



2024

Workers' Compensation Network Report Card Results

Published September 2024



Under Chapter 405 of the Texas Labor Code, the Workers' Compensation Research and Evaluation Group (REG) at the Texas Department of Insurance, Division of Workers' Compensation (DWC) is responsible for conducting professional studies and research on various system issues, including:

- Delivery of benefits.
- Litigation and controversy related to workers' compensation.
- Insurance rates and rate-making procedures.
- Rehabilitation and reemployment of injured employees.
- Quality and cost of medical benefits.
- Employer participation in the workers' compensation system.
- Workplace health and safety issues.
- Other matters related to the cost, quality, and operational effectiveness of the workers' compensation system.

This report is online at www.tdi.texas.gov/wc/reg/index.html.

Direct questions regarding certified networks to the Managed Care and Quality Assurance Office at MCQA@tdi.texas.gov.

Acknowledgements

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Botao Shi managed the project, conducted the analyses, converted statistical results into tabular and graphical output, and interpreted the results. Conrado Garza, Hari Luintel, and Vivian Meng provided valuable editorial comments.

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Executive summary

In 2005, the 79th Texas Legislature passed House Bill 7, which authorized the use of workers' compensation health care networks certified by the Texas Department of Insurance (TDI). This legislation also directed REG to publish an annual informational report card comparing the performance of certified networks with each other, as well as with non-network claims, on a variety of health care measures including:

- Health care costs.
- Utilization of health care.
- Employee satisfaction with care.
- Employee access to care.
- Return to work outcomes.
- Health-related outcomes.

In 2021, House Bill 1753 changed the annual publication to a biennial publication.

Health care costs. Networks generally have lower overall health care costs per claim than non-network claims at six months and 12 months maturity. However, several networks did have higher overall health care costs than non-networks. Network claims have lower average professional and pharmacy costs but higher hospital costs than non-network claims.

Utilization of health care. A higher percentage of network claims received professional services than non-network claims. A higher percentage of non-network claims received hospital services and pharmacy services.

Employee satisfaction with care. The level of satisfaction with health care was higher for network than non-network claims with many injured employees reporting higher levels of satisfaction with their treating doctor and higher levels of agreement with their doctors.

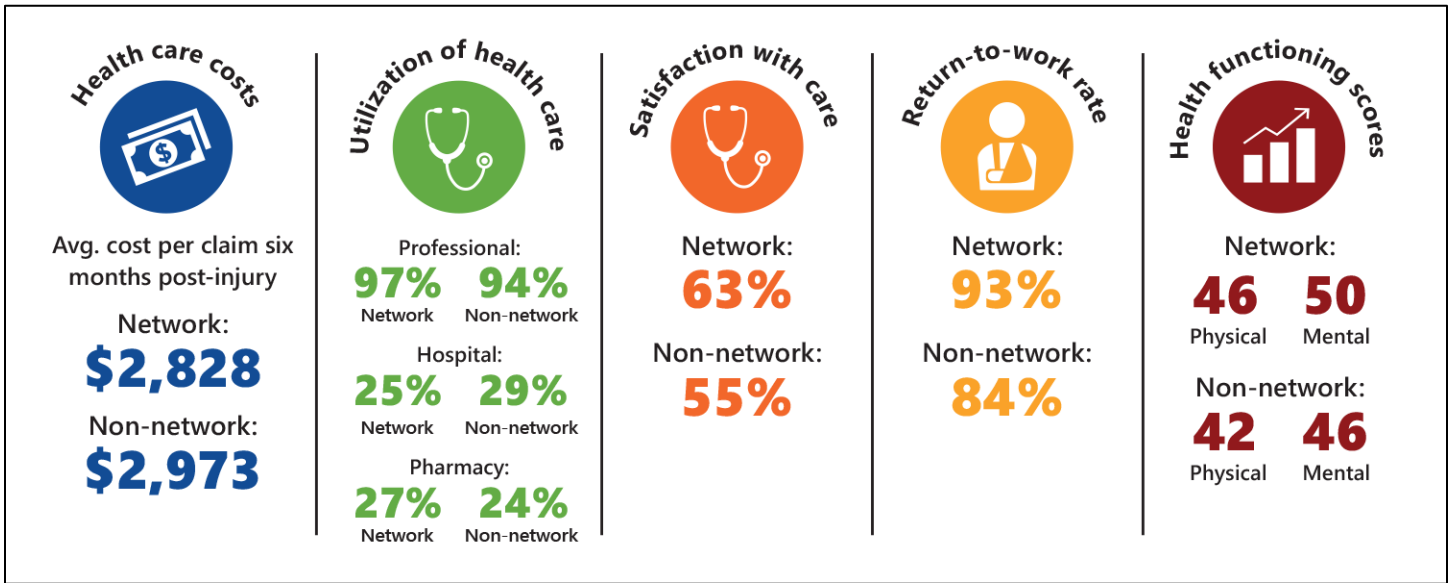
About two out of three injured employees with network claims reported that their work-related health care was the same or better than the medical care they normally receive when injured or sick.

Employee access to care. Overall, networks provided non-emergency care sooner after an injury than non-network claims. All networks had a higher percentage of injured employees who reported that they had no problems getting needed medical care and getting medical care quickly after their injury than non-network claims.

Return to work outcomes. Network claims had higher return-to-work rates than non-network claims.

Health-related outcomes. Most network claims had higher physical and mental functioning scores than non-network claims.

Key findings



Introduction

There are 26 networks covering 254 Texas counties that are certified to provide workers' compensation health care services as of July 1, 2024. This report card examines only claims with injuries occurring between June 1, 2021, and May 31, 2023.

Certain public entities and political subdivisions (such as counties, municipalities, school districts, junior college districts, etc.) have the option to:

- Use a workers' compensation health care network that TDI certifies under Texas Insurance Code Chapter 1305.
- Allow their injured employees to seek health care as non-network claims.
- Contract directly with health care providers if a certified network is not "available or practical," essentially forming their own health care network.

This report includes public entities such as the Political Subdivision Workers' Compensation Alliance (Alliance), a joint contracting partnership of five political subdivisions that chose to directly contract with health care providers. While TDI is not required to certify these entities, they must still meet TDI's workers' compensation reporting requirements and be included in this report card.

How network results are reported

The results in this report card show a comparison between 10 networks with a total of 205,716 injured employees and non-network claims with a total 197,365 injured employees.

The "Other network" category is comprised of the networks and public entities under Chapter 504 that are too small, in terms of the number of injured employees treated in each network during the study period, to have their results analyzed separately.

Where applicable, network results are tested against non-network results at a 5% level of significance. The significant results are marked with an asterisk (*). Percentages in some categories may not add up to 100 due to rounding or because respondents chose multiple options.

The 87th Legislature passed Senate Bill (SB) 22 which adds new Texas Government Code Section 607.0545 to create a presumption that COVID-19 injury or death is considered work-related for certain first responders. Under the law first responders include detention officers, custodial officers, firefighters, peace officers, and emergency medical technicians. The presumption provision expired on September 1, 2023. Some networks with a higher proportion of first responders may have been impacted more than others as a result of SB 22.

The TDI Managed Care Quality Assurance (MCQA) Office, maintains a list of the certified networks, each with a map of their coverage areas at www.tdi.texas.gov/wc/wcnet/wcnetworks.html.

Data sources

The measures presented in this report card were created using data gathered from a variety of sources:

- Health care cost, utilization of health care, and administrative access to care measures were calculated using the DWC medical billing and payment database, a collection of medical charges, payments, and Current Procedural Terminology (CPT) and diagnosis codes for each injured employee.

- Employee access to care, employee satisfaction with care, return-to-work outcomes, and health-related outcome measures were calculated using the results of an injured employee survey. The University of Texas Rio Grande Valley, Center for Survey Research & Policy Analysis conducted this survey for REG.
- Network claims that insurance carriers identified and reported through a data call that REG issued in October 2023.

Analyses

Duplicate medical bills and bills that were denied due to extent of injury or compensability issues, as well as other outlier medical bills were excluded from the analyses. Cost and utilization measures were examined separately by type of medical service:

- **Professional services** include the services of a medical professional, durable medical equipment provider, independent laboratory (not part of a hospital), ambulance, and ambulatory surgical center. This includes examinations that DWC ordered.
- **Hospital services** include all services that an outpatient or inpatient hospital bills.
- **Pharmacy services** include the services of a dispensing pharmacy.

Dental services were excluded in the health care cost analysis because the amount of dental services rendered in each network was too small. The analyses were conducted for all claims grouped together by network, as well as separately for medical-only, claims with no time away from work or less than seven days away from work, and lost-time claims (claims with seven or more days away from work).

Professional cost and utilization measures were also analyzed by eight sub-categories of services: evaluation and management services, radiology, physical therapy, pathology and laboratory services, spinal surgeries, other surgeries, DWC-specific services, and other professional services.

Similarly, hospital cost and utilization measures were examined separately for inpatient and outpatient hospital services, and other types of hospital services.

Finally, pharmacy prescription cost and utilization were examined by five drug groups: opioid prescriptions, anti-inflammatory prescriptions, musculoskeletal therapy drug prescriptions, central nervous system drugs, and other therapeutic drug prescriptions. The same methods, programs, and parameters were used to analyze network and non-network data to ensure compatibility of results.

Injured employee survey

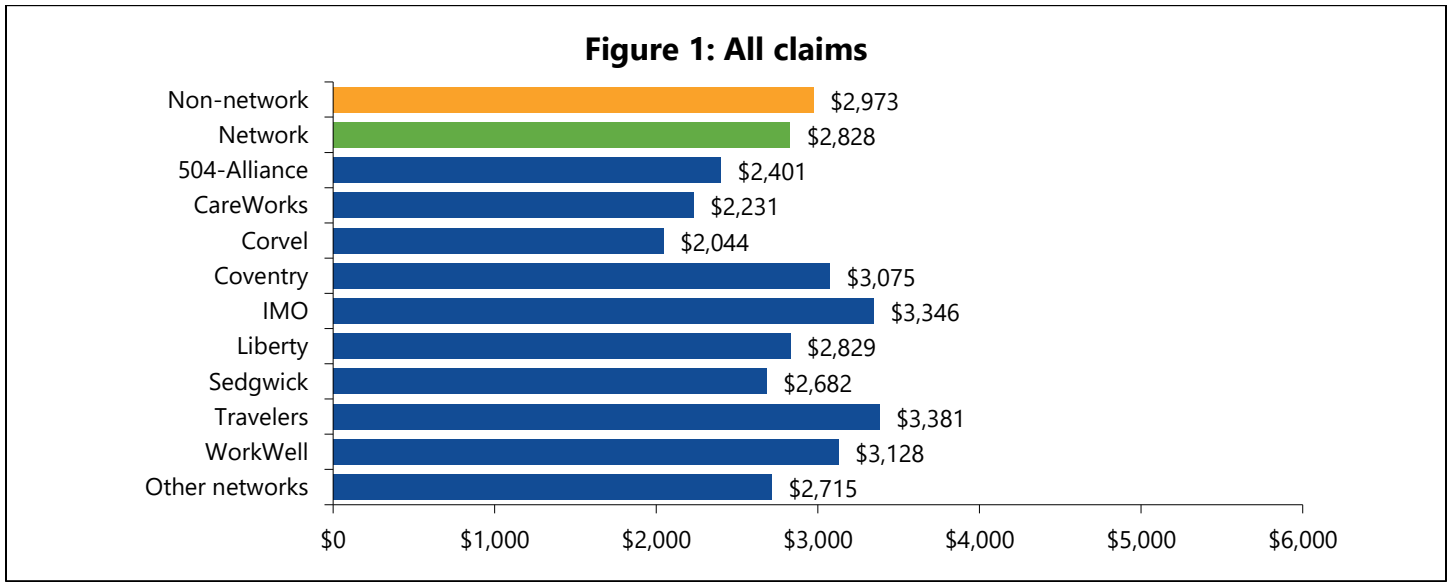
To capture information about employee access to care, employee satisfaction with care, return-to-work outcomes, and physical and mental functioning outcomes, REG developed an injured employee survey using a series of standardized questions from the Consumer Assessment of Health Plans Study, Version 5.1 (CAHPS™ 3.0), the Short Form 12, Version 2 (SF-12™), the URAC Survey of Worker Experiences, and previous injured employee surveys that REG conducted.

