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At the cost of quality-timely patient care for Texas workers, nationwide, prior attempts to control the cost of Workers' Compensation, medical, non-medical, and psychological services has resulted in fighting and bickering between health care providers and insurers. The adversarial, damaged relationships between health care providers and insurance companies resulted. The **failed** solution to the adversarial relationship has been increasing third party review with subsequent penalty to patient care and quality of patient care as well as denial of patient rights, escalating costs, counter-attacks by medical healthcare professionals (all allied health professionals) resulting in an upward spiral of escalating costs with a downward spiral of quality of patient care as well as catastrophic denial of patient needs.

Especially in Texas, there is a broad grouping of workers, because of culture and perhaps limited educational background, who are being taken advantage of by some healthcare providers, who are allowing patients to have continuation of "somatic concerns," "excessive somatic anxiety," and thoughts and beliefs that border on somatic delusion regarding injury. This results in excessive use of diagnostic testing, excessive patient visits, and excessive and in some cases unnecessary medical treatments, increasing costs, and at times when treatments may not indicated, a worsening of the patient's condition. This results in even greater costs, greater failure of treatment, and greater number of "extended care" patients who are willing to become disabled so as to incur disability benefits and overall raising the cost to the Workers' Comp. system, as well as eventually the Social Security disability systems at the penalty of all tax payers.

1. Currently, Texas Workers' Comp. system takes advantage of patients who are uneducated, depressed, passive, unknowledgeable and undereducated about their patient' rights.
2. Mental health guidelines have been suspended, and no new mental health guidelines have been adopted. This allows patients who have legitimate psychological needs, reactive anxiety, and depression to injury to be untreated and services denied.
3. Third party reviewers (at great cost to the consumer, employers, insurers, and to the Commission) will deny medical and psychological services for capricious reasons. Others have talked of the consequences of denial of medical services. Patient's services for psychological evaluation and/or treatments are denied for reasons such as "denied body part", or, "all psychological services require preauthorization". The burden of proof regarding these matters is at the hand of the healthcare provider who does not have the time to respond to the exponentially growing reviews and denials, therefore, forcing providers to not attend to the patient's needs or completely drop out of the Workers Comp. system.

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4. Requirements for preauthorization for any service beyond the first hour of clinical interview represents significant unnecessary burden for psychological service providers.
5. The mandate of TWCC is to provide medical care at a reasonable cost, the excessive cost of third party agencies, and third party reviewers, as well as designated doctors and the review process results in significant increased cost regarding temporary income benefits to patients, health care providers must add staff for preauthorization, review, retrospective review, denial of services, preauthorization, secondary preauthorization, preparation of records, and collection of delayed or non-paid fees.

At the same time, the amount of fees that have been paid out for medical services under the current plan has been reduced by \$265million. Increases in workers' compensation premiums, to pay fees for 3rd party review coporations, have not decreased the cost of medical care, or Workers Compensation Insurance premiums in Texas. Medical cost remains high at \$5,320. per case.

This represents unnecessary burden on Texas employers, Texas workers, and the Texas medical system.

6. Medical treatment guidelines are suspended. The TWCC was mandated to come up to formulate treatment guidelines, which they have not done, so as to create an environment of treatment chaos. Medical guidelines are unclear, third party reviewers are allowed to use medical guidelines that are out of date, ineffective, or have long been deemed as medically inappropriate, and use these guidelines for the sole purpose of delaying care or denying necessary care. Patients who are frustrated with the Workers Comp. system will develop disabled mentality, and to look increasingly to the State of Texas to supplement their significantly depleted resources, loss of income, loss of wages, disruption of families, increasing crime and other burdens to state agencies, all at the cost of the taxpayer.

According to the Workers' Compensation Research Institute study of outcomes for injured workers on California, Massachusetts, Pennsylvania, and Texas, average medical cost for claim in Texas was \$5,320.

