

BWC BOARD OF DIRECTORS

**MEDICAL SERVICES AND SAFETY COMMITTEE**

THURSDAY, October 29, 2009, 12:30 P.M.

**WILLIAM GREEN BUILDING**

30 WEST SPRING ST. 2<sup>ND</sup> FLOOR (MEZZANINE)

COLUMBUS, Ohio 43215

MEMBERS PRESENT: James Harris, Chair  
James Hummel, Vice Chair  
Thomas Pitts

Members Absent: None

Other Directors Present: David Caldwell, Alison Falls, Ken Haffey, William Lhota,  
Jim Matesich, Larry Price, & Robert Smith

Counsel present: James Barnes, Chief Legal Officer

**CALL TO ORDER**

Mr. Harris called the meeting to order at 12:36 p.m. and the roll call was taken. All members were present.

**AGENDA**

Mr. Harris noted that the name of the committee is now deemed to be the "Medical Services and Safety Committee."

Mr. Pitts moved to adopt the agenda as amended. Mr. Hummel seconded and the motion was approved by a roll call vote of three ayes and no nays.

**NEW BUSINESS/ACTION ITEMS**

**COMMITTEE CHARTER**

Don Berno, Board Liaison, and Ann Shannon, Legal Counsel, reviewed a draft of the committee charter. Assisting were Dr. Robert Balchick, BWC Medical Director, and Abe Al-Tarawneh, Superintendent of the Division of Safety and Hygiene.

Mr. Berno reviewed parts of the charter which were common to those of other committees. There are additional references to the Ohio Revised Code and the Medical Services and Safety Committee as a standing committee. The charter needs a requirement on the minimum number of meetings it has each year and a paragraph on duties.

Concerning substantive provisions, the Medical Services and Safety Committee, other directors, Marsha Ryan, BWC Administrator, and BWC staff conducted a spirited discussion of “violations of specific safety requirements.” The chief general objection was that the phrase implied the committee would be reviewing individual applications from injured workers for awards. Several suggestions were made to clarify the phrase. In the end, Mr. Caldwell requested deletion of “violation of” from that paragraph in the charter. Ms. Shannon replied there was no requirement to precisely track the Ohio Revised Code, especially if the statute was not clear. “Specific safety requirement” on its own is a clear term.

Mr. Harris stated he thought the charter should require six meetings per year as the minimum. Mr. Price replied that if the number were set too high, then the Workers' Compensation Board will be in violation if there were too few. Mr. Harris responded that because of the number of rules for both safety and hygiene and medical management, it was agreed by directors that six would clearly be a minimum for meetings.

Ms. Falls asked if the chair and vice chair be selected by the Medical Services and Safety Committee or by the Governance Committee. The preference of Mr. Lhota was that the selection be by the Medical Services and Safety Committee. Mr. Harris added that the BWC website had inadvertently already designated Mr. Hummel as the vice chair. Nevertheless, the consensus of the Medical Services and Safety Committee and other directors is that Mr. Hummel should be so designated.

Mr. Pitts asked how many directors should serve on the Medical Services and Safety Committee. Should it remain at three or a larger number? Mr. Berno replied that for the meantime, the minimum number will remain at three.

Mr. Hummel asked about the oversight paragraph regarding health programs. Mr. Al-Tarawneh reported that this paragraph pertains to programs on loss prevention, such as wellness programs. Mr. Hummel stated another example would be the Drug Free Workplace Program.

Mr. Hummel asked if the partnership had begun with The Ohio State University. Mr. Al-Tarawneh reported there would be a meeting with the university on November 6. Robert Coury, Chief, Medical Services and Compliance, reported on the first agreement with the university. BWC has just received the terms and conditions for a research project on drugs for pain management. The terms are

being reviewed by BWC Legal to comply with Federal and state law. There are other contracts under consideration for prescription pricing and delivery of managed care.

Mr. Pitts asked if the bullet concerning oversight of collaborative partnerships would include medical issues. Dr. Balchick replied that this paragraph concerns opportunities to collaborate with agencies and entities throughout the United States.

Mr. Pitts observed that the term “evidence-based research” is a current buzz-word and may be limiting in the future when it will be replaced by nomenclature. Dr confirmed that “evidence-based” is the current standard term. Another standard emerging is “comparative effectiveness.” Mr. Harris requested striking “evidence-based.”

Mr. Harris requested a definition of “appropriate” in the oversight paragraph regarding disability prevention delivery model. In his experience in negotiating collective bargaining agreements, there would be much arguing about the definition of “appropriate.” Dr. Balchick replied that the emphasis of the bullet point is “disability prevention” and there should be some adjective modifying the concept to indicate that a best practices selection process occurred. Ms. Shannon added that “appropriate” broadens the concept and suggested the word “an” instead. Dr. Balchick added that would meet the needs for oversight and that currently BWC uses more than one model.

