



# HWCN News

A publication of the Health and Workers' Compensation Networks Division

Volume 1 Number 3 June 2008

## HWCN News and WCNet News Merger Complete

Beginning with this issue HWCN News and WCNet News have been merged into a single newsletter covering all functions performed by the HWCN Division of Texas Department of Insurance (TDI or the Department). HWCN News will be published quarterly.

Though some areas, such as IROs and URAs, overlap functions; it is our intent to divide the newsletter into sections representing each functional area (HMOs, Workers' Compensation Networks, URAs and IROs) when possible to facilitate locating articles that may be of interest to a specific reader.

By combing the two newsletters and teams that are responsible for their content the HWCN Division's goal is to make the most efficient use of resources and create a more streamlined production schedule while continuing to provide news and information that is both timely and relevant to our audience.

## Pardon Our Dust!

You may have had some difficulty in accessing and/or downloading some of the HMO checklists from the Department's internet page recently. We apologize for any confusion or inconvenience that this may have caused, as many staff members have been busy working on the HWCN Division Web Page Redesign Project.

The HWCN Division is the first TDI Division to attempt a web page redesign and we are facing and

handling numerous challenges in order to provide a more attractive and easy to navigate Web page.

If you need help with HWCN Web page, you may call the HWCN Division by telephone, toll-free at 1-866-554-4926 or you may send an e-mail to [HWCN@tdi.state.tx.us](mailto:HWCN@tdi.state.tx.us).

## Got an idea for an article or a "Did You Know"?

The HWCN Division would like to hear from you! Is there a subject you would like more information on or that needs additional clarification? Please email your ideas for articles to [HWCN@tdi.state.tx.us](mailto:HWCN@tdi.state.tx.us).

## Know a friend or colleague who may be interested in the HWCN News?

If you know a friend or colleague who may be interested in the HWCN News please forward them the link to our current issue and let them know how simple it is to join our mailing list. To be added all that is needed is a quick email to [HWCN@tdi.state.tx.us](mailto:HWCN@tdi.state.tx.us) titled "Subscribe HWCN News". Please include the email address that you wish to be subscribed under.

Please note that if you have previously subscribed to WCNet News it is not necessary to subscribe to HWCN News.

## There's More Than One Way to Reach Us

The TDI HWCN Division strives for excellent customer service. In our efforts to provide quality customer service, our policy is to respond to telephone communications, correspondence and email as soon as possible.

You may contact the HWCN Division in person, by writing, by telephone, fax, email or through our Web site.

### Our physical location is at:

333 Guadalupe Street, Tower 1, 3rd Floor  
Austin, TX 78701

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## There's More Than One Way to Reach Us

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### Our mailing address is:

Texas Department of Insurance  
 HWCN Division, MC 103-6A  
 P.O. Box 149104, Austin, TX 78714-9104

When mailing correspondence relating to either independent review organizations (IRO) or workers' compensation networks (WCN), use one of the following mail codes:

- MC 103-5A** independent review organizations
- MC 103-5B** workers' compensation networks

The HWCN Division's main fax number is 512-490-1013. We can be contacted toll-free at 1-866-554-4926, or in Austin at 512-322-4266.

The following email addresses are maintained by the division to receive inquiries specific to health maintenance organizations (HMO), utilization review agents (URA), independent review organizations (IRO) and workers' compensation networks (WCN):

**HWCN@tdi.state.tx.us**

**URAGrp@tdi.state.tx.us** (IRO inquiries are also accepted at this email address.)

**WCNet@tdi.state.tx.us**

The HWCN Division also maintains the following fax numbers for receiving correspondence related to specific services:

HWCN Services	Fax Numbers
HWCN Complaints	512-490-1012
IRO/URA/Form Filings	512-490-1011
WCN Applications	512-490-1028

For a listing of additional TDI telephone numbers and email addresses go to [www.tdi.state.tx.us/general/keytel.html](http://www.tdi.state.tx.us/general/keytel.html). For general agency information visit our Web site at [www.tdi.state.tx.us](http://www.tdi.state.tx.us).

## Provider Ombudsman

The word ombudsman is typically defined as, one that investigates reported complaints (as from students or consumers), reports findings, and helps to achieve equitable settlements. Here at TDI the role of the provider ombudsman is to assist health care providers in their dealings with insurance carriers. The provider ombudsman expedites resolution of provider complaints and analyzes complaint data for patterns or violations that require corrective action. The provider ombudsman may suggest changes in TDI rules if necessary to improve compliance with insurance laws. The Senior Associate Commissioner of Life, Health & Licensing is the health care provider ombudsman for TDI. For questions regarding the provider ombudsman, you may send an E-mail to **[promptpay@tdi.state.tx.us](mailto:promptpay@tdi.state.tx.us)**.

