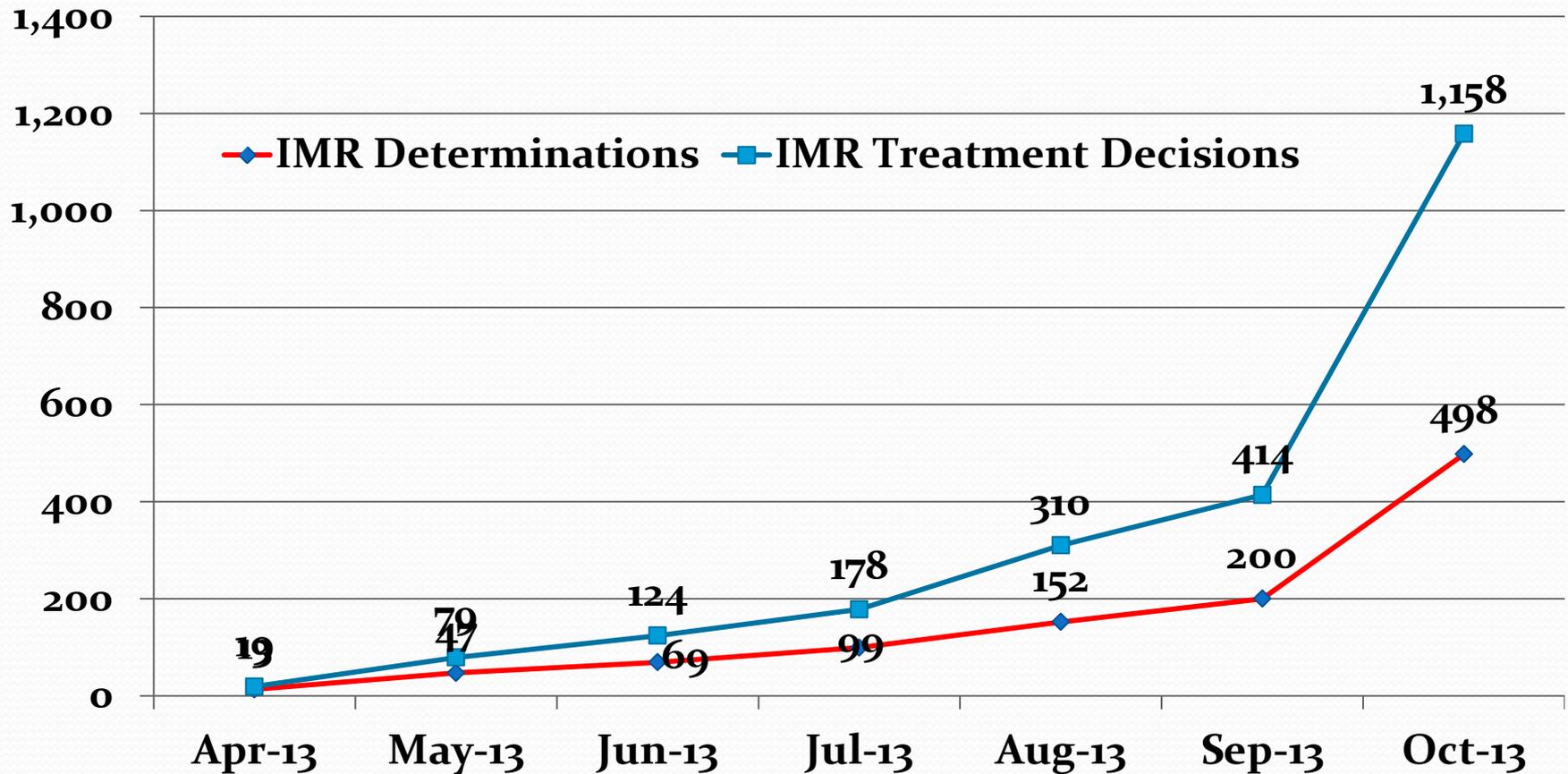
Average Number of Days to Issue IMR Determination\*



