

Texas Health Care Network

What is an HCN?

A Health Care Network (HCN) is a health care provider network to provide health care services to injured employees, which has been certified by the State of Texas. The HCN provides medically necessary care through a network of hospitals and doctors when employees sustain work-related injuries. Lodestar Claims & Risk Services, Inc. partners with the Coventry Workers' Comp Network for our HCN.

What are the advantages of implementing the Lodestar HCN?

Implementing the HCN provides employers numerous advantages:

Lifetime medical control. If an employer participates in the HCN, their employees must treat within the network for the life of the claim (certain exceptions may be granted for out-of-network treatment). Injured employees can only change treating doctors once; additional changes require review/approval. Additionally, injured employees can see specialists only upon referral by their treating doctor.

Medical cost savings. Since voluntary networks are no longer available to workers' compensation subscribers in the State of Texas (as of January 1, 2011), in order to obtain access to reimbursement rates below the fee schedule, employers need to be enrolled in an HCN.

The HCN provides contracted control of medical fees and oversight of medical treatment. The contracted fees are lower than the State's Official Medical Fee Schedule. An employer who enrolls in the HCN may experience savings of up to 70% off providers' billed charges.

Quality medical providers. The Coventry Workers' Comp Network HCN, accessed by Lodestar, has an extensive credentialing process, providing employees with access to quality medical providers. Not every physician is accepted in the HCN. Additionally, with an HCN in place, there is improved provider accountability through the network's quality assurance and provider relations departments.

Appropriate treatment. Participating providers agree to adhere to the HCN's treatment guidelines and work closely with claims examiners and case managers to return injured workers to work as soon as medically safe. The treating doctor controls utilization, with further controls from preauthorization limits set by the HCN.

What are the benefits to employees?

- Convenient access to a network of quality medical providers with expertise in treating work-related injuries.
- Availability of appropriate medical treatment for the employee's specific work-related injury.
- Management of the medical component of the employee's workers' compensation claim throughout the entire claim process, including medical case management provided by medical staff.

Where does the Coventry Workers' Comp Network operate?

The Coventry Workers' Comp Network service area includes all 254 counties in Texas.

HCN IMPLEMENTATION

What resources does Lodestar provide to assist with implementation?

Your Client Account Manager (CAM) will provide the needed resources to implement the HCN. [Resources are also available on our webpage: lodestar.com/Managed-Care.](https://lodestar.com/Managed-Care)

Once implementation has been completed, your CAM will use the Employer Verification Form to notify the Managed Care department to ensure that your account reflects HCN participation.

The Texas Department of Insurance (TDI) also has resources available to employers. [Click here](#) for the TDI website.

How do I implement the Lodestar HCN?

To implement the HCN, employers must:

- Communicate information about the HCN program to all current employees by providing a Notice of Network Requirements to each employee obtaining a signed Employee Acknowledgement Form from each employee. This information must be provided in English, Spanish, and any other language common to 10% or more of employees.
- Provide the Employee Notice to any new hires and obtain the signed Acknowledgement Form within three days of hire.
- Provide a copy of the Employee Notice at the time a work-related injury is reported.
- Retain the Employee Acknowledgement Form signed by each employee as well as record the date and method by which the information was distributed.

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How should I distribute the HCN information to my employees?

The Texas Department of Insurance (TDI) does not mandate the method in which you distribute the employee acknowledgement. However, it is recommended that you follow consistent distribution and documentation procedures. Some ways you may consider distributing the initial information include U.S. mail, email, or in-person employee meetings. Be clear about how and when you expect the employees to return the Employee Acknowledgement Form. The HCN information should also be included in new hire packets.

None of my employees speak Spanish. Do I have to provide the Spanish version of the notices?

Yes. The Texas Administrative Code requires that the Employee Notification be given to employees in both English and Spanish. If 10% or more of your employees speak another language, notice must also be given in that language. Should you need the forms in a language other than English and Spanish, please contact your CAM.

Can I provide the Employee Notice electronically?

Yes. The Employee Notice and the Employee Acknowledgement Form may be provided electronically, but an employee signature is still required. An electronic signature on the Employee Acknowledgement Form is acceptable. Paper versions must be provided to the employee upon request.

What should I do with the Employee Acknowledgment Form?

The employer should retain the Employee Acknowledgment Form, typically in the employee's personnel file, where it is easily accessible if needed.

What if an employee refuses to sign the Employee Acknowledgment Form?

The employee's refusal to sign the Employee Acknowledgment Form does not eliminate the requirement to participate in the HCN. Employers should record the date(s) the Notice of Network Requirements and Employee Acknowledgment Form were provided to employees and note their refusal or failure to return the signed Acknowledgment Form. As long as employers document that the materials were provided to employees, the employees will be required to treat within the HCN.

How do I document the date and method used to distribute the information to each employee?

While documentation is essential for verification if the TDI requests proof of distribution of the HCN enrollment information, a specific format is not indicated. It is recommended that employers keep a log containing, at minimum, the following data items: employee name, notice delivery method, notice delivery date, and employee response.

What happens if I don't give the Notice of Network Requirements to an employee?

