Predesignation of Personal Physician
Report Pursuant to Labor Code section 4600(d)(7)

This report is submitted in accordance with the provisions of Labor Code section 4600(d)(7) which requires the Division of Workers’ Compensation (DWC) to issue a report evaluating predesignation of personal physicians and present its findings to the Governor and Legislature on or before December 31, 2008.

Predesignation of a personal physician is a one-time process by which an employee provides the employer with the name of a personal physician, in writing, who is then designated as the treating physician if the worker is injured on the job. Without predesignation, the worker would go to a medical provider network (MPN) designated by the employer. Under current law, the worker can only predesignate a physician if their employer provides non-occupational group health coverage, and can only predesignate their personal physician.

Senate Bill (SB) 899 (Chapter 34, Statutes of 2004), effective April 19, 2004, amended Labor Code section 4600 which provides, in part, for the predesignation of a personal physician. SB 899 created a sunset date of April 30, 2007 unless the date is extended or reauthorized by the Legislature. Regulations by the Administrative Director (AD) to implement the predesignation provisions became effective on March 14, 2006.

In 2006, the Legislature extended the sunset date to December 31, 2009 (Chapter 819, Statutes of 2006). In addition to extending the sunset date, the 2006 legislation removed the requirement that predesignation be limited to 7 percent of California employees. This legislation also clarified that subsequent referrals to specialists were to be from within the non-occupational health care plan, or if necessary, referrals can be made to physicians outside the non-occupational medical group. The revisions also allowed an employee to predesignate a medical group instead of an individual physician, such as Kaiser Permanente.

During 2008, Senator Carole Migden carried SB 1338, which would have made the predesignation provisions in Labor Code section 4600 permanent. SB 1338 was passed by both houses of the Legislature and vetoed. The veto message notes that the law on predesignation does not sunset until 2009, and if the proponents wish to try again next year to repeal the sunset, they are encouraged to better demonstrate the need for this change.

The regulations:

a) Define applicable terms related to the statute;
b) Set forth employee notification requirements;
c) Clarify the factors for determining who is eligible to predesignate a personal physician;
d) Clarify the factors for determining when an employee may request a change of physician;
e) Provide optional forms for predesignating a personal physician and requesting a change of physician;
f) Clarify when an employee may predesignate a personal physician when the employer has an MPN;
g) Clarify when an employee may request a change of physician when the employer has an
h) Clarify to whom a predesignated physician may make referrals when the employer has an MPN;

i) Clarify the factors which satisfy the requirement with which a predesignated physician must agree in order to be predesignated; and

j) Clarify the effectiveness of predesignations made prior to the effective date of the predesignation regulations.

Over time, a number of issues have arisen in regard to how employers implement the predesignation rules.

The first major issue was in regard to whether the employer can contact the predesignated physician to ensure that they agree to be predesignated. Based on the statute, DWC has determined that the employer can only contact the predesignated physician after an injury has occurred, not before.

A second major issue was in regard to statutory language that allows employees whose employer provides non-occupational health care coverage to predesignate a physician. The issue was whether or not the employee has to be enrolled in the employer-sponsored coverage in order to be eligible to predesignate. Based on the wording of the statute, DWC has determined that an employee does not have to be enrolled in order to be allowed to predesignate.

The third issue was whether or not the predesignated physician had to make any subsequent referrals to specialists, who are members of the MPN, if the employer has an MPN. DWC determined that there is no direct link between the statutes to require this. This is particularly an issue for governmental agencies, who have a large number of predesignated employees. Some agencies state that their proportion of employees predesignating is around 80 percent. Without a provision to make subsequent referrals within the MPN, these governmental agencies state that the ability to create an MPN to lower medical costs is useless to them. However, DWC did not have the authority to address this issue in rulemaking. This issue was resolved by the 2006 legislation which clarified that referrals are to be within the non-occupational health care plan.

