

N E W S R E L E A S E

News Release No.: 2014-115

Date: December 12, 2014

Report on Independent Medical Review Shows Progress Made

The Department of Industrial Relations (DIR) and its Division of Workers' Compensation (DWC) posted a progress report today on the department's implementation of Independent Medical Review, one of the most important provisions of Senate Bill 863. Independent Medical Review (IMR) is the medical dispute resolution process that uses medical expertise to obtain consistent, evidence-based decisions.

The "[2014 Report on Independent Medical Review](#)" describes the successful implementation of IMR and provides an analysis of data gathered since the process took effect on July 1, 2013.

"SB 863 sought to replace a broken medical review process with one where injured workers receive timely care based on the best medical evidence," said Labor Secretary David Lanier. "Fewer delays and vastly less litigation are better for injured workers and employers. This report shows we are on the right track."

"Making evidence-based treatment the foundation for decisions about care was a significant change," added DIR Director Christine Baker. "We are now seeing the tangible benefits of IMR and can expect further improvement to the process."

Highlights of the report include the following:

- **First year numbers:** In 2013, 73,282 IMR applications were filed, of which 22 percent were found to be ineligible; 3,723 IMR determinations were issued and contained on average two treatment requests per decision. IMR upheld 84 percent of UR decisions in 2013.
- A considerable increase in the number of applications starting in the latter half of 2013 posed challenges to issuing timely determinations. Process changes resulted in IMR decisions being issued in a timely manner by October 2014.
- **Costs:** The costs of IMR were reduced by 25 percent in April 2014.

- **Claims data:** More than half of workers' compensation claims as well as IMR applications came from the top 10 claims administrators

Dr. Rupali Das, DWC Medical Director, said, "this report demonstrates the great progress made in resolving medical necessity disputes affecting injured workers." She added, "DWC will continue to collect information and monitor the results to make ongoing improvements to the program."

Other findings:

- Nearly a third of IMR applications as well as workers' compensation claims originated from the Los Angeles area.
- Most physician reviewers who provided decisions in 2013 were licensed in California.
- Physical Medicine and Rehabilitation and Occupational Medicine specialists issued the majority of IMR determinations.
- IMR decisions were primarily evidence-based and relied on the Medical Treatment Utilization Schedule or other clinical guidelines.
- Nearly half of IMR treatment requests were for pharmaceuticals, most commonly opioids.

The progress report is posted on the DIR [website](#).



The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). Non-media inquiries can contact DIR's Communications Call Center at 1-844-LABOR-DIR (1-844-522-6734) for help in locating the appropriate [division or program](#) in our department.