



ODG Adoption

Responses to the Industrial Commission of Arizona

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BACKGROUND

The Industrial Commission of Arizona is considering expanding the use of the Work Loss Data Institute's (now a wholly-owned subsidiary of MCG Health, LLC) *Official Disability Guidelines* (ODG) for treating injured workers within the state's workers' compensation system. Arizona currently uses the ODG for the management of chronic pain and opioids. The expanded use of the ODG would encompass all applicable medical treatment decisions of injured Arizona workers.

The Industrial Commission seeks to answer the following questions prior to implementing a change:

- 1) Will adoption of the *Official Disability Guidelines* improve medical treatment for injured workers?
- 2) Do the *Official Disability Guidelines* adequately cover the body parts or conditions encountered in the Arizona workers' compensation system?
- 3) Will adoption of the *Official Disability Guidelines* make treatment and claims processing more efficient and cost effective?

Answers from MCG

Below please find answers to these questions with substantiation from MCG Health (www.mcg.com), of the Hearst Health Network. MCG owns, authors, and publishes the ODG product line.

1) Will adoption of ODG improve medical treatment for injured workers?

Adopting ODG will ensure medical care provided in the Arizona workers' compensation system is largely consistent with the evidence-based guidelines published in ODG.

"Improved" medical treatment can be measured objectively three ways. In each case, adoption of ODG has improved these metrics in ODG-mandated states.

a. Treatment delay (amount of time between date of injury and treatment)

Medical treatment delays are unquestionably a detriment to timely and successful recovery for injured workers, providers, and payers in the workers' compensation system.

ODG is designed to minimize treatment delays by serving as the adopted health policy guideline for the state, ensuring providers know in advance which treatments will be approved without prior





authorization, allowing them to treat quickly according to evidence-based guidelines.

ODG has proven successful at this. For example, in Ohio where ODG has been mandated since 2003, these statistics are closely monitored, and the average reduction was 58%. See Table 1.0¹ below-

Table 1.0: <i>Interval between DOI and Initial Treatment for Diagnostic Testing, Therapy and Surgery, pre- vs post-ODG adoption in Ohio, as measure by CompManagement, Inc.</i>					
ICD-9	CPT code billed	CPT description	Pre-ODG Claims Avg interval (days) between DOI and Initial Treatment	Post-ODG Claims Avg interval (days) between DOI and Initial Treatment	Reduction
354.0	95860	EMG	101	54	-47%
	97003	OT Evaluation	251	58	-77%
	29848	Carpal Tunnel Release	252	148	-41%
722.0	72141	Cervical MRI	107	48	-55%
	97001	PT Evaluation	85	28	-67%
722.1	72148	Lumbar MRI	54	34	-37%
	97001	PT Evaluation	127	22	-83%
	63030	Lumbar Discectomy	193	90	-53%
726.32	97001	PT Evaluation	53	45	-15%
	98943	Extraspinal Manipulation	379	68	-82%
	73221	MRI Upper Extremity	87	36	-59%
726.2	97001	PT Evaluation	74	70	-5%
	29826	Shoulder Arthroscopy	261	138	-47%
	73221	MRI Upper Extremity	111	34	-69%
726.1	97001	PT Evaluation	104	40	-62%
	29826	Shoulder Arthroscopy	250	174	-30%
	97001	PT Evaluation	71	35	-51%
	73221	MRI Upper Extremity	142	54	-62%
840.0	29826	Shoulder Arthroscopy	410	114	-72%
	97001	PT Evaluation	88	32	-64%
	29881	Knee Arthroscopy	131	81	-38%
836.0	97001	PT Evaluation	95	48	-49%
	73221	MRI Upper Extremity	66	15	-77%
840.6	29826	Shoulder Arthroscopy	152	85	-44%

¹ Jacobs, Debra. *ODG - Diagnosis Related Authorization Program*. CompManagement, Inc (2005).





