

## **Medical Quality Initiative Proposal**

### **Executive Summary**

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The following proposal is offered in response to rising medical costs, stakeholder recommendations, recommendations from the Medical Advisory Committee and the lack of sufficient medical expertise readily available to WCD staff and the workers' compensation community. This proposal will encourage quality medical care for Oregon's injured workers; promote functional outcomes from medical treatment, including return-to-work; and reduce and simplify medical disputes.

Proposal specifics:

- I. Develop a certification program for primary medical care providers, with the following components:
  - Community partnerships
  - Broad based external advisory committee to structure and plan certification.
  - Training materials
  - Certification procedures
  - Criteria for maintaining, renewing, restricting or revoking certification
  - Incentives for certification via modifications to the medical fee schedule.
  
- II. Develop treatment guidelines, with the following components:
  - Community partnerships
  - Use medical experts, scientific evidence, consensus, and community standards.
  - Emphasize functional outcomes.
  - Guidelines will provide guidance to all stakeholders in providing and reviewing appropriate care for injured workers.
  - Guidelines are incorporated in training materials for certification.
  
- III. Hire a part-time Medical Director or Medical Advisor to
  - Increase medical expertise within WCD
  - Speed development of rules and standards via faster, in-house expertise
  - Increase credibility/acceptance of WCD medical policies and decisions with medical community and other stakeholders
  - Increase satisfaction and participation of volunteer doctors and providers in the system.
  
- IV. Implementation Plan, scope and boundaries
  - Hire a Medical Director and begin development of certification program and treatment guideline promulgation between now and June 30, 2005.
  - Complete and implement certification program by June 30, 2006.
  - Fully develop the first two treatment guidelines by June 30, 2006.
  - Complete development of initial guidelines and implement review and revision plan by June 30, 2009.

#### Costs:

- Contract costs for Medical Director (\$25,000 to \$50,000 a year?)
- WCD Staff required to manage and sustain projects
- Costs of recruiting and maintaining Medical Director position (travel, per diem, workspace, etc.)
- Costs incidental to task force meetings.

#### Benefits:

- Increased stakeholder satisfaction
- More doctors trained in occupational, outcome based medicine principles
- Improved partnerships between medical providers, insurers and employers in returning injured workers to work
- Enhanced overall management of claims
- Reduced need for IMEs
- Improved medical services to injured workers
- Better control of medical costs.
- Fewer and simpler disputes and lower litigation costs
- Increased credibility for WCD policies and positions.

#### Risks (mitigators)

- Lack of acceptance of treatment guidelines (Build partnerships, bring diverse interests and opinion leaders into process)
- Lack of acceptance or interest in certification (Build through partnerships, assess and include meaningful incentives)
- Inability to engage partners and opinion leaders (Active recruitment, strategic partnerships up front)
- Difficult to contract with a medical director who meets the needs of WCD and has the respect and confidence of stakeholder groups. (Careful recruitment and selection process.)

#### Conclusions:

- WC Medical costs are accelerating at rates greater than rate of inflation.
- Returning injured workers as quickly and completely as possible to pre-injury status, both medically and economically is an essential attribute of the Oregon system.
- Oregon needs to take action now in order to assure continuing quality while controlling system cost growth.

Obtaining a medical advisor, developing a physician certification program and developing advisory treatment guidelines will keep Oregon in the forefront of workers' compensation reform, help control accelerating medical costs, and assure high quality, effective medical treatment.

**Recommendation:** Adopt the attached proposal as written or modified.