

New Pass Code for Network Applicant and Provider/Office Manager Open Conference Calls

The Texas Department of Insurance (TDI) holds monthly conference calls with network applicants (second Thursday of each month) and providers/office managers (second Tuesday of each month) to discuss issues related to Certified Workers' Compensation Health Care Networks. Please see the calendar of events at the end of this newsletter for specific details.

Please note effective immediately these conference calls have a new pass code of 6622666#.

The minutes and agenda of previous Network Applicant Conference Calls and Provider/ Office Manager Conference Call can be accessed on the [TDI Website](#).

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Certified Workers' Compensation Health Care Networks

The list of Certified Workers' Compensation Health Care Networks is available on the [TDI Web page](#). This list is updated as additional networks are certified and as service areas are modified. Currently the following workers' compensation health care networks have been certified:

- Aetna Workers' Comp Access (AWCA)
- Argus Provider Network
- Bunch and Associates Inc, Texas HCN
- Bunch HCN-First Health
- CMI Barron Risk Management, Inc./ Southwest Medical Provider Network
- Concentra Healthcare Network
- Coventry Workers' Comp Network
- Corvel Healthcare Corporation/Corcare
- First Health/AIGCS TX HCN
- First Health HCN
- First Health/Travelers HCN
- Forte Inc./Compkey/First Health
- Genex Services, Inc./Genex Care for Texas' Comp Access (AWCA)
- Genex Services Inc./Genex Health Care Network
- The Hartford Workers' Compensation Health Care Network – FH
- IMO Med-Select Network/Injury Management Organization, Inc.
- International Rehabilitation Associates Inc./IntraCorp.
- Interplan Health Group, Inc./Zenith Health Care Network (ZHCN)
- Intracorp/Lockheed Martin Aero Employee Select Network
- Liberty Health Care Network
- Memorial Hermann Health Network Providers, Inc./Worklink
- National ChoiceCare, NCC ChoiceNet
- North Texas Innovative Health Care Network, Inc.
- Physician's Cooperative of Texas
- SHA, LLC./FirstCare Network
- Specialty Risk Services Texas Workers' Compensation Health Care Network (First Health)
- Texas Star Network/Concentra
- Texas Star Network
- Zurich Services Corporation Health Care Network
- Zurich Service Corporation Health Care Network (HCN) – First Health
- Zurich Services Corporation Health Care Network/Corvel

Additional Legislation Affecting Workers' Compensation Networks in Texas

The 80th Texas Legislature, Regular Session, enacted several bills that affect certified workers compensation networks. The bills which are briefly described below may be viewed in their entirety via the [Texas Legislature Online Website](#).

Please note that this list **is not all inclusive**. Please refer to the Texas Legislature Online Website for complete information on legislation from the 80th Texas Legislature.

[Issue 5 WCNet News](#) provided an overview of SB 458, HB 472, HB 1005, HB 1006 and SB 1253. Below are three additional bills that passed during the 80th Texas Legislature that affect workers' compensation networks.

HB 1003 requires an IRO that uses doctors to perform reviews of health care services provided under [Texas Labor Code Chapter \(TLC\) 415](#) or [Texas Insurance Code \(TIC\) Chapter 1305](#) to only use doctors licensed to practice in Texas. The bill changed the definition of IRO to be the same in both the Labor Code and Insurance Code. The bill is effective 9-1-07 and applies only to reviews conducted on or after that date.

HB 2004 requires a doctor who reviews a specific workers' compensation case, other than a dentist or chiropractor, to hold a professional certification in a specialty appropriate to the case being received by the injured employee. The bill allows only a person licensed to practice dentistry to review a workers' compensation dental service and a person licensed in the practice of chiropractic to review a workers' compensation chiropractic service. The bill is effective 9-1-07 and applies only to reviews conducted on or after that date.

