

## N E W S L I N E

**Newsline No.:** 2016-19

**Date:** February 10, 2016

### **DWC Reminds Claims Administrators Regarding Utilization Review Procedures**

The Audit and Enforcement Unit of the Division of Workers' Compensation (DWC) will be noticing more target audits in 2016 to address utilization review (UR) complaints.

All claims administrators are required by law to have a utilization review program that is governed by written policies and procedures and used to decide whether or not a treatment recommended by an injured worker's physician is medically necessary under evidence-based guidelines. All UR programs must have a medical director. Any medical decision that modifies or denies a medical treatment request must be made by a reviewing physician, and the services must be within that physician's scope of practice.

As a reminder, the UR time limit for responding to a treatment request begins when the request for authorization (RFA) is first received, whether by the employer, claims administrator, or utilization review organization (URO). The decision on an RFA submitted for prospective review must be made within five business days from first receipt of the request, unless additional reasonable medical information is needed to make the decision. In that case, the additional information must be requested by the fifth business day, then up to 14 calendar days from the date of receipt of the original RFA are allowed for making the decision on the RFA. If more than one treatment request is listed on an RFA, all of the treatment requests must be addressed within the applicable timeframe.

The penalties for failure to comply with the UR rules are set forth in California Code of Regulations, title 8, section 9792.12. For example, if an RFA is not answered, the mandatory penalty is \$1,000 for each prospective review. There is also a \$100 penalty for a late response to an RFA. If a non-physician delays, denies or modifies a treatment request, there is a \$25,000 penalty. Claims administrators are advised to review the UR timeframes with their staff and UROs to ensure the crucial timeframes are being met.

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