January-October 2013  
N= 1,133 decisions

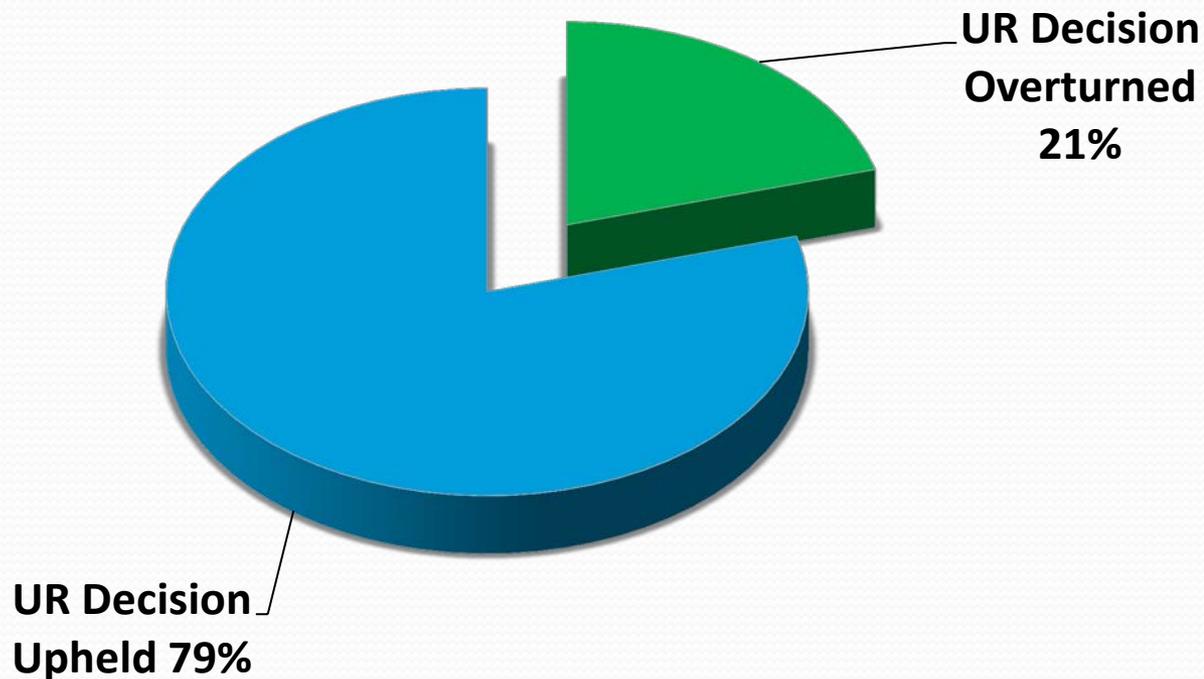
\*From date of assignment to reviewer

# Average Two Treatments Requests per IMR