The report findings are based on 2,451 completed telephone surveys of injured employees with injuries occurring between January 1, 2022, and May 31, 2023. The surveys were done in March through July 2024.

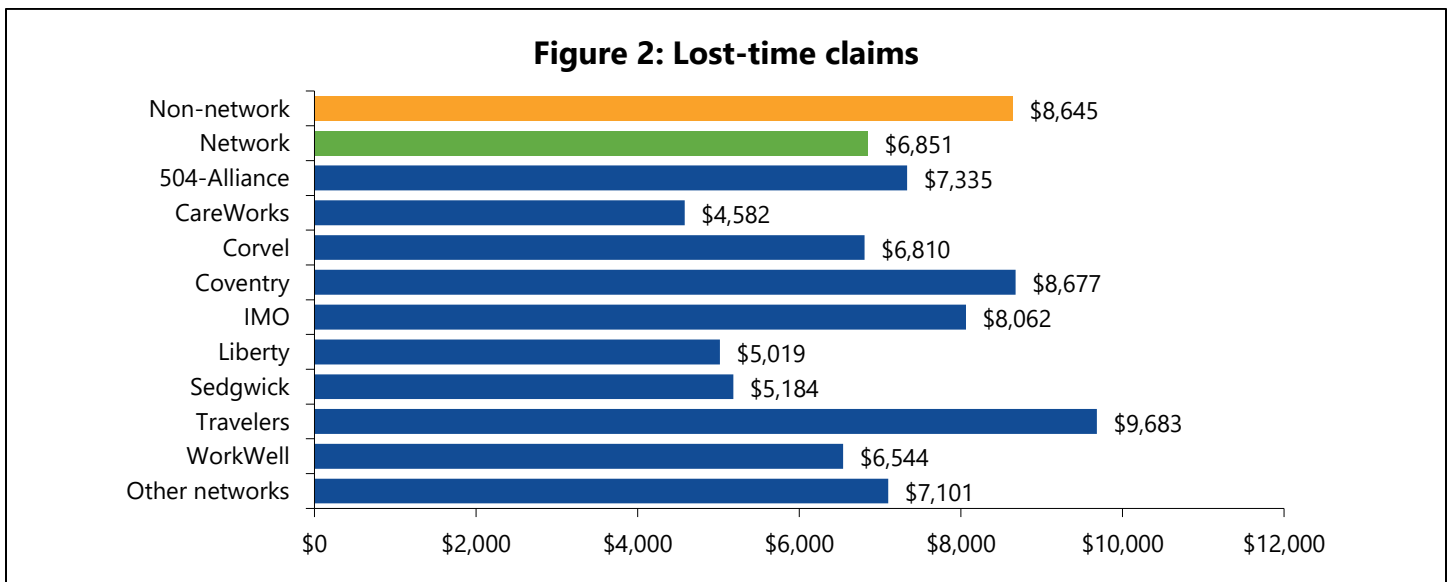
Overall health care cost

Health care costs were calculated for all groups at six months post-injury and are based on payments insurance carriers made to health care providers. Typically, actual payments are less than charges (the billed amount). The goal of this measure is to evaluate the costs of services based on payments insurance carriers made to health care providers at six months maturity for injuries.

Figures 1-3 show the average cost per claim for health care services for all claims, lost-time claims, and medical-only claims.

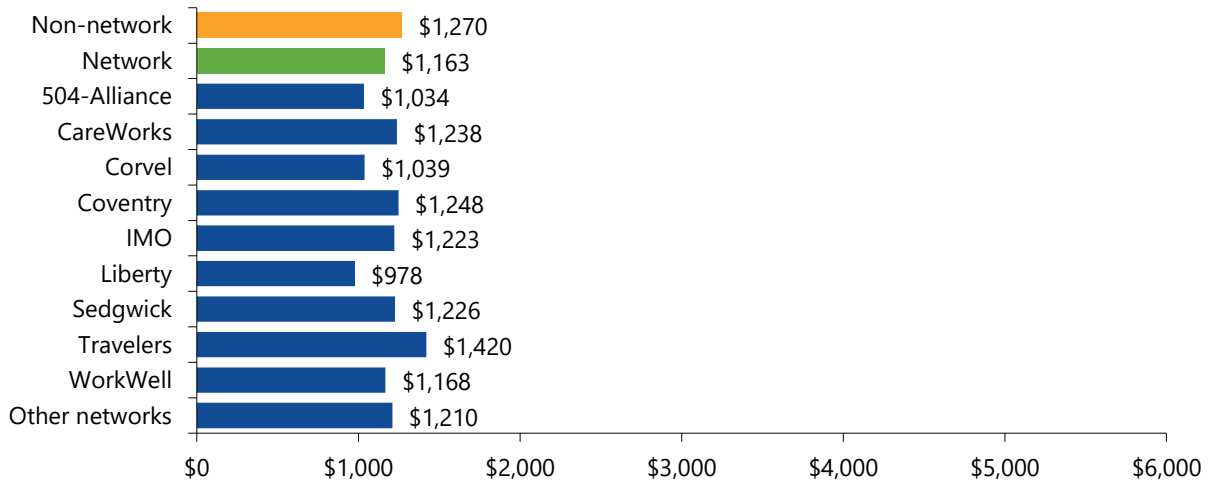


Source: Workers' Compensation Research and Evaluation Group, 2024.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 3: Medical-only claims



Source: Workers' Compensation Research and Evaluation Group, 2024.

Table 1 shows the percentage of health care costs by the type of medical service: professional, hospital, and pharmacy.

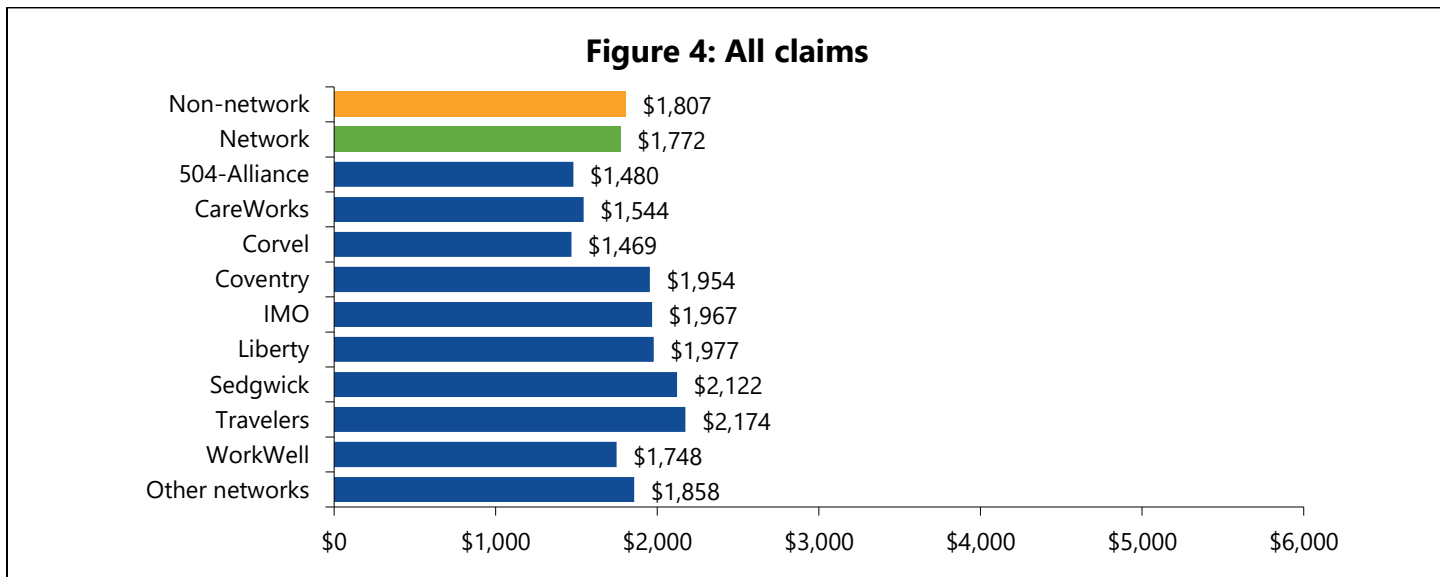
Table 1: Percentage of total health care cost by medical type

	Professional	Hospital	Pharmacy
Non-network	57%	41%	2%
504-Alliance	59%	39%	2%
CareWorks	63%	35%	1%
Corvel	69%	28%	3%
Coventry	63%	36%	2%
IMO	58%	41%	1%
Liberty	69%	29%	2%
Sedgwick	79%	19%	2%
Travelers	63%	35%	2%
WorkWell	54%	45%	1%
Other networks	67%	32%	1%

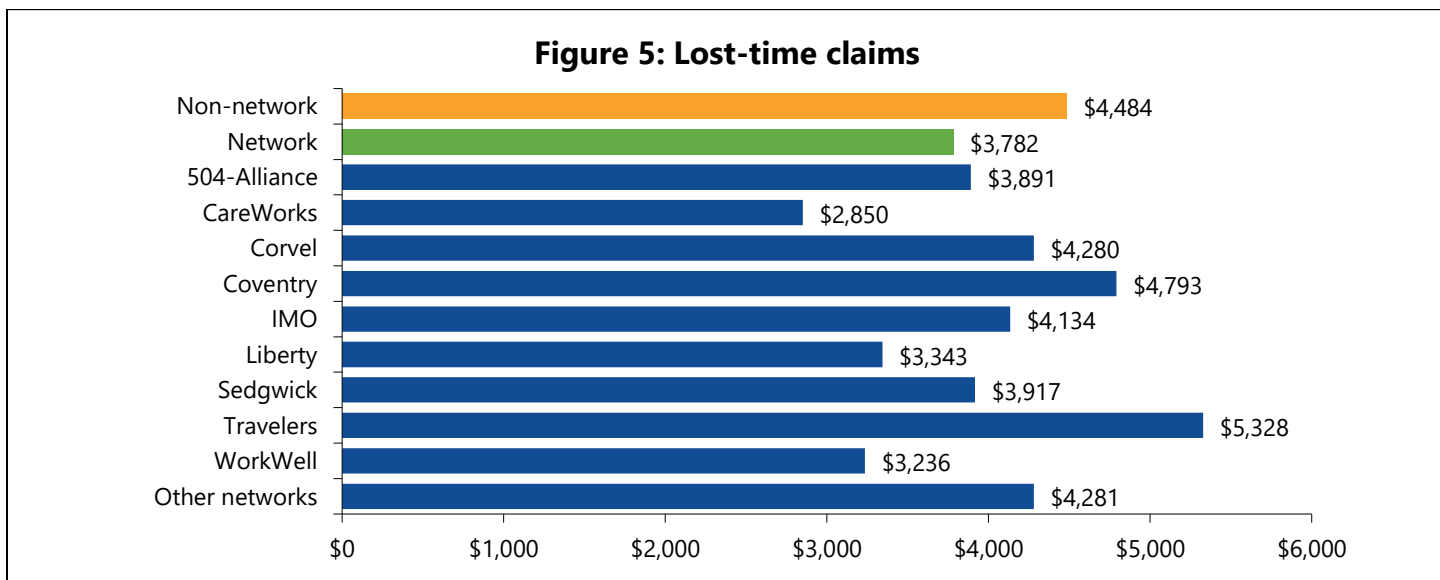
Source: Workers' Compensation Research and Evaluation Group, 2024.

