TDI HWCN Division

HWCN News

A publication of the Health and Workers' Compensation Networks Division *Volume 2 Number 2 • April 2009*

Different Categories of Workers' Compensation and WCNet Complaints

The Department occasionally receives complaints from health care providers and/or injured employees regarding access to care or quality of care issues as it relates to Certified Workers' Compensation Networks. On the surface, it would appear that these issues would be fairly simple to address; however, because of the inherent complexities involved in the workers' compensation arena, this is not always the case.

Let's analyze the different categories of workers' compensation:

1. **Traditional Non-Network Workers' Compensation-**This category of workers' compensation coverage is delineated in the Texas Labor Code (TLC). Under this category of workers' compensation, injured employees are free to select their doctor of choice. The doctor must abide by the DWC fee guidelines and can not balance bill the injured employee. Here is a link to how to locate a provider for traditional non-network workers' compensation, from the TDI web page http://www.tdi.state.tx.us/wc/hcprovider/locatedoctor.html.

2. **Informal/Voluntary Network Workers' Compensation-**This category of workers' compensation coverage is delineated in Title 5 of the TLC §413.0015. Under this category of workers' compensation, a health care provider network is established under a contract between an insurance carrier and health care providers and includes a specific fee schedule.

3. **Political Subdivision-**This category of workers' compensation coverage is delineated in Title 5 of the TLC, Chapter 504.011. A "Political subdivision" means a county, municipality, special district, school district, junior college district, housing authority, community center for mental health and mental retardation services established under Subchapter A, Chapter 534, Health and Safety Code, or any other legally constituted political subdivision of the state. Under this category of workers' compensation, a political subdivision shall extend workers' compensation benefits to its employees by:
   - becoming a self-insurer; or
   - providing insurance under a workers' compensation insurance policy; or
   - entering into an interlocal agreement with other political subdivisions providing for self-insured policies.

4. **Certified Workers' Compensation Networks-**This category of workers' compensation coverage is delineated in Title 8 of the Texas Insurance Code (TIC), Chapter 1305. Under this category of workers' compensation, an employer that elects to provide workers' compensation insurance coverage under the Texas Workers' Compensation Act may receive workers' com-

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Newsletter Acronyms

TDI	Texas Department of Insurance/the Department
HWCN	Health and Workers' Compensation Network & QA
DWC	Division of Workers' Compensation
WC	Workers' Compensation
Non-Network	Workers' Compensation Non-Network
WCNet	Certified Workers' Compensation Networks
IRO	Independent Review Organization
URA	Utilization Review Agent
HMO	Health Maintenance Organization
TIC	Texas Insurance Code
TAC	Texas Administrative Code
TLC	Texas Labor Code
HB	House Bill
SB	Senate Bill

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Different Categories of Workers' Compensation and WCNet Complaints *continued from page 1*

pensation health care services for the employer's injured employees through a certified workers' compensation health care network (WCNet). The employees who live within the network's service area are required to obtain medical treatment for a compensable injury within the network, except as provided by Sections 1305.006(1) and (3). A person may not operate a WCNet in this state unless the person holds a certificate issued under TIC, Chapter 1305 and rules adopted by the commissioner.

WCNet Complaints

Investigating a WCNet complaint can be quite complex, therefore whenever TDI receives a complaint from a health care provider or a injured employee regarding a certified network issue, we request certain information in order to clearly delineate what workers' compensation category applies. A WCNet should respond to TDI regarding a complaint as follows:

- Identify the **employee's** type of coverage: (a) Certified Workers' Compensation Network (b) Voluntary/Informal Workers' Compensation Network (c) Non-network Workers' Compensation, or (d) Political Subdivision.
- If an employee is covered by a Certified Workers' Compensation Network and received out-of-network treatment/services inform TDI whether the employee's treatment was authorized or was an emergency.
- Describe whether the provider of service is contracted in the Certified Network, informal/voluntary network or both.
- Describe whether the provider of service was treating the employee, under the informal/voluntary network or the Certified Workers' Compensation Network.

