

**ADVISORY NO. 429**  
**###**

**TOPIC: 2009 PBO - FINAL MEASURES TO BE USED**

The Commissioner of Workers' Compensation has announced final measures that will be used in the 2009 Performance Based Oversight process. Those measures are identified below, and are described in greater detail in the Division's announcement, which is attached. Insurance Carrier Measures:

Timely payment of initial Temporary Income Benefits by the insurance carrier – 40% weight

Timely processing of medical bills by the carrier – 40% weight

Timely submission of Initial Payment data via Electronic Data Interchange (EDI) – 10% weight

Timely submission of Medical Bill Processing data via EDI – 10% weight

For the 2009 PBO process, the Division abandoned its reliance upon a modified bell curve to place carriers and health care providers into the appropriate tiers. Instead, the Division will utilize a straight performance standard to place system stakeholders into high tiers, average tiers and low tiers. That performance standard is described below:

**High Tier:** 95 or greater

**Average Tier:** 80.00 through 94.99

**Poor Tier:** 79.99 or less

The final results of the assessments will be published on the TDI-DWC Web site after the results have been shared with the assessed insurance carriers and health care providers. TDI-DWC anticipates the publication of the results no later than August 31, 2009.

**Tentative Timeline**

The following is a tentative timeline of milestones of the process:

**July 2008:** Public announcement of 2009 PBO Assessment

**July 2008:** Announce DWC Form-73 data call to insurance carriers

**December 2008 – February 2009:** Distribute initial findings

**February – May 2009:** TDI-DWC reviews management responses to initial findings and sends summary of changes

**July/August 2009:** Publication of final results and tier placements

Finally, the agency has determined the data timeframe that will be used to assess insurance carrier performance of 2009 measures will be from June 2008 through November 2008.

Carriers are now in the data assessment window and should make every effort to comply with every aspect of the Texas statute, but must particularly strive to achieve compliance with the four measures made the subject of the 2009 PBO process.

Questions about this process should be directed to Steve Tipton, James Sheffield or Bobby Stokes in our office.