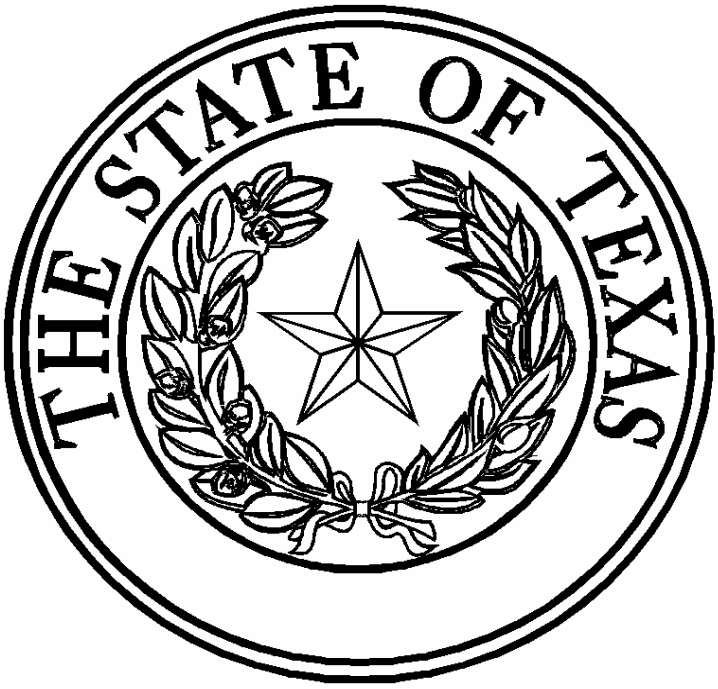
TEXAS DEPARTMENT OF INSURANCE
DIVISION OF WORKERS' COMPENSATION



Voluntary Treatment Planning Pilot Project
November 2008

Voluntary Treatment Planning Pilot Project
November 2008 Report

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Voluntary Treatment Planning Pilot Project
Novemeber 2008 Report

Executive Summary

The Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) prepared the following report regarding a voluntary treatment planning pilot project (pilot) in the Texas workers' compensation system as a means of providing information to assist TDI-DWC in rulemaking for treatment planning based on Texas Labor Code (TLC) §413.011(g). The pilot was a result of a recommendation by system participants during an October 2007 stakeholder meeting soon after the Commissioner of Workers' Compensation (Commissioner) repealed 28 Texas Administrative Code (TAC) §137.300, regarding required treatment planning. The purpose of the pilot was to examine whether treatment planning could be functionally implemented and to identify any barriers (e.g., conflicts with existing Division rules or statutory requirements, lack of system participant interest, cost of creating and reviewing a treatment plan) that would inhibit implementation or reduce the benefit of treatment planning.

Several workers' compensation insurance carriers volunteered to participate in the pilot with the goal of defining a process for initiating, creating, submitting, reviewing, and implementing evidence-based and functionally oriented treatment plans, which also included a trial treatment plan form. The pilot system participants, under the direction of the TDI-DWC Office of the Medical Advisor, created a charter that identified and described the roles of the participants, pilot criteria, treatment plans, and the treatment planning process. Participating insurance carriers followed up to determine the outcomes of the treatment plans and whether the treatment plans assisted the injured employee in reaching the medical and/or functional restoration goals, and agreed to submit several pilot deliverables to the TDI-DWC's medical advisor based on the data obtained during the months of the pilot.

Key findings from this report include:

- When there was use and implementation of a treatment plan, 79% of the injured employees were released to work, and 40% of the injured employees with treatment plans returned to work as of April 2008.

- Pilot participants concluded that more education about the aspects of disability management, treatment planning and return to work outcomes will be required to make treatment planning successful in the Texas workers' compensation system.

- Employers, in addition to health care providers, will benefit from current and ongoing education efforts by TDI-DWC and insurance carriers regarding how to develop and maintain effective return to work policies and programs in their operations.

- To achieve success, TDI-DWC, with considerable input from system participants, will need to define the treatment planning process; establishing the triggers that will identify claims that either require treatment planning or will benefit from it; and

identifying what information is appropriate and necessary for a comprehensive treatment plan for workers' compensation injuries and illnesses.