A fourth issue was whether employees, who had previously predesignated a personal physician, were required to re-predesignate. Because a predesignation must comply with amended Labor Code section 4600, DWC clarified that as long as the prior predesignation met the three conditions set forth in Labor Code section 4600, the prior predesignation shall be considered valid. This provision reduces unnecessary paperwork, but addresses the situation where the prior predesignation does not meet the newly required conditions.

A fifth issue is whether employees have to predesignate every year. Some employers were requiring this. A review of the statute indicates that there is no requirement for annual predesignation. As long as the employee has predesignated prior to the injury, the predesignation is valid.
Although predesignated physicians may be outside an employer’s MPN, they are still required to abide by DWC rules regarding use of medical treatment guidelines, utilization review, and the Official Medical Fee Schedule.

As utilization review has matured since it’s inception in 2003, many employers are beginning to give treatment authority to the physicians they have selected for their MPNs, allowing them to administer certain levels of treatment without requiring the physician to go through the utilization review process. This has not been extended to predesignated physicians, who are not in the MPN. Therefore, in practice the use of the predesignated physician may slow the provision of treatment, if the predesignated physician is required to go through utilization review while the MPN physician can treat immediately within certain limits.

Copies of the applicable statute and the approved regulations are attached.
§ 4600. Medical treatment provided by employer; expenses included

(a) Medical, surgical, chiropractic, acupuncture, and hospital treatment, including nursing, medicines, medical and surgical supplies, crutches, and apparatuses, including orthotic and prosthetic devices and services, that is reasonably required to cure or relieve the injured worker from the effects of his or her injury shall be provided by the employer. In the case of his or her neglect or refusal reasonably to do so, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing treatment.

(b) As used in this division and notwithstanding any other provision of law, medical treatment that is reasonably required to cure or relieve the injured worker from the effects of his or her injury means treatment that is based upon the guidelines adopted by the administrative director pursuant to Section 5307.27 or, prior to the adoption of those guidelines, the updated American College of Occupational and Environmental Medicine's Occupational Medicine Practice Guidelines.

(c) Unless the employer or the employer's insurer has established a medical provider network as provided for in Section 4616, after 30 days from the date the injury is reported, the employee may be treated by a physician of his or her own choice or at a facility of his or her own choice within a reasonable geographic area.

(d) (1) If an employee has notified his or her employer in writing prior to the date of injury that he or she has a personal physician, the employee shall have the right to be treated by that physician from the date of injury if either of the following conditions exist:

   (A) The employer provides non-occupational group health coverage in a health care service plan, licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code.

   (B) The employer provides non-occupational health coverage in a group health plan or a group health insurance policy as described in Section 4616.7.

(2) For purposes of paragraph (1), a personal physician shall meet all of the following conditions:

   (A) The physician is the employee's regular physician and surgeon, licensed pursuant to Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code.

   (B) The physician is the employee's primary care physician and has previously directed the medical treatment of the employee, and who retains the employee's medical records, including his or her medical history. "Personal physician" includes a medical group, if the medical group is a single corporation or partnership composed of licensed doctors of medicine or osteopathy, which operates an integrated multispecialty medical group providing comprehensive medical services predominantly for non-occupational illnesses and injuries.

   (C) The physician agrees to be predesignated.
(3) If the employer provides non-occupational health care pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code, and the employer is notified pursuant to paragraph (1), all medical treatment, utilization review of medical treatment, access to medical treatment, and other medical treatment issues shall be governed by Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code. Disputes regarding the provision of medical treatment shall be resolved pursuant to Article 5.55 (commencing with Section 1374.30) of Chapter 2.2 of Division 2 of the Health and Safety Code.

(4) If the employer provides non-occupational health care, as described in Section 4616.7, all medical treatment, utilization review of medical treatment, access to medical treatment, and other medical treatment issues shall be governed by the applicable provisions of the Insurance Code.

(5) The insurer may require prior authorization of any nonemergency treatment or diagnostic service and may conduct reasonably necessary utilization review pursuant to Section 4610.