Providing the aforementioned information will aid in facilitating complaint processes.

Monitoring Workers' Compensation Network Quality Improvement Program

Under Texas Insurance Code §1305.303 WCNets are required to develop and maintain an ongoing quality improvement (QI) program. The QI program must be designed to objectively and systematically monitor and evaluate the quality and appropriateness of care and services and to pursue opportunities for improvement. WCNets are required to hold quarterly QI meetings enabling them to get a concise and timely look at their current QI plan so any necessary adjustments are made early. Review will give the QI committee the ability to put emphasis on areas not meeting their target.

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How does a health care provider determine which type of Workers' Compensation coverage an injured employee has?

Is your patient covered by a Workers' Compensation (WC) policy? Has their employer purchased a Certified Workers' Compensation Network (WCNet) policy? Does the WC carrier use an "informal/voluntary" network? If not, the injured employee may have traditional "non-network" coverage. It can make a difference in fees, required approvals, referral processes, benefit coverage, appeal processes, dispute processes and required timeframes.

The WC carrier should be able to tell you which type of coverage your patient has (WCNet, informal/voluntary network or non-network). You can obtain a current list of WC carriers on the TDI website via the following link: http://www.tdi.state.tx.us/wc/carrier/documents/nwcarrierphones.pdf. After you have contacted the WC carrier, if you are still unsure, the patient's employer should be able to verify if the patient is required to use a WCNet.

A current list of WCNets can be obtained via the following link: http://www.tdi.state.tx.us/wc/WCNet/WCNetworks.html. You can obtain information pertaining to "informal/voluntary" networks via this link: http://www.tdi.state.tx.us/wc/ims/index.html.

HWCN or DWC ?

TDI-DWC **800-372-7713** **WorkersCompCustomerServices@tdi.state.tx.us**	**TDI-HWCN** **866-554-4926** **hwcn@tdi.state.tx.us**
• Voluntary/Informal Network - regulation, fees, claims, complaints	• WCN - regulation, fees, claims, complaints
• Non-Network WC Carrier - regulation, fees, claims, complaints	• URA (WCN, voluntary, non-network, or health) - Medical necessity denials, regulation, complaints
• Medical Fee Disputes	• IRO (WCN, voluntary, non-network, or health) - Medical necessity denials, regulation, complaints

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REMINDER: Certification of Informal/Voluntary WC Networks Required

The 80th legislature passed HB473 which requires each informal or voluntary network to be dissolved or certified as a Workers' Compensation Network under TIC, Chapter 1305, not later than January 1, 2011. Informal/voluntary networks are required to report the following information to TDI as required by TLC §413.0115(c):

- An executive contact for official correspondence
- A toll-free telephone number
- A list of each insurance carrier with whom the network contracts
- A list of each entity associated with the network working on behalf of the insurance carrier including contact information, and
- Any changes to the information provided not later than 30 days after the effective date of the change.

Online- Reporting is available and may be accessed at https://wwwapps. tdi.state.tx.us/inter/perlroot/sasweb/cgi-bin/broker.exe?_service=twcc&_program=twccprog.networkreg.sas. Questions regarding voluntary or informal network may be directed to the Division of Workers' Compensation Chief Clerks Office by calling **1-800-252-7031**.

Qualifications of URA Reviewers - Texas License Required (WC-Network and Non-Network)

A URA or an insurance carrier which uses doctors to perform reviews of health care services for WCNets and WC Non-Networks may only use doctors licensed to practice in this state. In effect, this means if a medical director is performing medical necessity reviews for WC claims, they must be a licensed Texas doctor. This law became effective on September 1, 2007. For more information, please see TLC §408.023.

URA Exams

HWCN is authorized to conduct a complete examination of the operation of each utilization review agent (URA) at the principal place of business for such agent, as often as it deems necessary.

