



## CRM Managed Care & California Health Care Organization Program Overview for the Healthcare Industry Self Insured Program (HISIP)

The California Health Care Organization (HCO) is a medical treatment program created by the State of California to better manage workers' compensation claims. The benefits of the HCO program include extension of the medical control period, quality physicians and nurse case management oversight to reduce overall claim costs while ensuring quality care. Compensation Risk Managers (CRM) has partnered with Medex – a California State Licensed Workers' Compensation Health Care Organization to provide you with these benefits. MEDEX Healthcare, Inc. located in Long Beach, CA provides effective Workers' Compensation cost containment services for California employers and claims administrators. Products and services include, but are not limited to, Health Care Organizations (HCOs), Physician and Nurse Utilization Review (UR), Telephonic Nurse Case Management, Physician Peer Review and Medical Provider Networks (MPNs). **HISIP has required this program to be mandatory for all members with a 30-day grace period for the initiation of enrollment and a 120-day period for final completion of enrollment.**

### **HCO Benefits**

Extension of Medical Control - If an employee did not pre-designate a personal physician prior to injury, the HCO program allows employers to extend medical control from the current 30 days to 90 days for employees who are not offered group health benefits and 180 days for employees who are offered group health benefits. Attorneys are not allowed to redirect treatment within these time periods. By directing injured workers' to appropriate doctors for significantly longer periods of time, HCOs reduce claim payments for both indemnity and medical benefits.

Quality Physicians - Medex' smaller exclusive HCO network includes only defense oriented doctors nominated by claims administrators and employers who prescribe aggressive treatment plans to return employees to work more quickly.

Nurse Case Management Oversight - For accepted HCO indemnity claims, nurse case managers manage care within HCO network, ensure compliance for appropriate treatment within disability guidelines and coordinate with employers' return-to-work programs.

### **Implementation Process**

The employer will be required to transmit files containing information for all current employees. This can be accomplished through a technological data feed or manually depending upon the employer's systems' capability. Medex has secured the services of Harbor Healthcare to handle the initial enrollment and data management services related to the HCO. Once the data is received, employees are notified of the program and given 30 days to respond. HISIP requires that you begin this implementation process by completing the initial employer questionnaire within 30 days with full HCO enrollment completed by 120 days.

### **HCO Fees**

**All fees will be paid as an Allocated Loss Adjustment Expense by HISIP including enrollment fees.** The fees include: a \$10 per employee annual enrollment fee, an administrative fee of \$350 per indemnity claim file, nurse case management fees at flat rate of \$500 for the first 3 months and \$150 each additional month, medical director review at \$250/hour, and specialty peer review ranges from \$250-\$500 /hour.

Please sign and return this document to your agent/broker in order to secure a quote from the **Healthcare Industry Self Insured Program (HISIP)**.

*I have read the information above, and agree to comply with the terms and conditions of the Medex CA HCO Program should I become a member of the **Healthcare Industry Self Insured Program**.*

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(Name)

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(Company)

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(Date)