Introduction

TDI-DWC has adopted disability management rules in the Texas workers' compensation system as directed by House Bill (HB) 7, 79th Texas Legislature, Regular Session, 2005. Disability management is a process designed to promote injured employees' recovery from work-related injuries by optimizing health care and return to work outcomes. Treatment planning is one aspect of disability management that promotes appropriate management of treatment for work-related injuries or conditions. Treatment planning helps to ensure that timely, appropriate, and high-quality medical care is planned for and provided to injured employees. Further, treatment planning is an effective communication tool for requesting approval of medical care when a treating doctor believes that the best course of treatment, service, or diagnosis exceeds the TDI-DWC adopted treatment guidelines. The goal of treatment planning is to support restoration of the injured employee's physical condition and ability to return to work. (See Appendix A – Treatment Planning Pilot Overview)

Statutory Authority and Rulemaking History

Section 413.011(g) of the TLC states that the Commissioner by rule may identify injured employee claims in which application of disability management activities is required and prescribe at what point in the claim process a treatment plan is required. In December 2006, the Commissioner adopted a set of disability management rules including 28 Texas Administrative Code (TAC) §§137.1, 137.10, 137.100 and 137.300, which established the disability management concept, a return to work guideline, a treatment guideline, and required treatment planning. The rules are applicable to health care provided on or after May 1, 2007. Rule 137.300, Required Treatment Planning, set requirements for treating doctors to complete a treatment plan in specific situations for non-network workers' compensation patients.

The concept for treatment planning requires communication and agreement between an injured employee's health care provider and workers' compensation insurance carrier regarding the medically necessary and appropriate health care to be provided. The treatment planning process should reduce the overall administrative burdens for health care providers and insurance carriers by eliminating retrospective medical necessity disputes, and by increasing surety of payment and minimizing fee disputes.

After the rules were adopted, system participants expressed concerns regarding the process for the required treatment plans, and they urged TDI-DWC to delay implementation of treatment planning requirements until a more methodical approach was developed and tested. Concerns expressed by system participants included:

- Regarding the three-day timeframe for issuing adverse determinations required by Texas Insurance Code, §4201.304(2), system participants asserted that three days is an insufficient amount of time to review and agree on a treatment plan, especially for treatment plans involving proposed treatment from multiple health care providers.

- The Independent Review Organization (IRO) fee structure does not contemplate assignment of multiple reviewers, which may be needed for medical necessity of treatment plans that address multiple types of services.

- Health care providers expressed concern regarding lack of a specific reimbursement structure for preparing and submitting treatment plans.

- System participants requested additional time to determine approximately how many injured employees would require a treatment plan. System participants asserted that once the rule became effective, treatment planning could apply to many injured employees, with both new and existing injuries, resulting in a significant number of treatment plans that needed to be developed by health care providers and approved by insurance carriers.

The Commissioner determined that system participants could benefit by being given additional time to implement treatment planning into their processing systems and business operations, and that this would help facilitate a smoother transition of the treatment planning requirements and stakeholder acceptance of the process. On August 2, 2007, the Commissioner adopted an emergency rule that changed the applicability date for §137.300, Required Treatment Planning, from May 1, 2007 to October 1, 2007.

Thereafter, ongoing concerns continued to be expressed by system participants about possible lapses in care for certain injured employees, along with further urging to allow more time to address these concerns, ultimately led to the Commissioner's decision on September 10, 2007, to repeal the required treatment planning rule entirely. The repeal would allow the TDI-DWC time needed to address these and other stakeholder concerns and provide agency staff an opportunity to work with system participants to develop workable approaches to treatment planning that effectively achieve the goals of TLC §413.011.

Voluntary Treatment Planning Pilot Project

Stakeholder Meeting

In October 2007, the TDI-DWC held a stakeholder meeting to discuss disability management and a voluntary treatment planning pilot project (pilot) which would provide information to assist TDI-DWC in rulemaking for treatment planning, preauthorization and/or case management. The stakeholder meeting system participants discussed treatment planning challenges that had been identified during the initial attempt at implementation of the disability management rules. The challenges to treatment planning that had been identified include:

- What was the "trigger" that would identify the need for treatment planning?
- Which stakeholder would track the "trigger" for treatment planning?
- What should be included in a treatment plan?

