

ORIGINAL: 2542

Gelnett, Wanda B.

From: LI, BWC-Administrative Division [RA-LI-BWC-Administra@state.pa.us]
Sent: Tuesday, July 11, 2006 7:43 AM
To: Wunsch, Eileen; Kupchinsky, John; Kuzma, Thomas J. (GC-LI); Howell, Thomas P. (GC-LI)
Subject: Comments on Regs. from Karla

-----Original Message-----

From: Schmac, Linda [mailto:lschmac@premier-comp.com]
Sent: Monday, July 10, 2006 4:13 PM
To: RA-LI-BWC-Administra@state.pa.us
Subject: FW: RESPONSE TO PROPOSED MEDICAL COST CONTAINMENT REGULATIONS

Eileen,

As an addendum to my July 6 email response regarding Section 127.752 (b), I have added a third attachment labeled "Employer and Claimant Letters." These are feedback letters from our employer clients and claimants regarding our appointment scheduling services.

Thank you,
Linda

Linda J. Schmac
President
Premier Comp Solutions
100 Hightower Blvd., Suite 300
Pittsburgh, PA 15205

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From: Schmac, Linda
Sent: Thursday, July 06, 2006 4:59 PM
To: RA-LI-BWC-Administra@state.pa.us
Subject: RESPONSE TO PROPOSED MEDICAL COST CONTAINMENT REGULATIONS

Dear Eileen,

The attached document represents Premier Comp Solutions' response to the recently published proposed medical cost containment regulations. I plan to attend the public hearing scheduled for July 13, 2006, in Pittsburgh.

If you have any questions or require additional information, please let me know.

Thank you,
Linda

Linda J. Schmac

7/12/2006

President
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Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.109 Supplies and services not covered by fee schedule.

Premier Comp Solutions agrees with the addition of **“The supplies shall be specifically identified on the HCFA 1500 or UB 92 forms applicable to the treatment rendered.”**

As a medical bill review and repricing company, we find that although this language is clearly stated in the AMA CPT code manual, this is the most common provider billing error. Amending this section will assist providers in receiving proper reimbursements for supplies and will assist insurers who insist that supplies be properly identified on the billing forms.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.129 Out of State Medical Treatment.

The Department proposes amending Section 127.129 to eliminate the requirement that out-of-state providers cap fees based upon the PA fee schedule because “this requirement has proven to be unenforceable and has provided false assurance to individuals seeking treatment from out-of-state providers who often seek to “balance-bill” injured employees”.

Since the Department does not indicate an alternative method to reimburse out-of-state providers, Premier Comp Solutions opposes the proposed amendment which would eliminate the fee cap on out-of-state providers entirely. This existing regulation has resulted in tremendous cost savings to insurers as most providers accept reimbursement under the regulations.

Some providers dispute the reimbursement and seek 100% of billed charges or reimbursement at the level of their state’s WC fee schedule, we have not found this to be the norm. We have found that if insurers utilize an Explanation of Reimbursement (EOR) to fully explain this reimbursement method and cite the language used in this Section, the out-of-state providers, in most instances, accept the reimbursement. However, when EOR’s for out-of-state providers are ambiguous and PA fee schedule reductions are taken without proper explanation, these providers are at a loss to understand our state’s reimbursement methodology. Due to lack of knowledge, these providers automatically request additional payments.

Other states continue to have provisions in their WC laws to provide for out-of-state provider reimbursements, and we believe PA should do the same. Otherwise, this amendment will unnecessarily result in increased medical costs for insurers.

Also the possibilities for abuse of the lack of an out-of-state provider fee cap by employees and providers are numerous and obvious and dictate that this proposed amendment be deleted.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.131 Payments for prescription drugs and pharmaceuticals--generally.

Premier Comp Solutions agrees with the addition of the language, **“The AWP shall be established by the most recent edition of the "Drug Topics Redbook," published by Medical Economics Company of Montvale, NJ or its successor.”** Having one source for AWP information would be desirable as AWP information can vary widely between the national vendors due to the way AWP data is collected, published, and distributed.