Professional health care costs

Figures 4-6 show the average cost per claim for professional health care services for all claims, lost-time claims, and medical-only claims.

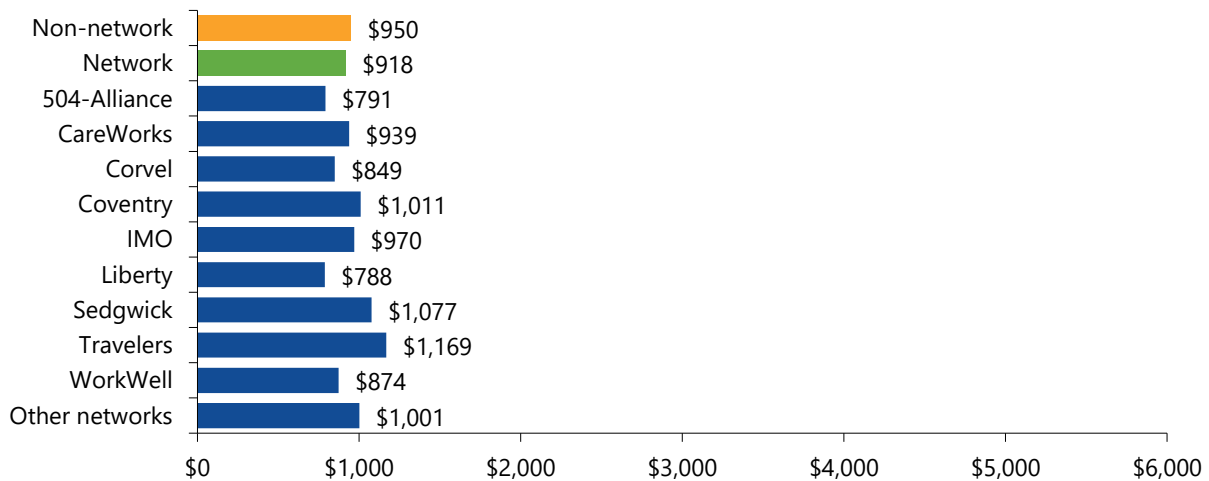


Source: Workers' Compensation Research and Evaluation Group, 2024.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 6: Medical-only claims



Source: Workers' Compensation Research and Evaluation Group, 2024.

Table 2 shows the average cost per claim by the type of professional service. DWC-specific services include but not limited to exams to determine maximum medical improvement, impairment rating exams, extent of injury, return to work, and disability. Other services included are functional capacity evaluations, work hardening/work conditioning, chronic pain management, case management, and DWC reports.

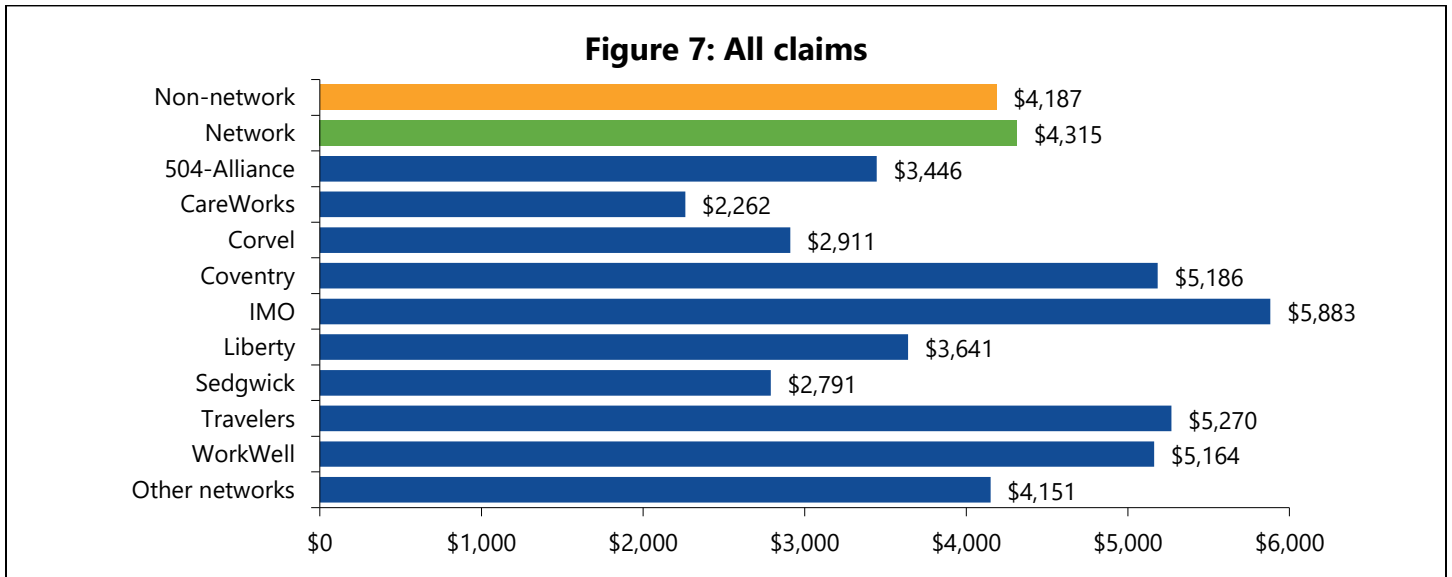
Table 2: Average cost per claim for professional services by service type

	Evaluation & management	Radiology	Physical medicine	Pathology & laboratory	Spinal surgery	Other surgery	DWC-specific services	All others
Non-network	\$648	\$230	\$1,537	\$82	\$2,309	\$1,485	\$143	\$468
504-Alliance	*\$561	*\$207	*\$1,313	\$83	\$2,331	\$1,710	*\$108	*\$369
CareWorks	\$664	*\$200	*\$1,268	*\$68	*\$707	\$1,389	\$148	*\$251
Corvel	*\$526	*\$183	*\$1,366	*\$65	\$4,095	\$1,384	*\$126	*\$249
Coventry	*\$694	\$231	*\$1,441	\$81	\$2,656	\$1,437	\$143	*\$410
IMO	*\$771	*\$265	*\$1,282	\$90	*\$6,224	*\$2,388	*\$154	*\$370
Liberty	*\$738	*\$203	*\$1,327	*\$43	\$1,265	*\$1,291	*\$174	*\$323
Sedgwick	\$845	\$260	\$1,280	\$78	\$2,010	\$1,362	\$154	\$267
Travelers	\$786	\$228	\$1,577	\$84	\$1,251	\$1,292	\$122	\$399
WorkWell	*\$659	*\$212	*\$1,085	*\$60	*\$3,668	\$1,507	*\$113	*\$376
Other networks	*\$681	\$230	*\$1,474	\$75	\$1,854	\$1,521	*\$137	*\$347

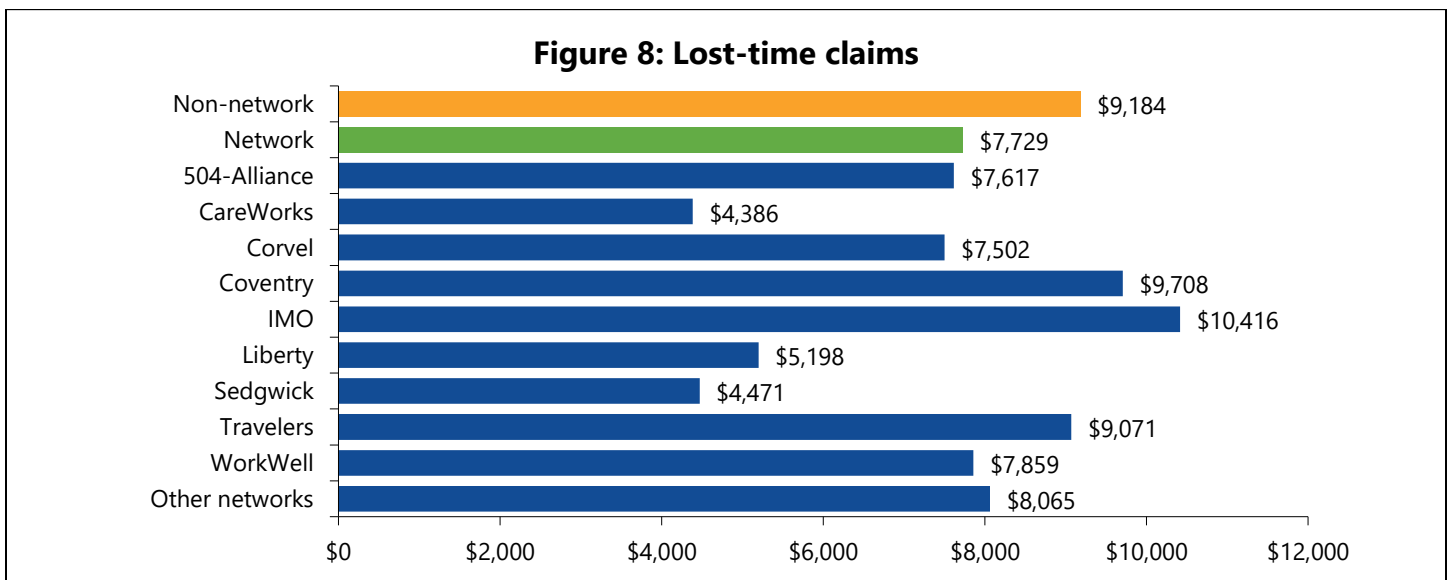
Source: Workers' Compensation Research and Evaluation Group, 2024.

Hospital health care costs

Figures 7-9 show the average cost per claim for hospital health care services for all claims, lost-time claims, and medical-only claims.

