# Division of Workers' Compensation 2011 Updates

Destie Overpeck, Chief Counsel

Division of Workers' Compensation



### **DWC Structure—Leadership**

- Administrative director:
- Deputy administrative director:
- Court administrator: Keven Star
- Executive medical director:
- Chief legal counsel: Destie Overpeck
- Chief of programmatic services: Angela Michael
- Chief of legislation and policy: Susan Gard
- Southern region manager: Mark Kahn
- Northern region manager: Joel Harter

12-Point plan to help control medical costs as launched in July 2009	Status as of March 2011
1. Tightening treatment guidelines: Updated MTUS includes guidelines for use of compounded topical drugs	✓ complete Regulations took effect 7/18/09.
2. Providing a network option: Reducing the HCO fees made HCOs more on par with MPNs cost-wise and gave employers another option for choosing a network of doctors and eliminating UR costs	✓ complete Regulations took effect 1/1/10.

### 3. Simplifying MPN rules: Updated the MPN rules to streamline notice requirements, which alleviates administrative overhead

✓ complete
Regulations took effect 10/9/10.

12-Point plan to help control medical costs as launched in July 2009	Status as of March 2011
4. Improving medical cost reporting: The WCIS regulations clarified medical lien reporting, which will allow DWC to better monitor medical costs	✓ complete but not yet effective Regulations filed with secretary of state 11/15/10 and will become effective 11/15/11.
5. Implementing e-billing: Medical e-billing regulations will encourage electronic billing and faster payments to physicians	✓ complete but not yet effective Regulations filed with secretary of state 4/18/11. Standardized billing effective 10/15/11. Electronic billing effective 10/18/12.

6. Creating pharmacy networks:

pharmacy costs

Would allow employers to contain

## STATE of CALIFORNIA

Impediments to completion exist

comment in March 2010.

Advisory group held in the fall of 2009.

Draft regulations posted on forum for

12-Point plan to help control
medical costs as launched in July
2009

#### Status as of March 2011

7. Streamlining requests for medical authorization:

Revise physician reporting forms so it is clear when a physician is requesting medical treatment.

Begun—to be completed in mid-2011
Proposed draft regulations posted on forum for comment until 4/5/10. These regulations are being implemented in conjunction with UR regulations, which will be completed in mid-2011.

8. ASC fees:

Reduce ASC fees from 120% to 100 % the Medicare fees for outpatient hospitals

In progress—to be completed soon Public hearing held on 1/25/11.

9. Reducing duplicate payment for spinal hardware pass-through: Amend inpatient fee schedule

In progress—to be completed soon Public hearing held on 1/25/11.

12-Point plan to help control			
medical costs as launched in July			
2009			

#### Status as of March 2011

10. Streamlining UR:
Amend UR regulations to
streamline procedures and reduce
administrative costs

Begun—to be completed in mid-2011
Stakeholder meeting held on 4/8/10.
Proposed draft amended regulations posted on forum for comments 9/23/10. Formal rulemaking will take place in mid 2011.

11. Updating coding for doctor payments:

Converting from the current physician fee schedule to a RBRVS system

Begun—could be completed in 2011
Proposed draft regulations and the Lewin report posted on forum until 4/5/10; revised version posted from 7/6 through 7/20/10.
Stakeholder meeting held on 8/17/10.

12. Considering creation of a drug formulary:

Consider an additional revision to the MTUS

Impediments to completion exist
The next MTUS update will address chronic pain and opioids. The rulemaking requires the guidance of an executive medical director.

Subject	Regulations Sections	Anticipated Notice Date
ADA Regulations	8 CCR §§ 9708.1 – 9708.6 and 10226.1 – 10226.6 (New sections)	May 2011
QME Regulations (Chiro Specialties)	8 CCR §§ 100, 105, 106	May 2011
<b>Benefit Notices</b>	8 CCR §§ 9810-9815	June 2011
(Presumption of Correctness, Burden of Proof and Strength of Evidence)	8 CCR §§ 9792.25 and 9792.26	July 2011

Subject	Regulations Sections	Anticipated Notice Date
Electronic Filing in EAMS	8 CCR §§ 10210 et seq.	July 2011
Employers' First Report of Occupational Injury or Illness	8 CCR §§ 9705 (New section)	July 2011
PDRS	8 CCR §§ 9805 et seq.	August 2011
QME Regulations (Part 2)	8 CCR §§ 30, 17	August 2011
Interpreter Fee Schedule	8 CCR 9795.1 et seq.	Sept. 2011