

Compliance and Regulations Newsletter

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ARKANSAS

State Releases Updated Drug Formulary

The latest draft of the drug formulary was to be considered before the Arkansas Legislative Council's Administrative Rules and Regulations Subcommittee mid-October. If approved, the state will adopt Rule 099.41 for all prescriptions for workers' compensation claims with a date of injury on or after January 1, 2018.

The formulary would limit an injured worker's initial opioid prescription to a five-day supply and not exceed a daily dosage cap of 90 morphine equivalent doses (MED) which is the Centers for Disease Control and Prevention's guideline for a daily dosage. Subsequent opioid prescriptions would be limited to a 90-day maximum not to exceed a 90 MED dosage limitation per day.

The formulary has undergone several changes since the public hearing held in May. It will require physicians to review the Prescription Drug Monitoring Program (PDMP) before dispensing opioids. It will also require written certification of the medical necessity for continuing opioid medication beyond 90 days which should include the following:

- Follow-up visits with the prescribing physician
- Documentation of improved function under the medication
- Periodic drug screening
- Detailed plan for future weaning off the medication
- Summary of conservative care rendered to the worker that focused on increased function & return to work

- A statement why alternative conservative measures were ineffective or contraindicated (including non-opioid pain medications)
- A summary of the data, if any, received from an automated Prescription Drug Monitoring Program (PDMP)

The revised draft also states compound medications require pre-authorization from the payer and medical certification of the patient's inability to tolerate treatment by other non-compounded medications.

The outcome of the October Administrative Rules and Regulations Subcommittee meeting has yet to be posted.

[Source](#)

MONTANA

Drug Formulary Selection Process Moves Forward

Montana's Labor-Management Advisory Council goals for implementing a workers' compensation formulary are to reduce the number of potentially dangerous drug prescriptions and to improve worker outcomes by reducing disability duration and increasing return to work rates.

Proposed Formularies include Official Disability Guidelines (ODG), American College of Occupational and Environmental Medicine (ACOEM), and Washington L&I Outpatient Formulary (State of Washington).

The Division recommended ODG, and according to a state, the Advisory Council adopted the ODG drug formulary.

Texas, Arizona, Oklahoma and Tennessee have also adopted the ODG drug formulary.

ODG has an established track record. It also provides the easiest means of implementation with no maintenance necessary. It utilizes an evidence-based process and is updated as needed.

Now that the ODG drug formulary has been adopted, next steps must be established for the following:

- First Fill Procedures
- Prior Authorization Process
- Dispute Resolution Process
- Legacy Claims

[Source](#)

NEW JERSEY

Work Comp Agency Moves to Adopt E-Billing Rules

New Jersey's workers' compensation agency is moving to adopt rules to implement last year's electronic billing law.

Assembly Bill 3401, signed by Governor Chris Christie in 2016, requires healthcare providers to submit workers' compensation medical bills electronically. It also requires payment of medical bills within 60 days.

Providers meeting specific qualifications will not be required to comply with the electronic bill submission bill rule. Those exceptions include:

- Submit less than 25 medical bills per month
- Furnish services only outside the United States
- Experience a disruption in electricity and communication connections that are beyond its control
- Demonstrate that a specific and unusual circumstance exists that precludes submission of electronic bills

The October 16th edition of the New Jersey Register shows the Department of Labor and Workforce Development's Workers' Compensation Division proposed NJAC 12:235-1.9: Electronic Medical Bills for Workers' Compensation Claims.

This proposed rule mirrors the text of AB 3401 with one exception. The proposed rule specifically names the American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 837 National Standard as the official Statewide standard for the electronic exchange of medical billing information in workers' compensation.

A public hearing on proposed rule NJAC 12:235-1.9 will be held on November 14, 2017. Written comments must be submitted by December 15, 2017.

[Source 1](#)

[Source 2](#)