HB 724 amends [TLC §413.031](#) and adds §413.0311 to provide that a party to a medical dispute as described by these Sections that remains unresolved after any applicable review is entitled to a contested case hearing or a State Office of Administrative Hearings (SOAH) hearing, depending upon statutory requirements for eligibility.

A party who remains aggrieved after all administrative remedies have been exhausted may seek judicial review of the decision in accordance with Subchapter G, [Chapter 2001 Government Code](#). The bill also amends TLC §408.027(d) to allow an accident or health insurance carrier or other person obligated for the services to recover reimbursement for paid health care services in the manner set forth in [TLC § 409.009](#) or 409.0091 if the employer or the workers compensation insurance carrier has not disputed compensability. The bill is effective 9-1-2007 and applies to disputes that are pending for adjudication by the Division of Workers' Compensation (DWC), remanded to DWC, or that arise on or after the effective date of the act.

Reminder - WCNet News Moving to Quarterly Publication Schedule

The WCNet News will be published quarterly beginning with the October 2007 edition. Following the October, 2007 edition the next publication is scheduled for January 2008.

Did You Know?

Effective January 1, 2007 individuals becoming associated (such as becoming an officer or director) with a regulated entity, including Certified Workers' Compensation Networks, must provide fingerprints to the Texas Department of Insurance (TDI). Fingerprint cards or receipts from submission of electronic fingerprints should be included in the initial application as the background check on fingerprints takes 3-5 weeks and must be completed before TDI can certify a network. Please see [Commissioner's Bulletin # B-0045-06](#) for additional information.

Dallas Employer and Provider Workshop Recap

The TDI Health and Workers' Compensation Network Certification and Q&A Division (HWCN) held Workers' Compensation Health Care Network Employer and Provider Workshops on Friday, August 24th and Saturday August 25th, respectively, at the Bill J. Priest Campus of El Centro College in the Hobitzelle Auditorium. The workshops provided a format for the employers and providers to engage in discussions, network, and gain a better understanding of workers' compensation network coverage in the State of Texas. Staff from the TDI HWCN Division, Workers' Compensation Research and Evaluation Group, and Division of Worker's Compensation (DWC) presented multiple topics tailored to each audience.

The employer workshop had 88 attendees, while the provider workshop had 79 attendees. Overall, the workshop evaluations indicated that the participants were satisfied with the workshop content. Suggestions for desired information and future location suggestions were received from the participants and will be utilized in future planning.

If you were unable to attend the workshop and are interested in the information presented at the workshop you may download the materials by accessing the following link: http://www.tdi.state.tx.us/wc/wcnet/HWCN_August_Con.html.

Network-Carrier Contracts

A carrier may contract with a certified network to provide or arrange to provide health care services to an injured employee under workers' compensation coverage. These arrangements/agreements are established through written contracts between the carrier, network, management contractor and/or third party. [TIC §1305.154](#) and [28 TAC §10.41](#) lists in full detail all required contract provisions; however, below are a few provisions a network-carrier contract must include:

- A "Hold Harmless" provision which prohibits the Network and contracted party(ies) from billing or attempting to collect any amount from the injured employee under any circumstances, for health care received for a compensable injury.
- A "Termination" provision which provides protocol and/or circumstances, in compliance with [TIC §1305.154](#) and [28 TAC §10.41](#), that would allow the WC network, carrier or contracted party(ies) to terminate the contract.
- An "Examination by Commissioner" provision which permits the commissioner to examine at anytime, any information relevant to the entities' financial condition or ability to carry-on network functions.
- A requirement "that the carrier, the network, any management contractor, and any third party to which the network delegates a function comply with a provision that requires the network to provide to the insurance carrier and department the license

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Network-Carrier Contracts *continued from page 3*

number of a management contractor or any delegated third party performing any function that requires a license under the Insurance Coder or another insurance law of this state, including a license as a utilization review agent under [Chapter 4201](#) of the Insurance Code” in compliance with [28 TAC §10.41\(a\)\(8\)](#).