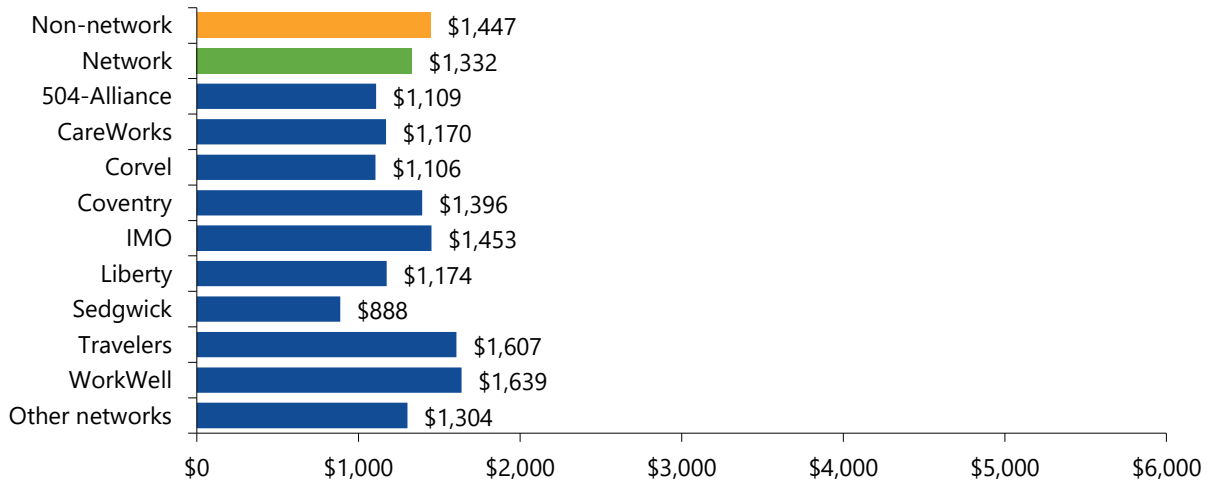


Source: Workers' Compensation Research and Evaluation Group, 2024.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 9: Medical-only claims



Source: Workers' Compensation Research and Evaluation Group, 2024.

Table 3 shows the average cost per claim by the type of hospital service. Other hospital services include a broad range of services such as skilled nursing, home health, clinic, and special facilities.

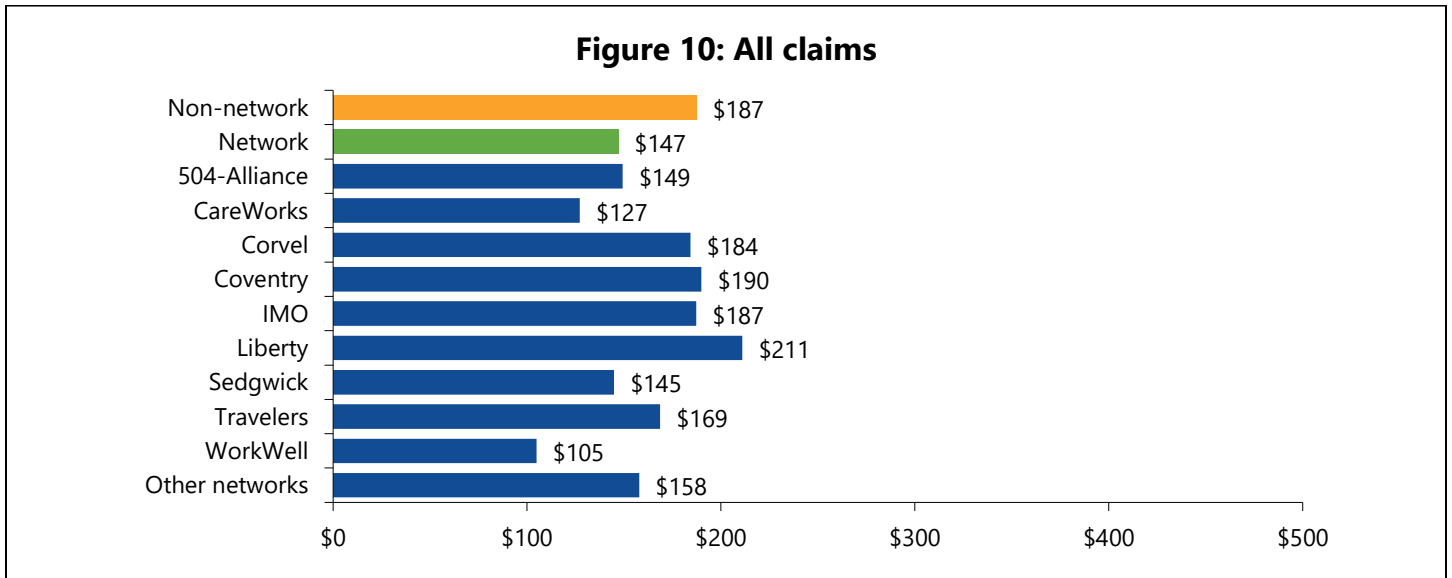
Table 3: Average cost per claim for hospital services by service type

	In-patient	Out-patient	Other
Non-network	\$40,447	\$2,266	\$3,539
504-Alliance	\$37,444	\$2,240	*\$2,036
CareWorks	*\$28,760	*\$1,658	*\$1,538
Corvel	\$29,993	*\$1,830	*\$1,129
Coventry	\$39,991	*\$2,795	\$5,928
IMO	*\$63,482	*\$2,612	\$2,669
Liberty	*\$28,475	*\$2,603	*\$863
Sedgwick	*\$29,827	\$2,123	\$16,950
Travelers	\$37,303	*\$2,891	\$5,209
WorkWell	*\$33,152	*\$2,569	\$2,857
Other networks	\$37,199	\$2,368	\$4,810

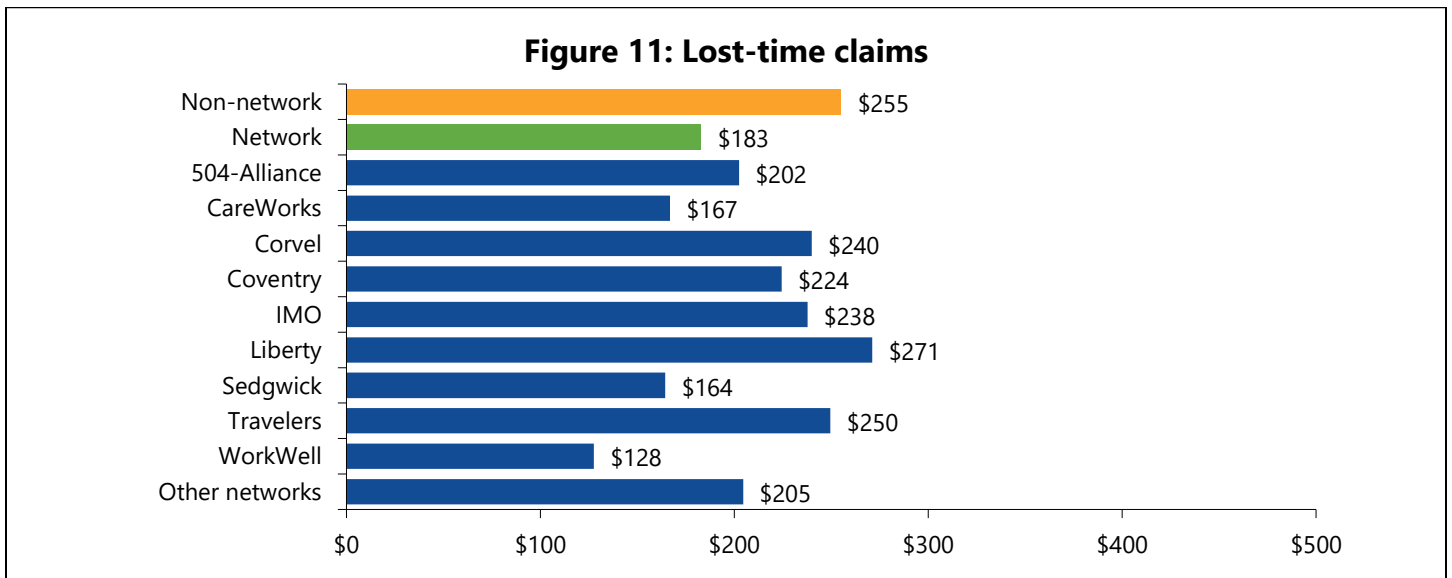
Source: Workers' Compensation Research and Evaluation Group, 2024.

Pharmacy costs

Figures 10-12 show the average cost per claim for pharmacy services for all claims, lost-time claims, and medical-only claims. Figures 10-12 show the average cost per claim for pharmacy services for all claims, lost-time claims, and medical-only claims.

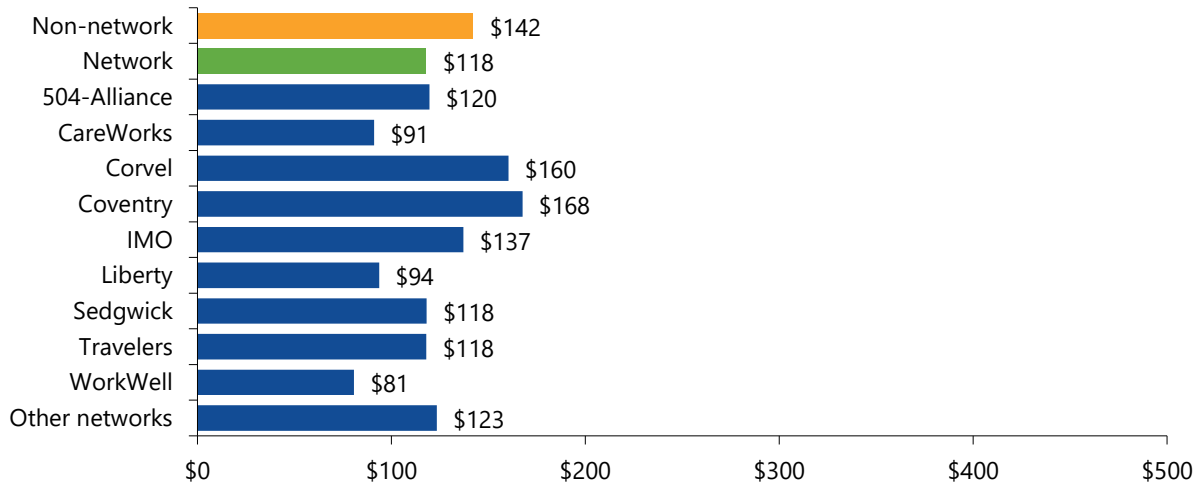


Source: Workers' Compensation Research and Evaluation Group, 2024.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 12: Medical-only claims



Source: Workers' Compensation Research and Evaluation Group, 2024.

Table 4 shows the average cost per claim by the type of drug prescribed.