	73221	MRI Upper Extremity	109	38	-65%
840.9	98943	Extraspinal Manipulation	99	9	-91%
	97001	PT Evaluation	43	20	-53%
	73721	MRI Lower Extremity	69	34	-51%
844.9	98943	Extraspinal Manipulation	62	44	-29%
	73721	MRI Ankle	105	43	-59%
845.0	98943	Extraspinal Manipulation	75	27	-64%
	72148	Lumbar MRI	118	53	-55%
846.0	97001	PT Evaluation	42	23	-45%
	98940	Spinal Manipulation	45	23	-49%
	72141	Cervical MRI	130	51	-61%
847.0	97001	PT Evaluation	52	27	-48%
	98940	Spinal Manipulation	34	17	-50%
	72146	Thoracic MRI	180	65	-64%
847.1	97001	PT Evaluation	39	23	-41%
	98940	Spinal Manipulation	38	6	-84%
	72148	Lumbar MRI	110	49	-55%
847.2	98940	Spinal Manipulation	47	25	-47%
		Average Reduction		58.05%	

A good workers' comp system is not one where providers need to undergo a burdensome approval process for every office visit, diagnostic test, physical therapy session or spinal manipulation.

By providing comprehensive, multidisciplinary guidance with auto-authorization, ODG makes it easy for providers to accept patients, treat quickly and practice according to their specialties.

b. Access to care (as measured by providers willing to accept workers' comp patients, and medical denial rates)

In ODG-adopted states, there has been an increase in participation of medical providers in the workers' compensation systems, thereby increasing access to care for injured workers. For example, where this is closely monitored using workers' compensation billing data in Texas, following ODG adoption, there are 42% more providers accepting workers' comp patients per injury claim.

As reported in the Insurance Journal² in 2010, Texas Workers' Comp Commissioner Rod Bordelon, comments, "Access to care has also improved. This is something that seems to surprise some people

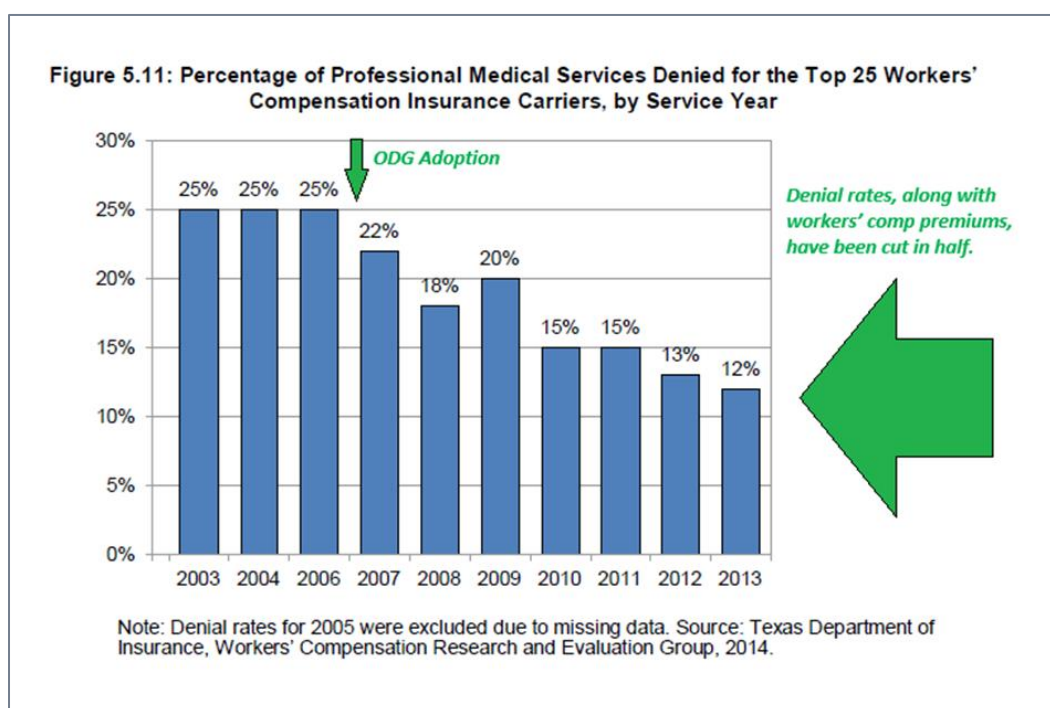
² Jones, Stephanie. Texas Work Comp Commissioner: System Improvements Are Working. Insurance Journal (2010).





