

# The Effects of Authorizing Physician Assistants to Sign All Forms Required by the Department of Labor & Industries (HB 1722, Chapter 263, Laws of 2007)

Report to the Washington State Legislature

December 2008

### **Executive Summary**

House Bill (HB) 1722 (Chapter 263, Laws of 2007) took effect July 1, 2007, authorizing the sole signature of physician assistants (PAs) on any certificate, card, form, or other documentation that the PA's supervising physician may sign for workers' compensation claims for the Department of Labor & Industries (L&I).<sup>1</sup>

The bill authorized this report to the legislature "on the implementation of this act, including but not limited to the effects of this act on injured worker outcomes, claim costs, and disputed claims."

The passage of HB 1722 appears to have improved access to care in rural regions:

- the number of rural PA providers with L&I accounts increased 13.1% between 2006 and 2007
- the number of rural claims seen by PAs increased 150% between the two study periods.

On most of the outcome measures used for this report, PAs appear very comparable to advanced registered nurse practitioners (ARNPs). The percent of claims with longerterm time loss — that is, longer than three months — increased for PAs in 2007, we assume as a direct result of PAs being authorized to initiate time-loss claims. Costs per case for PAs increased substantially for the more complex claims (sprains) following passage of HB 1722.

## Background

A previous bill, Senate Bill (SB) 6356 (Chapter 163, Laws of 2004), took effect July 1, 2004 authorizing PAs to have sole signature on accident report forms (the Report of Accident and the Physician's Initial Report) for simple industrial injury claims. Simple industrial injury claims do not involve time loss, occupational disease, inpatient care on the date of the first medical visit, or complex injuries. Implementation of SB 6356 did not result in any negative impact on medical costs or disputes, and appeared to positively affect provider enrollment, availability of authorized reporting providers in rural areas, and some measures of administrative efficiency. (For full details, see the 2006 report on SB 6356 at <a href="https://www.Lni.wa.gov/ClaimsIns/Files/OMD/Research/PAsb6356\_2004.pdf">www.Lni.wa.gov/ClaimsIns/Files/OMD/Research/PAsb6356\_2004.pdf</a>.

<sup>&</sup>lt;sup>1</sup> The care must be within the PA's scope of practice, and consistent with the terms of the PA's practice arrangement plan as required by chapters 18.57A and 18.71A RCW.

#### Methods

For this evaluation, L&I used data on PA activities drawn from the agency's extensive databases of claims information. Data on claims seen by PAs were drawn from two sixmonth periods (July–December, 2006 and July–December, 2007) in order to compare data for PAs in a period prior to and after implementation of HB 1722. For comparison, similar data on all cases seen by ARNPs for the same time periods were pulled.

To standardize the types of claims evaluated for this report, only cases that were initiated (first medical visit as documented by a paid bill for the Report of Accident) by either PAs or ARNPs in an outpatient setting were included. It should be pointed out that while PAs can now file any type of report, including initiating time-loss claims (cases with at least four days of lost work time, PAs are not attending providers since they do not have independent practice authority. Because ARNPs are now considered attending providers, the comparisons between PAs and ARNPs contained in this report cannot be considered completely comparable, and are only offered as a way of benchmarking the activities of these two types of providers.

Data examined for the two time periods include:

- number of providers by urban versus rural location
- total number of claims initiated
- number of time-loss claims initiated
- timeliness of access to medical care as measured by percent of claims seen within one day of injury
- timeliness of submission of Report of Accident as measured by percent of claims received by L&I within seven days of injury
- percent of compensable claims with at least three months of time loss
- total (medical and disability) actuarially derived costs paid at six months
- percent of claims rejected
- percent of claims with employer, worker, and provider protests received within 6 months.

Rural and urban designations were based upon OFM definitions and on the county where the provider accounts were assigned.

### Results

|          |      | Total | Urban | Rural |
|----------|------|-------|-------|-------|
| DAc      | 2006 | 2,309 | 1,386 | 923   |
| PAs      | 2007 | 2,520 | 1,474 | 1,046 |
| ARNPs    | 2006 | 3,079 | 1,702 | 1,377 |
| AITINE 2 | 2007 | 3,003 | 1,741 | 1,262 |

Table 1. Number of PA's and ARNP's by urban and rural geographic location.

Table 1 summarizes the total number of PAs and ARNPs with active L&I provider accounts in the two time periods, by rural and urban geographic location. The number of PAs serving injured workers increased modestly overall (9.1%); the largest increase proportionately was in the rural regions, with an increase of 13.3%. The number of ARNPs in rural regions actually declined slightly between these two time periods (8.3%).

|       |      | Total # Claims | Urban Claims | Rural Claims |
|-------|------|----------------|--------------|--------------|
| DAc   | 2006 | 3,973          | 3,176        | 797          |
| PAs   | 2007 | 5,940          | 3,951        | 1,989        |
|       | 2006 | 1,743          | 957          | 786          |
| ARNPs | 2007 | 2,098          | 1,370        | 728          |

Table 2. Number of claims initiated by rural vs urban PAs and ARNPs.