The URA will be notified of the scheduled examination by letter, which will specify at a minimum the identity of the commissioner's designated representatives and the expected arrival date and time. The URA must make available all records related to its operation during the examination.

For more information please see 28 TAC §19.1716 and §19.2016 and TIC, §4201.601.

Information Changes

Has there been an Address or Contact Change?
Is there a New CEO, primary, or complaint contact?
New phone number?
Was HWCN informed?

If your organization is a WCNet, HMO, IRO, URA, or offers Medicare Advantage Plans and is licensed/certified to conduct business in Texas, you must keep us informed. We often find that people relocate or change contacts, so please keep us informed. On your company's letterhead, provide the name of your organization, type of license/certification (HMO, URA, WCNet, IRO, or Medicare Advantage Plan), license/certification number and clearly indicate the appropriate contacts for each entity. Provide the name, title, physical and mailing addresses, email address, telephone and fax number for your organization's CEO, primary contact, and complaint contact. You may mail, fax, or email your letter, but it must be on your organization's letterhead and signed by an authorized representative.

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PO Box 149104 MC 103-6A
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Fax **512-490-1013**
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Helpful Tips for Filing Access Plans

HMOs, WCNets, EPOs, Medicaid and CHIP plans are responsible for ensuring adequate and accessible provider networks. Providers must be within required mileage radii, which can vary depending on the location, type of network and type of provider. If any portion of the network does not meet the accessibility requirements for an approved area, an access plan must be filed with the HWCN Division. HWCN Division examiners often discover deficiencies in a network that should be addressed in an access plan. Provider networks are continuously changing due to new and/or terminated provider contracts. To ensure providers are accessible and available, TDI requires access plans that identify out-of-network providers available to serve covered persons.

The following are some of the elements required in access plans:
- A description of areas where contracted providers are not available
- reasons why contracted providers are not available
- plans to make required services and/or available providers
- access plan maps that identify out-of-network available providers; and
- access plan lists identifying the specialties, names, counties and addresses available of out-of-network providers.

For a complete description of access plan requirements, see links below:

Form LHL 398 for HMOs, EPOs, Medicaid and CHIP Plans
http://www.tdi.state.tx.us/forms/form9hmo_filings.html

Form LHL 399 for WCNets
http://www.tdi.state.tx.us/wc/wcnet/exampreptools.html

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HMO Annual Public Notice to Physicians & Providers

Every calendar year, a HMO must have a 20-day period during which physicians and providers may apply to participate in the HMO's delivery network. The HMO may decide when its 20-day application period begins. In order to inform qualified physicians or providers of when the HMO's application period is, the HMO must publish a "Notice to Physicians and Providers" in a major newspaper with general circulation in the HMO's approved geographic service area.

The Annual Notice to Physicians and Providers must be published for five consecutive days during the period of January 2 through January 23 of each calendar year and must include the following caption in bold type: **Notice to Physicians and Providers**. The HMO's Annual Notice must include:

- the name and address of the HMO;
- what type of services the HMO provides, and
- the specific dates of the 20-day period during which physicians and providers may make application to be a participating physician or provider.

The HMO must notify a physician or provider of acceptance or non-acceptance, in writing, no later than 90 days from receipt of an application for participation by that physician or provider. Also, an HMO is not prohibited from rejecting an application from a physician or provider based on the determination that the HMO's delivery network has enough qualified physicians and providers.

Each HMO must file with the Department a copy of its published "For Information" notice within 15 days of publication. The filing must include the name of the newspaper and the beginning and ending date of the publication and be submitted on 8-1/2" x 11" inch paper.

