WSIA Liaison Committee Report

Glenn Hansen, WC Manager, Multicare Health System
Patrick Reiman, Manager Claims, Sedgwick
July 6, 2017

The Liaison Committee met with representatives from the Department of Labor & Industries on July 6, 2017. Present for the meeting in whole or part from the Department were Jim Nylander, LaNae Lien, Brian Schmidlkofer, Mike Ratko, Gina Mayo, Leah Hole-Marshall, Casey Sullivan and Daniel Brittian. Present from WSIA were Kris Tefft, Lisa Vivian, Glenn Hansen and Patrick Rieman.

As your representatives for the WSIA Liaison Committee we can provide assistance in resolving claim management issues, policy or procedure concerns or specific individual claim related issues through our bi-monthly meetings with the L&I representatives.

Please contact S-I Employer Representative Glenn Hansen, Self-Insured Employer Representative 253-459-6803 or email at glenn.hansen@multicare.org or TPA Representative Pat Reiman at 206-214-2813 or email at patrick.reiman@sedgwickcms.com with any issues you would like discussed during our next scheduled meeting in November.

GENERAL

Summer safety tips regarding hydration were briefly discussed and handed out. That is attached to the minutes.

FOLLOW-UP ITEMS

SFT (Electronic Sending of files) update:

A selected group of employers and third party administrators have been piloting SFT uploads of claim documents.   The purpose of the project has been to review the feasibility of reducing the amount of printing, mailing and faxing of claim documents and allowing for imaged documents to be uploaded. Once the final processes have been reviewed, the plan is to roll this functionality out to the self-insured community.

Over 7 Reopening Update

LaNae brought statistics for Over 7 reopening determinations. Her report is attached to the minutes.

Employer Attorney CAC Access

There is work being done by the web service and information security teams to try to establish a way for employer attorneys to have access to individual files assigned to them without having access to other employer claims. Apparently, there isn't a way to allow for viewing of the whole file at once rather than 50 pages at a time. Employee

attorneys have access now because there is a specific field for them that ties them to the worker.

WSIA NEW ISSUES

Provider Billing Calls

We discussed providers not following the Medical Aid Rules in two areas. First, providers need to be reminded that they may not bill workers or send them to collection agencies for payment. Second, we discussed providers who employ billing follow up companies who call about bills rather than following re-billing rules. We asked for an updated list serve for providers on this topic.

Outdated Rules:

The Self Insurance Rule Review Workgroup has been working on modernizing several rules. We requested some periodic updates of the type of work happening in that group.

Department of Medical Director

Leah Hole-Marshall sat in for Simone Javaher. She presented the Health and Policy News. A lively discussion was held about the draft Foot and Ankle Guidelines. We requested more time in the future to provide public comment. We also suggested a heads-up if it looked like there may be any substantial changes to commonly understood conditions and how they are managed before the document gets too far into draft.

We asked what the Department's plans were to roll out training regarding new guidelines when they were developed and how the information would get to providers to make the guidelines meet their intended use.

Medical EDI:

We were provided with a status update that is attached to the minutes. Most employers are in some phase of testing or reporting. There are targets to have 90% reporting by Q2 2018. Rules will go into development in January 2018. We suggested that updates include reminders of the value of reporting.

SELF-INSURANCE UPDATE

Measures

Measures have not been updated since the last update and are shown on the SICAMS report.

SI-CAMS

LaNae (FRLA235@LNI.WA.GOV) provided an update on the number of work items presently in SICAMS. The report is attached to the minutes. The data shows fluctuations in some areas such as the percentage of allowance orders issued in 30 days. The percentage ranges from a low of 12% to a high of 99%. We suggested that the Department have a cumulative annualized number. They are on a fiscal year so the "actual" result would be the cumulative figure from 7/1/16 to 6/30/17.

Tier II Audit:

Brian (scbs235@LNI.WA.GOV) provided a brief on the status of the Tier 2 audit for a total of 126 Tier 2 employers. The report is attached. The plan is to complete the audit and produce a comprehensive report. After that, Tier 3 will be structured. There is no determination on what the Tier 2 passing rate is.

Surety Improvement Project

Self-Insurance is looking at the entire surety process. The concept is to modernize input of data and how it is processed. The model is being reviewed with the goal of reducing errors and increasing efficiency. There is also to be a review of using techniques from other actuarial sources such as Milliman to include historically accepted methods that are not currently included in the Department's surety calculations. The current technology in use is past its prime. We suggested that any implementation not be started in Q1.

Certifications/Surrenders

No new certifications.