## **Meet TDI Staff Member Essi Eargle**

Essi Eargle has been employed with TDI for over seven years, three of which have been in a role that assists in substantiating regulatory and/or enforcement opportunities for TDI. Ms. Eargle has experience in Property and Casualty; Life, Accident and Health product lines; Workers' Compensation coverage and Managed Care Benefits. Ms. Eargle has been in the business of insurance for over ten years, three of which were in the insurance industry for a sole proprietorship and insurance company.

As an Insurance Specialist some of her responsibilities include responding to inquires regarding Health Maintenance Organizations (HMOs), Certified Workers' Compensation networks, Utilization Review Agents and Independent Review Organizations (URAs/IROs); reviewing workers compensation network applications, IRO/URA applications and HMO form filings for compliance with state rules and statutes; Triennial Exams; public education and writing articles for the HWCN Newsletter.

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### **HEALTH MAINTENANCE ORGANIZATION (HMO) NEWS**

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## **HMO Matrix Evidence of Coverage (EOC) Filings**

“Evidence of Coverage” (EOC) is the term used to refer to the document that describes the services and benefits covered under a health care plan offered by a Texas-licensed HMO. Until recently, HMOs were not able to file matrix EOCs for approval by the Commissioner, but the HMO rules have been changed.

A matrix EOC is a form filing that may include a moderate to extensive amount of variable language and may include optional provisions which may vary by group on issuance.

Did you know a matrix EOC filing is subject to the same filing requirements ([28 TAC §11.301](#)) as other (non-matrix) EOC filings?

This means that among other things, each matrix EOC must:

- be complete;
- be submitted on 8 1/2 X 11 inch paper (sorry, no electronic filings);
- have an identifying, printed unique form number in the lower left-hand corner of the first page;
- include the required attachments; and
- if it consists of multiple pages, should have page numbers on subsequent pages.

To see all of the EOC filing requirements, please refer to [28 TAC §11.301](#).

As with other EOC form filings, after review of a matrix EOC is complete and the Department determines that the EOC complies with all applicable requirements, the Department sends “Notice of Departmental Action – Approved” to the HMO for its records.

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## HEALTH MAINTENANCE ORGANIZATION (HMO) NEWS

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### **HMO Matrix Evidence of Coverage (EOC) Filings** *Continued from page 3.*

You may send your HMO EOC-related questions via e-mail to **HMOGrp@tdi.state.tx.us** or you may contact the staff in TDI's HWCN Division by telephone, toll-free at 1-866-554-4926.

If you have questions about the HMO filing requirements, you may send them to the Filings Intake Section via e-mail to **LifeHealth@tdi.state.tx.us** or you may call the Filings Intake Section by telephone at 512-322-4245.

### **HB1919 Requirements and Rule Update**

The 80th Texas Legislature passed House Bill (HB) 1919. This law relates to serious mental illness and treatment of acquired brain injuries. HMOs are now required to provide coverage for autism spectrum for both large and small employer groups. Coverage for autism spectrum is required for children older than 2 years of age but under the age of 6, however children over 6 are not precluded from coverage.

HB1919 also revised the definition of serious mental illness to remove pervasive development disorder. As a result HMOs/Carriers are now required to include coverage for all services required by HB1919 in their Evidence of Coverage (EOC) sent to its enrollees.

As rules are currently underway, HMOs/Carriers are required to revise their EOCs to include all language specified in HB1919. In particular an EOC must include the following from the Texas Insurance Code (TIC):

[TIC§1352.003\(a\) – \(f\)](#)  
[TIC §1352.0035](#)  
[TIC§1355.001](#)  
[TIC§1355.015](#)

The Department is in the process of creating rules, and will share information on stakeholder meetings and proposed drafts for comments when they become available.

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## UTILIZATION REVIEW AGENT (URA) NEWS

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### What is the Difference Between a “Certified” URA and “Registered” URA?

TDI has received many inquiries from URAs requesting the Department to explain the difference between URA certification and registration.

**“Certified URA”:** Means a certified entity that conducts utilization review for a health benefit plan or health insurance policy; a payor; or an administrator holding a certificate of authority under [TIC §4201](#).

What does this mean?

