

### **Compliance Connection**

Key States to Watch in Workers' Compensation

mPower Conference 2019

### Ready to Learn More about Workers' Comp Legislation?

This notebook provides you overarching insights into the latest workers' compensation legislation that occurred in 2019 and that we expect to continue trending in 2020. You can use this booklet to take notes on the presentation and save questions to ask our experts after.

Missed the presentation?

Not to worry—we have all the information you need available online. Visit mpower.mitchell.com to view related content, such as our interactive formulary map, state-bystate map of medical marijuana laws, and webinars on legislative trends.

Looking for more insights from our industry experts?

Flip to the back of this booklet to learn how you can get the latest updates related to compliance and regulatory affairs.

Want to talk to our experts?

Visit the Connections Hub during the conference to connect with Brian Allen and Michele Hibbert-Iacobacci.

Timely Compliance Updates to mPower Better Outcomes



## Workers' Compensation Industry Billing/Coding Trends

Preventable Mistakes | New Coding Guidelines

Between billing errors, federal coding changes and more, there are many different aspects to be aware of in the workers' compensation industry today. Learn more below about current industry billing and coding trends:

#### Preventable Billing Mistakes: FY2018

8.1%

Error rate in medical billing reported by CMS

\$31.6B

Loss to CMS

### **\$230B**

Losses over the past 6 years (CMS)

#### Federal Changes

Evaluation and Management

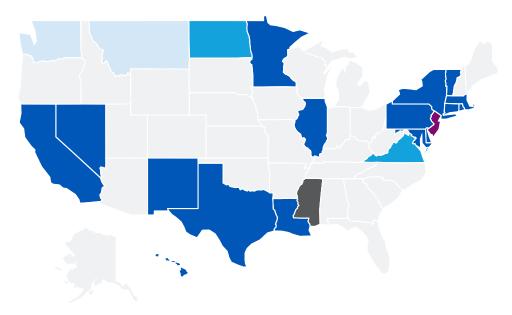
- CMS same payment for 2-5 level payments
- Add on codes
- Documentation required
- Remote Patient Monitoring
  - New codes added
  - Potential for fraud and abuse



## Litigation & Legislation

#### Recent Updates

States are introducing legislation to create guidelines or directives to grant consumers rights related to their personal information and data, including full disclosure to consumers by companies using consumer personal data for analytics, operations and products. Many are using the California Consumer Privacy Act (CCPA) as a template.



- In Committee
- Out of Committee
- Passed First Chamber
- Signed by Governor
  - Failed

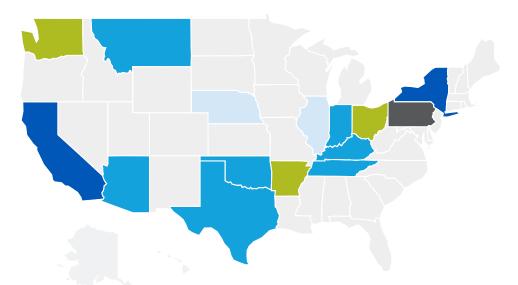
Although the P&C industry is not a covered entity under HIPAA, companies in this industry are included unless specifically excluded in the bills. The trend is to exclude or promulgate legislation to exclude P&C from these requirements. View details of the bills at NCSL.org.



## Formulary Legislation

#### Development and Implementation

Drug formulary legislation continues in several states. In 2019, New York finalized its drug formulary rule. Montana and Kentucky's formularies both went into effect in mid-2019. A couple other states are still considering adopting state-mandated formularies. Learn more:



- ODG Formulary
- State-Specific Formulary
- ACOEM or Adapted ACOEM
- Legislation Introduced to Initiate Formulary
- Vetoed Formulary
  - No Formulary

For more information, visit mpower.mitchell.com/formulary-laws-state-interactive-map



## Medical Marijuana

#### Expanding Legalization

Marijuana continues to be a hot topic across the country. In 2019, most states had legislation running that dealt with issues related to the drug. As of September 2019, more than 30 states have legalized medical marijuana and 10 states plus the District of Columbia have legalized the drug for recreational use. Several bills introduced are relevant to the workers' compensation industry.

# Summary of Legislation Introduced Related to Workers' Comp

- Add medical marijuana to PDMP
- Expand qualifying conditions
- Use for opioid use disorder treatment
- Increasing legal age for recreational use to 25
- Potency limits placed on all marijuana products
- Health warning on medical marijuana products
- Employment discrimination protections
- Require workers' compensation to reimburse (Kansas, Maine, New Jersey, New York, Vermont)
- Exempt workers' compensation from reimbursement (Kentucky)
- Repeal all legal use of marijuana (Massachusetts HB 3531)
- Urges slow legalization to consider impact in other states (Illinois HR 157)







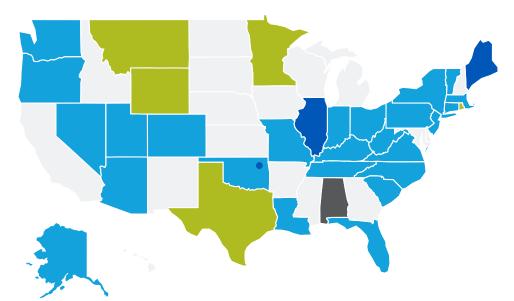




## Opioids & Prescribing Limits

#### Continued Efforts Against Opioid Crisis

Opioid prescribing has decreased since 2012<sup>1</sup>, especially in workers' compensation. However, opioid overdose death rates (from all opioids, including street opioids) increased in 2017<sup>2</sup>. This means that states are still trying to find ways to combat the opioid crisis. Here is a summary of state actions taken in 2019.



- Opioid Limit Bills Passed 2019
- Opioid Limit Bills Running 2019
- Opioid Prescribing Limits in Place
- Opioid Limit Bills Failed

1 https://www.cdc.gov/drugoverdose/maps/rxrate-maps.html 2 https://www.cdc.gov/mmwr/volumes/67/wr/mm675152e1.htm?s\_cid=mm675152e1\_w



### 2020 Predictions

#### Focus on Reforms

With the 2020 elections quickly coming up, many changes are possible. Here are some predictions for 2020, from general workers' compensation industry predictions to issues that will impact pharmacy specifically.

#### Predictions for 2020 and Beyond:

- Challenges to constitutionality of workers' compensation laws
- Rescheduling of medical marijuana
- Presumptions for first responders
- Opioid pushback
- Emergency room costs rising
- Workers' compensation payment transparency fraud focus
- Continuation of consumer privacy and protection legislation
- Medicare's new evaluation and management model implemented
- Severity for workers' compensation remain flat
- Utilization review major reform efforts