The system participants concluded that for the treatment planning pilot, the insurance carrier would be responsible for identifying the need for treatment planning and deferred the format

of a treatment plan to the pilot participants. Several workers' compensation insurance carriers volunteered to participate in a six-month pilot with the goal of defining a process for initiating, creating, submitting, reviewing, and implementing evidence-based and functionally oriented treatment plans. The pilot, under the direction of the TDI-DWC Office of the Medical Advisor, was planned to begin on November 1, 2007, and run through April 30, 2008. (See Appendix B – Treatment Planning Process Pilot Charter)

Roles of the Pilot Participants

The TDI-DWC Office of the Medical Advisor was responsible for oversight of the pilot and for the approval of the project deliverables and agency staff were identified to work with pilot participants to achieve the pilot goals. The insurance carriers involved in the pilot volunteered to participate and their role was to develop criteria for identifying appropriate workers' compensation claims, initiate discussions with health care providers, discuss proposed treatment plans with treating doctors, and capture and report pilot metrics. The insurance companies who participated were: Zurich Service Corporation, Texas Mutual Insurance Company, The Hartford Financial Services, and the University of Texas System.

Pilot Criteria

The criteria to identify claims requiring treatment planning included injured employees who had not returned to work within 60 days from the date of injury, or injured employees who had not shown progress toward functional restoration 60 days after the date of injury.

Under the direction of the Office of the Medical Advisor, and with insurance carrier participation, a charter was developed establishing further criteria for the pilot project, including:

- initiation of a treatment plan,
- time frames for developing, submitting and processing a treatment plan,
- contents of a treatment plan,
- length of time of a treatment plan,
- coding and reimbursement for treatment planning,
- continuation of a treatment plan,
- assurance of payment,
- a dispute process, and
- agreement for when a treatment plan is not needed.

Treatment Plan

During the course of the pilot, TDI-DWC and pilot participants began to work through initial concerns about the treatment planning concept and gain experience with developing the content, structure, and requirements of a treatment plan. The pilot participants devoted several meetings to the development of a treatment planning form to be used in the pilot. Ideas ranged from a free-form narrative document with patient demographic information to a highly standardized form. These discussions included details about what a treatment plan should look like, the medical or claim elements that needed to be included in a treatment plan, and how to establish the process for reviewing and approving a treatment plan. The pilot participants determined that the treatment plan for the injured employee needed to contain sufficient detail to communicate the medical situation and the proposed medical intervention(s), which would return the injured employee to a functional level so he or she

could return to work or be employable in another capacity. At the same time, the treatment plan needed to be as concise and easy to use as possible so that treating doctors would be comfortable using it or want to use it. With extensive input from all participants, a pilot form for a treatment plan was designed.

The pilot treatment plan form and process were documented and posted to the TDI-DWC website in early November 2007 (See Appendix C – Treatment Planning Form).

Pilot Process

The pilot was divided into two phases: Phase I, which was designed to run from November 1, 2007 through January 31, 2008, and Phase II, which would run from March 1, 2008 through April 30, 2008. Later both phases were extended through May 31, 2008.

During Phase I, insurance carriers selected workers' compensation cases that possibly qualified for the pilot. Once possible cases were identified, the insurance carrier initiated contact with the injured employee's treating doctor to request the doctor's participation in developing a treatment plan for that injured employee. The pilot treatment plan was negotiable between the treating doctor and the insurance carrier. The treatment plan would list all future health care (including treatments, services, referrals, and medications) for a specified period of time, with specific medical and/or functional restoration goals. When the insurance carrier requested a treatment plan, and the treating doctor agreed to participate, the treating doctor had five business days to develop and submit it to the insurance carrier.

When the insurance carrier received the treatment plan, the pilot procedures required the insurance carrier's medical case manager and medical director to review the plan. The case manager and medical director would determine whether the treatment plan was medically appropriate, and evidence-based per the adopted *Official Disability Guidelines* (ODG), directed toward functional restoration, and spanned a reasonable length of time. During the pilot the insurance carrier adjustor was prohibited from approving or denying the proposed treatment plan or acting as a case manager. If one part of the treatment plan was found not to be evidence-based, or if it was not functionally oriented, the insurance carrier would notify the treating doctor and he or she could modify that part of the plan without having the entire treatment plan rejected.

The insurance carrier was required to issue an approval or denial letter to the treating doctor within five business days of receipt of a treatment plan. Health care services provided in accordance with the mutually agreed-upon treatment plan were to be presumed reasonable as specified in TLC §413.017 and were also presumed to be health care reasonably required as defined by TLC §401.011(22-a), and the insurance carrier was required to pay medical bills for services authorized under an approved treatment plan.

If the insurance carrier and treating doctor could not agree on the proposed treatment plan, the treating doctor could pursue standard preauthorization requests in accordance with 28 TAC §134.600, and these requests were subject to insurance carrier and/or IRO review in the usual manner.