but the numbers that we have seen based on billing data and billing records, access to care has improved as measured by the average number of claims treated per physicians.”

With an uptick in the number of physicians treating patients in the workers’ comp system, Bordelon noted that it’s “easier to find a doctor in the workers’ compensation system today than it was prior to reforms” — 22.1 claims per physician pre-ODG versus 15.6 claims per physician post-ODG. This represents an increase of 42% in access to medical care. Perhaps explaining the influx of physicians into the state’s workers’ comp system, medical denial rates have been cut in half³ since ODG adoption, from one in every four treatments, to one in every eight treatment requests.



By providing comprehensive, multidisciplinary guidance with auto-authorization, ODG makes it easy for providers to get timely approval and payment for services. Using ODG, they can minimize delays, disputes, denials, and friction, thus are more likely to accept workers’ comp patients.

³ An Analysis of the Impact of the 2005 Legislative Reforms on the Texas Workers’ Compensation System, Texas Department of Insurance (December 2014).

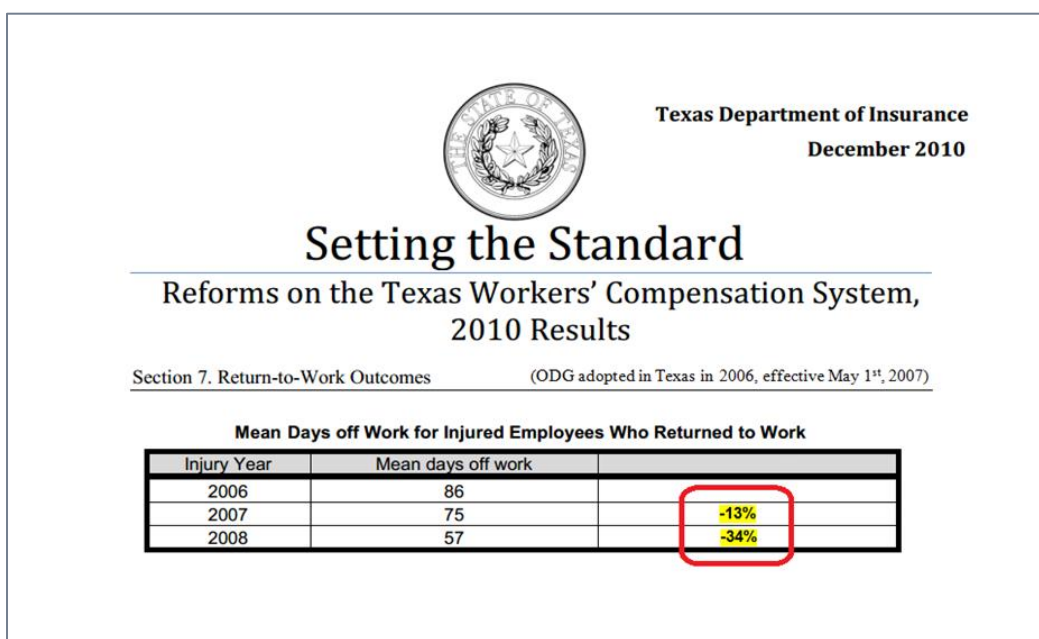




c. Health outcomes from care received (duration of disability and lost-time).

