

Utilization & Treatment Guidelines in Workers' Compensation

Report to Economic Affairs Interim Committee
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Utilization & Treatment Guidelines

- Provide recommended treatment options
- Base medical decisions on best evidence
- Guidelines presumed correct treatment options
- Provider ensured payment if treating within guideline

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Montana Statutory Framework

- 39-71-704 (3)(a)

“The department may establish by rule evidence-based utilization and treatment guidelines for primary and secondary medical services. There is a rebuttable presumption that the utilization and treatment guidelines established by the department are correct medical treatment for the injured worker.

- 39-71-704 (3)(b)

“An insurer is not responsible for treatment or services that do not fall within utilization and treatment guidelines adopted by the department unless the provider obtains prior authorization from the insurer. If prior authorization is not requested or obtained from the insurer, an injured worker is not responsible for payment of the medical treatment or services.

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What is Evidence-Based Medicine

- Evidence-based medicine (EBM) is the conscientious, explicit and judicious use of current best evidence in making decisions about the care of individual patients.

- David L. Sackett, et al., *Evidence-Based Medicine: What it is and what it isn't*. Article based on an editorial from the British Medical Journal (BMJ 1996; 312: 71-2)

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Philosophy of U & T Guidelines

- Apply Evidence-Based Medicine Rules
- “The only way to achieve real and lasting cost-savings in workers’ compensation is through the delivery of quality and timely care.”

- Charles W. Kennedy, MD
Founder of Evidence Analysis Committee
American Academy of Orthopedic Surgeons

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Principles for U & T Guidelines

- Return to function and improved outcomes
- Early as possible care
- Evidence-based treatment decision
- Efficiency and cost-effectiveness

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What Guidelines are Available

- Rand Corporation analyzed 72 guidelines for the state of California
- Narrowed to 4
- 2 most appropriate for Workers' Compensation
 - ACOEM: American College of Occupational and Environmental Medicine
 - ODG: Official Disability Guidelines from Work Loss Data Institute

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Montana U & T Guideline Project

- Process for choosing a guideline
- Medical Provider Group (MPG)
- Reviewing 3 U & T Guidelines
 - ACOEM
 - ODG
 - State of Washington

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Medical Provider Group Membership

Alan Dacre, MD, Chair	Ortho-Spine	Billings
Valerie Benzschavel	CFNP	Missoula
Ken Carpenter, MC	Ortho	Helena
James English, PhD	Neuropsychologist	Helena
Patrick Galvas, DO	Physiatrist	Great Falls
Paul Gorsuch, MD	Neurosurgeon	Great Falls
Steve Kemple, DO	Pain	Missoula
Camden Kneeland, MD	Pain	Kalispell
Gary Lusin, PT	Physical Therapy	Bozeman
John Petrisko, MD	Occupational Medicine	Billings
John C. Schumpert, MD	Occupational Medicine	Missoula
Phillip Steele, MD	Primary Care	Helena
Mark Stoebe, DC	Chiropractor	Great Falls
Allen Weinert, Jr., MD	Physiatrist	Helena

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Goals of Evidence-Based Medicine

- EBM is healthcare based on clinical studies of what works best and what does not work
- EBM is not healthcare based on opinion, personal observation or tradition
- EBM is not cookbook medicine
 - Physicians have numerous recommended options
 - Ability to make recommendations based on individual case circumstances or exceptions

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Evidence-Based Treatment Guidelines

- EBM Guidelines recommend treatments that work (quality care); avoid treatments that don't
- There are multiple recommended treatments
- Providers practicing within recommended treatments of adopted guidelines are insured timely payment
- Injured workers receive early access to quality care; more likely that function is restored
- Employee returns to work; lost wage payments are contained; lowers WC premiums

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Expected Outcomes

- 75 - 80% of treatments within Guidelines
 - Timely Treatment
 - Prompt Payment
- 20 - 25% outside of Guidelines, providers must seek pre-authorization from payers
- Remaining Unresolved Disputes
 - Informal Independent Medical Review by Department
 - Normal WC mediation process
 - Workers' Compensation Court

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Experience in Other States

- California Mostly ACOEM 40% reduction in medical costs
 - Kansas ODG No data available yet
 - Ohio ODG 64% reduction in medical costs
 - Nevada ACOEM No data available yet
 - New York Mostly ACOEM Currently in development
 - North Dakota ODG 40% reduction in premiums
 - Texas ODG 26% reduction in medical costs
- Additional states considering adopting treatment guidelines: Alaska, Arizona, Delaware, Illinois, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Nebraska, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Wisconsin, Wyoming

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Conclusions

- EBM becoming standard for treatment for injured workers based on scientific studies and statistical validity
- Apply evidence-based guidelines to improve outcomes
 - Reduce excessive/unnecessary utilization of medical services
 - Focuses on restoration of functional capacity
 - Quickly identify effectiveness of any procedure (saves time)
- Easier for workers to get needed care
- Automatic payment for appropriate treatment
- Reduces administrative “friction” by making clear to providers what treatments will get paid for; focus on care
- Recommendation from MPG by January, 2010
- Adopt rule on U & T Guideline by July 1, 2010

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Questions?