The required functions of a certified network include contracting, resolving complaints, credentialing and the operation of a quality improvement program as defined by [28 TAC §10.81](#). A carrier may delegate additional functions to a network by contract, or a network may delegate one or more of its required functions to a carrier or other third party by contract. While a carrier may delegate functions to a network, the carrier is ultimately responsible for ensuring that all delegated functions are performed in accordance with applicable statutes and rules. Network-Carrier Contracts may not involve a transfer of insurance risk.

Are Claims Adjusters Allowed to Perform Case Management?

In compliance with [TLC §413.021](#), a claims adjuster may not serve as a case manager. Claims adjusters are allowed to perform only the duties specified by [Chapter 4101 of the TIC](#).

Certified Workers’ Compensation Networks are required to have a medical case management program with certified case managers. Medical or Vocational Case Managers work with injured employees, physicians, and providers to ensure cost-effective health care.

As of January 1, 2007, case managers in certified networks are required to be certified by an accrediting organization such as the National Commission for Certifying Agencies (NCCA), the American Board of Nursing Specialties, or another national accrediting agency with similar standards. Medical or Vocational Case Managers must be certified in at least one of the following: case management; case management administration; rehabilitation case management; continuity of care; disability management; or occupational health.

Update on the IRO Process

- TDI Adoption of ODG Treatment: The Texas Department of Insurance (TDI) Division of Workers’ Compensation (DWC), recently adopted Work Loss Data Institute’s *Official Disability Guidelines – Treatment in Workers Comp* (ODG Treatment Guidelines) as the standard for non-network medical care administered for workers’ compensation claims statewide. As a result of this adoption, all carriers and utilization review agents (URAs) performing preauthorization review for medical necessity of workers’ compensation non-network plans on or after May 1, 2007, must provide to the assigned independent review organization (“IRO”) the section(s) of the Official Disability Guidelines used in making the non-certification determination. This information must be submitted along with the documentation outlined in [28 TAC §133.308\(j\)](#). Carriers/URAs performing preauthorization review for medical necessity of workers’ compensation network plans must also submit to the IRO the appropriate treatment guidelines used in making non-certification determinations [with the documents outlined in [28 TAC §10.104\(a\)\(2\)](#)]. For more information about the adoption and the Official Disability Guidelines go to <http://www.disabilitydurations.com/>.

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Update on the IRO Process *continued from page 4*

- As of January 15, 2007, all medical necessity IRO requests are handled by the HWCN Division of TDI. Carriers or their URAs that submit requests for review by an IRO must do so through the TDI Online IRO Request System. Go to http://www.tdi.state.tx.us/hmo/iro_requests.html to find the following information:

- 1 Form LHL009 used by patients/injured employees and health care providers for requesting review by an IRO;
- 2 The TXCOMP system link for URAs/carriers with instructions to obtain a user ID and password to access the online IRO request form;
- 3 URA/carrier instructions on how to complete the online IRO request form; and
- 4 The link to the online IRO Request System

Note: *A paper version of the online IRO request form should be submitted ONLY in cases of a TDI system failure or pending application for online access.*

Help Us Make the IRO Process More Efficient

Carriers/URAs:

- The adverse determination notices thoroughly explain to the requesting party the appeal/reconsideration procedures, the process for initiating an IRO review, as well as how to obtain and where to return form LHL009. (For **non-workers' compensation health care plans**, form LHL009 must be included with the initial adverse determination notice and the appeal denial letter).
- If a paper version of the online IRO request form is submitted, complete all information legibly.
- Submit **ONLY** the documentation listed on the online confirmation page: one (1) adverse determination letter, one (1) appeal or reconsideration resolution letter, one (1) completed LHL009 form, the company IRO request form and the signed confirmation page. (Medical information or duplicate documentation should not be submitted to TDI.)
- Provide accurate and complete information (i.e. phone/fax numbers, contact names and addresses) on the online request form for ALL involved parties. (This is essential for timely notification to the parties of an IRO assignment).
- Submit all three (3) pages of form LHL009 with the online IRO request form.
- Include the 4-digit request ID number on all follow-up IRO documentation requested by TDI.
- Notify TDI by fax immediately upon receipt of all requests that are eligible for IRO review. See [28 TAC §133.308\(h\)](#).