However, the same research from the Worker's Compensation Research Institute indicates there was a negative correlation regarding return to work outcomes (poor) and cost of medical care (increased) when a group of workers labeled "disadvantaged in the workplace" were taken into account. "Disadvantaged in the workplace" workers had lower income, lower education, and required being interviewed in Spanish. Higher numbers of Spanish-speaking workers who may have somatic anxiety, misconceptions regarding the nature of their injury, and require additional subsequent medical treatments can incur greater cost of treatment and longer duration of care as beliefs about injury and recovery become a factor.

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In the same study, measurements of attitudes (psychological factors) toward medical care, fear of job loss, and perceived severity of injury were taken into account and also correlated with longer duration of care.

Texas and California, having higher percentage of Spanish-speaking workers would have a higher cost per injury perhaps related to these factors. **This would require greater study in Texas.**

In another study by the Workers' Compensation Research Institute regarding treatment and costs: better outcomes and lower costs associated with physician-directed care, versus non- physician directed care.

SOLUTIONS:

Again, a more reasonable plan by the TWCC for adequate health care of injured workers would, in effect, result in a reduction of Workers' Compensation costs and enable more employers to have funds to provide work for more employees in the state of Texas, therefore reducing the tax burden to all taxpayers throughout the state.

A solution to this difficulty would be a voluntary reduction of fees by providers that are well outside reasonable fee structure, an increase of fees to providers that are under-paid. In addition, increase of referral (for limited sessions of solution-based treatment) of patients to psychologists, licensed professional counselors, and allied mental health providers would result in an overall decrease of Workers' Compensation costs.

Adopting reasonable mental health guidelines (from outcome based treatments) would certainly save an abundance of money, time, and also increase the quality of patient care at primary, secondary, and tertiary levels.

Solutions to save cost would be to eliminate the third party review system and the current managed care system by maintaining reimbursement at Medicare +20%(or more) Increased rate of payment for specialties such as neurology, orthopedics, would more than makes up for the increased of cost for adequate health care while reducing administrative costs for outside third party review, as well as reducing the time it takes to provide adequate healthcare.

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It would be tempting to perpetuate the adversarial relationship between all healthcare providers by attacking non-physician care and eliminating non-physician care from the Workers' Compensation equation. This would be an error as allied care does have a role in the treatment of work-related injury and the highest preponderance of work-related injury such as sprains, strains, and musculoskeletal injuries (approximately 43-45% of all injuries consistent from years 1997 through 2003. Source TWCC, Public Data).

It would be better to find an equation to reduce over-utilization of non-physician directed care to keep use of non-physician directed care within reasonable limits. Perhaps a 2 to 3% increase per year of utilization of all healthcare utilization would be reasonable. The equation to reduce chiropractor utilization to these levels would be part of the solution. At the same time, treatment guidelines that would allow for reasonable amounts of consultations with specialists, diagnostic studies to allow more accurate diagnosis could be implemented. To **prevent over-utilization** of both specialist referrals and diagnostic studies, providers could be given a feedback report of referrals to specialists and diagnostic studies. Providers who are sending 100% of cases to specialists and for diagnostic studies would be notified and warned. with perhaps greater threat of scrutiny and third party review.. Providers having 90% of referrals for specialists and diagnostic studies would also be notified. This would maintain some need for smaller 3rd party review system, and saving money for insurance companies.

This would implement a self-policing mindset with healthcare providers such t that healthcare providers would not have a mindset of referring each and every case for each and every specialist and/or diagnostic study.

Increased referral for psychological services and services so as to detect excessive somatic concern and abnormal somatic anxiety based beliefs regarding injury and medical treatments would require patients to go to individual and/or group training components so as to reduce misinformation regarding injury and increase patients understanding of these factors so as to reduce excessive and unnecessary utilization of medical services, secondary gain, and exacerbation of symptoms so as to obtain greater medical care. (Supported by recent research reported in JAMA)

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