



NEWS RELEASE

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New Report on Independent Medical Review Shows Progress, Improvements

The Department of Industrial Relations (DIR) and its Division of Workers' Compensation (DWC) posted a progress report today on the department's continuing implementation of Independent Medical Review (IMR). IMR is the medical dispute resolution process that uses medical expertise to obtain consistent, evidence-based decisions and is one of the most important components of Senate Bill 863, Governor Brown's landmark 2012 workers' compensation reform.

"Independent Medical Review replaced a broken system where injured workers had to wait months for medical treatment while disputes over their care were litigated in court," said California Labor and Workforce Development Agency Secretary David M. Lanier. "It's encouraging to see the marked improvements in the timeliness of IMR decisions as a result of the state's ongoing efforts to improve the system."

The <u>2016 Independent Medical Review (IMR) Report</u> charts the progress of IMR following its successful implementation in July 2013. In the second and third year of IMR, DIR and DWC took steps to reduce the average number of days to complete IMRs (from 56 days in late 2014 to 10 days by mid-2015), made enhancements to the program, and began to collect and analyze data to improve evidence-based medical decisions and outcomes for injured workers.

"The report shows IMR is working as intended," said Christine Baker, Director of the Department of Industrial Relations (DIR). "There is an effective process to support appropriate care and stop inappropriate care. The data is showing where further improvements are needed, particularly regarding medical treatment guidelines and education, and we will continue to make adjustments."

Highlights of the report include the following:

System improvements: Working with IMR vendor Maximus, DIR has prioritized electronic filing of medical records, which led to faster resolutions of cases being reviewed and decided. Refinements in the data reporting also helped track disputed

issues. DWC created a <u>searchable database</u> where it posts IMR decisions on its website. IMR application fees were reduced for cases that contain only pharmacy-related issues.

Who files for IMR: More than a quarter of IMR cases are filed in Los Angeles, with the Bay Area second with about 20 percent of the state total. Most injured workers with an IMR case are represented by an attorney. Ratios of case outcomes were almost identical for represented and unrepresented injured workers, with more than 80 percent of items and services deemed medically unnecessary by utilization review decision being upheld by IMR reviewers. The rate of treatment disputes overturned is between 9 and 11 percent.

What is in dispute: Pharmaceuticals were the most common treatment category in dispute (49 percent in 2015), with requests for rehabilitation services a distant second. The most requested drugs were opioids.

Further refinements: DWC is revising the IMR regulations to require electronic filing of applications and medical records, which will ensure the timeliness of decisions. The division has also launched an <u>online physician continuing education course</u> to improve understanding of the medical treatment utilization schedule (<u>MTUS</u>) and the IMR and utilization review (UR) processes.

"We continue to evaluate IMR decisions to ensure optimal care for patients, particularly with opioids," said DWC Executive Medical Director Dr. Raymond Meister. "Helping physicians understand and follow the MTUS will improve results for injured workers."

Employees with work-related questions or complaints may contact DIR's Call Center in English or Spanish at 844-LABOR-DIR (844-522-6734). The California Workers' Information line at 866-924-9757 also offers recorded information in English and Spanish on a variety of work-related topics.

Members of the press may contact Erika Monterroza or Peter Melton at (510) 286-1161, and are encouraged to <u>subscribe to email alerts</u> on DIR's press releases or other departmental updates.

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The <u>California Department of Industrial Relations</u>, 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 <u>Labor & Workforce Development Agency</u>. For general inquiries, contact DIR's Communications

Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate <u>division or program</u> in our department.