Pursuant to NRS 616B.003, all insurers who provide benefits to injured employees pursuant to Chapters 616A through 616D, inclusive, or Chapter 617 of Nevada Revised Statutes (NRS), shall be audited at least once every five years.

An audit will include all claims filed with a date of injury for a defined period, or a random sampling of those claims. Usually, this will be the preceding fiscal year. The period may vary to take into consideration an insurer changing claims administrators, current staffing levels or other scheduling issues.

The goal of the standard audit is to ensure injured employees receive timely and accurate benefits in accordance with the Chapters 616A through 616D, inclusive, or chapters 617 of the Nevada Revised Statutes and the Nevada Administrative Codes. Selected claim files may be reviewed for, but not limited to:

1. Timely determination regarding claim acceptance/commenced payments, or denial;
2. Timely payment of initial compensation;
3. Accurate calculation and payment of Temporary Partial Disability (TPD), Temporary Total Disability (TTD), Permanent Partial Disability (PPD), and/or Permanent Total Disability (PTD) compensation;
4. Timely and accurate payment of medical bills in accordance with the Nevada Medical Fee Schedule or as otherwise contracted;
5. Timely evaluation and offer of PPD;
6. Notification of the right of appeal concerning determination(s) made;
7. Timely responses to requests;
8. Vocational rehabilitation benefits;
9. Use of proper forms;
10. Claims administration; and
11. Violations of NRS 616D.120

Pursuant to NRS 616B.021 and NAC 616B.013, the Workers’ Compensation Section (WCS) investigator or auditor shall be provided access to selected claim files. This includes paperless electronic claim file systems (if one is used by the insurer), electronic claim’s notes and payment history. If given the option, WCS may make arrangements for remote access to the electronic claims system prior to the date of this scheduled claim file review.

(continued on page 2)
While remote access of the insurer’s and/or claims administrator’s electronic system is preferable for an efficient audit process, in-office paper copy auditing can be arranged. In these cases the entire claim file will be reviewed. A copy of the following pertinent claim file documents will be requested:

1) Hearing Officer and Appeals Officer Decisions and Orders;
2) All written determinations;
3) All written requests for benefits & treatment;
4) Light duty offers/acceptance;
5) Documentation related to wages (D-forms, including D-38 Indexing Forms) wage letters and calculation sheets/tape;
6) PPD reports & calculations (all PPD forms);
7) Certification of disability used for payment of benefit;
8) C-4, C-3 and C-1 Forms; and
9) Closure letter(s).

WCS may request additional documents to be copied or printed. If the audit period is handled by more than one claims administrator, the audit period may be revised to the period administered by the new Third-Party Administrator (TPA).

In addition, if the claims system does not place the date of receipt on all claim documents, WCS may request documentation of the date of receipt and place in chronological order.

WCS may request that a representative be available during the audit to address the auditor’s questions, whether remotely or in-person.

Pursuant to NRS 616B.006, the following documents may be requested:

- The insurer’s claims procedures manual, if one has not already been provided to this agency; or if it been updated since it was last submitted;
- Insurer policies and procedures for the payment of compensation found to be due by a hearing officer, appeals officer, court of competent jurisdiction, written settlement agreement, written stipulation or the division when carrying out its duties pursuant to chapters NRS 616A through 616D, inclusive, or chapter 617;
- Copies of contracts with MCO’s and/or PPO’s;
- A list of those TPAs that are administering claims for the insurer, including their Nevada DOI License number. The list should include: physical address, contact person and telephone number;
- Separate lists of claims for:
  1. denied claims,
  2. medical only claims “for which the benefits received by the injured employee or his dependents for the duration of the claim did not include benefits for a Temporary Total Disability, Temporary Partial Disability or Permanent Total Disability” pursuant to NAC 616B.016(3)(a),
  3. lost time claims “in which the benefits received by the injured employee or his dependents for the duration of the claim, included benefits for a Temporary Total Disability, Temporary Partial Disability, or Permanent Total Disability), and/or vocational rehabilitation benefits” pursuant to NAC 616B.016(3)(b), and
  4. catastrophic claims pursuant to NRS616C.700-720.
- The lists must include the injured employees’ names in alphabetical order, date of injury, claim number and whether there was a Permanent Partial Disability benefit paid.

