



## **MANAGED HEALTHCARE NORTHWEST , INC.**

422 E. BURNSIDE, SUITE 215, PO BOX 4629, PORTLAND, OREGON 97208-4629  
(503) 413-5800 FAX (503) 413-5801

### **CAREMARK COMP DISPUTE RESOLUTION PROCESS OVERVIEW**

CareMark Comp is a state-certified managed care organization (MCO) under Oregon workers' compensation law. CareMark Comp is operated by Managed HealthCare Northwest, Inc. CareMark Comp provides medical care to injured workers through a medical delivery system of physicians, hospitals and other providers who are required to provide medical care according to Oregon workers' compensation law and treatment standards and protocols established by MHN. The goal of CareMark Comp is to ensure that the injured worker receives all necessary and appropriate medical care, that all care provided is of uniformly high quality, and that it enhances the worker's return to work.

CareMark Comp reviews hospitalization, surgery, medical equipment and physical medicine services proposed by attending physicians and makes a determination about whether those services are medically necessary and appropriate. If the physician or the worker does not agree with a decision or action of CareMark Comp, they may raise that issue to CareMark Comp through the dispute resolution process. Issues which the dispute resolution process will consider include the following:

- CareMark Comp's determination that a proposed medical service is not medically necessary;
- CareMark Comp's determination that a proposed medical service or service site is not medically appropriate;
- CareMark Comp's determination that a medical service exceeds the limits suggested in the treatment standards and protocols;
- The belief that necessary medical care is not available within the panel of participating providers when CareMark Comp determines it is.

CareMark Comp does not:

- Make determinations of eligibility, compensability or payment.
- Make the decision that an injured worker is enrolled in the MCO. These decisions are all made by the insurer.

Since the issues of concern to CareMark Comp are of a medical and clinical nature, it is desirable that an appeal of a decision be submitted on behalf of the injured worker by the attending physician. An appeal may be submitted by the worker, employer or insurer; however, MHN will act upon it exercising independent medical judgement after consulting with the worker's attending physician and a review of the medical record.

The appeal of any medical necessity or appropriateness decision must be submitted in writing to CareMark Comp within thirty (30) days of notification of the decision. The appeal is reviewed by the CareMark Comp Medical Director and Joint Medical Committee (JMC). Their decision will be rendered within thirty (30) days of the receipt of the written appeal of the decision. Notification of the final decision will be reported to the physician, injured worker, hospital/facility, employer and insurer in writing within sixty (60) days of receipt of the dispute.

If a dispute remains, it may be appealed to the Oregon Department of Consumer & Business Services (DCBS) as established under OAR 436-015-0110.

All appeals and other issues for consideration by MHN under the dispute resolution process should be directed to:

CareMark Comp Communications Liaison  
Managed HealthCare Northwest, Inc.  
422 E. Burnside, Suite 215, PO Box 4629  
Portland, OR 97208-4629

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## **SUMMARY OF CAREMARK COMP DISPUTE RESOLUTION AND MEDICAL REVIEW PROCEDURE**

### **Overview**

CareMark Comp is a state certified managed care organization (MCO) under Oregon workers' compensation law. As required by ORS 656.260, CareMark Comp has assembled a group of internal procedures to ensure "adequate methods of peer review, service utilization review and dispute resolution to prevent inappropriate or excessive treatment" with regard to the medical services its members and constituents provide to injured workers. [ORS 656.260(4)(d)] The Department of Consumer and Business Services reviewed and approved CareMark Comp's procedures and standards at the time of initial certification. The Department continues to review these procedures in substance and application as part of its ongoing audit and certification renewal process.

### **Philosophy**

CareMark Comp believes the 1990 Oregon Legislature intended managed care organizations to complement, not obstruct, the attending physician-patient relationship insofar as that is consistent with its concurrent missions of cost control and quality management. CareMark Comp views its statutory role as consultative and medical, not adversarial or legal. CareMark Comp is not a party to any claim. Its dispute resolution processes are an adjunct to the treatment process, incorporating objective screening criteria, multiple disciplinary consultations and second opinions. They are not an adjunct of the claims processing or litigation process, and CareMark Comp is required to oppose any attempt by employers, insurers, or workers to make them so.