Staffing

The claims section is almost fully staffed with one WACA 3 opening. Audit is fully staffed.

This summer you might be planning to get outside and partake in a variety of fun activities. But whether you're planning to hike, play bocce ball or just relax in the water, it's important that you stay safe and stay hydrated.

William Roberts, M.D., professor with the University of Minnesota **Medical School, Family Medicine and Community Health,** is here to offer his summer safety tips for staying hydrated:

1. **Have fluid source readily available** – Plan ahead and make sure you drink enough water throughout the day and night to replenish fluids lost during activities. That means drinking when you are thirsty and keeping your urine color light yellow like lemonade and not dark like apple juice.
2. **Water will do the trick** – For most people water will be sufficient enough to keep you properly hydrated. If you are working really hard, you might need to replace calories that are lost due to perspiration. A soda or sports drink can help with fluid and calorie replacement.
3. **Be careful when drinking alcohol** – If you choose to drink alcohol, do so in moderation. The health saying is you can have two per day, but you can't bank them. A good strategy is to alternate alcoholic beverages with water. With alcohol you can only count on about 75 percent of an alcohol beverage ending up in the body as fluid.
4. **Listen to your body** – When the temperatures and activity levels rise it's even more important to listen to your body and take breaks if you start to feel light-headed, feel overheated or if you develop a headache. These are warning signs that something is not right. Don't ignore them!
5. **Don't take in too much fluid** – It might sound a little strange but be careful of drinking too much fluid. This can lead to the opposite of dehydration – over-hydration or hypernatremia. My rule of thumb is to not drink if you are not thirsty, if you feel water sloshing around in your stomach, or you don't feel well and you have been taking in fluids.

Stay safe, have fun and have a great summer!

Audit Reform Brief: Self-Insurance – Update

July 6, 2017

Where are we at?

With Tier 1 coming to end in January we are excited to be transitioning to the Tier 2 pilot. On February 1st, 2017 the audit team sent out letters to 21 employers as part of the 1st wave of the Tier 2 pilot. There are 126 employers that will go through the Tier 2 pilot.   The goal of the audit team is to complete Tier 2 over the next six months. As of June 6, 2017 below is the current status for Tier 2 pilot.

Current Statistics for January 1, 2017 through July 6, 2017

Audit Statistics	
Tier 2 Pilot Employers	126
Audits Pending	0
Audits Initiated	126
Audits Completed	110
Total	126

Tier 2 Audit Details – Estimated Completion July 31, 2017

Audit Statistics Continued	
Planning	0
Fieldwork	3
Finalization	13
Total	16

*Planning Phase includes: Claim selection, initiation letter development, and 1st and 2nd level quality assurance review.

*Fieldwork Phase includes: Timeliness Review, audit documentation preparation, and 1st and 2nd level quality assurance review.

*Finalization Phase includes: preliminary report drafting, walkthroughs, and 1st and 2nd level quality assurance review.

Key Performance Indicator's (KPI's) for 2017

Direct Hours – Measures the percentage of gross hours used in providing client services (i.e. actual audit work).
2017 Goal – **68%** Actual – *75% - As of 6/1/2017*

Red Book Standards[1] – Measures the percentage of services satisfying Red Book requirements using a two-level quality assurance review process.
2017 Goal – **99%** Actual – *100%*

Client Satisfaction – Measures the percentage of clients who, based on their experience during the audit, report being satisfied with the service they received.
2017 Goal – **75%** Actual – *100% - As of 6/1/2017*

Opportunities/Resolution

Opportunities	Summary
Audit Production	Auditors have been authorized for OT to help assist in meeting our completion obligation of July 31, 2017

Staff contact

Brian Schmidlkofer, Self-Insurance Compliance Operations Manager (360) 902-6839

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[1] The International Professional Practices Framework (IPPF) aka *Redbook* is the conceptual framework that organizes Authoritative Guidance published by the Institute of Internal Audit for auditors.

OCCUPATIONAL HEALTH **BEST PRACTICES**

———— Working together to keep people working ————

Health Policy News for Self-Insured Employers
July, 2017

Work that is Underway

Be sure to check out the web page, ProviderNews.Lni.wa.gov for postings about new health care policies and guidelines. The latest ones are:

Health Technology Decisions from the WA Health Technology Clinical Committee

Treatment of chronic migraine and chronic tension-type headache

The HTCC reviewed six modalities for treatment of chronic migraine and chronic tension-type headache, including OnabotulinumtoxinA, acupuncture, trigger point injections, transcranial magnetic stimulation and manipulation. Based on the available evidence, the HTCC voted to cover OnabotulinumtoxinA only for treatment of chronic migraine with conditions. Treatment of chronic migraine or chronic tension-type headache with the other five modalities is not a covered benefit. The coverage decision will be finalized in July.