The best measure of successful healthcare outcomes is duration of disability. A well-functioning workers' compensation system expedites approval for quality care, so injured workers can recover pre-injury functional status in a timely manner, minimizing disruption to their lives and livelihoods.

ODG has been successful at reducing duration of disability and increasing return-to-work rates, for example, with a 30% reduction in median and 34% reduction in average disability duration in Texas-



Since ODG adoption in Tennessee, a report of Statewide Data for the Tennessee Workers' Compensation Advisory Council analyzed post-reform to pre-reform data and found:

- The median number of weeks of temporary total disability benefits dropped 65% from 38.5 to 13.4 weeks
- The median case duration, from injury to conclusion, dropped from 142 weeks to 52 weeks, more than 63%
- 77.8% of injured employees were able to return to their old jobs in 2016 as opposed to 51.9% for pre-reform cases, an increase of 50%





over 50% more workers
were able to return to their old jobs
following injury in 2016, as compared
to return-to-work rates pre-reform



Adopting ODG in Arizona will ensure medical care provided in the workers' compensation system is consistent with evidence-based medicine, and proven to improve medical treatment for injured workers, as measured by expedited access to quality care, with improved outcomes.

2) Does ODG adequately cover the body parts or conditions encountered in the Arizona workers' compensation system?

ODG is the most comprehensive and widely used workers' compensation treatment guideline in world, with coverage of over 99% of workers' compensation costs.

a. Topics Covered in ODG

ODG covers about 3,300 unique clinical evidence summaries labeled "Procedure Summaries" across all body part chapters. Each contains the following components, as applicable-





Anatomy of an ODG Procedure Summary

A. Recommendation Type

- Recommended (R), Conditionally Recommended (CR), Not Recommended (NR), or Under Study (US)

B. Recommendation Statement

C. See also (related topics)

D. ODG Criteria

- Patient selection, number of visits

E. Clinical Evidence Summary

F. Links into the References/Studies

The following is a list of chapters included, with category codes for all Procedure Summaries-

1. Ankle and Foot
2. Burns
3. Carpal Tunnel Syndrome
4. Diabetes
5. Elbow
6. Eye
7. Fitness for Duty
8. Forearm, Wrist, and Hand
9. Head
10. Hernia
11. Hip and Pelvis
12. Infectious Diseases
13. Knee and Leg
14. Low Back
15. Mental Illness and Stress
16. Neck and Upper Back
17. Pain
18. Pulmonary
19. Shoulder

Code	Treatment Category	Count
1	Complementary/Alternative Medicine	204
2	Diagnostic Testing	415
3	Electrical / Stimulators	273
4	Imaging	176
5	Implants	150
6	Injections	220
7	Medications	852
8	Physical Medicine	556
9	Orthotics	155
10	Psychological	192
11	Surgery	562
12	Other	829





In addition to the Procedure Summaries, the ODG UR Advisor uses claims analytics containing a database and query tool mapping CPT procedure codes to ICD diagnosis codes, with auto-authorization guidance for every combination of procedure to diagnosis in workers' comp, over 500,000 unique combinations. Links are provided into the Procedure Summaries to support decision-making, and normative recovery timeframes to facilitate return-to-work.

UR Advisor from ODG



EZ-Pass evidence-based medicine
Flag conditional care for review/referrals

Official Disability Guide: x
Secure | https://www.odg-twc.com

ODG Navigator
Toolbox: [Select...]

Search **Main Menu** **ICD Index** **CPT Index** **Help**

ODG Evidence-Based Decision Support
Training: [ODG: Good to Go!](#) (automated) or [Webinars](#) (live) - Join [Email List](#)

ODG UR Advisor™

ICD Codes: Search in: ☒ ICD10 database ☐ ICD9 database

CPT Codes:

☐ Add Claim ID and contact info (for printing/documentation?)

ICD Code	S33.5
ICD Name	Sprain of ligaments of lumbar spine
CPT Code	97545
CPT Name	Work hardening/conditioning; initial 2 hours
Incidence Rate	0.19 cases per 100,000 workers per year
CPT Frequency	0.06%
Visit 25th %	1
Visit 50th %	4
Visit 75th %	11
Visit Mean	8.76
Cost Mean	\$1,167.30
ODG Auto-Approval Visit	0
ODG Payment Flag	Red (Review)
Cost Per Visit	\$133.25

[Click here for Explanation of Rows.](#)

Procedure Summary

Chapter: Low Back **Topic:** [Work conditioning, work hardening](#) **Type:** Recommended (generally)

Recommendation Statement:
Recommended as an option, depending on the availability of quality programs, using the criteria below. The best way to get an injured worker back to work is with a modified duty RTW program (see ODG Capabilities & Activity Modifications for Restricted Work), rather than a work hardening/conditioning program, but when an employer cannot provide this, a work hardening program specific to the work goal may be helpful."

ODG Criteria:

Criteria for admission to a Work Hardening (WH) Program:

(1) **Prescription:** The program has been recommended by a physician or nurse case manager, and a prescription has been provided.

(2) **Screening Documentation:** Approval of the program should include evidence of a screening evaluation. This multidisciplinary examination should include the following components: (a) History including demographic information, date and description of injury, history of previous injury, diagnosis/diagnoses, work status before the injury, work status after the injury, history of treatment for the injury (including medications), history of previous injury, current employability, future employability, and time off work; (b) Review of systems including other non workrelated medical conditions; (c) Documentation of musculoskeletal, cardiovascular, vocational, motivational, behavioral, and cognitive status by a physician, chiropractor, or physical and/or occupational therapist (and/or assistants); (d) Diagnostic interview with a mental health provider; (e) Determination of safety issues and accommodation at the place of work injury. Screening should include adequate testing to determine if the patient has attitudinal and/or behavioral issues that are appropriately addressed in a multidisciplinary work hardening program. The testing should also be intensive enough to provide evidence that there are no psychosocial or significant pain behaviors that should be addressed in other types of programs, or will likely prevent successful participation and return to employment after completion of a work hardening program. Development of the patients program should reflect this assessment.

(3) **Job demands:** A workrelated musculoskeletal deficit has been identified with the addition of evidence of physical, functional, behavioral, and/or vocational deficits that preclude ability to safely achieve current job demands. These job demands are generally reported in the medium or higher demand level (i.e., not clerical/sedentary work). There should generally be evidence of a valid mismatch between documented, specific essential job tasks and the patients ability to perform these required tasks (as limited by the work injury and associated deficits).

(4) **Functional capacity evaluations (FCEs):** A valid FCE should be performed, administered and interpreted by a licensed medical professional. The results should indicate consistency with maximal effort, and

Close



3) Will adoption of ODG make treatment and claims processing more efficient and cost effective?

As noted (in 1 & 2), ODG expedites access to quality care, thereby improving medical treatment and reducing disability durations. Using a comprehensive, multidisciplinary, proven approach leveraging traditional evidence-based literature review with claims analytics and automation, ODG makes treatment and claims processing more efficient, and cost-effective. The byproduct is savings to the system, in form of reduced workers' comp premiums, and a more robust job market. For example-



Annual workers' comp premiums dropped 40% in North Dakota after ODG adoption in 2005



Annual workers' compensation premiums dropped 51% in Texas after ODG adoption in 2006



Annual workers' comp premiums dropped 64% in Oklahoma after ODG adoption in 2011



Annual workers' comp premiums dropped 36% in Tennessee after ODG adoption in 2015

The only way to achieve real and lasting cost-savings in workers' compensation is through the delivery of quality and timely care – the right treatments, for the right patients, at the right time – making it easier for doctors to do the right things using evidence-based medicine from ODG.

For more information, contact the ODG Helpdesk
ODG@worklossdata.com or 800-488-5548
Or visit the ODG website at: www.worklossdata.com

