

## N E W S L I N E

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### **DWC Initiates Procedure to Assess Administrative Penalties for Failure to Submit IMR Medical Records**

The Division of Workers' Compensation (DWC) will initiate the procedure to assess administrative penalties for claims administrator failure to timely submit relevant medical records in cases currently pending Independent Medical Review (IMR).

Under Labor Code section 4610.5(i), DWC is authorized to assess penalties against claim administrators whose conduct has the effect of delaying the IMR process. Under current regulations, Maximus Federal Services, Inc., the organization designated by DWC to conduct IMR reviews, sends the claims administrator a Notice of Assignment and Request for Information (NOARFI) in an IMR case. The notice advises of the relevant medical records to be submitted, which must be provided to Maximus within 15 days of the date on the NOARFI. The regulatory requirements for submitting records can be found at California Code of Regulations, title 8, section 9792.10.5.

Under California Code of Regulations, title 8, section 9792.12(c)(6), failure to submit the records within those 15 days will subject a claims administrator to an administrative penalty of \$500 for each day the records are untimely, up to a maximum of \$5,000. DWC will send an Order to Show Cause to claims administrators who may be liable for a penalty, with the facts upon which the penalty is based, the penalty amount, and the administrative process for contesting a penalty.

The procedure to assess administrative penalties will commence in cases where there is a failure to timely submit medical records dated on and after December 1, 2014. For IMR cases currently pending at Maximus as of December 1, 2014, the penalty procedure will commence if the relevant medical records are not received on or before December 15, 2014.

DWC will continue to post updates and notifications regarding the IMR system on the IMR [page](#).

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