



MEDICAL PROVIDER NETWORKS

Provisions of Law

- On or after January 1, 2005, an insurer or employer may establish a medical provider network (MPN) to provide medical treatment to injured employees. On or before November 1, 2004, the administrative director (AD) of the Division of Workers' Compensation, in consultation with the Department of Managed Health Care, shall adopt regulations implementing this article. MPN applications must be submitted to the AD for approval.
- MPNs must include physicians engaged in occupational- and nonoccupational-related injuries. The number of physicians in the MPN must be sufficient to treat injuries or conditions in a timely manner and adequate to treat common injuries experienced by injured employees based on the type of occupation or industry in which they are engaged, as well as the geographic area where they are employed.
- Medical treatment for injuries must be readily available at reasonable times to all employees. Conversely, physician compensation may not be structured in order to achieve the goal of reducing, delaying or denying medical treatment or restricting access to medical treatment.
- All treatment must be in accordance with the medical treatment utilization schedule established by the AD or the American College of Occupational and Environmental Medicine's Occupational Medicine Practice (ACOEM) Guidelines.
- Injured workers may select a provider of their own choice within the MPN after initial treatment.

Administrative Regulations

- The AD has 60 days to approve or reject an application for an MPN. Applications are deemed approved after 60 days if no action is taken. An applicant may request reconsideration if the application is rejected. The AD may suspend or revoke an MPN.
- There are many safeguards for injured workers guaranteeing access to care and right to immediate treatment, including proximity requirements for emergency and specialist care, time requirements for non-emergency and specialist care, and provisions for ensuring care for workers while traveling or out of the MPN area.
- The process by which employees may seek 2nd and 3rd opinions for disputed treatment or diagnosis is spelled out. Appointments for 2nd and 3rd opinions must be made by the worker within 60 days of request. The MPN must provide a list of MPN specialists, contact the treating physician and notify the second or third opinion physicians in writing. The second or third opinion physicians must render their opinion of the disputed diagnosis or treatment within 20 days of the appointment or

receipt of the diagnostic tests, whichever is later. The worker, if he or she disagrees with these opinions, may go to the AD with a request for an Independent Medical Review.

- Employers and insurers with approved MPNs may complete treatment of workers injured before approval of the MPN. These injured workers may be transferred into the MPN, unless they have acute conditions, serious chronic conditions, terminal illness, or if performance of a surgery or procedure authorized by the insurer or employer has been recommended and documented by the provider to occur within 180 days from the MPN coverage effective date.

Other Related Medical Reforms

First-Day Medical Treatment: Employers and insurers must authorize medical treatment within one day of a workplace injury claim being filed, and pay for treatment up to \$10,000. Employers still have 90 days to determine whether a claim will be accepted. Treatment must be consistent with the medical treatment guidelines developed by the AD or with the ACOEM Guidelines.

Medical Treatment Guidelines: The AD is required to adopt medical treatment guidelines that reflect practices that are evidence and scientifically based, nationally recognized, and peer-reviewed. Until the effective date of medical treatment guidelines, the recommended standards set forth in the ACOEM Guidelines shall be presumptively correct on the issue of extent and scope of medical treatment, regardless of date of injury.

Independent Medical Review: The AD is required to contract with individual physicians or an independent medical review organization to perform independent medical reviews consistent with the treatment guidelines developed by the AD or with the ACOEM Guidelines.

Utilization Review Guidelines: The AD is required to adopt utilization review guidelines to enable employers and insurers to establish written policies and procedures to ensure that medical services are consistent with the treatment guidelines developed by the AD or with the ACOEM Guidelines.