- Application fee is required
- Renewal of certification every two years and renewal fee must be submitted
- Application and all applicable checklist(s) must be submitted
- Approval of application before utilization review performed

**“Registered URA” :** Means a licensed insurance company or health maintenance organization that performs utilization review only for its own insureds or enrollees. Registered URAs are required to comply with [TIC §4201](#) as a condition of licensure.

What does this mean?

- No application fee
- Renewal not required
- Application and all applicable checklist(s) must be submitted as would an applicant for certification
- Approval of application before utilization review performed

There are over 200 URAs in the state of Texas. If you have any questions regarding URAs please call HWCN at 1-866-554-4926 or email us at [URAGrp@tdi.state.tx.us](mailto:URAGrp@tdi.state.tx.us).

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## INDEPENDENT REVIEW ORGANIZATION (IRO) NEWS

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### TXCOMP/Electronic Submission of IRO

In the past, there has been some confusion about how to submit a request for review by an Independent Review Organization (IRO). A request for independent review must be filed with TDI in the form and manner prescribed by the Department.

The current system for filing an IRO request is the TXCOMP online system. You may [access the online system](#) from the [HWCN IRO Web page](#). Also available on the [HWCN IRO Web page](#) are instructions on how to request a logon ID and password through the TXCOMP system as well as instructions on how to complete the online IRO Request Form.

Whether you need to request access to TXCOMP for the first time or just some help using the system, these links will help point you in the right direction.

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## **WORKERS' COMPENSATION NETWORK (WCN) NEWS**

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### **HWCN Employer and Provider Workshops in 2008**

The TDI HWCN Division will host Workers' Compensation Health Care Networks – Employer and Provider Workshops. The first workshops of 2008 will be held in San Antonio, Texas at the Alamodome Convention Center. The Employer Workshop will be held Friday, July 25, 9:00am – Noon. The Provider Workshop will be held Saturday, July 26, 9:00am – 2:30pm.

The intent of each of the workshops is to provide a format for the employers and providers to engage, network, as well as, gain a better understanding of workers' compensation coverage in the State of Texas.

Staff from TDI's HWCN Division and Division of Worker's Compensation (DWC) will present multiple topics that entail extremely beneficial information, such as:

- How to join a network,
- Required Contract Provisions,
- Treating Doctors-Who can be one?
- What are the roles and responsibilities of a treating doctor?
- Treatment Guidelines-compare to non-network
- Preauthorization Requirements
- Networks – What's in it for me?
- DWC Return to Work and Safety – Best Practices
- Network Report Cards

And much, much more!

Online registration will begin in June. Please stay tuned to TDI's website for more information as details are finalized.

There is no cost for the workshop, however seating is limited to the first 150 respondents once registration officially opens.

### **Certified Workers' Compensation Networks: A Regulatory Update**

TDI certifies and regulates Workers' Compensation Healthcare Networks (WC Networks) pursuant to Chapter 1305, TIC and related rules. One manner in which the TDI keeps its licensees, including WC Networks, informed of changes that affect them is through [Commissioner's Bulletins](#). Commissioner's Bulletins are designed to inform the regulated insurance entities of applicable requirements and/or to provide other information which may assist them.

One example is [Commissioner's Bulletin B-00-36-07](#), relating to Legislation Enacted – 80th Legislative Session. During its most recent session, the Texas Legislature enacted legislation that affects certified WC networks. This Commissioner's Bulletin provides information and a brief summary of selected bills enacted during the 80th Regular Legislative Session, highlights portions of the bills pertinent to the business workers' compensation health care networks,

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## **WORKERS' COMPENSATION NETWORK (WCN) NEWS**

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### **Certified Workers' Compensation Networks: A Regulatory Update**

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health coverage and utilization review agents, including the effective and implementation dates, as well as some of the responsibilities and/or actions the bills require of regulated entities and individuals.

Another item of interest to Certified WC Networks is the new rule, [28 TAC §10.200](#), relating to "Fee for Examination of a Certified Workers' Compensation Health Care Network." The new rule requires a Certified WC Network to pay to the department an examination fee set by the Commissioner for expenses directly attributable to an examination of the network conducted pursuant to [§1305.251](#) or [§1305.252](#), TIC.

The rule requires the examination fee to include the actual salary and expenses of the examiners directly attributable to the examination and lists the expenses which may be included in the examination fee. The provisions of the new rule became effective March 25, 2008.

You may send your WC Network-related questions via e-mail to [WCNet@tdi.state.tx.us](mailto:WCNet@tdi.state.tx.us) or you may contact the staff in TDI's HWCN Division by telephone, toll-free at 1-866-554-4926.