Table 4: Average cost per claim for pharmacy drug type

	Analgesics- opioids	Analgesics anti- inflammatory	Musculoskeletal therapy agents	Central nervous system drugs	Other
Non-network	\$38	\$88	\$47	\$139	\$185
504-Alliance	*\$34	*\$79	*\$42	*\$100	*\$145
CareWorks	*\$28	*\$72	*\$36	\$112	*\$111
Corvel	\$43	\$94	\$53	\$143	\$170
Coventry	\$37	\$86	\$45	\$142	\$198
IMO	*\$28	*\$71	\$41	\$130	\$197
Liberty	\$38	\$120	\$76	\$130	\$173
Sedgwick	*\$29	\$84	*\$33	*\$99	*\$141
Travelers	\$37	\$90	\$47	\$141	*\$154
WorkWell	*\$24	*\$56	*\$31	*\$84	*\$93
Other networks	\$37	\$86	\$43	\$154	*\$147

Source: Workers' Compensation Research and Evaluation Group, 2024.

Utilization of health care

Utilization of care measures represent the types of services that health care providers billed for an injured employee's claim, regardless of whether the insurance carrier ultimately paid for those services. The goal of this measure is to evaluate the percentage employees receiving those services or the number of services provided.

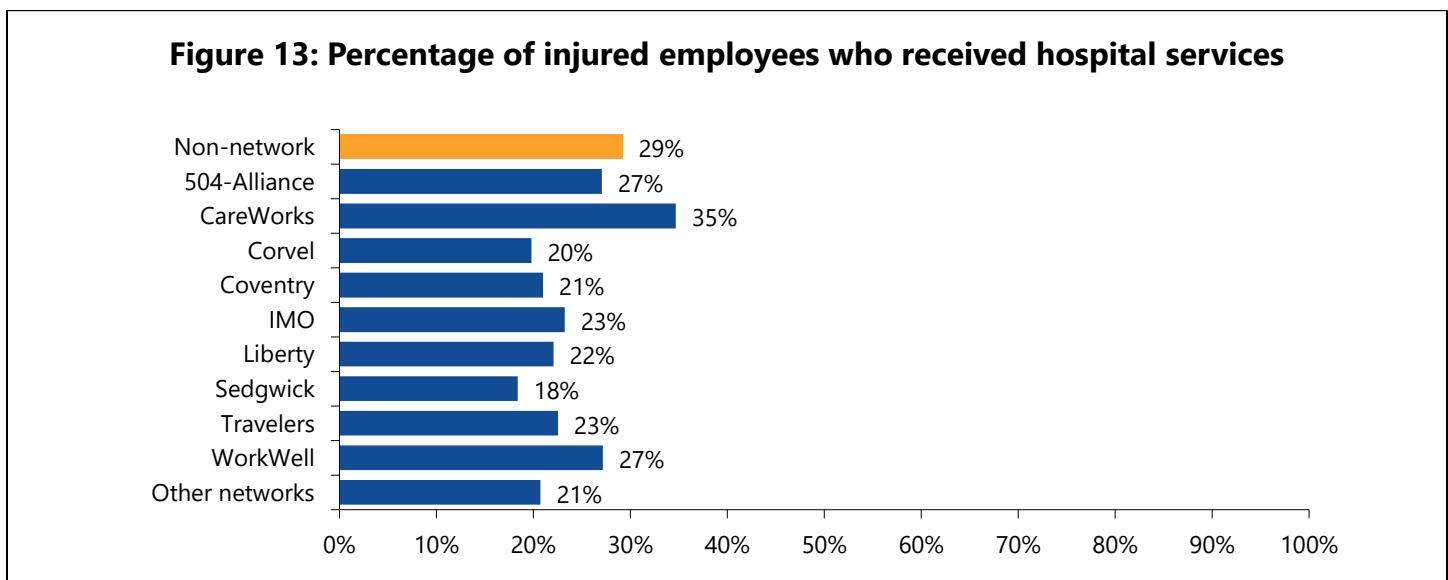
Other utilization measures that account for the difference between services billed and services paid are more appropriate for quantifying the effectiveness of utilization review and are not addressed in this report.

Professional services

Table 5: Percentage of employees receiving professional services by type								
	Evaluation & management	Radiology	Physical medicine	Pathology & laboratory	Spinal surgery	Other surgery	DWC-specific services	All others
Non-network	94%	57%	28%	9%	0.20%	20%	66%	48%
504-Alliance	*97%	*58%	*24%	*6%	0.20%	*15%	*70%	*44%
CareWorks	94%	*60%	*33%	*5%	*0.0%	*13%	*70%	*40%
Corvel	*95%	*56%	*33%	*11%	0.20%	*15%	*68%	*40%
Coventry	*97%	*60%	*35%	*12%	0.30%	20%	*79%	*53%
IMO	*97%	*60%	*25%	*7%	0.30%	*17%	*88%	*49%
Liberty	*98%	*60%	*40%	*6%	*0.8%	20%	*87%	*55%
Sedgwick	*100%	*66%	*47%	*6%	0.30%	*16%	*91%	*57%
Travelers	*98%	*63%	*39%	*11%	0.30%	*24%	*85%	*57%
WorkWell	*97%	*59%	28%	9%	0.20%	*25%	*74%	*55%
Other networks	*97%	*61%	*34%	*7%	0.20%	*17%	*82%	*49%

Source: Workers' Compensation Research and Evaluation Group, 2024.

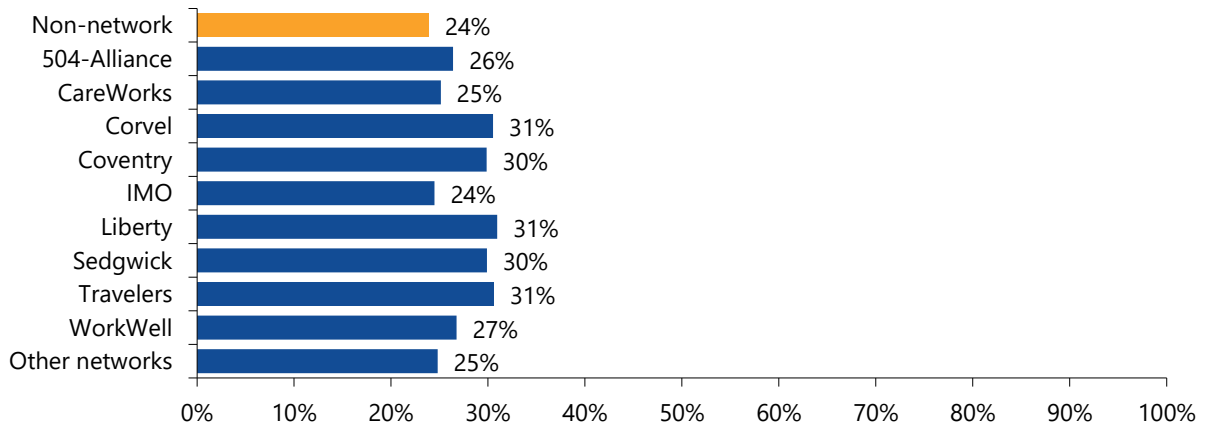
Hospital services



Source: Workers' Compensation Research and Evaluation Group, 2024.

Pharmacy services

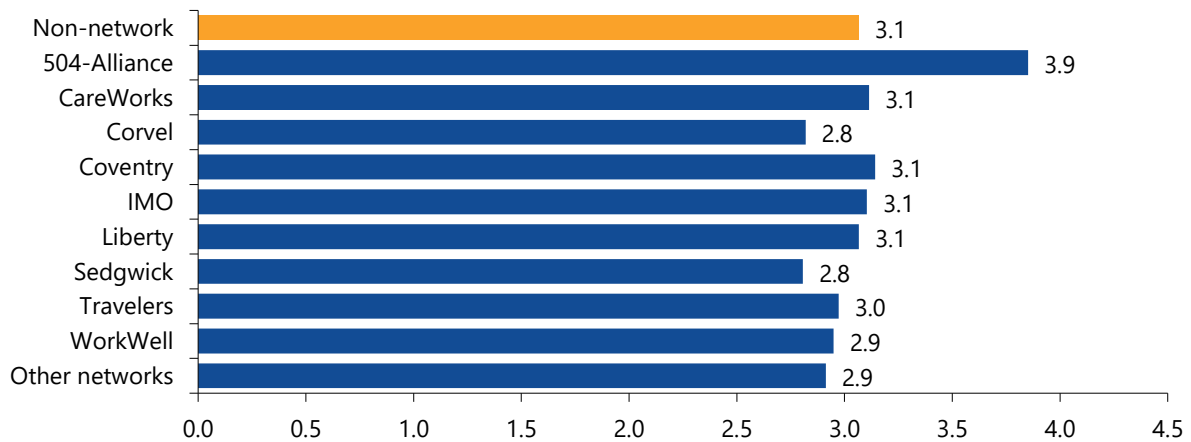
Figure 14: Percentage of injured employees who received pharmacy services



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 15 shows the average number of prescriptions an injured employee received during treatment for their work-related injury or illness.

Figure 15: Average number of prescriptions per injured employee

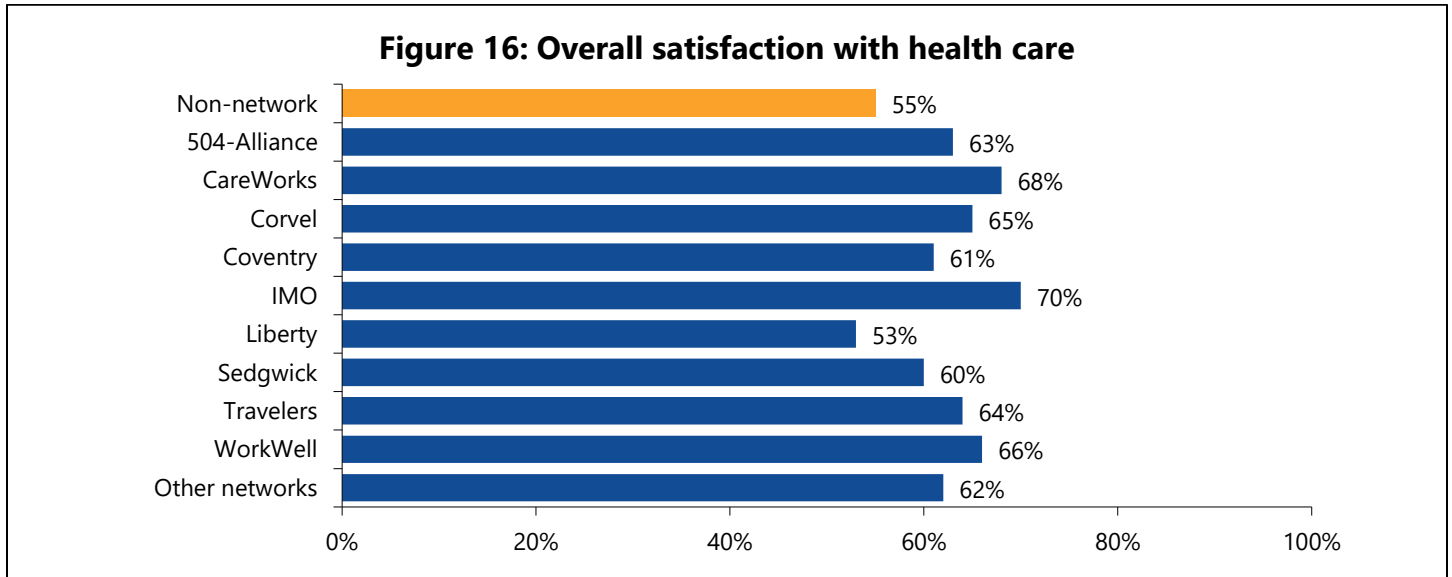


Source: Workers' Compensation Research and Evaluation Group, 2024.

