



BULLETIN

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The volume of Independent Medical Review (IMR) decision letters and the number of treatment decisions covered by those letters showed little change between the first quarter of 2017 and the first quarter of 2018, and IMR physicians continued to uphold about 91percent of the disputed utilization review (UR) decisions according to CWCI's latest review. A majority (57 percent) of the first quarter 2018 IMR decisions involved UR modifications or denials that occurred in 2017 so they were not affected by the drug formulary or changes in UR regulations that took effect in January 2018.

When Governor Brown signed SB 863 in 2012, one of the key reforms called for the adoption of IMR to take the medical dispute resolution process out of the hands of judges and into the hands of physicians. When a utilization review (UR) physician modifies or denies a requested medical service for an injured worker and the worker disputes the decision, IMR allows them to have an independent physician reviewer examine their medical records and other submitted evidence, then either uphold or overturn the UR decision. The evidence-based Medical Treatment Utilization Schedule (MTUS) adopted by the Division of Workers' Compensation (DWC) provides the treating and reviewing providers with guidelines for effective medical care, serving as a check against unnecessary and potentially harmful tests, surgeries, drugs, and procedures. Upon completion of an IMR, the independent medical review organization contracted by the DWC to manage the process (Maximus Federal Services) sends a determination letter to the injured worker or their representative.

Following passage of SB 863 in 2012 and the subsequent adoption of IMR regulations, the first independent medical reviews began in 2013. In 2014, CWCI began to track the volume of decision letters and the total number and type of treatment decisions contained in those letters, as well as the outcomes of these decisions. In March of this year, a CWCI analysis of all 2017 IMR decision letters showed the first annual declines in the number of letters and the number of determinations on primary medical service requests in the 5-year history of IMR, with the volume of letters falling 2.2 percent to 172,194, and the number of treatment decisions falling 1.2 percent to 310,415.

The latest review provides an initial look at 2018 IMR experience by comparing data from IMR decision letters issued from January through March of this year to first quarter results from 2015, 2016, and 2017. As noted below, after increasing sharply between the first quarter of 2015 and the first quarter of 2016, the number of IMR decision letters and primary services reviewed in the first three months of each year has stabilized, varying less than 1 percent between 2016, 2017, and 2018. In the first quarter of this year, Maximus sent 42,966 decision letters, but, as in the past, about 40 percent of those included decisions on multiple medical service requests, so altogether the letters issued in the first quarter covered 78,439 primary service requests. IMR uphold rates showed a similar pattern over the past four years, climbing from 88.4 percent in 2015 to 91.2 percent in 2016, holding steady in 2017, and then edging down slightly to 90.6 percent in the first three months of this year.

As has consistently been the case, pharmaceutical requests remain the most common type of medical service submitted for IMR, representing 46.2 percent of the first quarter decisions, almost the same as the 46.0 percent share noted in 2017. Physical therapy requests ranked second and, as in 2017, they accounted for just over 10 percent of the first quarter 2018 IMR decisions; followed by injections (8.1 percent); durable medical equipment, prosthetics, orthotics, and supplies (7.3 percent); and MRIs, CT and PET scans (4.3 percent).

**Volume of 1Q IMR Letters and Decisions
2015 to 2018**



As in 2016, and 2017, surgery requests again accounted for less than 4 percent of the IMRs, representing 3.5 percent of the decisions rendered in the first three months of this year. While the overall uphold rate for UR modifications or denials of service was 90.6 percent for all first quarter IMRs, uphold rates varied by service type, ranging from 79.2 percent for psychiatric service requests to 93.4 percent for acupuncture requests.

IMR Distribution & Uphold Rates by Medical Service Category and Decision Year						
Type of Service Requested	% of Service Requests			% Upheld		
	2016	2017	2018-Q1	2016	2017	2018-Q1
Pharmaceuticals	47.9%	46.0%	46.2%	92.6%	92.0%	91.3%
Physical Therapy	9.3%	10.2%	10.1%	93.4%	94.0%	93.1%
Injections	7.3%	7.9%	8.1%	89.4%	89.5%	90.0%
DME, Prosthetics, Orthotics & Supplies	7.3%	7.1%	7.3%	91.7%	92.2%	91.2%
MRI/CT/PET Scan	4.4%	4.4%	4.3%	88.6%	89.3%	89.1%
Surgery	3.6%	3.8%	3.5%	89.0%	91.2%	92.1%
Diagnostic Tests/Measurements	3.5%	3.2%	3.3%	91.4%	91.4%	90.7%
Laboratory Services	3.2%	3.0%	2.7%	88.9%	86.6%	85.8%
Acupuncture	2.2%	2.4%	2.6%	93.6%	93.9%	93.4%
Chiropractic Manipulation	1.6%	1.6%	1.7%	91.9%	93.8%	92.1%
Psych Services	1.7%	1.6%	1.6%	83.3%	82.7%	79.2%
Evaluation and Management	1.7%	1.6%	1.5%	78.9%	79.0%	81.6%
Other	6.4%	7.2%	7.1%	88.2%	88.6%	88.0%
Grand Total	100.0%	100.0%	100.0%	91.2%	91.2%	90.6%

Among the various types of drug requests that underwent IMR in the first quarter of 2018, opioids remained at the top of the list, representing 31.0 percent of the disputed drug requests for which decisions were rendered – up slightly from 29.1 percent in 2017, even though the uphold rate for the UR denials and modifications of the opioid requests edged up from 90.3 percent to 91.1 percent over the same time frame. Musculoskeletal therapy drugs ranked second, with 13.7 percent of the prescription drug IMR volume in the first quarter, followed by dermatologicals (10.8 percent), anti-inflammatories (9.0 percent), and anticonvulsants (7.0 percent). The overall uphold rate for all prescription drug requests that underwent IMR in the first three months of this year was 91.3 percent, but varied by drug category, ranging from 80.6 percent for antidepressants to 98.0 percent for compounded drugs. The high uphold rate for compounded drug denials and modifications may be having an impact as disputes over compounded drug requests fell to just 2.1 percent of the prescription drug IMRs in the first quarter of 2018, down from 4.2 percent in 2017 and down from 8.1 percent in 2015.

IMR letters include the names of the medical providers who requested the disputed medical services, and a review of those names showed that as in the past, a small number of medical providers continue to account for a disproportionate share of the disputed medical service requests that undergo IMR. The 10 doctors with the highest number of treatment requests submitted for IMR in the first quarter were named in 8,341 medical service determinations – 10.6 percent of the total – even though the UR modifications or denials of the requests submitted by those physicians were upheld by IMR 90.7 percent of the time. A review of IMR letters sent from April 2017 through March 2018 also underscores that a small number of medical providers continue to account for a very high proportion of the disputed service requests submitted for IMR, as the top 1 percent of requesting physicians listed in IMR letters during that 12-month span (117 providers) accounted for 44 percent of the disputed service requests during the period, while the top 10 percent (1,169 providers) accounted for 85 percent of the disputed requests. In addition, many of the highest-volume providers were also associated with a high number of IMR requests in the past, as 8 of the top 10 individual doctors with the highest volume of treatment requests submitted for IMR in the first quarter of 2018 were also on the top 10 list from 2017.

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