Mr. Pitts suggested that the oversight guidelines include undertaking of treatment guidelines. Dr. Balchick answered that BWC is working towards treatment guidelines and the paragraph gives assistance in moving that process forward. Mr. Coury added that the managed care paragraph needs to be broad in scope. Currently, BWC will pay only for treatment for an allowed condition. BWC has a workgroup considering a different model that will make major changes in treatment authorization.

Ms. Falls noted that there is an annual report to the Governor on industrial safety that should go through the Medical Services and Safety Committee. This requirement should be in the charter. She also asked if the State of Washington has a similar committee and if so requested information from BWC on its governance. Finally, other committees include staff reports as part of their agendas.

Mr. Hummel moved that the Medical Services and Safety Committee of the Workers' Compensation Board of Directors refer the Medical Services and Safety Committee Charter to the Governance Committee to consider the recommended

changes as discussed here today. Mr. Pitts seconded and the motion was approved by a roll call vote of three ayes and no nays.

Mr. Pitts reported on his meetings earlier this year with medical management officials of the State of Washington. He also reported that he looked forward to serving on the Medical Services and Safety Committee.

### **INTRODUCTION OF CALENDAR FOR FUTURE FEE SCHEDULES**

Freddie Johnson, Director of Managed Care Services, and Mr. Coury provided an overview of the BWC fee schedule strategy. The three parts of the presentation are: guiding principles, individual fee schedules, and methodology.

Mr. Johnson reported that the guiding principle of adopting a fee schedule is to ensure access to high-quality medical care by establishing an appropriate benefit plan and terms of service with a competitive fee schedule which, in turn, enhances the medical provider network.

BWC has five provider and services fee schedules. The Medical Providers and Services Fee Schedule provides reimbursement rates for all medical providers and medical services not covered by any of the other schedules. This schedule focuses in Current Procedural Terminology (CPT) and Healthcare Common Procedural Coding System (HCPCS II). The Hospital Inpatient Fee Schedule provides reimbursement rates for hospital facilities for inpatient services. The Ambulatory Surgical Fee Schedule provides reimbursement rates for provider services connected with surgical procedures which do not require inpatient hospitalization. The Vocational Rehabilitation Services Fee Schedule, the only schedule not based on Medicare reimbursement rates, provides reimbursement rates for all vocational rehabilitation services. Finally, the Hospital Outpatient Fee Schedule provides reimbursement rates for services connected with outpatient procedures.

With respect to the calendar, Mr. Johnson reported as an example, the Medical and Service Provider Fee Schedules will be proposed in December and with potential approval by the Workers' Compensation Board in January. It is scheduled for implementation in May 2010. The reason for the timeline is that the empirical data for Medicare does not come out until October. The Ambulatory Surgical Centers Fee Schedule will be proposed in November and December. The Vocational Rehabilitation Fee Schedule will be before the Medical Services and Safety Committee in July and August. Ms. Ryan reported that BWC will continue to work on coordination of the fee schedule calendar with the Medical Services and Safety Committee calendar.

Mr. Johnson further reported that development methodology for all fee schedules includes an evaluation of current services and experiences, considering the need

for annual payment updates, and/or other policy changes. Further, BWC conducts evaluation of the Medicare Medicaid Payment System updates, where applicable. Another step is that, BWC will research and analyze comparison data by evaluations of programs in other states. BWC also develops payment adjustments that accurately reflect market, service, and patient cost differences. Finally, BWC solicits and considers stakeholder feedback.

Mr. Coury report that as time goes by, the division becomes more competent in implementing fee schedules and ensuring that the schedules can be timely implemented by eighteen MCOs and their information systems. The ultimate goal is appropriate treatment and payment.

### **COMMENTS**

Ms. Ryan commented that in observing the workings of the Medical Services and Safety Committee, she reflected on the beginnings of the Workers' Compensation Board. BWC did not have routine methods of adopting fee schedules. The process of bringing them to the Workers' Compensation Board for its advice and consent enabled BWC to develop that routine.

Mr. Hummel requested that educational sessions be added to the meetings of the Medical Services and Safety Committee. Mr. Harris added that they should cover both medical management and safety and hygiene.

### **ADJOURNMENT**

Mr. Pitts moved to adjourn. Mr. Hummel seconded and Mr. Harris adjourned the meeting after the motion was approved by a roll call vote of three ayes and no nays.

Prepared by: Larry Rhodebeck, Staff Counsel  
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November 4, 2009