Determination

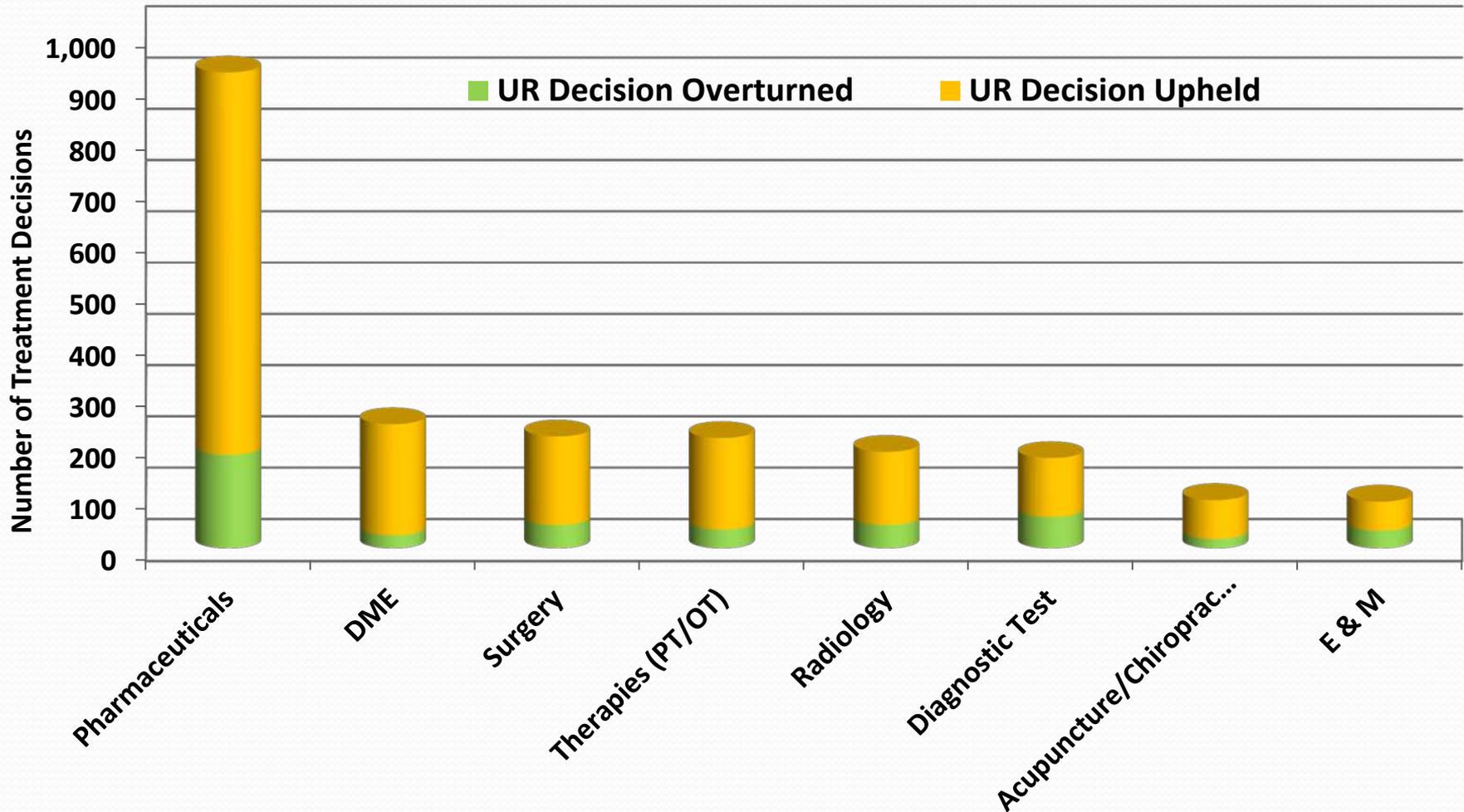


Data as of December 2, 2013

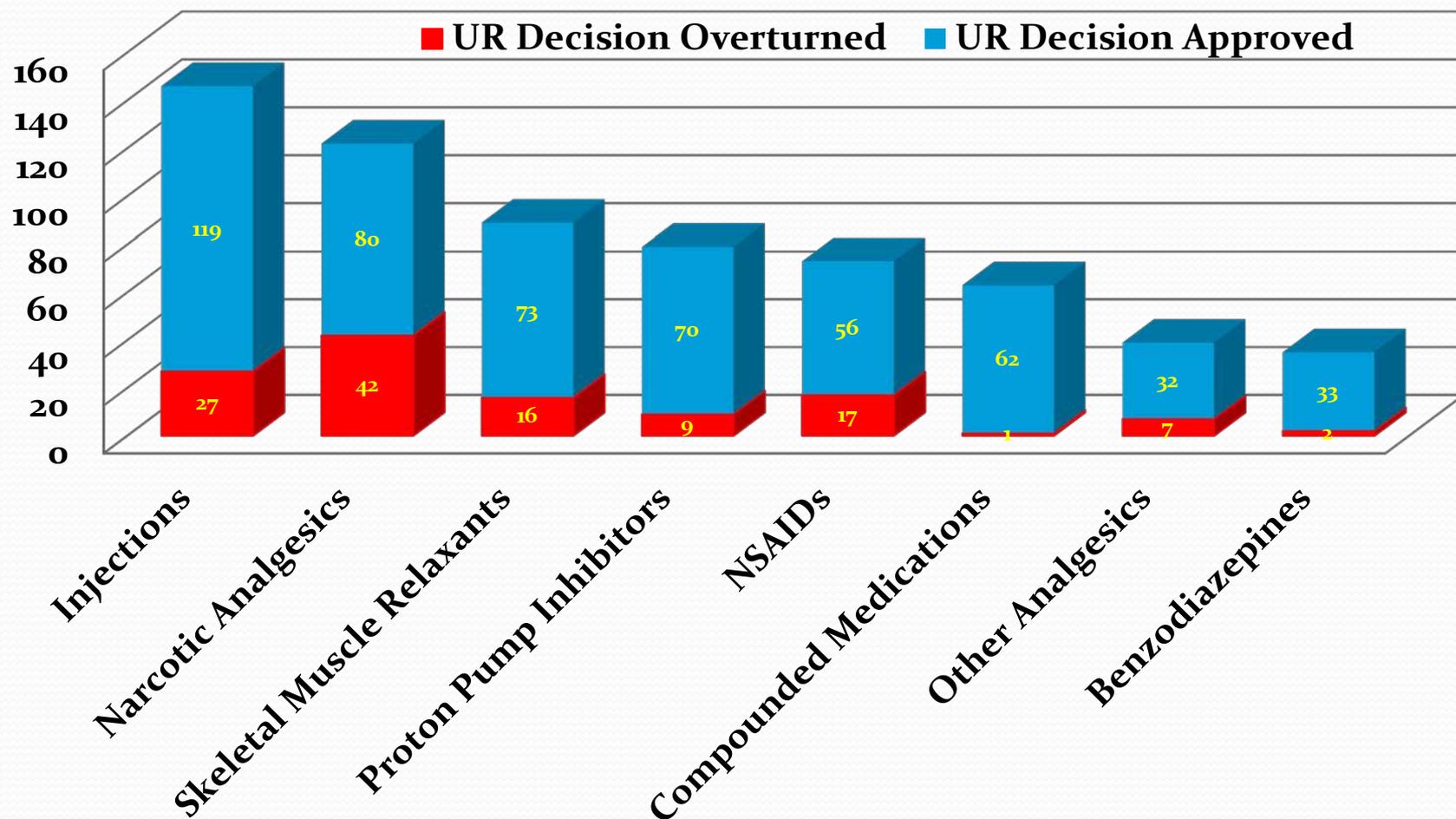
# Most UR Decisions Upheld by IMR