Premier Comp Solutions believes the Bureau should also specify the following:

1. Which vendor they obtain the data from
2. What medium the information is obtained in: print, software application, or raw data for database loading.
3. Frequency of updates: annually, monthly, weekly, or other.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.201 Medical bills generally.

The Department proposes to amend this Section to add “(c) Providers shall request payment for medical bills and provide all applicable reports required under Section 127.203 (relating to medical bills—submission of medical documentation) within 90 days from the first date of treatment reflected on the bill.” Additionally, the Department proposes to add “(d) A provider may not seek payment from the insurer or employee if the provider failed to request payment within the time set forth in subsection (c).

While Premier Comp agrees with this amendment, we believe clarification is necessary to explain how the Department proposes to enforce this regulation should a dispute arise between the provider and the insurer. Specifically, since the Department does not require that the provider submit bills to the insurer utilizing a return receipt mailing method, which we believe would be unreasonably costly to the provider, how will the Department resolve disputes? For example: If an insurer denies payment to a provider based on the fact that the provider did not submit the bill for services within the 90-day timeframe, but the provider claims it did originally submit the bill within the timeframe but the insurer did not pay because it lost the bill, how does the Department propose to resolve such disputes? If the amendment included a provision that required the provider to file a fee review application if it did not receive payment within 90 days of the billing date and the provider did not do so, is the dispute automatically resolved in favor of the insurer?

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.209 Explanation of Reimbursement Paid

Premier Comp Solutions agrees with the Department's amendment changing the wording of the Explanation of Benefits (EOB) form to Explanation of Reimbursement (EOR) as it more accurately describes the form.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.209 (a) Explanation of Reimbursement Paid - Adjusting and Administering Payment of Medical Bills.

Premier Comp Solutions strongly opposes the Department's proposed amendment that would require insurers to supply an EOR to the provider "**in a Department-prescribed format**". While we agree that an EOR should be utilized and should explain the insurer's decision to pay, downcode, or deny payment of medical bills submitted by the provider, we do not necessarily agree with the requirement to utilize "a Department-prescribed format". Keeping in mind that we currently use an EOR with over 160 separate explanations, we believe this Section requires clarification. Will the Department require only that certain fields be added to insurers' EORs or will it require an exact replica of a Department-prescribed form? If the Department is only requiring that a certain field be added, we are probably in agreement with this amendment. If it is requiring a standard format, this may result in unreasonable and excessive software changes to insurers and their repricing vendors. Please include the format or, at least, a clarification on this point in the proposed regulation.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Section 127.256 (c) Administrative Decision and Order on an Application for Fee Review.

Premier Comp Solutions agrees with the Department's proposed amendment allowing the **"Bureau to correct or amend typographical or mathematical errors in its administrative decision and order within 15 days of rendering its administrative decision and order"**.

We believe this amendment will greatly reduce the number of fee review appeal hearing applications where obvious typographical and mathematical errors have occurred with regard to the Bureau's fee review decisions. This is a win-win amendment for both the provider and the insurer.

Premier Comp Solutions
Comments to
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Submitted by: Linda J. Schmac – President

Section 127.260 (a) – Fee Review Adjudication

The Department is recommending the deletion of “within 90 days” with regard to the time frame the hearing officer has to issue a fee review adjudication consisting of a written decision and order following the close of the record.

Premier Comp Solutions disagrees with the deletion of a timeframe for the hearing officer to issue the written decision and order. If the Department feels 90 days is not enough time for the hearing officer to issue the decision, another reasonable timeframe, such as 120 days, would appear to be appropriate.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

Subchapter D. Employer List of Designated Providers

With regard to the Department’s proposed amendment to Section 127.752 (b) “The employer may not require the employee to report to a single point of contact before receiving treatment from a provider on the list”, we see no need for this restriction and suggest deletion of this amendment in its entirety for the following reasons:

Section 127.752 (b) of the Medical Cost Containment Regulations already states that “The Employer shall include the names, addresses, telephone numbers, and area of medical specialties of the designated providers on the list”. Section 127.751 (c) further states “The Employer may not require treatment with any one specific provider on the list, nor may the employer restrict the employee from switching from one designated provider to another designated provider.” These provisions offer ample protection of the Employee’s right of choice.

Employers who choose to require an injured worker to schedule provider appointments through a “single point of contact” do so for reasons that benefit both the employer and employee. Use of a single point of contact enables the employer to fully explain rights and duties to the employee. It also gives the employer the opportunity to provide the employee with a report of injury form and to provide him with a copy of the designated provider list so that the employee can choose any treating provider from the list.

The “2004 Workers’ Compensation Medical Access Study: Executive Overview” indicates that **“Education efforts to ensure that workers have informed choice are paying off, and should be continued. However, they indicate that 43% of workers still do not have rights and benefits explained to them at the time of injury.”** Therefore, prohibiting, or even discouraging, the use of a single point of contact system is counter productive to addressing this study’s concerns.

The Access Study also indicates that the employees’ overall satisfaction rate with their access to a panel has increased from 78.6% in 2000 to a record high of 87.5% in 2004. It is not a coincidence that during this time period more employers began offering a single point of contact format. If this section is amended, it would likely result in a decline in employees’ overall satisfaction with their access.

The feedback we have received from injured employees who have contacted the single point has been very positive. They appreciate the reminder to report the injury and like having their rights and duties explained to them. They further appreciate assistance provided in explaining the definitions of the various medical specialties and appreciate receiving travel directions to the healthcare providers’ offices.

Premier Comp Solutions
Comments to
Proposed Rulemaking

Submitted by: Linda J. Schmac – President

For Employers, the single point of contact allows them to manage their injuries more effectively, especially those employers with multiple locations or a transient workforce. For example: A single employer, such as a fast food restaurant chain, may have 500 employees located at 50 different locations. It is unreasonable to expect an employer to have 50 store managers and supervisors fully conversant with injury reporting and medical benefit information.

Similarly, it is unreasonable to expect trucking companies to post the list of designated providers in each vehicle/truck. Having a single point of contact enhances employers' ability to communicate with their injured workers.

With regard to the Department's proposed amendment to Section 127.752(e) which states "If the list references a single point of contact or referral for more than one provider on the list, all providers associated with the point of contact or referral shall be considered a single provider under subsection (a), we view this amendment as particularly undesirable and suggest that it be deleted for the following reasons:

This amendment goes further than the proposed amendment to Section 127.752(b) which is framed with the term "not require" reporting to a single point of contact.

Referencing a single point of contact, particularly a contact for scheduling, should not make all providers **associated** with the point of contact one single provider under subsection (a). The single point of contact is irrelevant to the list of providers since employers, under Section 127.751(b), may not require treatment with any one specific provider on the list, nor may the employer restrict the employee from switching from one designated provider to another designated provider. A sample standard panel format containing an offer of assistance in scheduling is attached. It is not mandatory and does nothing to reduce the choices available.

The term "**associated**" is too ambiguous and requires further clarification anyway.

The undesirable consequence of the proposed amendment is that employers offering assistance to employees in scheduling appointments with designated providers through a single point of contact might have their designated provider lists deemed unenforceable. The ongoing response from injured workers to our scheduling service has been positive.

There has been nothing to suggest that employees are dissatisfied with the proffered assistance available in the single point of contact scheduling concept. The proposed amendment seems inconsistent with the Bureau's stated intent of guaranteeing choice to employees. Providers can be difficult to contact. We bypass the answering systems on behalf of the employee and schedule appointments at times and at locations convenient to the employee. This increases medical access and employee satisfaction and assists the employer by getting the best medical

Premier Comp Solutions
Comments to
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Submitted by: Linda J. Schmac – President

care to the employee as promptly and conveniently as possible. Single point of contact scheduling services should be required of employers, not prohibited.



ORIGINAL: 2542

June 27, 2006

Premier Comp Solutions, LLC
100 Hightower Blvd.
Suite 300
Pittsburgh, PA 15205

Attention: Eugene Barilla, Jr.

Dear Mr. Barilla:

I would like to take this opportunity to inform you of our satisfaction with the services that your company provides.

As you are aware, Premier Comp Solutions is on our posted physician panels as the contact for the initial scheduling of physician appointments for our injured workers as well as the scheduling of physical therapy and diagnostic testing.

One of the benefits is the toll-free number which enables our employees to contact you from any part of the State. As you know, we have several terminals in Pennsylvania that would be a toll call for our employees. By having the toll free number available, they are more apt to utilize the benefits Premier Comp Solutions has to offer and call you directly. Without this service, I do not foresee the cost savings we are recognizing with your company.

Thank you for your continued cooperation in that regard.

Sincerely,

Susan Grabowski
Claims Manager

Main Office and Terminal
P.O. Box 1290
Gibsonia, Pa 15044-1290

Phone: (724) 449-9000
Fax: (724) 449-0178
www.pjax.com

ORIGINAL: 2542



COMPONENTS

6-27-06

TO WHOM IT MAY CONCERN

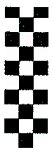
PREMIER COMP SOLUTIONS PRESENTLY SERVICES OUR FACILITIES IN RELATION TO SCHEDULING APPOINTMENTS FOR ALL OF OUR EMPLOYEES THAT ARE INVOLVED IN PLANT ACCIDENTS. ALL DOCTORS, PHYSICAL THERAPY, SURGERY SCHEDULING APPOINTMENTS ARE COORDINATED THROUGH JOHN HAYES AND SANDI NOVAK AT PREMIER COMP SOLUTIONS. THIS IS SOMETIMES A DAILY COMMUNICATION PROCESS. THE 888-594-4001 NUMBER IS INVALUABLE IN KEEPING A GOOD CONTINUOUS COMMUNICATION WITH PREMIER PLUS GIVING THE VERY BEST OF SERVICE TO OUR EMPLOYEES.

SINCERELY

A handwritten signature in cursive script that reads "John C. Hayes".

JOHN C. HAYES

SUP OF Q.C. AND SAFETY



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6/30/06

ORIGINAL: 2542

To whom it may concern:

This is Linda Gresh from Emsco Group, Inc. in Girard, PA.

We use your company for various services as I'm sure you know. But I just wanted to express from myself that I've always gotten a quick response from the people in your offices.

And the person that I deal with myself on a regular one on one bases is Sandy. She is there for me no matter what I need. If she happens to run into a problem, she'll call me and let me know, and then she gets it resolved as soon as she possibly can and then I can do my end of the job more efficiently.

I just wanted to extend my appreciation in the staff that you have. You should appreciate every one of them. I know that I do.

Without them, I may just have a problem, because there are times when I can't get done what needs to be done and they (Sandy) always comes through for me with the usual flying colors. It's a genuine pleasure to deal with them when the need arises.

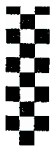
Thank you again for having a great staff

Linda M. Gresh

ATTENTION: SANDY

EMSCO GROUP PRODUCT LINES





ORIGINAL: 2542

July 6, 2006

LETTER OF RECOMENDATION

TO WHOM IT CONCERNS:

I have been pleased with the service that Premier Comp has given me for the past three (3) years regarding my injury and I continue to use their services. It was nice to be able to contact them with a toll free phone number and their response was in a timely manner.

Sandi is my contact and has been very helpful and pleasant regarding questions on my rights. I would recommend using Premier Comp as a single point of contact as they provide good service to the injured worker.


Judy Ferrara

316 Liberty Street
Carmichaels, Pa. 15320

724-966-9134

7/6/2006

July 2006

Dear Sharon,

I am an employee of the Aliquippa School District who injured myself back in March of 2006. Nancy McCormack had been my injury manager for the past four months. A Wonderful one, at that! Nancy and I have contacted one another several times via phone. It has been a blessing to be able to use the toll free number to help with my expenses! I have had to contact her many times by phone with information and/or questions. So I thought you should know how much I have appreciated the simple fact you have a toll free number. I also feel you should know Nancy has been a very very pleasant person to work with: Competent, reliable, and thorough! You're very lucky to have her on your team!

Sincerely,
Jennie Guenther-Graham
2509 Kane Rd.
Aliquippa, PA 15001
724-857-9963

Premier Comp Solutions - Sample Panel - Pittsburgh

NOTICE TO EMPLOYEES IN CASE OF WORK-RELATED INJURIES

1. If you suffer a work-related injury, your employer or its insurance company must pay for reasonable surgical and medical services and supplies, orthopedic appliances and prosthesis, including training in their use.
2. In order to insure that your medical treatment will be paid for by your employer or the insurance company, you must select from one of the following health care providers. You must continue to visit one of the providers listed below, if you need treatment, for ninety (90) days from the date of your first visit.
3. If one of the providers below refers you to another licensed specialist, your employer or their insurer will pay the bill for these services.
4. After this ninety- (90) day period, if you still need treatment and your employer has provided a list as set forth below, you may choose to go to another health care provider for treatment. You should notify your employer of this action within five days of your visit to said provider.
5. If a physician on the list prescribes invasive surgery, you may obtain a second opinion from any physician of your choice. If the second opinion is different than the listed physician's opinion, you may determine which course of treatment to follow; however, the second opinion must contain a specific and detailed treatment plan. If you choose the second opinion, the procedures in that opinion must be performed by one of the physicians on the list for the first ninety- (90) days. Therefore, in this situation, the employee may be required to treat with an employer designated provider for up to 180 days.
6. If you are faced with a medical emergency, you may secure assistance from a hospital, physician, or health care provider of your choice for your work related injury. However, when the emergency is resolved, you must seek treatment from a provider listed below.

**FOR ASSISTANCE IN SCHEDULING APPOINTMENTS, PLEASE CALL
PREMIER COMP TOLL FREE 24 HOURS/7 DAYS A WEEK AT 1-888-594-4001**

<u>Name</u>	<u>Address</u>	<u>Phone</u>	<u>Area of Specialty</u>
Philip Majewski, MD Health Works	320 East North Avenue Professional Building, Suite 309 Pittsburgh, PA 15212	412-359-3816	Occupational Medicine
Theresa Zgurzynski, MD Concentra Medical Centers	1635 West Carson Street Pittsburgh, PA 15219	412-391-1137	Occupational Medicine
Rehabilitation & Pain Specialist	107 Gamma Drive, Suite 220 RIDC Park Pittsburgh, PA 15238	412-963-6480	Physiatry
Human Motion Center Allegheny Orthopedic Associates	1307 Federal Street Pittsburgh, PA 15212	877-660-6777	Orthopedics
University of Pittsburgh Physicians Orthopedic Surgery	Kaufmann Bldg 3471 5th Avenue - Suite 1010 Pittsburgh, PA 15213	412-687-3900	Orthopedics
General Vascular Surgery Associates	Mercy Professional Bldg 1350 Locust Street - Suite 205 Pittsburgh, PA 15219	412-391-4360	General Surgery
Eye Physicians & Surgeons LTD	650 Smithfield Street - Suite 1360 Pittsburgh, PA 15222	412-281-5876	Ophthalmology
Steve S. Oramas, DC Spine and Sports Injury Rehabilitation Center	810 River Ave Pittsburgh, PA 15212	412-341-4344	Chiropractic

CONVENIENT NETWORK LOCATIONS LISTED BELOW

Premier Comp PT Network	Call Toll Free for Closest Location	1-888-594-4001	Physical Therapy
Premier Comp MRI Network	Call Toll Free for Closest Location	1-888-594-4001	MRI's

Panel Date: 07/06/2006