(6) An employee shall be entitled to all medically appropriate referrals by the personal physician to other physicians or medical providers within the non-occupational health care plan. An employee shall be entitled to treatment by physicians or other medical providers outside of the non-occupational health care plan pursuant to standards established in Article 5 (commencing with Section 1367) of Chapter 2.2 of Division 2 of the Health and Safety Code.

(7) The division shall conduct an evaluation of this program and present its findings to the Governor and the Legislature on or before December 31, 2008.

(8) This subdivision shall remain in effect only until December 31, 2009, and as of that date is repealed, unless a later enacted statute that is enacted before December 31, 2009, deletes or extends that date.

(e) (1) When at the request of the employer, the employer's insurer, the administrative director, the appeals board, or a workers' compensation administrative law judge, the employee submits to examination by a physician, he or she shall be entitled to receive, in addition to all other benefits herein provided, all reasonable expenses of transportation, meals, and lodging incident to reporting for the examination, together with one day of temporary disability indemnity for each day of wages lost in submitting to the examination.

(2) Regardless of the date of injury, "reasonable expenses of transportation" includes mileage fees from the employee's home to the place of the examination and back at the rate of twenty-one cents ($0.21) a mile or the mileage rate adopted by the Director of the Department of Personnel Administration pursuant to Section 19820 of the Government Code, whichever is higher, plus any bridge tolls. The mileage and tolls shall be paid to the employee at the time he or she is given notification of the time and place of the examination.

(f) When at the request of the employer, the employer's insurer, the administrative director, the appeals board, or a workers' compensation administrative law judge, an employee submits to examination by a physician and the employee does not proficiently speak or understand the English language, he or she shall be entitled to the services of a qualified interpreter in accordance with conditions and a fee schedule prescribed by the administrative director. These
services shall be provided by the employer. For purposes of this section, "qualified interpreter" means a language interpreter certified, or deemed certified, pursuant to Article 8 (commencing with Section 11435.05) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of, or Section 68566 of, the Government Code.
§ 9780. Definitions

As used in this Article:

(a) "Claims Administrator" means a self-administered insurer providing security for the payment of compensation required by Divisions 4 and 4.5 of the Labor Code, a self-administered self-insured employer, a self-administered joint powers authority, a self-administered legally uninsured, or a third-party claims administrator for a self-insured employer, insurer, legally uninsured employer, or joint powers authority.

(b) "Emergency health care services" means health care services for a medical condition manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to place the patient's health in serious jeopardy.

(c) "Facility" means a hospital, clinic or other institution capable of providing the medical, surgical, chiropractic or hospital treatment which is reasonably required to cure or relieve the employee from the effects of the injury.

(d) "First aid" is any one-time treatment, and a follow-up visit for the purpose of observation of minor scratches, cuts, burns, splinters, etc., which do not ordinarily require medical care. Such one-time treatment, and follow-up visit for the purpose of observation, is considered first aid, even though provided by a physician or registered professional personnel.

(e) "Nonoccupational group health coverage" means coverage for nonoccupational health care that the employer makes available to the employee, including, but not limited to, a Taft Hartley or Employee Retirement Income Security Act (ERISA) trust, or a health plan negotiated between a union or employee's association and the employer or employer's association.

(f)(1) the employee's regular physician and surgeon, licensed pursuant to Chapter 5 (commencing with section 2000) of Division 2 of the Business and Professions Code, (2) who has been the employee's primary care physician, and has previously directed the medical treatment of the employee, and (3) who retains the employee's medical records, including the employee's medical history.

(g) "Primary Care Physician" means a physician who has the responsibility for providing initial and primary care to patients, for maintaining the continuity of patient care, and for initiating referral for specialist care. A primary care physician shall be either a physician who has limited
his or her practice of medicine to general practice or who is a board-certified or board-eligible internist, pediatrician, obstetrician-gynecologist, or family practitioner.

(h) "Reasonable geographic area" within the context of Labor Code section 4600 shall be determined by giving consideration to:

(1) The employee's place of residence, place of employment and place where the injury occurred; and

(2) The availability of physicians in the fields of practice, and facilities offering treatment reasonably required to cure or relieve the employee from the effects of the injury;

(3) The employee's medical history;

(4) The employee's primary language.