# Pharmaceuticals Most Common IMR Request

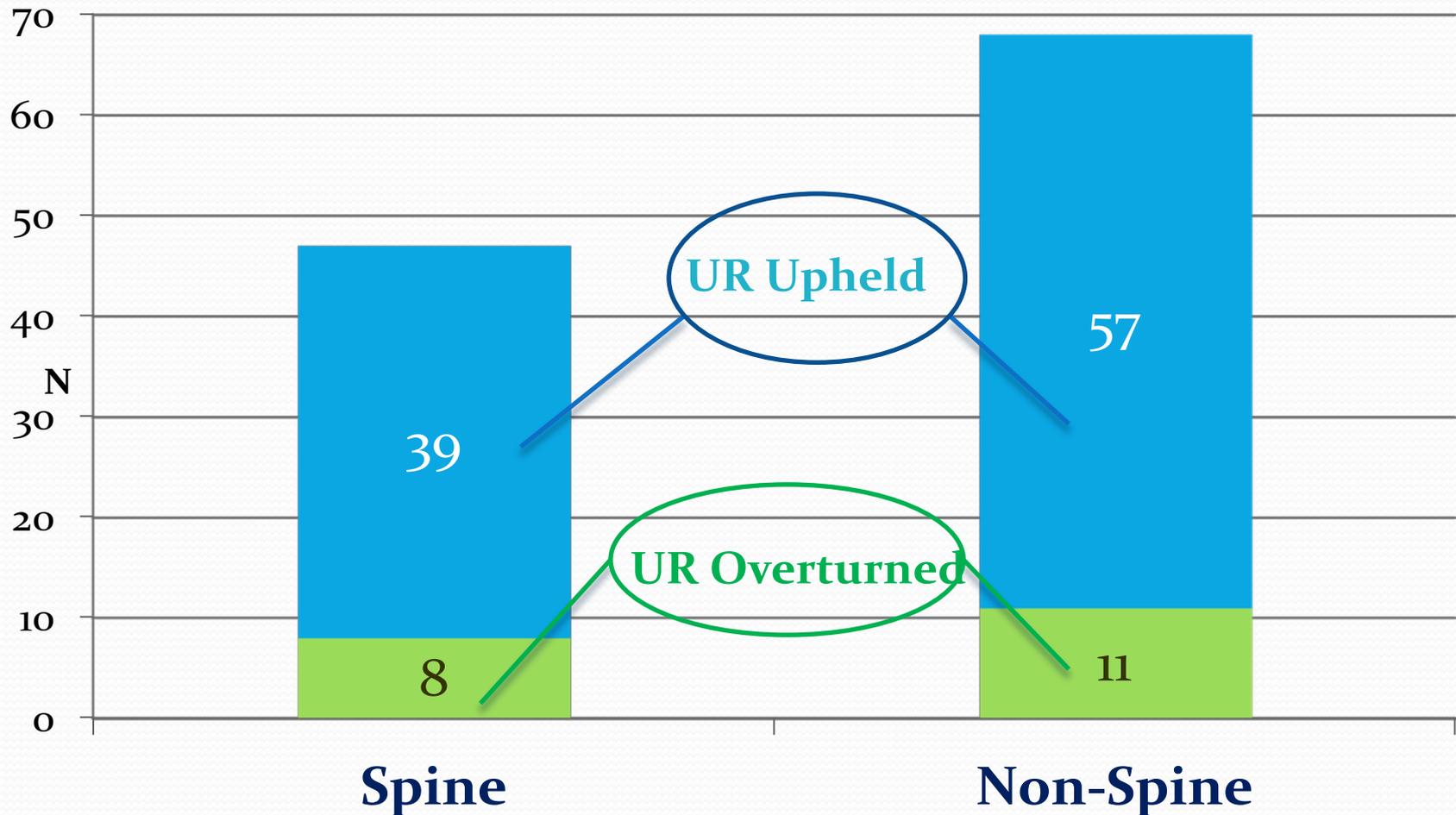


# Injections Most Frequent Pharmaceutical Decision



# Surgery: Spine vs. Non-Spine