An approved treatment plan remained in effect for the mutually agreed-upon time limits in the plan. If at the end of the first approved treatment plan the insurance carrier determined that another treatment plan was required, they were allowed to request a second treatment plan from the treating doctor. The steps could be repeated until the injured employee reached maximum medical improvement or returned to work.

In addition to a treatment planning process and form, a reimbursement structure for treatment planning was developed. The reimbursement structure was based on the case management service reimbursements from the proposed TDI-DWC Medical Fee Guidelines, 28 TAC §134.203 and §134.204 (at the time the pilot began, the Medical Fee Guidelines had been proposed but not adopted). The proposed reimbursements for case management activities were derived from calculations using Resource Based Relative Value Scale values from *The Essential RBRVS,* published by Ingenix for 2007. (See Appendix A – Treatment Planning Pilot Overview)

During Phase II, participating insurance carriers followed up to determine the outcomes of the treatment plans and whether the treatment plans assisted the injured employee in reaching the medical and/or functional restoration goals established in Phase I. Participating insurance carriers agreed to submit several pilot deliverables and to make recommendations to the TDI-DWC's medical advisor based on the data obtained during each phase of the pilot.

Data and Measures

Participation Observations:
The table below shows that most of the doctors who agreed to participate in the pilot developed and submitted treatment plans, and that most of the treatment plans submitted were approved.

Participating insurance carriers	**Number of doctors contacted by insurance carriers**	**Number and percentage of doctors who agreed to participate in the pilot program**		**Number of treatment plans that were submitted to insurance carriers**	**Number and percentage of treatment plans that were approved by insurance carriers**	
Texas Mutual Insurance Company	33	20	61%	10	10	100%
UT System	55	7	13%	8	5	63%
The Hartford	34	6	18%	4	4	100%
Zurich Service Corporation	40	20	50%	20*	20*	100%
Totals	**162**	**53**	**33%**	**42**	**39**	**93%**

Number of doctors contacted for treatment plans and number of treatment plans approved source: Summary data provided participating insurance carriers.
**Zurich Service Corporation contacted a total of 40 doctors, and received 20 partial treatment plans. All 20 partial treatment plans were eventually approved. Zurich received no "complete" treatment plans.*

Return To Work Data Observations

The purpose of this pilot project was not to analyze the impact of treatment planning on injured employee outcomes; however, a few observations can be made about the return to work outcomes of the pilot participants:

- When there was use and implementation of a treatment plan, 79% of the injured employees were released to work, and

- 40% of the injured employees with treatment plans returned to work as of April 2008.

These findings cannot be directly compared with the return to work outcomes for the system in general since the claims selected for the pilot were identified as being at risk of not returning to work. However, the initial return to work observations made by the insurance carrier participating in the pilot suggest that cooperative treatment planning coupled with discussions about return to work expectations can potentially increase the likelihood of a doctor releasing an injured employee to go back to work with or without physical restrictions. To fully understand whether treatment planning can actually improve return to work outcomes for at risk cases, further study is necessary.

During Phase II of the pilot, the participating insurance companies were asked to provide patient outcome information in the form of a summary of comments and observations concerning the medical condition and progress toward functional restoration of the injured employees for whom treatment plans were submitted. Texas Mutual Insurance Company and UT System reported that of the 18 injured employees for whom treatment plans were submitted, six had returned to work. Treating doctors medically released an additional seven injured employees to return to work, but the employer was not willing or able to provide the opportunity for the employee to return to work.

Summary of Observations

At the conclusion of the pilot, pilot participants were asked to summarize and provide observations of their experience with it. Additionally, throughout the pilot program, the TDI-DWC medical advisor contacted many doctors requesting their participation in the pilot. The following summaries of these combined observations are as follows:

- Most insurance carrier communication was with doctor's office staff instead of the doctor.

- Most of the participating doctors and/or their office managers willingly completed the pilot's treatment planning forms.

- The pilot treatment plans were not always completed or adhered to, and retrospective review of the claims in some instances revealed that treatment provided was not included in the treatment plan.

- During the pilot all treatment plans except one, requested by an employer, were initiated by the insurance carrier.

- Approximately 75% of the treatment plans that were submitted required discussion between the health care providers and the insurance carriers and modification by the health care providers in order to be comprehensive enough to be approved by the insurance carriers.

