

SSB 5418 - H COMM AMD

By Committee on Labor

1 Strike everything after the enacting clause and insert the
2 following:

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4 "NEW SECTION. **Sec. 1.** (1) The legislature finds:

5 (a) Each year, only a small percentage of industrial insurance
6 cases in Washington involve catastrophic workplace injuries, yet
7 they exact a tremendous toll on affected individuals and their
8 families.

9 (b) A recent analysis by the department of labor and industries
10 identified gaps which could be addressed through piloting
11 improvements in coordination of care, best practices, and other
12 cost-effective approaches for injured workers under the state's
13 current industrial insurance system.

14 (2) The legislature therefore intends to direct the department
15 of labor and industries to create a pilot program whereby a medical
16 management firm, centers of excellence deploying collaborative care,
17 and/or the state's centers of occupational health and education
18 partner with the department in being responsible for the medical
19 management and treatment of catastrophically injured workers. The
20 goal of the pilot program is improved medical outcomes, increased
21 return-to-work rates and/or better quality of life, and reduced
22 industrial insurance costs.

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24 NEW SECTION. **Sec. 2.** A new section is added to chapter 51.36
25 RCW to read as follows:

26 (1) The department must implement a three year pilot program
27 beginning no later than January 1, 2016 under which innovative

1 treatment and service interventions for catastrophically injured
2 workers are compared in a prospective study and compared to usual or
3 standardized care. The best practices and cost-effective approaches
4 may be piloted by any or all of:

5 (a) A medical management firm with substantial experience in
6 handling catastrophic workers' compensation cases.

7 (b) Centers of excellence deploying collaborative care.

8 (c) Centers of occupational health and education.

9 (d) Other innovative treatment or services that may be
10 identified by systematic literature review.

11 (2) The following provisions apply to the pilot program:

12 (a) The pilot participants must develop a treatment plan and
13 agreement for each injured worker that identifies an outcome, the
14 treatment plan and, if applicable, a guaranteed price to achieve the
15 outcome.

16 (b) The department must determine an approach to systematically
17 and prospectively track outcomes of catastrophically injured workers
18 including, at a minimum, standardized measures of functional
19 recovery, return-to-work, and quality of life. The department must
20 also contract with independent researchers for an analysis of the
21 pilot program costs and outcomes.

22 (c) Pilot participants must provide all information required by
23 the independent researchers to assess pilot program progress and
24 costs and measure outcomes. Information provided to the independent
25 researchers must also be provided to the department.

26 (d) Injured workers, in consultation with their attending
27 physician and the department, may elect to participate or not in the
28 pilot program. Participating injured workers retain the right to
29 receive care from providers of their choice. Providers must meet
30 the requirements of RCW 51.36.010(2).

31 (e) The department retains the exclusive authority to approve or
32 deny particular treatment and the exclusive authority to pay all
33 medical bills in accordance with the fee schedule established under
34 RCW 51.04.030. The department may establish minimum treatment

1 protocols and qualifications for the pilot participants including
2 access to adequate medical, professional, and pharmacy providers and
3 a network of health care facilities, suppliers, and services.

4 (3) For the purposes of the pilot program, catastrophic
5 injuries include acute traumatic brain injuries; major extremity or
6 multiple extremity amputations, fractures, or crush injuries;
7 multiple trauma injuries; severe burns; paraplegia, quadriplegia,
8 hemiplegia, and diplegia; and any other medical diagnosis determined
9 by the department to be catastrophic.

10 (4) The independent researchers must make regular status reports
11 to the department throughout the pilot program, and work with the
12 department to develop and report on criteria to evaluate the pilot
13 program. The criteria must address, but are not limited to:

14 (a) Whether the appropriate procedures are followed to ensure
15 injured workers access to services in a timely fashion;

16 (b) The quality of the communication and other factors affecting
17 the working relationship between the treatment and service provider,
18 the injured worker, the department, and those involved in the care
19 and treatment of the injured worker;

20 (c) Whether pilot program treatment protocols help address the
21 gaps identified by the department in its September 2014 catastrophic
22 claims gap analysis;

23 (d) Whether research results on cases involving catastrophic
24 injury complement, inform, and improve the department's handling of
25 other industrial insurance cases;

26 (e) Whether the pilot program results in improved medical
27 outcomes, increased return-to-work rates and/or better quality of
28 life for catastrophically injured workers, and reduced industrial
29 insurance costs;

30 (f) Assessment of whether pilot participants are achieving
31 stated goals;

32 (g) Average and median claims costs;

33 (h) Feasibility for the department to adopt processes and
34 practices identified in the pilot program; and

1 (i) Assessment of any other cost-saving processes identified
2 through the pilot program.

3 (5) Before the end of the three year period, the department must
4 terminate the pilot program if it finds that the treatments and
5 interventions are causing harm to workers and may terminate the
6 pilot program if it finds that the treatments and interventions are
7 not showing a benefit to workers.

8 (6) The department must provide a written report on the pilot
9 program to the appropriate committees of the legislature each
10 December through 2018 with a final report following the end of the
11 pilot program in 2019.

12 (7) This section expires December 31, 2020."
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14 Correct the title.
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EFFECT: Strikes all provisions of the Substitute Senate Bill.

Sets forth findings and states intent to direct the Department of Labor and Industries (Department) to create a pilot program under which a medical management firm, centers of excellence, and/or the Centers for Occupational Health and Education (COHEs) partner with the Department in being responsible for the medical management and treatment of catastrophically injured workers. States goals of improved medical outcomes, increased return-to-work rates and/or better quality of life, and reduced costs.

Requires the Department to implement a three year pilot program by January 1, 2016 under which innovative treatment and service interventions for catastrophically injured workers are compared in a prospective study and compared to usual or standardized care. Provides that the best practices and cost-effective approaches may be piloted by any or all of:

- Medical management firm with substantial experience in handling catastrophic workers' compensation cases.
- Centers of excellence deploying collaborative care.
- COHEs.
- Other innovative treatment or services.

Requires pilot participants to develop a treatment plan and

agreement for each injured worker that identifies an outcome and treatment plan and, if applicable, a guaranteed price. Allows the Department to establish minimum treatment protocols and qualifications.

Requires the Department to determine an approach to track outcomes including standardized measures of functional recovery, return to work, and quality of life.

Requires the Department to contract with independent researchers for an analysis of pilot costs and outcomes. Requires the researchers to make regular status reports to the Department and work with the Department to develop and report on criteria to evaluate the program. Sets forth minimum topics the criteria must address. Requires the pilot participants to provide information required by the researchers, and also provide the information to the Department.

Provides that workers may elect to participate or not in the pilot. A worker has the right to choose his or her provider and medical provider network requirements apply.

Provides that the Department retains the authority to approve or deny any particular treatment and to pay all medical bills in accordance with the fee schedule.

Sets forth circumstances under which the Department must and may terminate the pilot program.

Defines catastrophic injuries.

Requires the Department to report to the appropriate legislative committees each December through 2018, with a final report following the end of the pilot in 2019.

Expires the provision on December 31, 2020.

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