Varicose veins

The HTCC reviewed the evidence of four selected treatments for varicose veins: endovenous laser ablation, radiofrequency ablation, sclerotherapy and phlebectomy, in comparison to vein striping and ligation. The HTCC voted to cover all four selected procedures for treating varicose veins with conditions. The coverage decision will be finalized in July.

Acupuncture

L&I will soon begin an acupuncture pilot program, aimed at integrating acupuncture treatment for low back pain, as well as acupuncture providers, into the workers' compensation system. This program, lasting up to two years, will provide a structured environment for care delivery and capture of data that will inform future L&I payment and coverage methodology. While the pilot program is underway, Labor & Industries (L&I) will pay participating providers to deliver acupuncture services to injured workers with a diagnosis of low back pain. Further information will be available soon, but initial coverage will be:

- A maximum of 10 acupuncture treatments, for low back pain only, per injured worker's claim (Other items/treatments are not covered for payment, and therefore will not be reimbursed). Acupuncture will require AP referral.

- In addition, an Oswestry Disability Index (ODI) assessment and 2-item Graded Chronic Pain Scale (GCPS) form must be completed and sent to the department, in electronic format, at the following times:
  - At the first acupuncture treatment
  - At the fifth (or midway, whichever comes first) acupuncture treatment
  - At the completion of acupuncture treatment
- Providers must also submit a final report, including the reason for discharge from acupuncture (e.g. maximum number of treatments used, treatment no longer medically necessary (goals achieved), patient discontinued)

Foot and Ankle Surgical Guideline

An extensive update to the foot and ankle surgical guideline was recently placed for public comment June 8th thru the 29th, on the Labor and Industries website. Public comments will be recorded and presented along with the guideline draft before the IIMAC on July 27th for an acceptance vote. The anticipated effective date is October 1st. The guideline will significantly add to the number of foot and ankle procedures requiring utilization review.

Neurogenic Thoracic Outlet Syndrome Guideline

Office of the Medical Director is planning to put into WAC, certain parts of the Neurogenic Thoracic Outlet Syndrome Guideline, most of which includes the case definition for accurate diagnosis. The case definition has not changed for years and putting diagnostic and treatment criteria for neurogenic thoracic outlet surgery in rule will lead to more timely decisions regarding surgery, reduced time loss duration, better clinical outcomes for workers and fewer BIIA appeals.

SIMP Review and Study

A subcommittee of IIMAC members will be meeting in August to begin discussions on multidisciplinary pain programs. The groups focus will be to evaluate and suggest any needed improvement on how the currently utilized L&I chronic pain model, (SIMP), fits into the overarching Healthy Worker 2020 strategic plan. Additional providers and stakeholders will be brought into discussions as they progress.

Over 7 Reopening and Reopening Data

Over 7 (OT) Orders	2013	2014	2015	2016
OT orders issued*	47	32	57	47

Note: Data on total over 7 reopening requests denied is unavailable as a standard denial order is used on *all* denied reopenings.

Director Discretion	2013	2014	2015	2016
Requests for Director Discretion*	25	17	18	21
Total Granted	21	17	18	11

*Note: Requests include claims reopened in prior years.
Re: 2016: 2 withdrawn, 3 pending

| Reopening/Reopening Denial Orders Issued	2013	2014	2015	2016
Reopen	843	742	670	606
%	41%	38%	38%	39%
Deny	1230	1198	1079	962
%	59%	62%	62%	61%
Total Reopening Requests Received	2073	1940	1749	1568

MEDICAL EDI STATUS UPDATE

JULY 6TH WSIA LIAISON MEETING

7/6/2017

1. Status Update
Implementing Medical EDI

The target date to begin receiving Medical Bill data of June 30, 2017 was met. Washington State has started moving trading partners into production and is recognized nationally as implementing the International Association of Industrial Accident Boards and Commissions (IAIABC) Medical EDI 2.0 standard. The Self-Insurance team (the team) will continue to work to help trading partners onboard and move to submitting data into production.
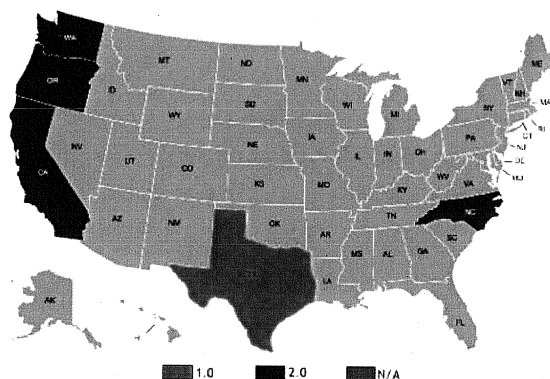
Source: *IAIABC EDI Medical Standards Website*

Onboarding Goals

Onboarding goals were developed by the Self-Insurance Management Team to guide the team through Data Management, Registration, Testing, and Production.