- The treatment plans submitted tended to address immediate treatment needs rather than the longer-term, comprehensive approach necessary for the duration of the treatment plans. In general, the benefits of reviewing both the current medical care as well as future medical needs were confused.

- In one instance, due to the pilot and the opportunity to discuss the current utilization review process, an insurance carrier has already made changes that will reduce possible obstacles in peer review processes.

- Lack of understanding of the TDI-DWC adopted evidence-based treatment guidelines (ODG) and the adopted return to work guidelines (the *Medical Disability Advisor*, (MDA)) appears to have been a source of confusion in the treatment planning development process, particularly for health care providers. Pre-pilot provider education on the ODG and the MDA, may have been beneficial to participants prior to implementation of the pilot. In addition, pre-pilot education about how to request preauthorization for care that exceeds the guidelines may have been beneficial.

- The data also indicates that doctors in comprehensive care or multi-specialty practices tended to be more willing to participate in the treatment planning process.

- One insurance carrier commented about a group of specialty doctors from spine and chronic injury care centers that were anxious to participate in the pilot and work with the insurer to manage the medical care of injured employees. The insurance carrier commented that the patients in this group appeared to have “reasonably” good outcomes.

- Some isolated observations from pilot participants about physician / doctors who chose not to participate in the pilot included:

  - A lack of understanding of the program’s purpose, therefore considering it to be time-consuming and without notable results.
  - Payment was not adequate for the amount of time and work involved.
  - Some were either not familiar with, or did not want to use evidence-based treatments or the ODG.
  - Treating doctors said they did not think they should be representing the specialists’ opinions on a treatment plan.
  - Although a five-day window had been established for processing a treatment plan, the coordination of the clinical information from separate providers proved not to be

a realistic goal. Both treating doctors and insurance carriers noted that the process required more resources and time than the five-day window allowed.

Recommendations / Conclusion

TDI-DWC's recommends the following actions related to treatment planning:

- Continue to educate employers on their role in establishing a shared expectation with the injured employee of returning the employee to work when medically appropriate.

- Investigate a system of medical case management to assist system participants in initiating, communicating, and coordinating treatment plans.

- Investigate a narrow population of injured employees at risk for delayed return to work that may benefit from treatment planning activities using ODG and the MDA to provide possible direction on triggers to initiate a required treatment plan.

- Continue to educate system participants in the use of the ODG and the MDA when providing medical treatments that enhance the ability of the injured employee to return to work.

Based on the reported experiences, recommendations, and suggestions from the voluntary treatment planning pilot participants, TDI-DWC concludes that workers' compensation participants will require more education about all aspects of disability management, treatment planning, and return to work outcomes to make treatment planning successful in the Texas workers' compensation system.

As TDI-DWC considers development of new rules, the agency will closely coordinate treatment planning with treatment recommendations from the ODG, with other disability management rules, and with rules that address pharmaceutical benefits, case management, and preauthorization. In addition, the experience gained in the pilot will assist TDI-DWC rule teams as they define the form and content of a treatment plan.

APPENDIX A

TEXAS DEPARTMENT OF INSURANCE
DIVISION OF WORKERS' COMPENSATION
AUSTIN, TEXAS

Treatment Planning Pilot Overview

The goal of the treatment planning pilot project is to define a process for initiating, creating, submitting, reviewing and implementing evidence-based and functionally oriented treatment plans. This three-month pilot project will also provide information concerning treatment planning that will assist the Texas Department of Insurance, Division of Workers' Compensation in rulemaking concerning treatment planning, preauthorization and/or case management.

Treatment Plan Initiation

When an injured employee has not returned to work within 60 days from the date of injury or the injured employee is not showing progress toward functional restoration at 60 days after the date of injury:

- A workers' compensation insurance **carrier** may contact an injured employee's treating doctor and request that the treating doctor submit an evidence-based, functionally oriented treatment plan.

- A **treating doctor** may contact an insurance carrier participating in the pilot (Texas Mutual, The Hartford Financial Services, University of Texas System, Zurich, or Service Lloyds Insurance Company) to discuss the need to develop and obtain approval for an evidence-based, functionally oriented treatment plan.

  Treating doctors wanting to participate in the pilot should contact the following person at a participating insurance carrier:

  - Texas Mutual: Roger McLain, 806-798-6439, rmclain@texasmutual.com
  - The Hartford: Marilyn Hoffmeister, 281-877-3880, Marilyn.Hoffmeister@thehartford.com
  - University of Texas System: Rob Fields, 512-499-4645, rfields@utsystem.edu
  - Zurich: Dr. Nina McIlree, 847-413-5892, Nina.Mcilree@zurichna.com

The development and approval of a treatment plan is optional for both the insurance carrier and the treating doctor. Also, review of the case by the insurance carrier and the treating doctor may show that no treatment plan is necessary to facilitate the injured employee's return to work or functional restoration.

