



BULLETIN

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Updated figures on California workers' compensation independent medical review (IMR) decisions continue to show about 90 percent of disputed medical service requests reviewed by an IMR physician agree with the utilization review (UR) determination that the service is not medically necessary, yet the volume of IMR requests has not tapered off, with close to 300,000 service requests – half of which were for prescription drugs – undergoing IMR last year.

To measure IMR outcomes, the study's author compiled data from all 163,826 IMR final determination letters issued in 2015 by physician reviewers who conducted IMRs in response to denials or modifications of medical services requested for injured workers. That data was used to examine changes in the volume, timeliness and geographic distribution of IMRs; determine the number, mix and uphold rates for medical services that were reviewed; note the distribution and outcomes of pharmaceutical IMRs by drug type; and measure the percentage of 2015 IMRs associated with the top 10 percent of medical providers with the highest volume of disputed medical service requests.

The study showed an overall increase of 19 percent in IMR volume between 2014 and 2015, although the monthly volume of decision letters varied last year, fluctuating sharply in the first half of the year before leveling off in the third and fourth quarters, averaging 13,500 letters per month from July through December. As in 2014, about 40 percent of the letters included decisions on multiple medical service requests, so the 163,826 letters contained decisions on 294,458 individual services that were independently reviewed after being modified or denied by a utilization review (UR) physician. Once again, requests for prescription drugs were by far the most common type of service sent through IMR, even though nearly 90 percent of the drug requests were still deemed medically unnecessary by the IMR physician. The breakdown of the 2015 IMRs by the type of service requested and the percentage of UR modifications or denials that were upheld are noted below.

2015 California Workers' Comp IMR Distribution & Uphold Rates by Medical Service Category

Type of Service Requested	% of Service Requests	% Upheld
Pharmaceuticals	49.6%	89.7%
Physical Therapy	8.7%	92.5%
DME, Prosthetics, Orthotics and Supplies	7.8%	90.2%
Injections	5.9%	87.1%
Surgery	4.2%	86.9%
MRI/CT/PET	4.2%	86.5%
Diagnostic Tests/Measurements	3.9%	85.6%
Laboratory Services	3.3%	85.3%
Acupuncture	2.2%	91.5%
Chiropractic Manipulation	1.8%	90.8%
Psych Services	1.7%	79.5%
Evaluation and Management	1.5%	68.2%
Other	5.3%	85.9%
Grand Total	100.0%	88.6%

The analysis on 2015 pharmaceutical IMRs shows that requests for opioid painkillers remained the number one type of drug submitted for IMR, accounting for 27 percent of the IMR decisions rendered last year, though UR decisions to modify or deny opioid requests were upheld 88 percent of the time. Compounded drug and musculoskeletal therapy drugs each accounted for 11 percent of the 2015 IMR decisions, with the UR modification or rejection of the compounded drug requests upheld 98 percent of the time, while the UR physician's decision on the musculoskeletal drug requests were upheld by IMR more than 95 percent of the time. On the flip side, requests for antidepressants, often used in occupational medicine to treat neuropathic pain, had the highest overturn rate, with IMR physicians overturning the UR decision and allowing the payments for those prescriptions in more than a quarter of those cases.

After Maximus, the state's designated IMR organization, receives an IMR request, it confirms the eligibility of the application; requests, receives and processes the medical records; and assigns an IMR physician who reviews the UR determination, the physician's reports and any other information noted in the request or in the UR decision, then consults the treatment guidelines in the Medical Treatment Utilization Schedule or other applicable guidelines to determine if the requested service is medically necessary based on the clinical evidence. Within 30 days of receiving the medical records, Maximus must issue a decision letter to the injured worker or their representative explaining their decision and the rationale behind it. Last year, the median time elapsed between the IMR application and the date of determination letter fell sharply from the 2014 levels, most notably in the last half of the year, when the median ranged between 41 and 49 days – well below the high point in the second quarter of 2014, when the median response time ranged between 161 to 165 days.

ZIP code information from the addresses on the IMR decision letters showed that 36 percent of the letters went to Los Angeles County, which was a disproportionately high share given that this region only accounted for 22 percent of all claims in the state, though the IMR uphold rate in Los Angeles was nearly 91 percent – the highest in the state. The Bay Area accounted for 20 percent of the IMR decisions in 2015, which was slightly higher than expected given that 17 percent of the claims came from this region, while the volume of IMR decisions relative to the percentage of claims was disproportionately low in the Valleys, the Inland Empire/Orange County, San Diego and the North and Sierra counties. In addition, the regional analysis found very little variation in the uphold rates in various parts of the state, which ranged from just below 86 percent in San Diego to 90.6 percent in Los Angeles County.

As in the Institute's prior analysis of IMR outcomes, the 2015 results show that a small number of physicians continue to drive a high percentage of the IMR requests, with the top 1 percent of requesting physicians accounting for 46 percent of the disputed medical services requests that went through IMR last year, while the top 10 individual physicians who were named in the most IMR decisions accounted for 12 percent of the disputed service requests. Of the 1,276 requesting physicians who comprised the top 10 percent, 83 percent (1,053 individuals) were also in the top 10 percent of requesting physicians in 2014. Similarly, 7 of the 10 individual medical providers with the highest number of IMR requests in 2014 were still on the top 10 list in 2015.

CWCI has published the full results of its current study in a Spotlight Report, "Independent Medical Review Decisions, January – December 2015," which is available to CWCI members and subscribers in the Research section of the Institute's website at www.cwci.org. Others may purchase the report for \$24 from the Institute's online store at www.cwci.store.

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