



HOUSE OF REPRESENTATIVES

HB 2221

workers' compensation; controlled substances

Sponsor: Representative Fann

X Committee on Insurance and Retirement

Caucus and COW

House Engrossed

OVERVIEW

HB 2221 establishes physician reporting requirements and preauthorization procedures for workers' compensation claims that require the usage of opium-based narcotics in medical treatment.

HISTORY

Workers' compensation is a "no fault" system in which an injured employee is entitled to receive benefits for an industrial injury, no matter who caused the job-related accident. Under Arizona law, it is mandatory for employers to secure workers' compensation insurance for their employees. If an illness or injury is job-related, then the injured worker (also known as a claimant or applicant) receives medical benefits and may receive temporary compensation, if eligibility requirements are met. In some cases, a claimant may also receive permanent compensation benefits, "job retraining," and supportive medical care. Workers' compensation insurance can be obtained from an insurance company licensed to issue workers' compensation insurance in Arizona. Employers who meet certain requirements can also apply to the Industrial Commission of Arizona (ICA) for permission to be self-insured for workers' compensation. An employer can direct an injured employee to a physician of the employer's choice for a one-time evaluation. Following that visit, the injured worker may return to that physician or pursue treatment with a physician of his or her choice. There are exceptions to this rule for a self-insured employer that has complied with the requirements of Arizona Revised Statutes § 23-1070. Currently, a physician is required to include information regarding the use of certain narcotics and to make inquiries into a claimant's prescription history as directed by an employer or claimant.

PROVISIONS

- Requires a physician to include certain information regarding a workers' compensation claimant's use of narcotics in a physician's report, rather than at the request of the employer or claimant.
- Requires a physician to include in the claimant's treatment plan a medication agreement, a plan for follow-up visits, drug testing, and documentation that the medication is providing relief, demonstrated by clinically meaningful improvement in function.
- Directs a physician to submit a written report that sets forth a modified treatment plan to an insurance carrier, self-employed insurer, or the ICA within five business days if the claimant's drug test yields inconsistent results.

HB 2221

- Requires a physician to submit an inquiry to the Arizona State Board of Pharmacy (Board) requesting a claimant's prescription information monitored by the Controlled Substances Prescription Monitoring Program within two business days of authorizing an initial prescription for a 30-day or greater supply of an opioid medication.
 - The physician must report the results of the inquiry within 30 days.
 - An insurance carrier, self-employed insurer, or the ICA may only request that the physician conduct further inquiries once every two months.
- Directs a physician to notify an insurance carrier, a self-insured employer, or the ICA within five business days if a claimant is receiving opioids from another undisclosed health care provider.
- States that a preauthorization from an insurance carrier, self-insured employer, or the ICA is required for a prescription order for an opioid medication or combination of medications equaling 120 milligrams or more of morphine per day and for subsequent increases in dosage.
 - Directs the insurance carrier, self-insured employer, or the ICA to authorize the prescription within 24 hours unless the insurance carrier, self-insured employer, or the ICA rely on a physician licensed in Arizona whose practice includes pain management who determines that the prescription order should be denied.
- Clarifies that an insurance carrier, a self-insured employer, or the ICA is not responsible for payment to the physician if the physician does not comply with the preauthorization procedures.
- Permits an insurance carrier or the ICA to request a change of physician after a written request outlining the physician's noncompliance has been made.
 - The replacement physician's practice must include pain management.
 - If other medical providers are not available in the area, the insurance carrier or the ICA is responsible for advanced payment of the claimant's travel expenses.
- Stipulates that an insurance carrier, a self-insured employer, or the ICA is responsible for providing drug rehabilitation treatment for a claimant who becomes addicted to opioids prescribed for a work-related injury.
 - Directs an insurance carrier, a self-insured employer, or the ICA to continue to provide opioids in the event of a medical conflict until a determination is made by an administrative law judge.
- States that an insurance carrier, a self-insured employer, or the ICA is not responsible for covering certain medications if a claimant resides out of state and the out-of-state physician fails to comply with any requirements.
 - Directs an out-of-state physician to make an inquiry regarding the claimant's prescription information to a state's database if the state participates in a controlled substances monitoring program.
- Declares that physician reporting requirements and preauthorization procedures regarding certain medications do not apply to medications received while the claimant is in the hospital.
- Clarifies that an insurance carrier or a self-insured employer is not liable for bad faith or unfair claims processing for any action taken relating to physician reporting requirements and preauthorization procedures.

HB 2221

- Defines *clinically meaningful improvement in function* as any of the following:
 - A clinically documented improvement in range of motion.
 - An increase in the performance of daily activities.
 - A return to gainful employment.
- Defines *inconsistent results* as when an employee's reported medications are not detected by a drug test, or when unreported controlled substances are reported by a drug test.