Time Frame to Develop and Submit a Treatment Plan under the Pilot Program

When the insurance carrier requests a treatment plan, the participating treating doctor has five business days to develop and submit it to the carrier. The plan must promote the injured employee's return to work or functional restoration.

The treatment plan should encompass all expected treatment, including referrals to specialists and medications that will be needed during the treatment plan time period.

General Contents of a Treatment Plan

An evidence-based, functionally oriented treatment plan shall contain at least the following elements:

Claim number	Injured employee's name
Last four digits of injured employee's social security number	Injured employee's telephone number
Injured employee's mailing address	Insurance carrier's name
Insurance carrier's contact information	Employer's name
Employer's mailing address	Date of injury
Treating doctor's name and license number	Treating doctor's telephone and fax numbers
Treating doctor's address	Primary diagnosis code
Secondary diagnosis codes	Injured employee's functional status
Summary of treatment provided to date	Diagnostics performed to date
Referrals to date	List of current prescribed medications
Injured employee's job classification from MDA (sedentary, light, medium, heavy, very heavy)	MDA Optimum Duration in Days

Projected return-to-work date	Summarized objective findings of injured employee's functional ability
Evidence-based treatment plan: 1) CPT code/medication; 2) description of treatment; 3) frequency; 4) duration; 5) referral provider information	Narrative of ODG and/or other evidence-based sources supporting the treatment plan
Time frame of treatment plan	Signature of treating doctor

Reimbursement for Treatment Planning

The insurance carrier will reimburse the treating doctor for creating and submitting a complete treatment plan, regardless of approval or disapproval of the treatment plan. Treating doctors and insurance carriers will use the following CPT codes during this pilot.

CPT Code	Description	Total RVU	Conversion Factor	DWC Multiplier	Total Value
Treating doctor initiation, creation and submission of a complete treatment plan to the carrier, including communication between the treating doctor and other health care providers					
99361	Medical Conference *(Approximately 30 minutes)*	2.18	37.8975	1.25	$103.27
99362	Medical Conference *(Approximately 60 minutes)*	3.81	37.8975	1.25	$180.49
Telephone calls between the treating doctor and the insurance carrier related to review and/or implementation of a treatment plan					
99371	Telephone call, simple or brief to report on tests or lab, to clarify or alter previous instructions, to integrate new information into a treatment plan or to adjust therapy. *(10 minutes or less)*	0.35	37.8975	1.25	$16.58
99372	Telephone call, intermediate to discuss test results in detail, to coordinate medical management of a new	0.88	37.8975	1.25	$41.69

	problem, to discuss and evaluate new information or to initiate a new plan of care. *(11 to 30 minutes)*				
99373	Telephone call, complex lengthy; detailed or prolonged discussion; or lengthy discussion to coordinate complex services. *(Greater than 30 minutes)*	1.74	37.8975	1.25	$82.43

NOTE: This chart is based on "The Essential RBRVS" published by Ingenix, the current Medicare conversion factor, and the Division multiplier of 1.25

Time Frame for Insurance Carrier Processing of a Treatment Plan

When the insurance carrier receives the treatment plan, a medical case manager and medical director will review the plan. They will determine if the treatment plan is medically appropriate (and evidence-based per the Official Disability Guidelines), and/or directed toward functional restoration and if the treatment plan spans a reasonable length of time. The adjustor is prohibited from determining medical issues or acting as a case manager.

The treatment plan is negotiable between the doctor and the insurance carrier. If one part of the treatment plan is not evidence based or is not functionally oriented, the treating doctor can modify it without having to reject the entire treatment plan.

The insurance carrier will issue an approval or denial letter to the treating doctor within five business days of receipt of the treatment plan. Health care treatments and services provided in accordance with the mutually agreed treatment plan, and authorized or approved by the carrier, are presumed reasonable as specified in Texas Labor Code (TLC) §413.017 and are also presumed to be health care reasonably required as defined by TLC §401.011(22-a). The insurance carrier will enter any necessary bill payment system authorizations to allow subsequently submitted bills to be paid appropriately.