Note: *If the carrier or URA has documented proof that a case is not eligible for review by an IRO for any of the reasons listed in [28 TAC §133.308\(h\)](#), TDI does not expect the carrier or URA to submit the request. Informing all of the involved parties of the reason for not submitting the IRO request to TDI is key information to prevent misunderstanding by the parties. TDI will monitor and investigate any complaints received regarding the IRO process as appropriate.* *Continued on page 6.*

Update on the IRO Process *continued from page 5*

Patients/Injured Employees/Health Care Providers:

- Complete ALL applicable sections of form LHL009 and return it to the utilization review agent no later than 45 days after receipt of a denial of reconsideration. DO NOT submit the form to TDI or to a DWC field office. (The 45-day time frame applies to workers' compensation network and non-network plans. If the IRO request is related to a **non-workers' compensation** health care plan, make sure the release is signed by the patient or patient's legal guardian).

Choice of Treating Doctors in Workers' Compensation Networks

An injured employee who lives within the service area is entitled to his or her initial choice of a treating doctor. The injured employee must make this choice from the list provided by the network of all treating doctors under contract with the network who provide services within the service area where the injured employee lives in accordance with [TIC §1305.104](#). The employee must obtain all health care and specialist referrals for an injury through the treating doctor except for emergency services.

An injured employee who is dissatisfied with the employee's initial choice of treating doctor or with an alternate treating doctor may select an alternate or subsequent treating doctor.

An injured employee with a chronic, life-threatening injury or chronic pain related to an injury may apply to the network's medical director to use a specialist that is within the same network as the injured employee's treating doctor.

An injured employee who is required to receive health care services within a network may request an HMO primary care physician or provider as the employee's treating doctor. However, the injured employee must have selected this provider prior to injury as the employee's primary care physician or provider under [Chapter 843, TIC](#). The network shall grant an employee's request for an HMO primary care physician or provider to serve as the employee's treating doctor **if the physician or provider agrees to abide by the terms of the network's contract and comply with Chapter 1305, Subchapters D through I, TIC.**

If the employee seeks health care, other than emergency care, from someone other than a network provider without network approval, the insurance carrier may not be liable, and the employee may be liable, for payment for that health care. The employee shall obtain all health care and specialist referrals through the employee's treating doctor, except for emergency services.

Meet Your Workers' Compensation Network Application Team Lead

Olga Escobedo has been one of the team leads for review and approval of workers' compensation network applications since January 2006. As a team lead, Olga oversees the review and approval of the following exhibits that are submitted with network applications: 3-5, 9-11, 15-21. As the team lead, Olga participates in meetings and teleconferences about applications and network requirements with applicants and stakeholders. Olga also provides guidance and training to division staff and interested parties. Olga can be contacted about networks via email to the WC Application Coordinator WCAAppCoordinator@tdi.state.tx.us or by phone through the Division's toll-free number, **1-866-554-4926**.

Calendar of Events

Network Applicant Conference Call – 1-888-387-8235 - passcode 6622666#

Thursday, October 11, 2:00-3:00 p.m. CST
Thursday, November 15, 2:00-3:00 p.m. CST
Thursday, December 13, 2:00-3:00 p.m. CST

Provider/Office Manager Conference Call – 1-888-387-8235 - passcode 6622666#

Tuesday, October 9, 2:00-3:00 p.m. CST
Tuesday, November 13, 2:00-3:00 p.m. CST
Tuesday, December 11, 2:00-3:00 p.m. CST