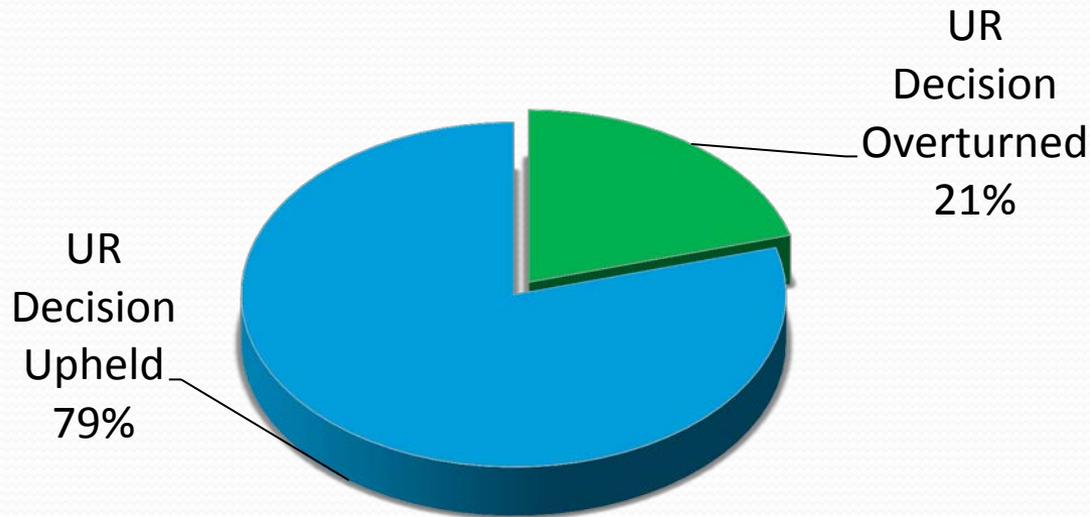
## IMR Upholds UR at Similar Rates



# Not All Requested Treatments are Medically Necessary

In fact, some may be harmful.