Dispute Process

If the insurance carrier and treating doctor cannot reach agreement on the proposed treatment plan, the treating doctor may submit some or all of the treatments or services outlined in the treatment plan as preauthorization requests. The doctor must submit any preauthorization requests in accordance with 28 Texas Administrative Code §134.600 and these requests are subject to insurance carrier and/or Independent Review Organization (IRO) review in the usual manner.

Length of Time for Treatment Plan and Assurance of Payment

Once approved, the treatment plan remains in effect for the agreed-upon time frame. The approval of the treatment plan is an assurance of payment for the treating doctor.

Continuation of a Treatment Plan

If, at the end of the first approved treatment plan time period, the injured employee has not yet achieved functional restoration or returned to work, the insurance carrier should review the injured employee's progress with the treating doctor. If the carrier determines that another treatment plan is required, they may request a second treatment plan from the treating doctor. The steps are repeated until the injured employee reaches maximum medical improvement (MMI) or returns to work.

Agreement that a Treatment Plan is not Needed

If the insurance carrier and the treating doctor determine that no treatment plan is needed to facilitate the injured employee's return to work or functional restoration, the established preauthorization process applies.

APPENDIX B

TEXAS DEPARTMENT OF INSURANCE
DIVISION OF WORKERS' COMPENSATION

Disability Management
Treatment Planning Process Pilot

TREATMENT PLANNING PROCESS PILOT CHARTER

Treatment Planning Process Pilot Goal

Disability management is a process designed to optimize health care, return to work and/or functional restoration outcomes for injured employees to avoid delayed recovery in the Texas Workers' Compensation System. Treatment Planning is a component in disability management and includes the identification of all reasonably anticipated health care treatment and services to be provided to an injured employee for a specified period of time.

The goal of this pilot is to define a process for initiating, creating, submitting, reviewing, and implementing treatment plans. In addition, this pilot will provide information concerning treatment planning that will assist the Division when adopting or amending rules concerning:

1. Treatment planning
2. Preauthorization
3. Case management

Treatment Planning Process Pilot Scope

<u>Phase 1-The Treatment Planning Process</u>
The PILOT scope for phase 1 includes:

1. Evaluation of the following items for injured employees:
    a. Trigger event or starting point for treatment planning
    b. Identification of the health care provider responsible for developing and submitting the treatment plan
    c. Communications with employer
    d. Medical conditions requiring treatment planning
    e. Types of injuries that require treatment planning

f. Population of injured employees who require treatment planning
g. Elements of a preauthorization or voluntary certification request
h. Elements of a treatment plan
i. Time line for health care provider submission of a treatment plan
j. Time line for insurance carrier evaluation of a treatment plan
k. Treatment plan approval/denial notification process among health care providers
l. Length of time covered by a treatment plan
m. Referrals to Texas Department of Assistive and Rehabilitative Services and Texas Work Force Commission

2. Evaluation of treatment or services that do or do not need to be preauthorized when exceeding the Treatment Guidelines.

Phase 2 - The Outcome of Treatment Planning

During phase 2 the medical condition and progress to functional restoration of injured employees for whom treatment plans were submitted in phase 1 will be reviewed for progress toward goals established in phase 1.

Pilot Risks

PILOT Risk	Level (H/M/L)	Comments on how to minimize/eliminate
Insurance carriers will not be able to find doctors who are willing to participate with the carrier by submitting a treatment plan	M	TDI-DWC will work with professional medical associations to encourage doctors to participate with the carriers in the pilot.

Plot Roles/Responsibilities

The definition and organization of the key roles are provided below:

Role	Name	Responsibilities
Pilot Executive Sponsor	Howard Smith, M.D., J.D.	Oversees treatment planning pilot. Responsible for the approval of PILOT deliverables.
Pilot Managers	Chuck Whitacre, Jane McChesney	Work with pilot participants to achieve pilot goals.
Pilot Participants	Insurance Carriers who have volunteered to participate in the treatment planning pilot.	During the specified time frame, identify workers' compensation claims appropriate for the pilot, initiate discussions with health care providers, discuss proposed treatment plans with health care provider(s), capture and report pilot metrics.