AUTHORITY:


§ 9780.1. Employee's Predesignation of Personal Physician

(a) An employee may be treated for an industrial injury in accordance with section 4600 of the Labor Code by a personal physician that the employee predesignates prior to the industrial injury if the following three conditions are met:

(1) Notice of the predesignation of a personal physician is in writing, and is provided to the employer prior to the industrial injury for which treatment by the personal physician is sought. The notice shall include the personal physician's name and business address. The employee may use the optional predesignation form (DWC Form 9783) in section 9783 for this purpose.

(2) The employer provides: (i) nonoccupational group health coverage in a health care service plan, licensed pursuant to Chapter 2.2 (commencing with section 1340) of Division 2 of the Health and Safety Code, or (ii) nonoccupational health coverage in a group health plan or a group health insurance policy as described in section 4616.7 of the Labor Code. The employer's provision of health coverage as defined herein is sufficient to meet this requirement, regardless of whether the employee accepts or participates in this health coverage.

(3) The employee's personal physician agrees to be predesignated prior to the injury. The personal physician may sign the optional predesignation form (DWC Form 9783) in section 9783 as documentation of such agreement. The physician may authorize a designated employee of the physician to sign the optional predesignation form on his or her behalf. If the personal physician or the designated employee of the physician does not sign a predesignation form, there must be other documentation that the physician agrees to be predesignated prior to the injury in order to satisfy this requirement.
(b) If an employee has predesignated a personal physician prior to the effective date of these regulations, such predesignation shall be considered valid if the conditions in subdivision (a) have been met.

(c) Where an employer or an employer's insurer has a Medical Provider Network pursuant to section 4616 of the Labor Code, an employee's predesignation which has been made in accordance with this section shall be valid and the employee shall not be subject to the Medical Provider Network.

(d) Where an employee has made a valid predesignation pursuant to this section, and where the employer or employer's insurer has a Medical Provider Network, any referral to another physician for other treatment need not be within the Medical Provider Network.

(e) An employer who qualifies under (a)(2) of this section shall notify its employees of all of the requirements of this section and provide its employees with an optional form for predesignating a personal physician, in accordance with section 9880. The employer may use the predesignation form (DWC Form 9783) in section 9783 for this purpose.

(f) Unless the employee agrees, neither the employer nor the claims administrator shall contact the predesignated personal physician to confirm predesignation status or contact the personal physician regarding the employee's medical information or medical history prior to the personal physician's commencement of treatment for an industrial injury.

(g) Where the employer has been notified of an employee's predesignation of a personal physician in accordance with this section and where the employer becomes liable for an employee's medical treatment, the claims administrator shall:

(1) authorize the predesignated physician to provide all medical treatment reasonably required to cure or relieve the injured employee from the effects of his or her injury;

(2) furnish the name and address of the person to whom billing for treatment should be sent;

(3) where there has been treatment of an injury prior to commencement of treatment by the predesignated physician, arrange for the delivery to the predesignated physician of all medical information relating to the claim, all X-rays, the results of all laboratory studies done in relation to the injured employee's treatment; and

(4) provide the physician with (1) the fax number, if available, to be used to request authorization of treatment plans; (2) the complete requirements of section 9785; and (3) the forms set forth in sections 9785.2 and 9785.4. In lieu of providing the materials required in (2) and (3) immediately above, the claims administrator may refer the physician to the Division of Workers' Compensation's website where the applicable information and forms can be found at http://www.dir.ca.gov/DWC/dwc.home.page.htm.