### **Changes to IRO Rules on Workers Compensation Dispute of Medical Bills**

The 80th Legislature passed legislation that required changes to [28 TAC §133.308](#). These rule changes were adopted May 5, 2008 and it became effective May 25, 2008.

Some of the changes (*not inclusive*) are as follows:

- IRO reviewers must be a doctor licensed to practice in Texas [28 TAC §133.308 (c)]
- IRO reviewers must have professional specialty requirements [28 TAC §133.3308 (d)]
- The Carrier shall notify the Department of a request for independent review within one working day from the date the request is received by the carrier or its URA [28 TAC §133.308 (i)]
- There are new appeal procedures for Workers Compensation Non-Network appeals (28 TAC §133.308 (t))

If you have any questions on the IRO processes please call HWCN at 1-866-554-4926.

For questions on the appeal processes for Workers Compensation Non-Network appeals please call the Division of Workers Compensation, Chief Clerk of Proceedings at 1-800-252-7031.

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## WORKERS' COMPENSATION NETWORK (WCN) NEWS

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### Trends in the Independent Review (IRO) Process

The following are some of the issues health care provider(s) and/or individual(s) who are involved in the Independent Review process are having:

- The original LHL009 form (IRO request form) is being sent to HWCN, when the LHL009 form should be returned to the company that issued the denial letter(s);
- After IRO Assignment, Medical Records are being sent to HWCN, when they should be sent to the IRO assigned to the case; which is on the IRO notification letter.

For more information on the IRO Process, please see the flow charts [http://www.tdi.state.tx.us/hmo/iro\\_requests.html#FlowCharts](http://www.tdi.state.tx.us/hmo/iro_requests.html#FlowCharts) on the IRO process located on the IRO website. For questions on the IRO process please contact HWCN at 1-866-554-4926 or via email at [URAGrp@tdi.state.tx.us](mailto:URAGrp@tdi.state.tx.us).

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## CALENDAR OF EVENTS

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|---------------------|--|
| <b>July 8</b>       | <b>Provider/Office Manager Conference</b><br><a href="http://www.tdi.state.tx.us/wc/wcnet/pvrngrconcalls.html">http://www.tdi.state.tx.us/wc/wcnet/pvrngrconcalls.html</a><br>1-888-387-8235 (Call 2 p.m. CST) Passcode 6622666# |
| <b>July 10</b>      | <b>Network Applicant Conference</b><br><a href="http://www.tdi.state.tx.us/wc/wcnet/wcnetconcalls.html">http://www.tdi.state.tx.us/wc/wcnet/wcnetconcalls.html</a><br>1-888-387-8235 (Call 2 p.m. CST) Passcode 6622666#         |
| <b>July 25</b>      | <b>WCN Employer Workshop</b><br>Alamodome Conf. Center, San Antonio, TX. Register on line at   |
| <b>July 26</b>      | <b>WCN Provider Workshop</b><br>Alamodome Conf. Center, San Antonio, TX. Register on line at   |
| <b>August 12</b>    | <b>Provider/Office Manager Conference</b><br><a href="http://www.tdi.state.tx.us/wc/wcnet/pvrngrconcalls.html">http://www.tdi.state.tx.us/wc/wcnet/pvrngrconcalls.html</a><br>1-888-387-8235 (Call 2 p.m. CST) Passcode 6622666# |
| <b>August 14</b>    | <b>Network Applicant Conference</b><br><a href="http://www.tdi.state.tx.us/wc/wcnet/wcnetconcalls.html">http://www.tdi.state.tx.us/wc/wcnet/wcnetconcalls.html</a><br>1-888-387-8235 (Call 2 p.m. CST) Passcode 6622666#         |
| <b>September 9</b>  | <b>Provider/Office Manager Conference</b><br><a href="http://www.tdi.state.tx.us/wc/wcnet/pvrngrconcalls.html">http://www.tdi.state.tx.us/wc/wcnet/pvrngrconcalls.html</a><br>1-888-387-8235 (Call 2 p.m. CST) Passcode 6622666# |
| <b>September 11</b> | <b>Network Applicant Conference</b><br><a href="http://www.tdi.state.tx.us/wc/wcnet/wcnetconcalls.html">http://www.tdi.state.tx.us/wc/wcnet/wcnetconcalls.html</a><br>1-888-387-8235 (Call 2 p.m. CST) Passcode 6622666#         |