

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 0 - 1
Yeas:	Conger, Esquivel, Hoyle, Johnson, Matthews, Kennemer, Schaufler
Nays:	0
Exc.:	Doherty
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	2/14, 3/4

WHAT THE MEASURE DOES: Limits the services of managed care services for injured workers to certified managed care organizations. Authorizes imposition of sanctions that include a civil penalty for violations. Allows for the issuance of cease and desist orders for repeated or willful violations.

ISSUES DISCUSSED:

- Whether an injured worker's first practitioner must be certified by a managed care organization
- Guidelines when a worker wishes to bring along a practitioner into a MCO for treatment
- Approval of the amended measure by the Management-Labor Advisory Committee (MLAC)

EFFECT OF COMMITTEE AMENDMENT: Clarifies that a managed care provider can require preauthorization or precertification to determine the medical necessity of medical services or treatment. Clarifies that certain provisions of the measure do not apply to a medical service provider who refers a worker to another medical provider, the use of an onsite medical facility to assess a worker's injury, or the treatment or transportation provided in an emergency or trauma situation. Removes a provision that required the Department of Consumer and Business Services to impose a separate civil penalty for each day a violation occurs.

BACKGROUND: Managed care organizations (MCOs) contract with workers' compensation insurers and self-insured employers to provide specified health care services to enrolled workers. An MCO must be certified by the Department of Consumer and Business Services (DCBS) and meet strict standards, such as providing a process for dispute resolution for injured workers and physicians and demonstrating that it has a credentialing process for panel physicians.

House Bill 2093-A was drafted in response to complaints about organizations that are not MCOs directing injured workers' care by not allowing them to choose their own physicians and by interfering with and delaying medical treatment. Under current law, the Department is currently allowed to regulate and penalize only certified MCOs. The measure allows DCBS to take administrative action against of non-certified organizations by imposing civil penalties and issuing cease and desist orders, and establishes an appeals process for the person or company in question.

House Bill 2093-A also establishes the ability for a certified MCO to restrict the choice of a health care or medical service provider by a worker, a worker's access to any category of medical providers, and the ability of a medical service provider to refer a worker to another provider. The measure requires preauthorization or precertification to determine the necessity of medical services or treatment or to restrict treatment provided to a worker by a medical service provider to specific treatment guidelines, protocols, or standards.