Satisfaction with health care

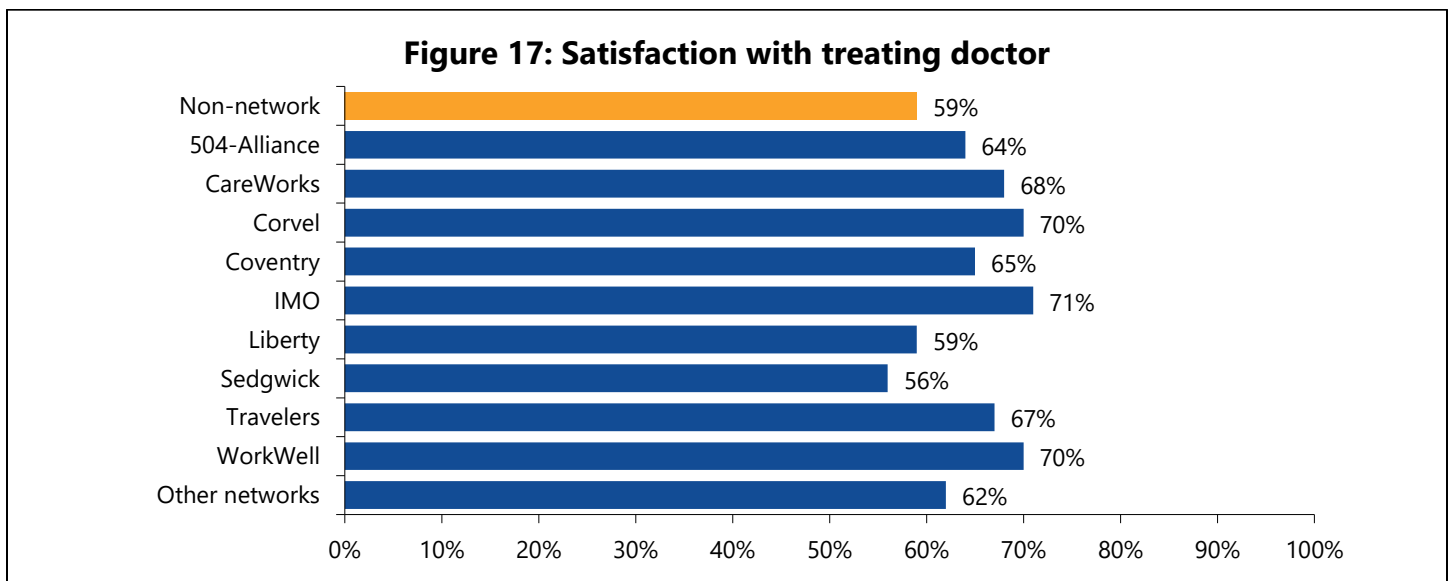
A primary goal of an effective workers' compensation system is to ensure that injured employees receive timely and appropriate medical treatment. The results in this section use data collected from the injured employee survey to determine their satisfaction with the health care received for a work-related injury or illness.

Figure 16 shows the percentage of injured employees who indicated that they were "satisfied" with the quality of the health care received for their work-related injury.



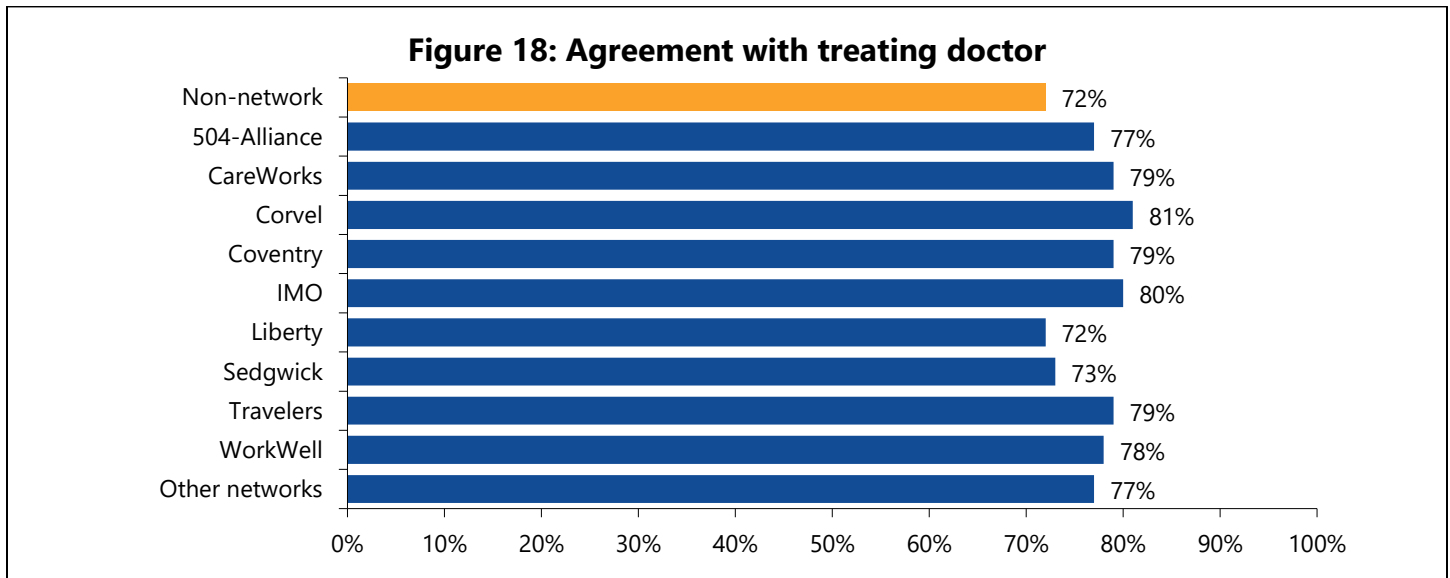
Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 17 shows the percentage of injured employees who indicated that they were "satisfied" with the quality of the health care received from their treating doctor.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 18 shows the percentage of injured employees who indicated that they “agreed” or “strongly agreed” that their treating doctor: took their medical condition seriously, gave them a thorough exam, explained their medical condition, was willing to answer questions, talked to them about a return-to-work date, provided good medical care that met their needs, and kept them informed about care from specialists.



Source: Workers’ Compensation Research and Evaluation Group, 2024.

Table 6 shows injured employees’ perceptions about the health care for their work-related injuries compared to the health care they normally receive when injured or sick.

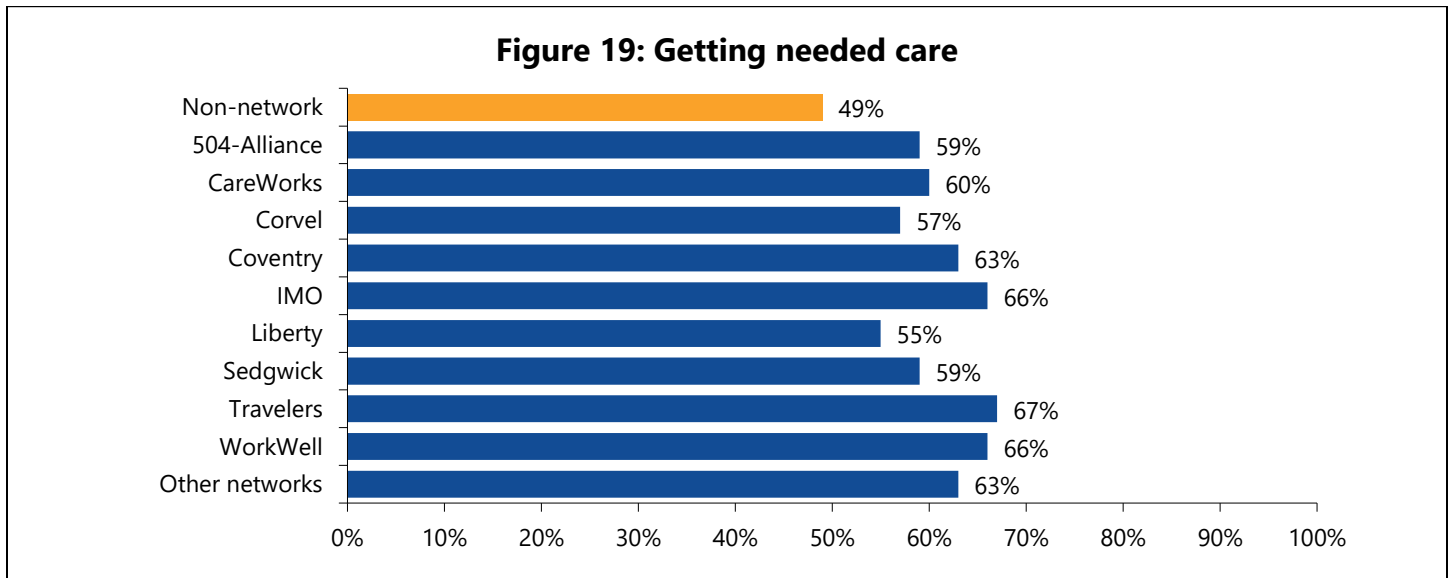
	Better	About the same	Worse
Non-network	19%	46%	35%
504-Alliance	*17%	*56%	*27%
CareWorks	28%	47%	*25%
Corvel	25%	49%	*26%
Coventry	*24%	*55%	*21%
IMO	18%	*62%	*21%
Liberty	*12%	*58%	30%
Sedgwick	18%	50%	32%
Travelers	*29%	49%	*22%
WorkWell	*30%	*52%	*18%
Other networks	*22%	49%	*29%

Source: Workers’ Compensation Research and Evaluation Group, 2024.

