

## N E W S   R E L E A S E

**News Release No.:** 2016-82

**Date:** August 26, 2016

### **DWC Provides Status Report on Drug Formulary, Updates to Medical Treatment Guidelines**

**Oakland**—The Department of Industrial Relations’ Division of Workers’ Compensation (DIR/DWC) is on target to implement a workers’ compensation drug formulary by July of next year as required by Assembly Bill 1124. DWC is also updating its medical guidelines to align with the formulary and provide the best evidence-based care for injured workers while reducing delays in their treatment and administrative burden.

“The drug formulary will help guide medical providers in the best treatment for specific conditions,” said DIR Director Christine Baker. “And using preferred drugs will also help control costs.”

The drug formulary is expected to reduce the need for utilization review (UR) and independent medical review (IMR), processes which consider necessity of proposed treatment. The foundation for the drug formulary is the evidence-based content of Reed Group’s American College of Occupational and Environmental Medicine (ACOEM) formulary. DWC has drafted rules and criteria for the application of the formulary and use of the preferred drug list. DWC has posted draft formulary regulation text on the [DWC Forums](#) for public review and will accept comments until 5 p.m. on Friday, September 16.

The Division contracted with RAND to conduct a [review and analysis](#) of existing drug formularies, and to make recommendations for California.

The formulary is most effective when used in conjunction with evidence-based treatment recommendations for the patient’s condition and phase of care. As a result, DWC is also updating the guidelines in its medical treatment utilization schedule to integrate the guidelines and drug formulary portions of the [MTUS](#). These updated guidelines on numerous clinical topics, have been posted on the DWC [forum](#) for review and comment.

“Many treatment guidelines have been updated and we want to reflect the most recent evidence in the MTUS,” said DWC Executive Medical Director Dr. Raymond Meister. “The updates will facilitate the best evidence-based care, while the formulary will provide a clear list of preferred medications.

The following chapters have been posted on the [forum](#):

- Ankle and Foot
- Cervical and Thoracic Spine
- Elbow Disorders
- Eye
- Hand, Wrist, and Forearm
- Hip and Groin
- Knee Disorders
- Low Back Disorders
- Shoulder Disorders

The ACOEM Guidelines are published by Reed Group and are available electronically through [MDGuidelines](#). Grounded in transparent, evidence-based methodology, the ACOEM chapters provide guidance in effective treatment of occupational injuries and illnesses and are intended to help improve or restore the health of those workers who incur occupationally related illnesses or injuries.

The introduction of a preferred drug formulary using evidence-based medical guidelines is expected to reduce usage of opioids. According to analysis conducted in May by the California Workers' Compensation Institute, opioid prescriptions accounted for 27.2% of prescriptions and 24.4% of spending in 2014, the latest data available.

[Assembly Bill 1124](#) (Statutes 2015, Chapter 525) requires DWC adopt the formulary in consultation with the Commission on Health and Safety and Workers' Compensation, and that DWC's administrative director meet and consult with stakeholders. DWC held a public meeting in Oakland on February 17. The legislation further requires posting of a minimum of two interim reports describing the status of the formulary's creation. The drug formulary must be adopted by July 1, 2017, and must be consistent with California's Medical Treatment Utilization Schedule (MTUS), for medications prescribed in the workers' compensation system.

[The Division of Workers' Compensation](#) (DWC) monitors the administration of workers' compensation claims, and provides administrative and judicial services to assist in resolving disputes that arise in connection with claims for workers' compensation benefits.

DWC's [Information and Assistance Unit](#), often the first DWC contact for injured workers, also provides assistance in English and [Spanish](#) to employers, labor unions, insurance carriers, physicians, attorneys and other interested parties regarding rights, benefits and obligations under California's workers' compensation laws.

Members of the press may contact Erika Monterroza or Peter Melton at (510) 286-1161, and are encouraged to [subscribe to get email alerts](#) on DIR's press releases, DWC newswire updates, or other departmental notifications.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.