The goals were developed to help successfully guide the process of tracking Self-Insured Employers (SIEs), Third Party Administrators and trading partners from Registration to Production. The following visual depicts target goals that were established to assist the onboarding of trading partners and prioritization of project efforts.

The onboarding goals will be adjusted to reflect the current state as onboarding data is evaluated.
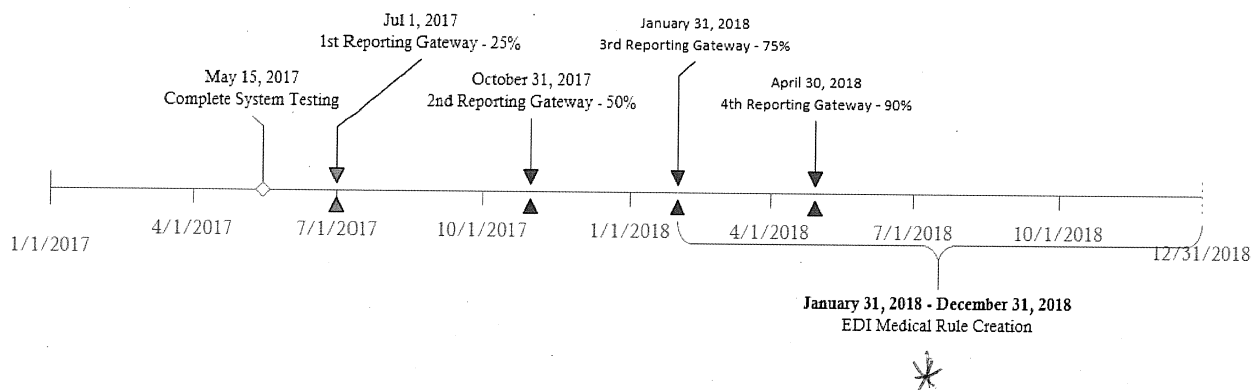
Registration

The team is making efforts to finalize the registration of trading partners. Over 90% of trading partners are registered.

Registered : 342
Not Registered: 13
Total Self Insured Employers: 355

Multiple outreach efforts have occurred to help facilitate the finalization of the registration. The most recent effort involved calling each non-registered SIE. The team is currently evaluating the results of the calls to determine the best strategy to finalize the registration of SIEs.

Testing

The team's focus is on the successful completion of trading partner testing to facilitate the quick transition to production. The team has worked to simplify the test scenarios language. Each trading partner has to complete two phases of testing.

Test Phase 1 confirms the ability of the trading partner to transmit all data elements on various bill types. Test efforts include submitting test bills to perform actions commonly associated with payment. Actions include establishing the original bill, cancellation, resubmission, and corrections.

Test Phase 2 checks key data elements to ensure matches in L&I's claim system. Match data elements include the L&I claim number referred to as the Jurisdictional Claim Number (JCN), Insurer Federal Employment Insurance Number (FEIN) at the parent company level, and claimant dates of injury and birth.

July 1, 2017 was set as a target date for submittal of medical bill data in production. The team is currently working to confirm phase 1 and 2 testing outcomes by Trading Partners; resulting often in problem solving testing errors. Many changes have been made to the requirements, testing scenarios, and descriptions in order to better facilitate successful testing and moves to production. L&I, in coordination with the Trading Partners and the Third Party Vendor, have helped find IAIABC errors and get those corrected.

Over 75% of SIEs (265 of the 355) are testing with 10 Trading Partners.

Production

Trading partners have actively worked to meet the voluntary July 1, 2017 target date. The team is very close to meeting the first Reporting gateway at 25%. Six trading partners have been approved and moved into production.