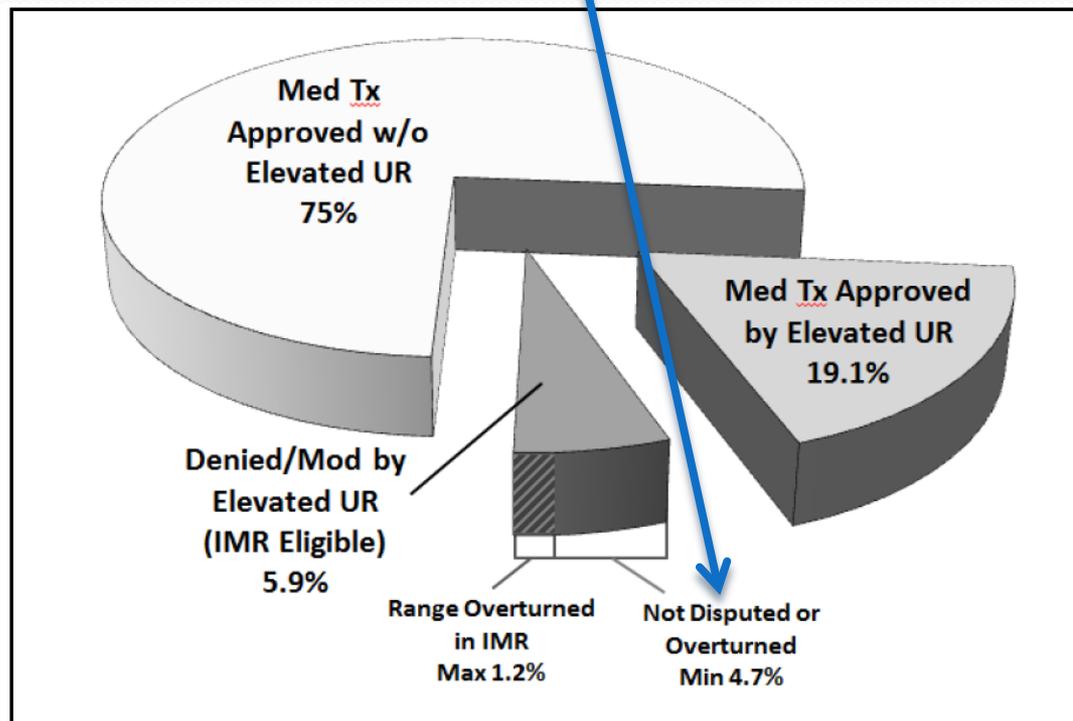
--*Choosing Wisely, American Board of Internal Medicine Foundation\**



\*An initiative of the [ABIM Foundation](#), *Choosing Wisely* is focused on encouraging physicians, patients and other health care stakeholders to use evidence-based recommendations and to think and talk about medical tests and procedures that may be unnecessary, and in some instances can cause harm.

# Less than 5% of All Treatment Requests are Denied Following UR and IMR

These are evidence-based, medically appropriate decisions



# IMR Case Discussions

# Questions on IMR?



# Medical Treatment Utilization Schedule

Clinical Practice, UR, IMR

Updates to MTUS Strength of Evidence, Opioids, Other Chapters

# Best Practice Tips for Providers to Obtain Medically Necessary Care

- **Document!**
  - Medical & treatment history
  - Functional improvement
  - Evidence-basis of treatment recommendations
- **Communicate!**
  - Pursue peer to peer discussions with UR
- **Advocate!**
  - On behalf of patients by explaining IMR and submitting medical records if requested for IMR

# Use Evidence-based Medicine to Obtain Medically Necessary Care

- Follow evidence-based practices (MTUS)

Or

- Provide scientifically-based evidence in other guidelines or peer-reviewed publications
  - For a requested treatment that is
    - Inconsistent with MTUS or
    - For a condition or injury not addressed in the MTUS
- MTUS “strength of evidence” proposed regulations soon to be released for public comment

# Questions on MTUS?



# Conclusions

- Most treatment requests are approved
- Following UR and IMR, less than 5% of treatment requests are denied
- The denied treatments are evidence-based and medically appropriate
- IMR is working and continues to improve
- Providers should document, communicate, advocate (and follow evidence-based practices)

# Resources

- IMR:

- Forms: [www.dir.ca.gov/dwc/IMR.htm](http://www.dir.ca.gov/dwc/IMR.htm)
- Decisions: [www.dir.ca.gov/dwc/IMR/IMR\\_Decisions.htm](http://www.dir.ca.gov/dwc/IMR/IMR_Decisions.htm)

- RFA:

[www.dir.ca.gov/dwc/DWCPropRegs/IMR/IMRFormRFAClean.pdf](http://www.dir.ca.gov/dwc/DWCPropRegs/IMR/IMRFormRFAClean.pdf)

- All current forms:

- [www.dir.ca.gov/dwc/forms.html](http://www.dir.ca.gov/dwc/forms.html)

- Questions?

- [dwc@dir.ca.gov](mailto:dwc@dir.ca.gov)

# Wrap-Up

- UR and IMR final regulations should be approved by Feb. 13 and effective when filed with Secretary of State
- Electronic IMR application in development
- This presentation posted on DWC webpage

# Acknowledgements

- Staff:
  - John Gordon, Research Unit
  - Medical Unit Staff
  - Legal Unit Staff
- References:
  - ABIM Foundation. Choosing Wisely.  
<http://www.choosingwisely.org/>
  - CWCI 2014. Medical Dispute Resolution: Utilization Review and Independent Medical Review in the California Workers' Compensation System.
  - RAND 2011. Medical Care Provided Under California's Workers' Compensation Program. 2011