Employee access to care

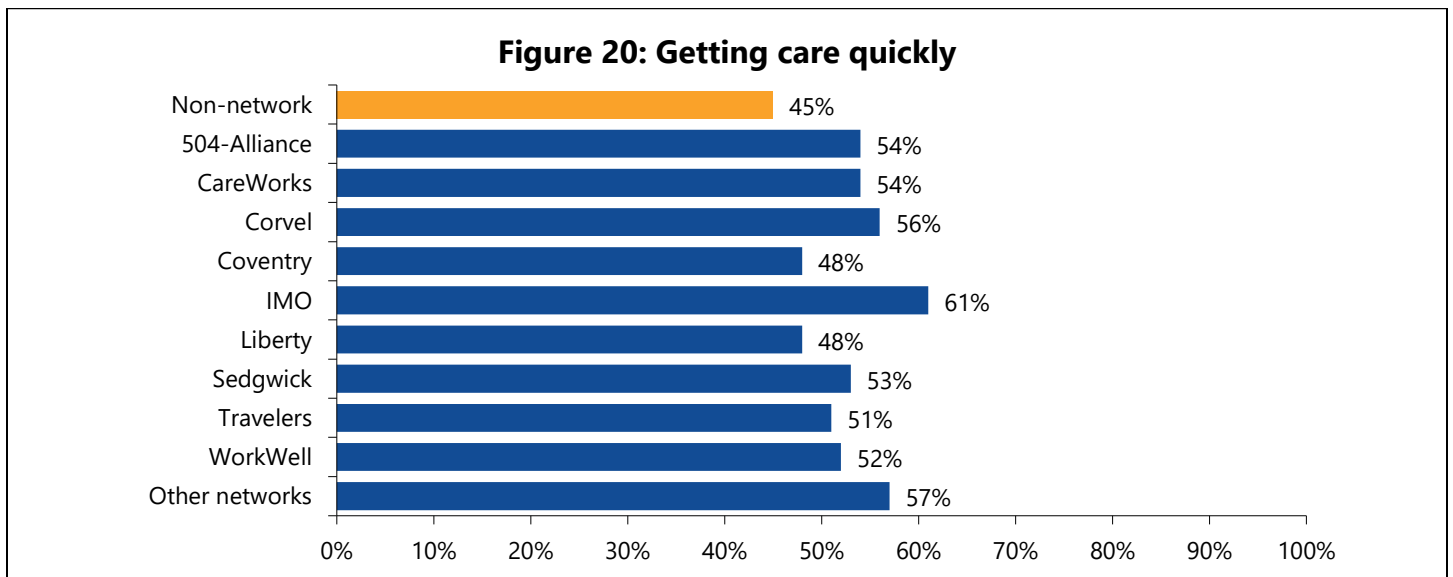
In a healthy workers’ compensation system, health care should be easily accessible, prompt, and appropriate. The results of this section use data collected from the injured employee survey to determine injured employees’ perceptions on access to medical care.

Figure 19 shows the percentage of injured employees who reported no problem getting a personal doctor they like, seeing a specialist, getting necessary tests or treatment, or receiving timely approvals for care.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 20 shows the percentage of injured employees who reported that they "always" received care as soon as they wanted, got an appointment as soon as they wanted, and were taken to the exam room within reasonable time of their appointment.



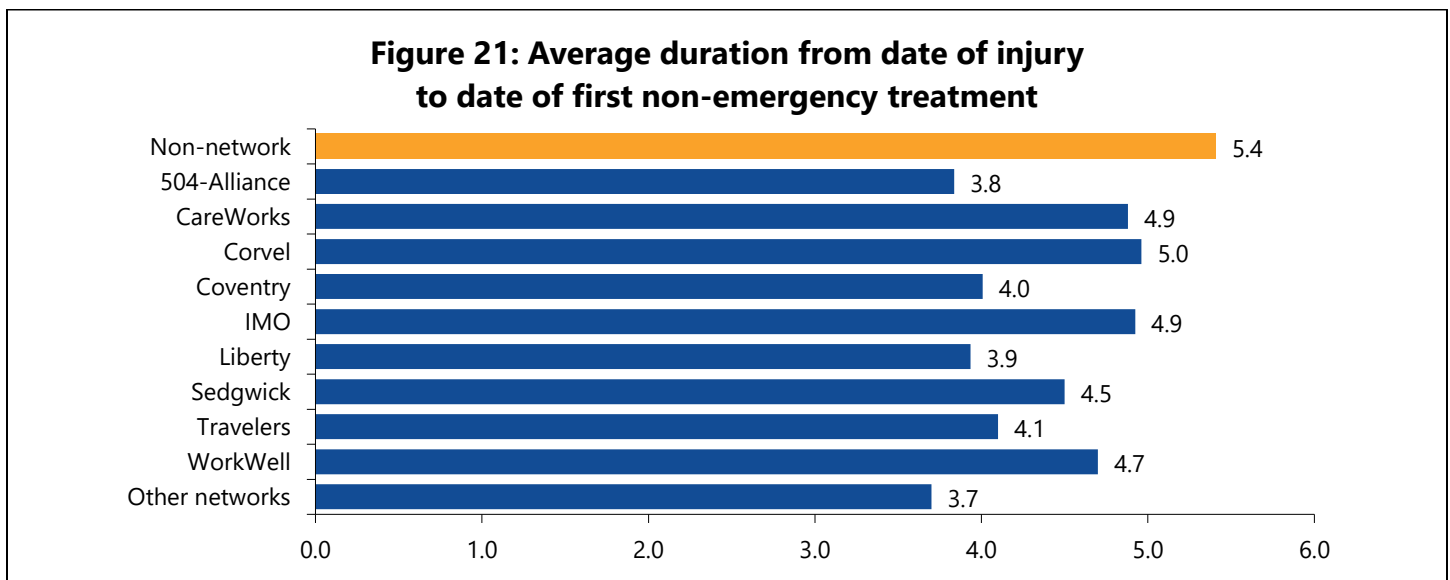
Source: Workers' Compensation Research and Evaluation Group, 2024.

Table 7 shows injured employees’ perceptions regarding their ability to schedule a doctor’s appointment for their work-related injuries compared to the medical care they normally receive when injured or sick.

Table 7: Ability to schedule a doctor’s appointment			
	Better	About the same	Worse
Non-network	20%	55%	25%
504-Alliance	20%	*63%	*17%
CareWorks	28%	60%	*12%
Corvel	*31%	52%	17%
Coventry	*29%	53%	*18%
IMO	23%	59%	*18%
Liberty	19%	*65%	*16%
Sedgwick	25%	62%	*13%
Travelers	*28%	60%	*12%
WorkWell	*33%	54%	*14%
Other networks	*25%	55%	*20%

Source: Workers’ Compensation Research and Evaluation Group, 2024.

Figure 21 shows the amount of time from when the employee was injured to first receiving non-emergency treatment and is derived from administrative medical data.



Source: Workers’ Compensation Research and Evaluation Group, 2024.

Table 8 shows the percentage of claims that received that treatment same day, between 1-7 days, 8-14 days, 15-22 days, or more than 22 days.

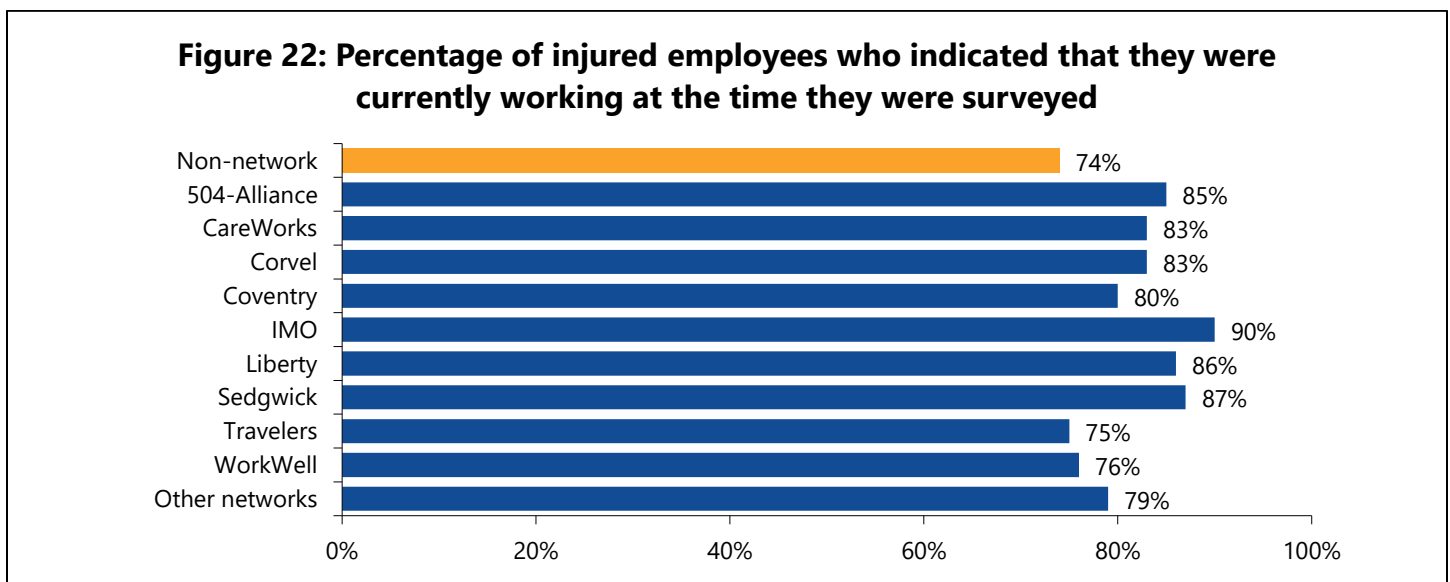
Table 8: Duration from date of injury to date of first non-emergency treatment					
	Percentage of claims that received treatment				
	Same day	1-7 days	8-14 days	15-21 days	22+ days
Non-network	52%	24%	10%	5%	9%
504-Alliance	*67%	*18%	*8%	*1%	*5%
CareWorks	49%	31%	7%	3%	9%
Corvel	*62%	17%	8%	4%	10%
Coventry	*68%	*16%	*6%	4%	*6%
IMO	*59%	19%	11%	6%	*5%
Liberty	*66%	21%	*5%	4%	*4%
Sedgwick	56%	23%	8%	*8%	*5%
Travelers	49%	*31%	8%	5%	8%
WorkWell	*60%	*19%	*8%	*3%	9%
Other networks	*64%	26%	8%	*6%	*6%

Source: Workers' Compensation Research and Evaluation Group, 2024.

Return to work outcomes

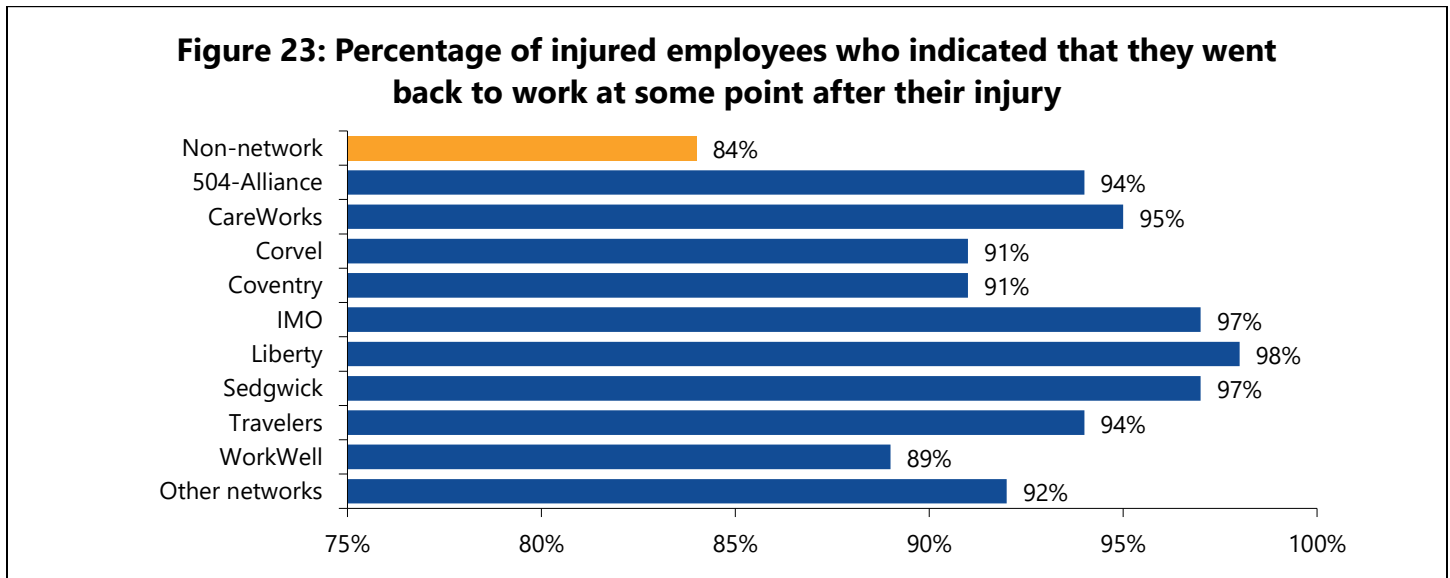
A primary goal of the Texas workers' compensation system is to return injured employees back to work quickly and safely. The results of this section use collected data from the injured employee survey to measure injured employees' self-reported return-to-work outcomes.

