

ROADBLOCKS TO
HEALTHCARE
REIMBURSEMENT AND
WORKERS' COMPENSATION

Law Office of Joseph L. Romano

Frequently asked questions about Workers' Compensation Reimbursement

Workers' compensation insurers use many strategies to deny payment to healthcare providers in catastrophic workers' compensation claims.

Some of the strategies are:

- Initial denial of all catastrophic injury claims
- A lengthy investigation into the cause of the injury
- No precertification
- Misclassification of worker's employment status
- Declining coverage until after acute care, rehabilitation, and therapies have been provided
- Failure to streamline the approval process

Must workers' compensation insurers "precertify" or pre-approve treatment before healthcare providers deliver care?

No. Since there is no precertification, the injured employee and the treating healthcare providers are at **risk for nonpayment**, while the workers' compensation insurers complete the investigation.

What are the most common reasons workers' compensation insurers deny claims?

- The injury is not work-related
- Treatment is not medically necessary
- Drugs and/or alcohol **caused** the injury
- Failure to give notice to the employer in a timely manner
- Unauthorized use of the company vehicle
- Misclassification of an employee as an "independent contractor"

Healthcare providers need more information about what caused the work-related injury to identify claims that have coverage issues before a treatment plan is implemented.

Do employers misclassify employees as "independent contractors" to avoid paying workers' compensation benefits?

Yes. In the event of a serious injury, the employee's *job duties and facts of how the injury occurred* must be carefully examined to determine *if the employee is correctly classified as an independent contractor, or if they are an employee who is entitled to workers' compensation benefits.*

Is an "undocumented worker", who was injured on the job, entitled to workers' compensation benefits?

Yes. *In construction and other industries, there are millions of undocumented workers who routinely do not receive the workers' compensation benefits they are entitled to under applicable state laws. Understanding whether or not an undocumented worker is eligible for workers' compensation is vital for healthcare providers to prepare a comprehensive treatment plan and receive appropriate reimbursement.*

Who pays the medical bills when a worker is misclassified as an independent contractor or denied benefits due to their "undocumented status" and therefore is not eligible for workers' compensation benefits?

Under these circumstances, Medicaid or private insurance is the usual payer. *As a result, healthcare providers are reimbursed at a much lower rate than they would be if workers' compensation was the primary payer.*

Are there any strategies to persuade workers' compensation insurers to extend inpatient rehabilitation, approve state of the art prosthetics, specialized equipment, and home modifications?

Yes. *The investigation against the company that caused the injury and possible reimbursement to the workers' compensation insurers is leverage to "encourage" workers' compensation insurers to pay additional benefits. Workers' compensation insurers have the **right to be reimbursed** a portion of the money that is recovered from the company that caused the work-related injury.*

CONCLUSION

Workers' compensation insurers use many strategies to deny payments to healthcare providers in catastrophic workers' compensation claims. Often this makes it very difficult for the medical community to formulate a comprehensive treatment plan for the injured worker with a TBI, SCI, severe burns, or amputation. **Treating healthcare providers and case managers working with a patient's advocate can "level the playing field" and maximize reimbursement to the injured worker and healthcare providers.**

LAW OFFICE OF JOSEPH L. ROMANO

**583 Skippack Pike • Suite 500
Blue Bell, PA 19422**

ONE OXFORD CENTRE

**301 Grant Street • Suite 4300
Pittsburgh, PA 15219**

(800) 331-4134

JOSEPHROMANOLAW.COM

info@josephromanolaw.com

Language interpretation service available upon request.

The Law Office of Joseph L. Romano handles cases in Pennsylvania. For cases outside of Pennsylvania, Joseph Romano works with local attorneys in each state, as applicable.

©2019 Law Office of Joseph Romano