



*(CompMinute provides a briefing to Texas workers' compensation system participants on new initiatives underway at the Texas Department of Insurance, Division of Workers' Compensation).*

### **Update on Coordination of MFDR Requests and Resolution of Compensability, Extent of Injury and/or Liability Issues**

(August 15, 2007) -- As the result of process changes implemented by the Texas Department of Insurance, Division of Workers' Compensation (DWC), workers' compensation system health care providers are being educated about avoiding unnecessary delays in resolving payment issues with insurance carriers.

The revised process addresses new and pending requests for Medical Fee Dispute Resolution (MFDR) for workers' compensation medical bills which are denied due to unresolved claim-related disputes. These disputes generally relate to the compensability of the injury, the extent of the injury and/or the insurance carrier's liability for the injury. In the past, MFDR requests with claims-related disputes were left unresolved for extended periods.

Earlier this year, DWC hearings staff began contacting health care providers with these types of MFDR requests to educate them on DWC rules requiring the resolution of claim-related disputes before medical fee disputes can be considered. Staff also has contacted injured employees, attorneys and insurance carriers as part of the effort to coordinate resolution of the compensability, extent and/or liability issues.

"The main purpose of this project has been to help providers to navigate the indemnity dispute resolution process and to educate them so that they can follow the necessary steps on their own in the future," said Bob Lang, DWC Director of Hearings.

Lang said providers are encouraged to closely review the explanation of benefits (EOB) from the insurance carrier whenever they question denial of payment. When the EOB indicates pending compensability, extent of injury and/or liability issues on the claim as the reason for a payment denial, it is up to the provider or the injured employee to pursue resolution of those issues by requesting a Benefit Review Conference (DWC Form-045) at the nearest DWC field office.

In the last few months, Lang said DWC hearings staff has been able to facilitate communication between the parties that, in some cases, has led to agreements by the insurance carrier to pay all or a portion of the provider bills.

"As we are able to clear up the older requests for medical fee dispute resolution with these other issues, we are also educating health care providers with new requests to avoid unnecessary delays," Lang said.

# # #