2. Next Steps
Implementing Medical Bill EDI

The team is working to ensure employers or their vendors register, test, and move into production. Over the next month, key activities include:
- Reviewing non-registered SIEs call outcomes, deciding and implementing next steps
- Keeping timely with Trading Partner registrations, both new and changes to existing ones
- Performing outreach to registered SIES and trading partners to assist them with testing efforts
- Evaluating testing results and considering Trading Partner input to make needed changes that assist with the testing process
- Working with Health Services Analysis at L&I to craft communication to medical providers about Medical Bill EDI

- Developing FAQs for clarity on questions brought to our attention that flag the need for broader communication

Title: Medical EDI SAE / Trading Partners / Vendors in Production as of 7/6/17

SENDER	Company Type	Status
Gallagher Bassett Services	Third Party Administrator	APPROVED FOR PROD
Sierra Pacific Industries	Self Insurer	APPROVED FOR PROD
MEDATA, INC	Medical Bill Review Company	APPROVED FOR PROD
ACS - CompIQ	Medical Bill Review Company	APPROVED FOR PROD
Mitchell International	Medical Bill Review Company	APPROVED FOR PROD
Express Scripts Inc	Medical Bill Review Company	APPROVED FOR PROD

Work Item	Target	June	July	August	September	October	November	December	January	February	March	April	May	June2
Allowance														
In (Newly Received)		479	119	145	171	164	68	143	222	531	829	706	736	743
Out (Completed During Month)		678	275	225	563	704	500	987	1149	972	1190	708	770	748
Completed within 30 days		658	217	74	106	268	68	122	305	804	1160	692	762	731
Issued within 30 days percentage	98%	97%	79%	33%	19%	38%	14%	12%	27%	83%	97%	98%	99%	98%
Average days to complete		15	20	36	45	42	60	57	38	22	9	7	6	5
Pending		24	12	279	245	27	97	302	86	183	70	25	28	20
Denial														
In (Newly Received)		479	323	410	373	381	374	366	394	427	552	416	396	420
Out (Completed During Month)		473	379	365	364	575	407	353	442	480	567	401	426	413
Completed within 30 days		450	333	348	334	479	389	340	421	473	555	397	418	402
Issued within 30 days percentage	98%	95%	88%	95%	92%	83%	96%	96%	96%	99%	98%	99%	98%	97%
Average days to complete		11	15	12	13	17	10	10	12	8	8	6	7	7
Pending		75	80	168	182	61	50	99	75	78	73	63	34	65
Closure PPD														
In (Newly Received)		258	187	238	194	185	191	196	216	230	272	215	215	263
Out (Completed During Month)		298	235	232	285	221	219	219	243	238	323	256	245	212
Completed within 60 days		273	211	218	253	187	198	200	221	227	291	240	235	195
Issued within 60 days percentage	90%	92%	90%	94%	89%	85%	90%	91%	91%	95%	90%	94%	96%	92%
Average days to complete		26	31	22	30	29	27	26	29	22	25	22	20	22
Pending		192	169	200	132	128	132	149	176	199	146	128	142	193
Closure TC/NC														
In (Newly Received)		636	409	487	435	443	471	458	543	602	650	561	645	680
Out (Completed During Month)		624	615	499	596	629	618	587	765	618	868	729	628	703
Completed within 60 days		537	502	437	486	508	545	487	573	512	721	646	549	602
Issued within 60 days percentage	90%	86%	82%	88%	82%	81%	88%	83%	75%	83%	83%	89%	87%	86%
Average days to complete		36	38	40	41	43	37	40	48	34	34	30	30	33
Pending		694	556	607	565	521	612	752	637	763	600	539	641	642
Protest														
In (Newly Received)		347	314	298	303	308	311	261	286	279	360	271	339	256
Out (Completed During Month)		334	342	362	371	315	302	335	354	314	353	316	327	361
Completed within 90 days		293	285	293	331	277	251	294	300	270	309	285	287	324
Issued within 90 days percentage	90%	88%	83%	81%	89%	88%	83%	88%	85%	86%	87%	90%	88%	90%
Average days to complete		50	62	57	51	48	49	50	53	52	50	49	45	48
Pending		524	542	490	461	493	509	491	468	435	464	448	504	444
Wage														
In (Newly Received)		798	543	651	627	648	681	598	675	683	936	909	974	829
Out (Completed During Month)		861	628	648	791	826	679	814	1394	1007	1154	1130	868	896
Completed within 60 days		767	578	551	675	624	414	526	945	850	1065	1021	807	835
Issued within 60 days percentage	70%	89%	92%	85%	85%	76%	61%	65%	68%	84%	92%	90%	93%	93%
Average days to complete		31	32	39	38	43	50	50	50	34	26	24	20	22
Pending		724	661	803	790	816	1095	1259	756	767	672	464	607	569