(h) Notwithstanding subdivision (g), the employer shall provide first aid and appropriate emergency health care services reasonably required by the nature of the injury or illness. Thereafter, if further medical treatment reasonably required to cure or relieve the injured employee from the effects of his or her injury, the claims administrator shall authorize treatment
with the employee's predesignated personal physician in accordance with subdivision (g).
(i) If documentation of a physician's agreement to be predesignated has not been provided to the
employer as of the time of injury, treatment shall be provided in accordance with Labor Code
section 4600, or Labor Code section 4616, if the employer or insurer has established a Medical
Provider Network, as though no predesignation had occurred. Upon provision of the documented
agreement that was made prior to injury that meets the conditions of Labor Code section
4600(d), the employer or claims administrator shall authorize treatment with the employee's
predesignated physician as set forth in subdivision (g).

AUTHORITY:

Note: Authority cited: Sections 59, 133 and 4603.5, Labor Code. Reference: Sections 3551, 4600
and 4616, Labor Code.

§ 9781. Employee's Request for Change of Physician

(a) This section shall not apply to self-insured and insured employers who offer a Medical
Provider Network pursuant to section 4616 of the Labor Code.

(b) Pursuant to section 4601 of the Labor Code, and notwithstanding the 30 day time period
specified in subdivision (c), the employee may request a one time change of physician at any
time.

(1) An employee's request for change of physician pursuant to this subdivision need not be in
writing. The claims administrator shall respond to the employee in the manner best calculated to
inform the employee, and in no event later than 5 working days from receipt of said request, the
claims administrator shall provide the employee an alternative physician, or if the employee so
requests, a chiropractor or acupuncturist.

(2) Notwithstanding subdivision (a) of section 9780.1, if an employee requesting a change of
physician pursuant to this subdivision has notified his or her employer in writing prior to the date
of injury that he or she has either a personal chiropractor or a personal acupuncturist, and where
the employee so requests, the alternative physician tendered by the claims administrator to the
employee shall be the employee's personal chiropractor or personal acupuncturist as defined in
subdivisions (b) and (c), respectively, of Labor Code section 4601. The notification to the
employer must include the name and business address of the chiropractor or acupuncturist. The
employer shall notify its employees of the requirements of this subdivision and provide its
employees with an optional form for notification of a personal chiropractor or acupuncturist, in
accordance with section 9880. DWC Form 9783.1 in section 9783.1 may be used for this
purpose.

(3) Except where the employee is permitted to select a personal chiropractor or acupuncturist as
defined in subdivisions (b) and (c), respectively, of Labor Code section 4601, the claims
administrator shall advise the employee of the name and address of the alternative physician, or
chiropractor or acupuncturist if requested, the date and time of an initial scheduled appointment,
and any other pertinent information.
(c) Pursuant to section 4600, after 30 days from the date the injury is reported, the employee shall have the right to be treated by a physician or at a facility of his or her own choice within a reasonable geographic area.

(1) The employee shall notify the claims administrator of the name and address of the physician or facility selected pursuant to this subdivision. However, this notice requirement will be deemed to be satisfied if the selected physician or facility gives notice to the claims administrator of the commencement of treatment or if the claims administrator receives this information promptly from any source.

(2) If so requested by the selected physician or facility, the employee shall sign a release permitting the selected physician or facility to report to the claims administrator as required by section 9785.

(d) When the claims administrator is notified of the name and address of an employee-selected physician or facility pursuant to subdivision (c), or of a personal chiropractor or acupuncturist pursuant to paragraph (2) of subdivision (b), the claims administrator shall:

(1) authorize such physician or facility or personal chiropractor or acupuncturist to provide all medical treatment reasonably required pursuant to section 4600 of the Labor Code;

(2) furnish the name and address of the person to whom billing for treatment should be sent;

(3) arrange for the delivery to the selected physician or facility of all medical information relating to the claim, all X-rays and the results of all laboratory studies done in relation to the injured employee's treatment; and

(4) provide the physician or facility with (1) the fax number, if available, to be used to request authorization of treatment plans; (2) the complete requirements of section 9785; and (3) the forms set forth in sections 9785.2 and 9785.4. In lieu of providing the materials required in (2) and (3) immediately above, the claims administrator may refer the physician or facility to the Division of Workers' Compensation's website where the applicable information and forms can be found at http://www.dir.ca.gov/DWC/dwc.home.page.htm.