Serious Mental Illness coverage

On January 16, 2009, the Commissioner issued Bulletin # B-0003-09, in relation to Serious Mental Illness (SMI) coverage. The Commissioner's Bulletin requires all entities subject to TIC Chapter 1355 (carriers), licensed in Texas to write life, accident, health insurance and evidences of coverage (EOCs) to provide the same number of outpatient treatment visits for SMI as provided for physical illness. Group health plans that provide more than 60 physical illness outpatient visits must also provide more than 60 for SMI. Thus, group health plans small (1-50) or large employer (51-more) that include SMI coverage must process claims filed on or after October 28, 2008, in compliance with the Texas Attorney General's opinion #GA-0674 (AG Opinion) and TIC §1355.004.

Additionally, carriers must file corrected forms, amendments or riders with the Department. The corrected form filings need to specify that they are being filed in compliance with the AG opinion #GA-0674 and TIC §1355.004; this specification may take place in the cover letter. Carriers should revise forms to include compliant language in relation to SMI and any other matter that should be updated for compliance with recent legislation. The Department has checklists available to assist in bringing forms into compliance at http://www.tdi.state.tx.us/forms/index.html.

All EOCs and insurance policies should be compliant by June 1, 2009.

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Meet TDI Staff Member Matthew Tarpley

Matthew Tarpley began working with the Department in November of 2007. Matt began his career with TDI assigning IRO requests and reviewing URA and IRO applications. In January of 2008, Matt was promoted to the complaint and exam team where he handled complaints and conducted HMO triennial quality of care examinations. In December of 2008, Matt was promoted to team lead for the HMO Form Filings and Workers' Compensation Network Applications Section. As the team lead, Matt oversees the HMO form filing process as well as the review and approval of workers' compensation network applications and service area modifications. Matt is also a member of the HWCN Newsletter team and the Webpage Redesign team.

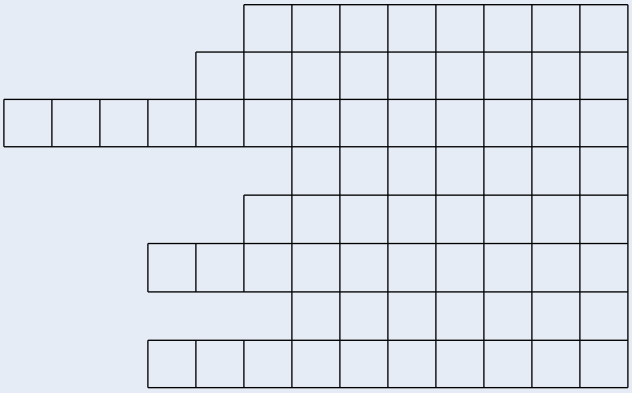
Matt served 6 years in the United States Air Force Texas Air National Guard. During his time in the National Guard, Matt was deployed to Afghanistan and Iraq, he also performed temporary duties in New Orleans in support of Hurricane Katrina relief operations.

We Want to Hear from YOU!

We hope you have enjoyed this and other issues of the HWCN Newsletter. Our next issue is scheduled for release in July. Please feel free to let us know if there is a topic you wish to have us address. You can email us your suggestion at **HWCN@tdi.state.tx.us** or give us a call at **1-866-554-4926**.

Unscramble HWCN's Newsletter Terminology

1. **dqrieure**
2. **tliiapclo**
3. **isalcbietycsi**
4. **oontimr**
5. **daidiemc**
6. **pmdneetart**
7. **glnsfii**
8. **pmtlcinsoa**



2009 Calendar of Events

We welcome you to participate in our open forum Network Applicant and/or Provider Office Manager Conference Calls as scheduled below.

Network Applicant Conference Call – 1-888-387-8235 - passcode 6622666
Thursday, May 14, 2009 2:00-3:00 p.m. CST

Provider/Office Manager Conference Call – 1-888-387-8235 - passcode 6622666
Tuesday, May 12 , 2009 2:00-3:00 p.m. CST

Answers: 1.required 2. political 3. accessibility 4. monitor 5. Medicaid 6. department 7. filings 8. complaints