



ANALYSIS OF COLORADO PROPOSAL REGARDING CHOICE OF PROVIDER

As Requested on April 11, 2014

NCCI estimates that the proposal received on April 11, 2014 to expand the list of providers from which the employee may choose their treating physician, if enacted, would have a negligible impact on workers compensation (WC) system costs in Colorado.

This analysis was completed in an expedited manner and is considered preliminary. NCCI may supplement this document with a complete and final analysis of the proposal at a later date. It is possible that the estimated impact of the final analysis will differ materially from what is provided in this document. Note that the absence of an update to the preliminary analysis does not signify that this is NCCI's final assessment of the cost impact of the proposal.

Summary of Proposal

Under current Colorado law, the employer or insurer initially provides an injured employee with a list of at least two physicians or two corporate medical providers or one physician and one corporate medical provider from which the employee may choose. If there are fewer than four physicians or corporate medical providers within thirty miles of the employer's place of business who are willing to treat an injured employee, the employer or insurer may instead designate one physician or one corporate medical provider to treat the employee. A physician is presumed to be willing to treat injured workers unless he or she indicates to the employer or insurer to the contrary. During the first 90 days, but prior to achieving maximum medical improvement, the employee may request a change to another physician on the list. In addition, the employee may request a change to their own personal physician. The employer may object to this request, in which case the Colorado Department of Labor and Employment (CDLE) shall make a final determination.

Under the proposal, the employer or insurer would be required to initially provide a list of at least four physicians or four corporate medical providers or at least two physicians and at least two corporate medical providers. However, if there are fewer than six physicians or corporate medical providers who are willing to treat the injured employee within thirty miles of the employer's place of business, the employer may instead designate one physician or one corporate medical provider to treat the employee.

NCCI Commentary

Under the proposal, the employer would still provide the list of physicians from which the employee may choose, thereby generally maintaining the same choice of physician as under current law. Increasing the list of medical providers from two to four is



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expected to have a negligible impact on overall system costs in the state. Also, as noted above, the proposal would allow the employer to designate one physician or corporate medical provider to treat the employee if there are fewer than six within a thirty mile radius (compared to four physicians under current law). Hence, there would likely be more instances where the employer is only required to designate a single treating physician under the proposal than under current law. This strengthening of the employer's choice of physician in these instances may mitigate a portion of the potential impact of expanding the list of providers given to the employee.

Therefore, NCCI estimates that this proposal would have a negligible impact on WC system costs in Colorado.