If an employee was not given the Notice, or if the employer does not have documentation that the Notice was provided, the employee is not required to receive treatment in the HCN.

Does Lodestar need a copy of the Employee Acknowledgement Forms?

No, employers should retain these forms, preferably in each individual employee's personnel file.

Is there a posting requirement?

Yes. The Notice of Network Requirements should be posted at each place of employment. It must be posted in English and Spanish, and any other language that is spoken by 10% or more of your employees. You may consider posting this notice in the same spot as your workers' compensation coverage notice, OSHA information, or other state-mandated notices.

I implemented an HCN with a previous carrier/TPA. Do I have to implement again with Lodestar?

It depends. Lodestar utilizes the Coventry Workers' Comp Network, state certificate number 12392151. If you implemented the Coventry Workers' Comp Network with your prior carrier/TPA, you may not need to implement again. If you implemented a different HCN, you will need to implement the Coventry Workers' Comp Network with Lodestar. Your Client Account Manager (CAM) can help you determine whether you need to implement again.

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HCN MEDICAL TREATMENT

How will employees know with whom to treat?

If the employer has enrolled in the HCN, the Notice of Network Requirements provided to employees contains information on how to access the HCN provider directory. Employees must treat with a provider in the HCN for the life of their claim.

To access the provider directory, visit

www.talispoint.com/cvty/cvtyhcn or lodestar.com/find-a-network-provider

Employers and employees can also call Coventry at (800) 937-6824 for a list of network doctors.

If the employer does not enroll in the HCN, then the employee can use a provider of his or her choice. Employees who have pre-designated their treating physician under a group health HMO to be their primary treating doctor for work-related injuries may treat with that pre-designated doctor, if that provider agrees to the terms of the HCN's contract. Information regarding this is included in the Notice of Network Requirements.

Is there any limit on how far my injured employee would have to travel to be treated by an HCN provider?

Yes, the regulations specify the distance, as well as distinguish between rural and non-rural areas, and between initial treatment and physician specialty treatment as follows:

Initial Treatment:	Specialist Treatment:
Non-Rural: 30 miles	Non-Rural: 60 miles
Rural: 60 Miles	Rural: 75 miles

If an employee has a medical emergency, must he or she treat within the HCN?

No, in an emergency situation the medical treatment can be provided outside the HCN. However, once the employee is medically stable, the remaining treatment must be obtained in the HCN.

What types of providers make up the HCN?

The Coventry Workers' Comp Network has general acute care hospitals, primary care providers including occupational medicine clinics, urgent care clinics, and individual physicians with specialties such as occupational medicine, family practice, general practice, and internal medicine. In addition, a range of physician specialists are available for referral purposes such as orthopedic surgeons, neurologists, psychiatrists, ophthalmologists, etc. The HCN comprises other medical ancillary service providers as well.

Once I implement the HCN, what happens with existing claims that were established before the implementation date?

Once the employer enrolls in the HCN, then all employees that are injured on or after the enrollment date must treat with HCN providers.

Claims with a date of injury before September 1, 2005 (legacy claims) may be transitioned into the HCN based on a review of individual factors specific to that claim, following a process similar to the notification of your current employees.

Claims with a date of injury on or after September 1, 2005, but before the date the employer enrolls in the HCN cannot be transitioned into the HCN.

What happens if the employer enrolls in the HCN and an injured employee initiates treatment with his or her own physician who is not an HCN provider?

The non-HCN provider will be notified by the adjuster that their medical bills will not be paid as the injured employee is covered under an HCN.

Does the HCN reduce the duration of treatment and allow an employer to return an employee to modified duty earlier?

The goal of the HCN is to reduce the overall cost of workers' compensation in Texas. Employers who enroll in the HCN will benefit by having their injured employees treated by credentialed medical providers who are focused on providing quality medicine and to supporting return to work within industry accepted disability guidelines.

What impact will the HCN have on repricing of medical bills to the Texas WC fee schedule?

Lodestar uses all current resources to review medical bills and apply the Texas WC fee schedule as appropriate. However, if an employer has enrolled in the HCN, then the network contract rates will override the fee schedule for those providers contracted in the HCN. Usually, network contract rates are lower than fee schedule, resulting in medical cost savings.

If I don't enroll in the HCN, can I still receive the contract rates if the provider is in the Coventry network?

No. Because HB473 eliminated the fee-for-service arrangement for dates on and after January 1, 2011, if an employer is not enrolled in the HCN, network rates cannot be paid to a provider, regardless of the provider's network status. If the employer does not enroll in the HCN, all providers are paid at fee schedule.

For additional information, please visit: Lodestar.COM/TXHcn

Lodestar Claims & Risk Services, Inc. (Previously PMA Management Corp.) is a top-10 national third-party administrator (TPA) providing claims administration and risk management services to middle-market and large employers, carriers, and distribution partners across all 50 states. Founded more than 30 years ago, the company helps organizations manage claims complexity, reduce total cost of risk, and support safer, healthier workplaces. Lodestar delivers specialized expertise across multiple industries through a high-touch service model and tailored claims solutions, resulting in 97% of clients being repeat buyers. Lodestar is a standalone operating company within Old Republic.