Figure 22 shows the percentage of shows the percentage of injured employees who said they were currently working at the time they were surveyed.



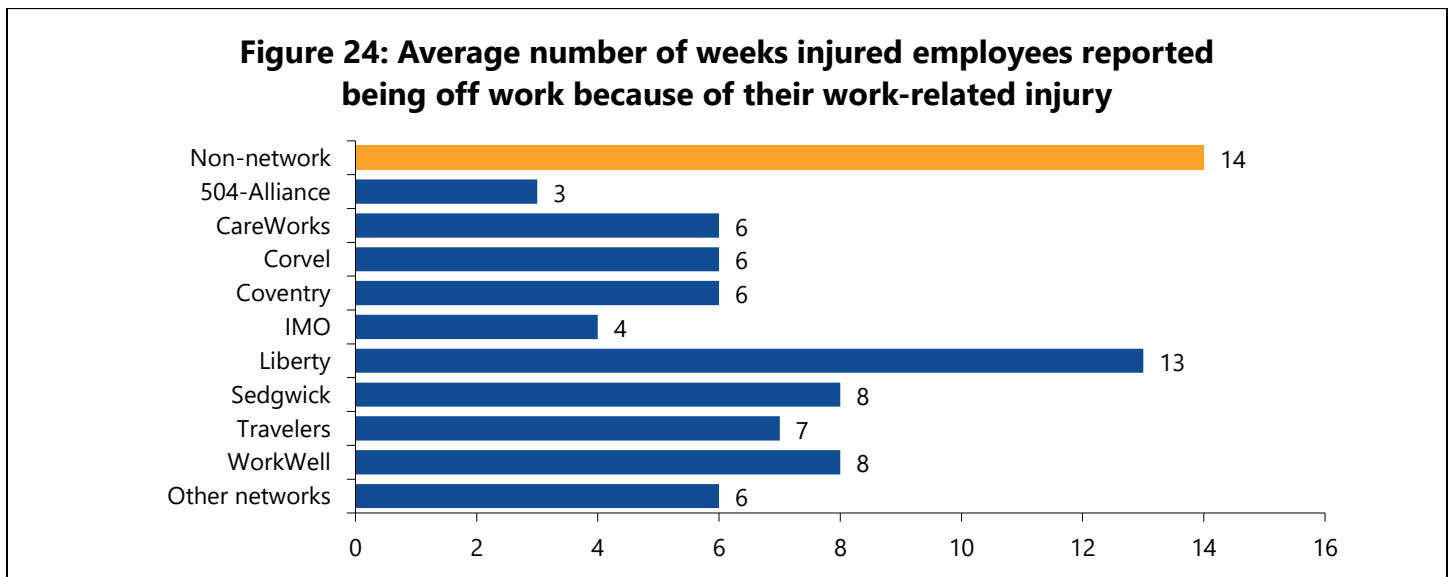
Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 23 shows the percentage of injured employees who indicated that they went back to work at some point after their injury.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Figure 24 shows the average number of weeks that injured employees self-reported they were off work due to their work-related injury or illness.



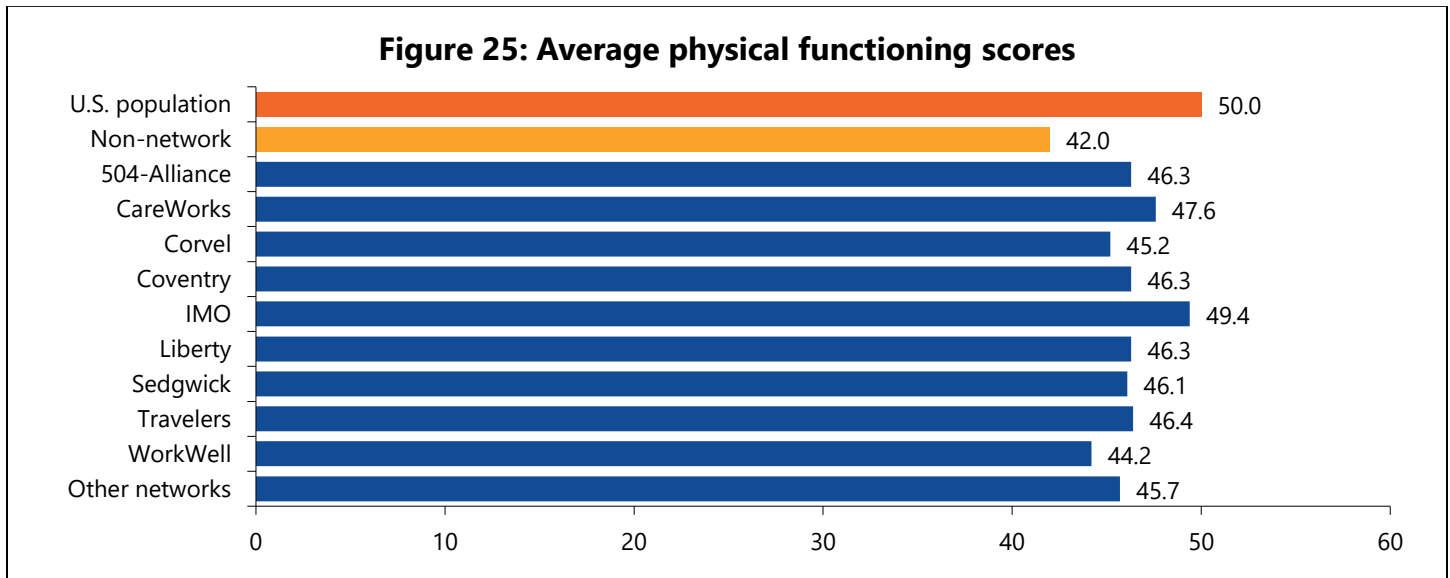
Source: Workers' Compensation Research and Evaluation Group, 2024.

Health-related outcomes

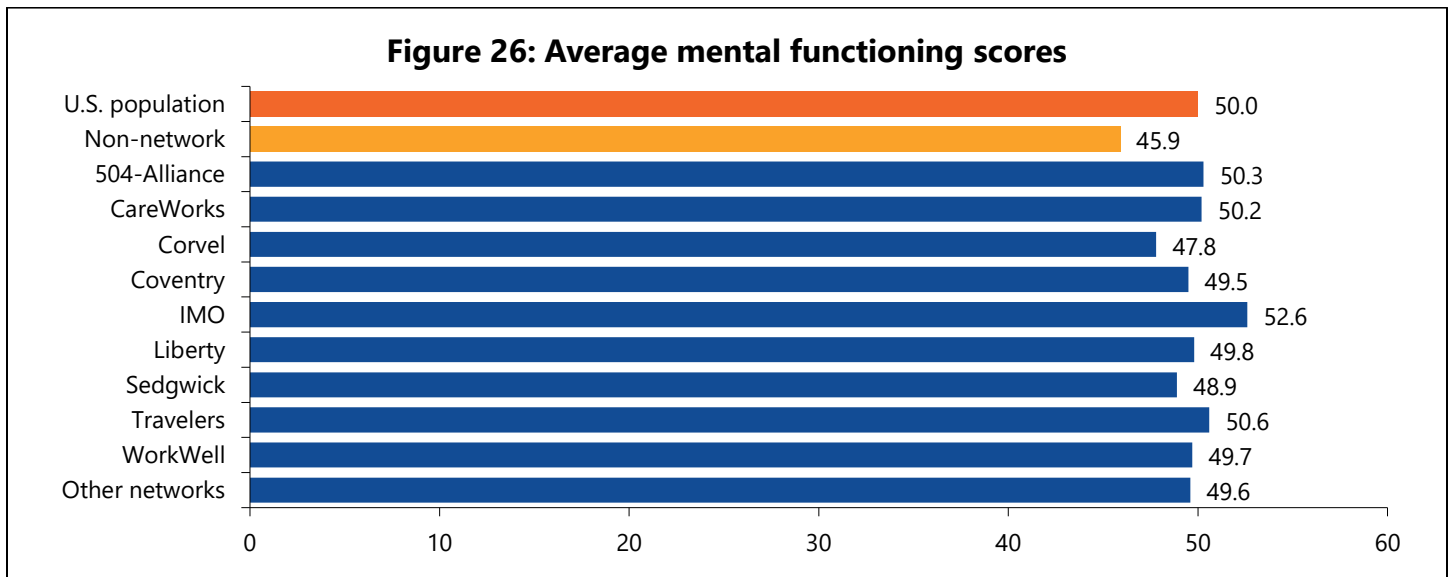
Access to timely and quality health care can impact an injured employee's physical recovery and quality of life after an injury. The results in this section use the results of the Short Form (SF) 12 Survey, Version 2® to compare the self-reported physical and mental functioning outcomes for injured employees with the general U.S.

population. These results have been indexed to enable comparison with network and non-network claims. Scores higher or lower than 50 indicate better or worse physical or mental functioning than the general U.S. population.

In 2024, network claims reported higher physical and mental functioning scores than non-network claims. This generally means that injured employees who received network health care reported better physical functioning and quality of life outcomes than non-network injured employees.



Source: Workers' Compensation Research and Evaluation Group, 2024.



Source: Workers' Compensation Research and Evaluation Group, 2024.

Concluding remarks

Overall, the 2024 network report card continues to show that networks tend to be more cost-efficient than non-network claims, and these cost differences appear to be partially driven by lower hospital utilization and lower prices per service. Despite lower costs, network claims generally have higher level of satisfaction with health care, better return-to-work and functional outcomes, compared with non-network claims. Network claims also tend

to receive initial non-emergency medical care sooner than non-network claims, which studies have shown may assist in controlling health care costs and reducing unnecessary disability among injured employees.

Not all networks are the same, however, and this report card shows those differences, particularly in injured employees' perceptions about their access to care and satisfaction with care. Readers should use these report card outcomes as one tool in evaluating the benefit of using health care networks and should not rely on this report card alone to select a network.



Texas Department of Insurance, Division of Workers' Compensation
1601 Congress Avenue | Austin, Texas 78701
512-804-4000 | www.tdi.texas.gov/wc