Update: Independent Medical Review (IMR) and Independent Bill Review (IBR)

Commission on Health and Safety in Workers’ Compensation
August 15, 2014
Oakland

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Executive Medical Director
Division of Workers’ Compensation
IMR Process (I)

UTILIZATION REVIEW: Medical treatment is denied, delayed or modified.

Injured worker or representative files application for Independent Medical Review (IMR).

Independent Medical Review Organization (IMRO) conducts preliminary review.

IMR routed to DWC if eligibility is questioned.
IMR Process (II)

Independent Medical Review Organization (IMRO) conducts preliminary review.

IMR routed to DWC if eligibility is questioned.

If eligible, application returned to IMRO to continue IMR process.

IMRO requests medical records from claims administrator and/or employer.

DWC issues Ineligibility Determination for:
- Liability Dispute
- Conditionally Non-Certified
- No Signature
- Untimely Filing
IMRO Process (III)

1. IMRO requests medical records from claims administrator and/or employer.

2. IMRO assigns case to Physician Reviewer.

3. Final Determination Letter issued and sent to all parties.
IMR Applications Appear to Increase

Total IMR Applications Through June 2014 = 173,981
Recent Rise in Applications Likely Due to “Duplicates”

Based on April-June 2014 data
IMR Process Improvements

- Reduced Costs
- More IMR physician reviewers hired
- More Final Determination Letters issued
# IMR Cost Reduction

<table>
<thead>
<tr>
<th></th>
<th>2013 ($)</th>
<th>Current ($)</th>
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</thead>
<tbody>
<tr>
<td>Standard Review</td>
<td>560</td>
<td>420 (non-pharmacy)</td>
</tr>
<tr>
<td>Expedited Review</td>
<td>685</td>
<td>515 (non-pharmacy)</td>
</tr>
<tr>
<td>Standard (Pharmacy)</td>
<td>N/A</td>
<td>390</td>
</tr>
<tr>
<td>Terminated before assigned to</td>
<td>Full cost</td>
<td></td>
</tr>
<tr>
<td>physician</td>
<td></td>
<td>160</td>
</tr>
<tr>
<td>Terminated during review</td>
<td>Full cost</td>
<td>420</td>
</tr>
</tbody>
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*As of April 1, 2014
IMR Physician Reviewers, 2014

Number of CA IMR Reviewers Available

Date, 2014
Rise in IMR Final Determination Letters Issued, 2014
## Top Ten IMR Reviewer Specialties

<table>
<thead>
<tr>
<th>Reviewer Specialty</th>
<th>Percentage of Total Reviews</th>
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<tbody>
<tr>
<td>Occupational Medicine</td>
<td>41.0%</td>
</tr>
<tr>
<td>Physical Medicine &amp; Rehabilitation</td>
<td>19.4%</td>
</tr>
<tr>
<td>Pain Management</td>
<td>14.6%</td>
</tr>
<tr>
<td>Orthopedic Surgery</td>
<td>7.3%</td>
</tr>
<tr>
<td>Internal Medicine</td>
<td>3.8%</td>
</tr>
<tr>
<td>Acupuncturist</td>
<td>2.4%</td>
</tr>
<tr>
<td>Spine Surgery</td>
<td>2.1%</td>
</tr>
<tr>
<td>Family Practice</td>
<td>2.1%</td>
</tr>
<tr>
<td>Chiropractor</td>
<td>2.0%</td>
</tr>
<tr>
<td>Psychologist</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

Data as of June 2014
IMR Physician Reviewers: State of License

61% CA-licensed (N=8,658)

39% non-CA licensed (N=5,622)

July 2014
Most UR Treatment Decisions Upheld by IMR in 2013

N= 7,805 Total Treatment Decisions

- UR Upheld: N=6,580 (84%)
- UR Overturned: N=1,225 (16%)

As of December 31, 2013
Pharmaceuticals: Most Common Category of IMR Request

As of December 31 2013

N= 7,805 Total Treatment Decisions

N=4,303 (55%)
Non-Pharmaceutical

N=3,502 (45%)
Pharmaceutical
Narcotics Most Common Non-Injection Pharmaceutical Request in IMR, 2013

- Narcotics: 460 (135 UR Overturned, 325 UR Upheld)
- Muscle Relaxants: 322 (31 UR Overturned, 291 UR Upheld)
- NSAIDs: 232 (50 UR Overturned, 182 UR Upheld)
- Compounded Meds.: 265 (5 UR Overturned, 260 UR Upheld)
- Proton Pump Inhib.: 215 (33 UR Overturned, 182 UR Upheld)

Pharmaceutical IMR Treatment Decisions 2013
Pharmaceuticals: Steroid Injections

Most Frequent Request

Determinations dated through 12/18/2013
Most Common Non-Pharmaceutical IMR Treatment Decisions

- Equipment: 751 UR Overturned, 90 UR Upheld
- Therapies (PT/OT): 692 UR Overturned, 106 UR Upheld
- Diagnostic Test: 430 UR Overturned, 132 UR Upheld
- Surgery*: 439 UR Overturned, 99 UR Upheld
- Radiology: 370 UR Overturned, 103 UR Upheld
- Evaluation &…: 222 UR Overturned, 105 UR Upheld

*Surgery treatment decisions include requests for procedures, assistant surgeons, and pre-operative and post-operative care.

4,323 Pharmaceutical IMR Treatment Decisions, 2013
Spine Surgery: Most Common Surgical Request

- Spine (All levels): 123
  - UR Overturned: 17
  - UR Upheld: 106

- Knee: 43
  - UR Overturned: 16
  - UR Upheld: 27

- Shoulder: 44
  - UR Overturned: 8
  - UR Upheld: 36

- Forearm, Wrist, and Hand: 23
  - UR Overturned: 5
  - UR Upheld: 18

27% of Knee Surgery Requests Overturned
Most IMR Cases: Recent Injuries

[Graph showing the number of closed cases from 2001 to 2013, with a significant increase from 2008 to 2011.]
Older Injuries: Pharmaceuticals Fairly Consistent, Non-Pharmaceuticals Decline
<table>
<thead>
<tr>
<th>IBR</th>
<th>2013 ($)</th>
<th>Current ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed</td>
<td>335</td>
<td>250</td>
</tr>
<tr>
<td>Terminated</td>
<td>65</td>
<td>50</td>
</tr>
</tbody>
</table>
IBR Applications Remain Steady

Total IBRs Thru June 2014: 1,909
Most IBR Determinations: Payment Owed to Provider

508 IBR Decisions (208 Upheld and 308 Overturned)
IBR decisions are posted on DWC webpage: http://www.dir.ca.gov/dwc/IBR.htm
Services Types Seen In IBR

IBR Determinations thru July 7, 2014
Amounts Paid To Providers in IBR

Paid to Date for All Services Total = $385,360. Average = $2,308 per IBR

IBR Determinations thru July 7, 2014
Average Disputed Amounts Where Claims Administrator Prevails

IBR Determinations thru July 7, 2014
Looking Ahead

- 2013 Annual Reports on IMR, IBR
- Medical Treatment Utilization Schedule Updates
  - Strength of Evidence
  - Opioid Use Guidelines
  - Education for providers, others
- Revision of “Physicians’ Guide to Workers’ Comp”
- QME quality assurance, education
Staff Acknowledgments

- John Gordon, DIR Research Unit
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- Katy Lind Evelyn, MS, RN, DWC Medical Unit