



## Texas Department of Insurance

### Division of Workers' Compensation

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**DATE:** May 22, 2007

**TO:** Insurance Carriers in the Texas Workers' Compensation System

**FROM:** Jaelene Fayhee, Executive Deputy Commissioner, Policy and Research

**RE:** Transition to Disability Management

In December 2006 the Division adopted disability management rules for the Texas workers' compensation system. The transition to disability management affects all system participants. Everyone should now be using the Official Disability Guide (ODG) and the Medical Disability Advisor (MDA).

Health care treatments and services provided on or after May 1, 2007 that are not recommended, not listed, or under study by the ODG, or that exceed the ODG in frequency or duration, require preauthorization.

While the Division encourages all system participants to comply with the new disability management rules, including the preauthorization requirements, there will be a learning curve. Ensuring appropriate medical care is delivered to injured employees should be everyone's priority.

During this transition, the Division urges insurance carriers to consider whether or not the treatments and/or services are medically necessary, even if the health care provider did not request preauthorization for treatments and/or services outside the treatment guideline.

As outlined in the Texas Labor Code and adopted Division rules, health care provided within the treatment guidelines is presumed to be reasonable. Denial of payment for health care provided within the ODG must be supported by documentation that outweighs this statutory presumption of reasonableness. Treatment that is not medically necessary should be denied and the health care provider notified of their opportunity to seek reconsideration.

The Division will continue to provide disability management training to all system participants. We are partnering with insurance and medical associations to increase awareness of the new disability management rules.

Thank you for your efforts to successfully implement the transition to disability management.