CareMark Comp's state-approved procedures reflect this philosophy. They accord attending physicians primary responsibility for initiating the review process, and for keeping the worker advised of its progress. Importantly, workers, employers, or insurers may request CareMark Comp to initiate such reviews, but it will do so only in the exercise of independent medical judgment upon consultation with the attending physician. Just as importantly, CareMark Comp's procedures acknowledge a worker's right to select or change attending physicians within limits imposed by the administrative rules and Oregon law.

## **DESCRIPTION OF REVIEW PROCEDURES**

### **Administrative Issues--Worker Dispute Resolution**

Some questions or requests involve non-medical issues. These are usually raised by workers or their representatives rather than by an attending physician. Examples include requests for treatment by non-MCO physicians, or requests to treat with physicians in specialties not eligible for attending physician status. CareMark Comp will ordinarily ask that such questions be submitted in writing to the Communications Liaison at the MCO offices.

CareMark Comp will respond in a letter indicating its "final decision" pursuant to OAR 436-015-0110(6) and containing a notice to the worker of their right to seek any further review of the decision from the Department of Consumer and Business Services within 60 days.

If the Director remands a dispute back to CareMark Comp, as provided in ORS 656.260(16), CareMark Comp will collect any additional evidence or perform any additional review as prescribed in the remand order within sixty (60) days of its receipt.

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**Treatment Issues**

**Initial Review:**

Disputes or requests concerning treatment undergo a multi-level appeal process within the MCO. Ordinarily these will involve (1) attending physician recommendations for treatment requiring precertification under the MCO contract with the insurer/employers, or (2) attending physician recommendations for treatment outside of (or in excess of) CareMark Comp treatment protocols. CareMark Comp staff handle most precertification requests by simply consulting CareMark Comp's screening criteria. The great majority of such requests are approved within a few days. If disapproved, CareMark Comp notifies the attending physician, who may concur or (within 30 days) request further review by the Joint Medical Committee (JMC). All requests for treatment outside the criteria or protocols are directed to the Medical Director for resolution.

**MCO Medical Director Review:**

In all cases in which he participates, the MCO Medical Director may consult with the attending physician and obtain chart notes and records. He may also request the attending physician's cooperation in arranging for a records review and/or examination of the worker by other physicians to obtain a second opinion. Finally, he may also recommend a Disability Prevention Consultation (DPC) to the attending physician, in which the worker and/or medical records are examined by a physician sub-specialist and psychologist to assist the attending physician by helping to compile a treatment plan. All cases where a disapproval is issued have first been reviewed by the Medical Director prior to the disapproval decision being reached.

**JMC Review:**

The JMC consists of participating physicians and other providers representing a cross-section of medical and clinical specialties. Members of this committee participated in development of the original treatment protocols and screening criteria. The JMC meets monthly to consider appeals, proposed changes and additions to the protocols, peer review cases, and related issues. In particularly complex cases, the Medical Director or Communications Liaison may consult the JMC before rendering decision on treatment or administrative disputes. Otherwise, as noted above, the attending physician may do so. The JMC reviews treatment records plus any second opinions or DPC reports, and the recommendation of the Medical Director. This Committee is the final step in CareMark Comp's peer review process for treatment disputes. Its decision represents the MCO's "final decision" prior to the worker's request to the Workers' Compensation Division (WCD) for review of treatment disputes by its Medical Director under OAR 436-010-0008. JMC decisions are communicated in writing to the attending physician and the worker. The decision contains information regarding how the worker can request further review of the decision by WCD.

If the Director remands a dispute back to CareMark Comp, as provided in ORS 656.260(16), CareMark Comp will collect any additional evidence or perform any additional review as prescribed in the remand order within sixty (60) days of its receipt.