AUTHORITY:


§ 9782. Notice to Employee of Right to Choose Physician

(a) Except for an employer who has established a Medical Provider Network, or an employer whose insurer has established a Medical Provider Network, every employer shall advise its employees in writing of an employee's right (1) to request a change of treating physician if the original treating physician is selected initially by the employer pursuant to Labor Code section 4601, and (2) to be treated by a physician of his or her own choice 30 days after reporting an
injury pursuant to subdivision (c) of Labor Code 4600.

(b) Every employer shall advise its employees in writing of an employee's right to predesignate a personal physician pursuant to subdivision (d) of Labor Code section 4600, and section 9780.1.

(c) The notices required by this section shall be provided in accordance with section 9880 and posted in accordance with section 9881.

AUTHORITY:


§ 9783. DWC Form 9783 Predesignation of Personal Physician.

PREDESIGNATION OF PERSONAL PHYSICIAN

In the event you sustain an injury or illness related to your employment, you may be treated for such injury or illness by your personal medical doctor (M.D.) or doctor of osteopathic medicine (D.O.) if:

. your employer offers group health coverage;

. the doctor is your regular physician, who shall be either a physician who has limited his or her practice of medicine to general practice or who is a board-certified or board-eligible internist, pediatrician, obstetrician-gynecologist, or family practitioner, and has previously directed your medical treatment, and retains your medical records;

. prior to the injury your doctor agrees to treat you for work injuries or illnesses;

. prior to the injury you provided your employer the following in writing: (1) notice that you want your personal doctor to treat you for a work-related injury or illness, and (2) your personal doctor's name and business address.

You may use this form to notify your employer if you wish to have your personal medical doctor or a doctor of osteopathic medicine treat you for a work-related injury or illness and the above requirements are met.

NOTICE OF PREDESIGNATION OF PERSONAL PHYSICIAN

Employee: Complete this section.

To: ......................... (name of employer) If I have a work-related injury or illness, I choose to be treated by:
(name of doctor)(M.D., D.O.)
(street address, city, state, ZIP)
(telephone number)
Employee Name (please print):
Employee's Address:
Employee's
Signature ......Date:...

Physician: I agree to this Predesignation:
Signature:......Date:...
(Physician or Designated Employee of the Physician)

The physician is not required to sign this form, however, if the physician or designated employee of the physician does not sign, other documentation of the physician's agreement to be predesignated will be required pursuant to Title 8, California Code of Regulations, section 9780.1(a)(3).

Title 8, California Code of Regulations, section 9783.
(Optional DWC Form 9783-Effective date March 2006)

AUTHORITY:

Note: Authority cited: Sections 133, 4603.5 and 5307.3, Labor Code. Reference: Section 4600, Labor Code

§ 9783.1. DWC Form 9783.1 Notice of Personal Chiropractor or Personal Acupuncturist.

NOTICE OF PERSONAL CHIROPRACTOR OR PERSONAL ACUPUNCTURIST

If your employer or your employer's insurer does not have a Medical Provider Network, you may be able to change your treating physician to your personal chiropractor or acupuncturist following a work-related injury or illness. In order to be eligible to make this change, you must give your employer the name and business address of a personal chiropractor or acupuncturist in writing prior to the injury or illness. Your claims administrator generally has the right to select your treating physician within the first 30 days after your employer knows of your injury or illness. After your claims administrator has initiated your treatment with another doctor during this period, you may then, upon request, have your treatment transferred to your personal chiropractor or acupuncturist.

You may use this form to notify your employer of your personal chiropractor or acupuncturist.

Your Chiropractor or Acupuncturist's Information:
...
(name of chiropractor or acupuncturist)
..
(street address, city, state, zip code)
Employee Name (please print):
Employee's Address:
Employee's Signature ..... Date:...

Title 8, California Code of Regulations, section 9783.1.
(DWC Form 9783.1-Effective date March 2006)

AUTHORITY: