



Texas Workers' Compensation Reform – Did You Know

The state of Texas enacted House Bill 7 (HB 7). HB 7 changed the Texas workers' compensation system in several ways. One of the most significant changes is to allow for the provision of medical care for injured employees through an approved "health care network."

A health care network (HCN) is a group of health care providers who have met certain criteria, and agreed to provide medical services using a common set of methods and protocols. The HCN is "certified" by the Texas Department of Insurance once it meets all of the requirements in the Workers' Compensation Health Care Network Act, Texas Insurance Code § 1305 (Act), and the rules promulgated to implement the Act. The HCN must be established by or operating under contract with an insurance carrier.

Did You Know? In January 2011, Texas eliminated PPO networks.

Texas law effectively eliminated any discounting of medical bills below fee schedule with PPO arrangements. In order to continue to receive discounts on medical bills, an employer must enroll in a HCN.

Did You Know? AIG HCN has many features.

Through AIG Texas HCN, your injured workers will have access to First Health's network of experienced and highly qualified doctors, and occupational health providers. These professionals, all who have met First Health's strict credentialing standards, are dedicated to the dual goals of maximizing medical improvement and returning injured workers to safe and productive employment. Some of the features of AIG Texas HCN include:

- Easy to use, 24/7 online access to provider network lists with maps and directions and frequent provider list updates
- Certified case managers who develop and implement return-to-work strategies and early return-to-work programs
- A utilization review program to ensure cost efficient and quality treatment for your employees
- Cost containment programs for diagnostics, home health, and durable medical equipment
- A pharmacy benefit management program
- A bill review system that has been updated to comply with HB 7

Did You Know? AIG Texas HCN early intervention strategies can help to control claim costs.

Early intervention can significantly impact the duration of disability and ultimately the claim costs. From the onset of the claim, our certified case managers work closely with employees, providers, claims professionals, and you, the employer, to coordinate and manage medical treatment and services. These medical case managers also facilitate the injured worker's reentry into the workforce safely and expeditiously which in turn may positively impact your future premium cost.

Did You Know? AIG Texas HCN will help educate your employees about the HCN.

To assist you in educating your employees about the HCN and encouraging its proper use, we will provide you with information which is to be distributed to your employees before the HCN is implemented at your workplace. This information will generally explain the HCN's process, answer some of the most frequently asked questions, and outline how to obtain further information or assistance, if needed.

Did You Know? AIG Texas HCN will assist with early return-to-work strategies.

Our pre-injury consultants can assist you in developing and implementing an early return-to-work (ERTW) program. They can also support you by evaluating your current ERTW program, and provide you with feedback and recommendations.

Did You Know? AIG Texas HCN's UR program uses evidence based guidelines.

Our utilization review (UR) program is certified by the state of Texas, nationally accredited by the Utilization Review Accreditation Committee (URAC), and led by a Texas licensed medical director and a team of over 20 physicians and chiropractors in active practice. As required by HB 7, our UR team, which also includes physical and occupational therapists, reviews requests for medical care, and makes medical necessity determinations in accordance with evidence based medicine guidelines to ensure that only reasonable, necessary, and cost efficient treatment is approved.

Did You Know? HB 7 offers small employers the opportunity of reimbursement for workplace modifications.

HB 7 allows non-governmental employers, who employ at least two but no more than 50 employees, to apply for reimbursement of up to \$2,500 annually for expenses incurred in making workplace modifications necessary to accommodate an injured worker's return to modified or alternate work. Applications may be obtained from the Division of Workers' Compensation.

AIG consistently has delivered medical management programs and services that give insureds access to quality medical services, successful early return-to-work programs and effective medical cost control processes. It is well positioned to meet the demands of HB 7. For more information, contact your account representative or e-mail us at mms@aig.com.

The information contained herein is presented for informational purposes only and should not be construed as legal advice or any guarantee of future outcomes. Compliance with any of the recommendations contained herein in no way guarantees the fulfillment of our obligations as may be required by any local, state or federal laws. You should consult with your legal professional regarding the applicability of these laws and regulations to your business operations. This paper may not be reproduced, distributed, or copied without the prior written consent of AIG.