



## ADVISORY NO. 456

**TOPIC:       DWC WARNING LETTERS TO CARRIERS FOR PAYMENT OF  
MEDICAL BILLS TO A DOCTOR NOT ADMITTED TO  
APPROVED DOCTORS LIST (ADL)**

---

In April 2010, DWC's Enforcement Division issued Warning Letters to seventy-four workers' comp carriers who had reimbursed Dr. Anthony Valdez, M.D., for periods after September 5, 2007, for directly or indirectly providing healthcare or other medical services to injured employees. Those Warning Letters determined that the reimbursements were in violation of TEX. LAB. CODE ANN. §408.023(r)(1)(B) and 28 TEX. ADMIN. CODE §180.20(h)(4).

Prior to September 1, 2007, with few exceptions, doctors treating Texas workers' comp patients were required to be on the Approved Doctors List (ADL) in order to perform services or receive payment for those services. The ADL expired on September 1, 2007; however, the dissolution of the ADL did not mean that every doctor in the state was eligible to treat on-the-job injuries. TEX. LAB. CODE ANN. §408.023(r) provides:

(r) Notwithstanding the waiver or expiration of Subsections (a)-(g) and (i), there may be no direct or indirect provision of health care under this subtitle and rules adopted under this subtitle, and **no direct or indirect receipt of remuneration** under this subtitle and rules adopted under this subtitle by a doctor who:

(1) before September 1, 2007:

(A) was removed or deleted from the list of approved doctors either by action of the Texas Workers' Compensation Commission or the division or by agreement with the doctor;

(B) was not admitted to the list of approved doctors either by action of the Texas Workers' Compensation Commission or the division or by agreement with the doctor;

(C) was suspended from the list of approved doctors either by action of the Texas Workers' Compensation Commission or the division or by agreement with the doctor; or

(D) had the doctor's license to practice suspended by the appropriate licensing agency, including a suspension that was stayed, deferred, or probated, or voluntarily relinquished the license to practice; and

(2) was not reinstated or restored by the Texas Workers' Compensation

Commission or the Division to the list of approved doctors before September 1, 2007.

On August 31, 2007, Dr. Valdez was denied admission to the ADL.

28 TEX. ADMIN. CODE §180.20(h)(4) provides that a carrier who receives a bill from a doctor who is not entitled to reimbursement pursuant to this section, shall **deny** the medical bill and send the required EOB with the appropriate payment exception code.

28 TEX. ADMIN. CODE §180.20(h)(2) provides that a doctor is entitled to reimbursement ... for directly or indirectly providing reasonable and necessary healthcare (other than an emergency or immediate post injury medical care) or other medical services (such as peer reviews or other evaluations) if: (A) the doctor was on the ADL at the time the services was provided; (B) the doctor was granted a temporary exception to the requirement to be on the ADL at the time the service was provided; or (C) the doctor has been granted an exception on a case-by-case basis ... and the claim for which the doctor is billing is one for which the doctor has been granted an exception.

The Division's action of issuing Warning Letters is a signal to workers' comp carriers that they need to carefully review the medical bills to determine if the doctors are entitled to reimbursement under Rule 180.20(h)(2) and (4). There are two lists of doctors on DWC's website who are not entitled to reimbursement for services provided to Texas workers' comp patients. Those lists are identified as follows:

- 1) Denied Applications to the Approved Doctors List (ADL). The website is:  
<http://www.tdi.state.tx.us/wc/hcprovider/denied.html>
- 2) Providers Removed from the Approved Doctors List. The website is:  
<http://www.tdi.state.tx.us/wc/hcprovider/removed.html>

We are attaching a copy of both lists. The Division's website does not include any licensure information or identification information of the doctors other than their names; however, Flahive, Ogden and Latson has identified them by Texas License Number.

As a result of the Warning Letters, Flahive, Ogden and Latson met with DWC's Enforcement Division. We believe that in the next few weeks, DWC will provide more specific identifying information for those doctors who either had their applications to the ADL denied or were removed from the ADL.

We have asked that DWC issue an Advisory or Bulletin that provides clear and specific guidance to carriers in the processing of medical bills received from doctors who have either been denied

FLAHIVE, OGDEN & LATSON

application to the ADL or were removed from the ADL or who have otherwise been sanctioned by DWC. If you have any questions about this Advisory, please contact James Sheffield, Steve, Tipton or Bobby Stokes.