Table 2 summarizes the number of claims initiated by PAs and ARNPs by year and by location. Overall, PAs appear to be initiating nearly three times the number of claims in the most recent period compared to ARNPs. The number of rural claims seen by PAs increased 150% between the two study periods.

|       |      |             | # Claims | % Treated Within<br>1 Day of Injury | % of Claims<br>Received Within<br>7 Days of Injury |
|-------|------|-------------|----------|-------------------------------------|--|
|       | 2006 | No Timeloss | 3,444    | 68%                                 | 84%  |
| PAs   |      | Timeloss    | 529      | 57%                                 | 81%  |
| FA5   | 2007 | No Timeloss | 4,991    | 67%                                 | 85%  |
|       |      | Timeloss    | 949      | 54%                                 | 81%  |
|       | 2006 | No Timeloss | 1,432    | 62%                                 | 74%  |
| ARNPs | 2000 | Timeloss    | 311      | 54%                                 | 73%  |
|       | 2007 | No Timeloss | 1,705    | 64%                                 | 76%  |
|       |      | Timeloss    | 393      | 56%                                 | 77%  |

Table 3. Timeliness of access and L&I notification by PAs and ARNPs.

Table 3 demonstrates that the percent of claims seen within one day of injury is similarfor both PAs and ARNPs. Compared to time-loss claims, a somewhat larger percent ofDecember 2008Page 3 of 5

claims for medical treatment only are seen within one day. The vast majority of claims filed by both PAs and ARNPs are received by L&I within seven days. This does not appear to differ by whether the claim is for medical only or includes time-loss. Claim filing by PAs appears to be slightly more timely than that for ARNPs.

|       |      | Total TL Claims | % claims with more than 3<br>months time loss |
|-------|------|-----------------|---|
| DAc   | 2006 | 529             | 20%   |
| PAs   | 2007 | 949             | 24%   |
|       | 2006 | 311             | 23%   |
| ARNPs | 2007 | 393             | 23%   |

Table 4. Time-loss outcomes for time-loss claims for PA's and ARNP's.

Table 4 shows that approximately 24% of time-loss claims initiated by PAs and ARNPs eventually develop longer term (.>/= 3 months) disability. For the year 2007, there does not appear to be a substantial difference between PAs and ARNPs in the percent of longer-term disability. The percent of claims receiving at least three months of time loss increased substantially for PAs between 2006 and 2007; this is likely the result of PA's new authority to report time-loss claims, with an increased mix of more complex cases.

Table 5. Six-month cumulative (medical and disability) costs for claims initiated by PAs and ARNPs.

|       |      |         | # Claims | Total Growth Costs | Average<br>Cost/Claim | % increase from 2006 to 2007 |
|-------|------|---------|----------|--------------------|-----------------------|------------------------------|
|       | 2006 | Sprains | 1,485    | \$2,754,651        | \$1,854               | 13.0%                        |
| PAs   | 2007 | Sprains | 2,216    | \$4,662,132        | \$2,103               |                              |
|       | 2006 | Others  | 2,488    | \$2,571,066        | \$1,033               | 8.1%                         |
|       | 2007 | Others  | 3,724    | \$4,162,613        | \$1,117               |                              |
| ARNPs | 2006 | Sprains | 633      | \$1,175,864        | \$1,857               | 8.0%                         |
|       | 2007 | Sprains | 793      | \$1,592,280        | \$2,007               |                              |
|       | 2006 | Others  | 1,110    | \$1,171,014        | \$1,054               | 4.9%                         |
|       | 2007 | Others  | 1,305    | \$1,443,396        | \$1,106               |                              |

Table 5 summarizes cumulative 6-month costs broken down by sprains and strains vs all other types of claims for PAs and ARNPs. On a cost per case basis, the year over year percent increase was greater for PAs (13% increase in sprain costs/case) than for ARNPs (8% increase in sprain costs/case) from 2006 to 2007.

|       |      | % Rejected  |      | % with Protests within 6 Months |  |
|-------|------|-------------|------|---------------------------------|--|
| PAs   | 2006 | 161 / 3,973 | 4%   | 251 / 3,973 = 6.3%              |  |
| FA5   | 2007 | 298 / 5,940 | 5%   | 412 / 5,940 = 6.9%              |  |
| ARNPs | 2006 | 85 / 1,743  | 4.8% | 117 / 1,743 = 6.7%              |  |
|       | 2007 | 108 / 2,098 | 5.1% | 169 / 2,098 = 8.0%              |  |

| Table 6 | Rates of claim r | eiections and | protests for PAs | and ARNPs |
|---------|------------------|---------------|------------------|-----------|
|         | rates of claim r |               |                  |           |

Table 6 presents the overall claim rejection and protest rates for PAs and ARNPs. The rates do not differ substantially from year to year or between PAs and ARNPs.

#### Conclusions

The passage of HB 1722, allowing PAs to sign all L&I forms, including the initial Report of Accident, appears to have improved access to care in rural regions. The number of rural PA providers with L&I accounts increased 13.1% between 2006 and 2007. In addition, the number of rural claims seen by PAs increased 150% between the two study periods.

The overall timeliness of access to care and timeliness of L&I receipt of the Report of Accident appears to be very similar between PAs and ARNPs. The passage of HB 1722 does not appear to have affected these efficiency measures for PAs.

The percent of longer-term disability claims increased for PAs between 2006 and 2007. This is likely a direct result of PAs' new authority to initiate time-loss claims. There does not appear to be any difference in the proportion of longer-term claims associated with PA or ARNP care.

Cost per case increased more for the most complex claims (sprains) for PAs (13%) compared to ARNPs (8%) between 2006 and 2007.

The rate at which claims are rejected or protested within six months are very comparable for PAs and ARNPs.