TDI Disability Management Pilot Team	Howard Smith, M.D., J.D. Margaret Lazaretti Matt Zurek Chuck Whitacre Jane McChesney	Analyze metric results and develop recommended next steps

Approach

Phase 1

From November 1, 2007 until February 29, 2008, health care providers and insurance carriers, who have volunteered to participate in the treatment planning pilot, will follow the plan outlined on the attached document. The pilot includes:

- Selection of a starting point for treatment planning
- Time frames for preparation and review of treatment plans
- Elements of a treatment plan
- Reimbursement for treatment plans
- Documentation methods and requirements for approvals and disapprovals

Phase 2

Beginning on March 1, 2008 and continuing until May 31, 2008, the injured employees for whom treatment plans were submitted in phase 1 will be followed to observe if having a treatment plan assisted the injured employee to reach the medical and/or functional restoration goals established in phase 1. In addition, recommendations for the dispute resolution process will be provided.

Pilot Deliverables

Deliverable	Responsibility
Pilot Plan	Dr. Smith Chuck Whitacre Jane McChesney
Participant Report (Spreadsheet)	The Hartford Financial Services UT System Zurich Texas Mutual
Evaluation and Consolidation of Participant Reports	Chuck Whitacre Jane McChesney
Provide pilot results to rule teams	Chuck Whitacre Jane McChesney

Deliverable Review/Approval and Final Acceptance

As pilot deliverables are produced and finalized at milestones they will be approved by the Pilot Executive Sponsor.

Status Reporting

- Pilot managers will provide DM Pilot Team with a written report within five days of pilot participant meetings.
- During phase 1, carriers will submit metric results on December 15, January 15, and February 15.
- During phase 2, carriers will submit metric results after May31.
- Pilot managers will provide DM Pilot Team a report 14 days after carriers submit metric results

The Executive Sponsor will meet with the Pilot Team to review progress of the pilot at the conclusion of each major milestone, as noted on the pilot plan. Any issues needing action will be addressed and direction provided to the team if appropriate.

Pilot Charter Agreement

By signing below, parties agree to proceed with the Texas Department of Insurance, Division of Workers' Compensation Treatment Planning Pilot according to the terms outlined in the previous sections and attachments:

_____ *date*_____ _____ *date*_____
Howard Smith, M.D., J.D.
Pilot Executive Sponsor
TDI-Division of Workers' Compensation

Nina Mcilree, M.D.
Medical Director
Zurich Insurance Company

_____ *date*_____ _____ *date*_____
Robert E. Bonner, M.D.
Medical Director
The Hartford Financial Services

Javier Garza
UT System

_____ *date*_____ _____ *date*_____
Nick Tsourmas, M.D.
Texas Mutual Insurance Company

_____ *date*_____ _____ *date*_____

_____ *date*_____ _____ *date*_____

APPENDIX C

TREATMENT PLANNING FORM

PART 1: GENERAL INFORMATION (Completed by Insurance Carrier)		1. CLAIM #
2. Injured Employee's Name	6. Insurance Carrier Name	10. Date of Injury
3. SSN (Last 4 Digits) XXX-XX-	7. Insurance Carrier Contact	11. Treating Doctor's Name and Lic #
4. Employee's Phone #	8. Employer's Name	12. Treating Doctor's Phone & Fax # (Ph) (Fax)
5. Employee's Address	9. Employer's Address	13. Treating Doctor's Address
City State Zip	City State Zip	City State Zip
14. Description of Injury		
15. Accepted Body Parts		

PART 2: SUMMARY OF CURRENT TREATMENT (Completed by Health Care Provider)	
1. Primary Diagnosis Code	2. Secondary Diagnosis Code(s)
3. List Comorbid Conditions:	
4. Functional Status:	
5. Summary of Treatment Provided to Date: *(Include patient response to treatment, patient cooperation, and functional restoration).*	
6. Diagnostics Performed to Date:	

7. Referrals to Date:
8. List current prescribed medications:

PART 3: SUMMARY OF REQUESTED TREATMENT PLAN (Completed by Health Care Provider)		
1. Employee Job Classification from MDA:	2. MDA Optimum Duration in Days:	3. Projected Return to Work Date
4. Summarize objective findings to support injured employee's functional ability:		
5. Evidence-based Treatment Plan: *Plan must be supported by ODG or other evidence-based sources. Attach additional page(s) if necessary.* CPT Code/ Medication Description Frequency Duration Provider name / address		
6. Narrative of ODG, and/or other evidence-based sources supporting the submitted treatment plan.		
7. Timeframe of Treatment Plan: From: _____ Through: _____		
8. Primary Treating Physician Signature:		

PART 4: PREAUTHORIZATION DECISION (Completed by Insurance Carrier)
1.
2. Expiration Date of Approval: