Workers' Compensation Medical Care in California: **Access to Care** (2006 UPDATE)

FACT SHEET

Obtaining Care Following a Workplace Injury

California workers are entitled to receive medical services needed to cure or relieve the effects of a job-related injury or illness. These services are provided through workers' compensation (WC) insurance, which is paid for by the injured worker's employer. The system is designed to be "no-fault," so workers can receive needed care promptly, without having to establish the employer's legal responsibility in court.

To obtain initial care following a workplace injury, a worker notifies his or her employer, who files a workers' compensation claim with the WC insurer, or (in the case of a self-insured employer), with the employer's insurance administrator. The claims administrator is required to accept or deny the claim within 90 days after the claim is filed. Employees may appeal insurers' denial of the claim. Employers must authorize payment for up to $10,000 for initial medical payment before the claim is accepted, so long as the treatment conforms to the state's authorized medical utilization schedule.

Under California's WC law, the employer and its insurance administrator generally have the right to determine which medical provider the worker uses during the first 30 days of care following an injury. Thereafter, employees are free to select their own primary treating physician. Legislation enacted in 2005 allows employers to establish a medical provider network (MPN), which the employee must use throughout the course of WC treatment. In a MPN, the employer or its insurer can select the worker's initial treating provider. -After the first visit, the worker may select a different medical provider, so long as that provider is in the network. The legislation also established procedures whereby an injured worker can obtain a second or third opinion within a MPN, and, if necessary, seek treatment outside the network if there is still a dispute about the care to be provided after getting those opinions.

California's system for WC medical care presupposes that a designated health care provider will act as the injured worker's primary treating physician. Besides conventional medical doctors, the law allows chiropractors, osteopaths, psychologists, licensed nurse practitioners, and other specified kinds of practitioners to serve as the worker's "primary treating physician."

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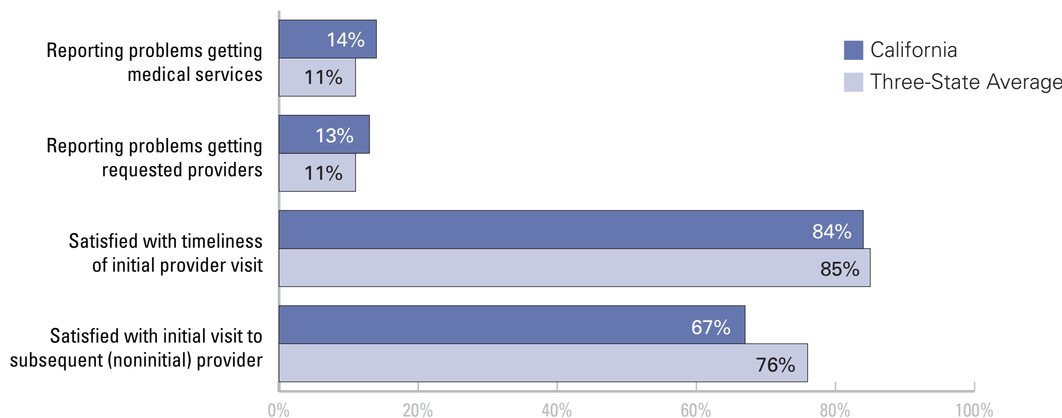
Potential Barriers to Obtaining Care

Evidence suggests that some injured workers in California face obstacles in accessing appropriate and timely care despite the basic financial protection afforded under WC insurance. For example, a recent survey conducted by the California Division of Workers' Compensation (DWC) found that about 13 percent of injured workers in California reported "some or a lot of trouble getting medical care."[1] A survey of injured workers in four states (California, Texas, Massachusetts, and Pennsylvania) conducted by the Workers' Compensation Research Institute found that only a small proportion of injured California workers (14 percent) reported problems in getting medical services for their job injuries.[2] However, compared to the other three states, the California workers were slightly more likely to report problems accessing initial medical care and expressed lower satisfaction with their initial visits (Figure 1).

Other potential barriers workers have reported in accessing WC medical care include employer disincentives to reporting of WC claims, lack of information provided to employees by employers about how to file claims, employers' failure to carry WC insurance, insurer denial of care, utilization review decisions to deny payment for particular services, and out-of-pocket payments needed for some services (e.g., pharmaceutical) prior to reimbursement through WC.[3] Nearly one-quarter (23.1 percent) of respondents to the 2002 California DWC injured worker survey reported that they incurred unreimbursed expenses for WC medical care, despite the fact that they are fully covered under their employers' WC insurance.[4] The need to pay expenses out-of-pocket can discourage some workers (particularly low-wage employees) from obtaining needed care. Since WC only covers medical care for conditions determined to be work-related, problems in accessing care also can arise as the result of delays in administering (or getting payment for) the various diagnostic tests needed to establish that a patient's condition is work-related.

Low-wage, immigrant, and minority workers are especially likely to experience difficulties in obtaining appropriate WC medical care. A survey conducted by

Figure 1. Comparison of Injured Workers' Survey* Responses Regarding Access to Care: California vs. Three-State Average (Texas, Massachusetts, and Pennsylvania)



*Survey conducted in 2003 (Texas) and 2003 (other states) for injuries that occurred in 1998 (Texas) and 1999 (other states).

Source: Victor R, Barth P, Liu T. Workers' Compensation Research Institute (WCRI). *Outcomes for Injured Workers in California, Massachusetts, Pennsylvania, and Texas.* Cambridge, MA: WCRI. December, 2003.

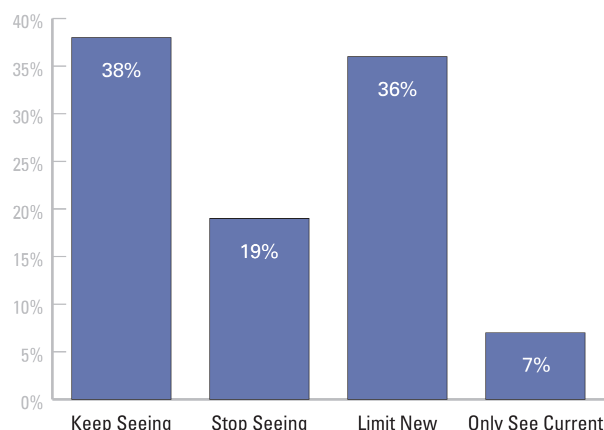
University of California, San Francisco researchers found that nearly one-third of garment workers with work-related musculoskeletal injuries were never seen by a health care provider, and only 3 percent filed a WC claim.[5] The most frequently cited barriers to accessing medical care for these workers were language (46 percent) and the cost of care (40 percent). Ten percent of them were afraid to seek care because of potential job loss or other employer reprisals.

Physician Reluctance to See WC Patients

A 2005 survey of California physicians conducted by the California Medical Association (CMA) reported widespread physician dissatisfaction with the WC system, including delays in getting responses from utilization review companies, frequent denials of service authorization requests, underpayments, and slow payments for services.[6] The CMA report concluded that the process for assuring compliance with the ACOEM Guidelines in the state is "inadequately developed and improperly implemented," thereby "depriving workers of timely and necessary medical care." Sixty-three percent of the physician respondents to this survey indicated that they intend to leave or reduce participation in WC care because of these problems (Figure 2).

In August 2006, the California Workers' Compensation Institute (CWCI), representing WC insurers and self-insured employers, issued a report challenging CMA's contention that problems in the WC system were discouraging physicians from accepting WC cases.[7] The CWCI compared data before (1993–1998) and after (2004–2005) the legislative reforms to show that the implementation of managed care controls under the reforms was not associated with a material change in access to a choice of medical providers. The CWCI

Figure 2. California Physicians' Intentions to Continue Seeing WC Patients, 2005



Source: California Medical Association (CMA). *Hostile to Physicians, Harmful to Patients: the Workers' Compensation . . .Reform?* Sacramento: CMA, June 2005.

study found that both before and after the reforms, at least 95 percent of all injured workers in California had a choice of at least three primary care physicians within 15 miles of their residence, and a choice of three specialty providers within 30 miles, in conformity to the minimum access standards for MPNs specified by the DWC. However, the CWCI study also showed that access to primary care and specialty physicians differed markedly by region, with considerably lower availability in some rural counties. Moreover, the average distance to WC primary care and specialist providers was found to have increased in 2005 compared to 2004 among all provider categories, possibly indicating the kind of physician disengagement from WC that had been predicted by the CMA report (Table 1). DWC is conducting a statewide survey of providers and injured workers, scheduled to be completed in late 2006, that will shed new light on access to care and the adequacy of physician reimbursement rates.

Table 1. Average Distance to the Three Closest WC Medical Providers

	MILES			
	1996	1998	2004	2005
Primary Care Physicians	3.2	3.0	2.7	3.0
Specialty Physicians	2.7	2.3	2.3	3.9
Chiropractic	3.7	3.1	2.9	3.6
Orthopedics	6.9	5.2	5.3	7.8
Neurosurgery	16.7	10.1	11.9	16.6
Internal Medicine	5.8	5.1	5.6	6.9

Source: Swedlow, A. *California Workers' Compensation Medical Care Reform & Access to Medical Care.* Oakland: California Workers' Compensation Institute (CWCI). August 2006.

Improving Access to Workers' Compensation Medical Care

Employers, workers, insurers, medical providers, health care systems, and state officials will need to work together to ensure that injured workers can easily access needed medical care. Injured workers should be provided with essential information on how to locate and use available services. This will become more important as an increasing number of workers receive care within MPNs. Systems are needed to ensure that MPNs meet their regulatory requirements for providing employees adequate facilities, medical personnel, and information on accessing care.

Expectations should be established for how quickly providers respond to requests for medical care, the geographical distribution of providers, staffing levels needed to ensure the availability of specialists and ancillary services, and periodic patient surveys to monitor satisfaction with access to care. Special approaches to help minority and disadvantaged workers obtain appropriate care include multi-lingual and culturally diverse providers and staff, trained medical interpreters, and translated versions of medical literature and applicable forms. Ensuring timely access to appropriate WC medical care ultimately is in everyone's interest, reducing costs for employers and insurers, boosting workplace productivity, minimizing disability for injured workers, and enhancing providers' ability to deliver high quality care.

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ENDNOTES

1. Rudolph L, et al. "What do injured workers think about their medical care and outcomes after work injury?" *Journal of Occupational and Environmental Medicine.* 2002. 44: 425–434
2. Victor R, Barth P, Liu T. Workers' Compensation Research Institute (WCRI). *Outcomes for Injured Workers in California, Massachusetts, Pennsylvania, and Texas.* Cambridge, MA: WCRI. December, 2003.
3. Dembe A, Harrison R. "Access to Medical Care for Work-Related Injuries and Illnesses: Why Comprehensive Insurance Coverage is Not Enough to Assure Timely and Appropriate Care." In Teleki S, ed. *Research Colloquium on Workers' Compensation Medical Benefit Delivery and Return-to-Work.* Santa Monica, CA: RAND Institute for Civil Justice. 2006.
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5. Lashuay N, et al.. *We Spend our Days Working in Pain: A Report on Workplace Injuries in the Garment Industry.* San Francisco, CA: Asian Immigrant Women Advocates and University of California, San Francisco. 2002.
6. California Medical Association (CMA). *Hostile to Physicians, Harmful to Patients: the Workers' Compensation . . .Reform?* Sacramento: CMA, June 2005.
7. Swedlow, A. *California Workers' Compensation Medical Care Reform & Access to Medical Care.* Oakland: California Workers' Compensation Institute (CWCI). August 2006.

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Additional fact sheets on workers' compensation medical care in California are available at either of the above two Web sites.