(continued on page 3)
• Total expenditures for each claim with a breakdown of those expenditures to include medical payments, Temporary Total Disability (TTD), Temporary Partial Disability (TPD), rehabilitation maintenance, Permanent Partial Disability (PPD) and Permanent Total Disability (PTD) payments; and

• Copies of all C-1 Forms are available during employer site visits.

All information is requested pursuant to NRS 616A.400, NRS 616B.003, NRS 616B.006, NAC 616A.410, and NAC 616D.311.

All claim files should be legible and in chronological order pursuant to NAC 616C.082 (2).

At the conclusion of each audit day, a written Daily Site Visit Form may be jointly completed by the auditor and the representative for the insurer/claims administrator. This can be accomplished remotely via email or other electronic means. The form can document potential violations, agreements, missing documents from claim files and other pertinent issues discovered during the audit.

At the conclusion of the audit, the auditor may ask the insurer for contact information regarding at least one insured employer (client) in order to conduct an in-person, employer site visit. The site visit choice is usually made due to employer violations found during the audit (late or incomplete mandated form submission, or lack thereof). This is also an opportunity to provide outreach education and ensure all mandated postings and forms are present at the employer’s place of business. Employee surveys are left with the employer to be completed by random employees to ensure injured employees know how to report industrial injuries and how to seek treatment.

The auditor will also send out formal written findings to the insurer and their claims administrator. The written responses must be returned to the DIR within thirty (30) days, pursuant to NAC 616A.410. Insurers are required to include all relevant documentation with the written responses to determine if the violation will remain in the final audit report.

This process concludes with the issuance of a Final Audit Report which may include notices of correction and/or administrative fines issued by DIR to the insurer and their claims administrator with appropriate appeal rights, if applicable. Copies of the audit report including an executive summary will be provided to the Nevada Division of Insurance.

**IMPORTANT MESSAGE FROM THE NEVADA DIVISION OF INSURANCE**

The Division of Insurance has updated the Company and Staff Adjuster Licensing web pages of their website to include a form to request an exemption from the pre-licensing education requirement for individuals who have more than five years work experience or have a designation related to workers compensation. This exemption will be available until December 31, 2018.

Company Adjuster Licensee:  [http://doi.nv.gov/Licensing/License_Types/Adjuster/Company_Adjuster/](http://doi.nv.gov/Licensing/License_Types/Adjuster/Company_Adjuster/)
Staff Adjuster License:  [http://doi.nv.gov/Licensing/License_Types/Adjuster/Staff_Adjuster/](http://doi.nv.gov/Licensing/License_Types/Adjuster/Staff_Adjuster/)

In addition, the examination has been revised by Nevada subject matter experts in the field of workers’ compensation claims adjustment. The content outlines for the exam are available via the Division’s exam vendor, Pearson VUE. There is a link to the Nevada landing page at Pearson VUE on the Division’s website:  [https://home.pearsonvue.com/nv/insurance](https://home.pearsonvue.com/nv/insurance).

For an overview of the new licensing requirements, click here:  [http://doi.nv.gov/uploadedFiles/doinvgov/_public-documents/Licensing/adjuster_licensing_changes_new_requirements_TH%2005302018.pdf](http://doi.nv.gov/uploadedFiles/doinvgov/_public-documents/Licensing/adjuster_licensing_changes_new_requirements_TH%2005302018.pdf).

DIRECT ALL INQUIRIES TO THE NEVADA DIVISION OF INSURANCE TOLL FREE AT (888) 872-3234 OR IN CARSON CITY AT (775) 687-0700.
Thank You (and Could You Please . . .)

Tis the time for giving thanks – and there is much to be thankful for. The WCS Medical Unit would like to extend our sincere appreciation for the time and effort many of you dedicate to completing various forms! Countless forms are completed appropriately. It’s time we express our sincere appreciation. The truth is Nevada’s workers’ compensation program could not function without everyone working together cooperatively. The WCS heartily thanks you for your time, attention to detail and patient cooperation!

Some of you may struggle at times with requirements to complete specific forms in specific ways and in a timely manner. There is a tremendous amount of information that must be directed and processed by different companies, different providers, different agencies and for different purposes. Efficiency is essential and thus the need for standardization. The more forms change for individuals, the less effective they are for the group. Therefore, NAC 616A.400 mandates that no one may change required forms unless given written authorization from the DIR Administrator. To request form changes, please contact Jana Hermann at jhermann@business.nv.gov.

The Medical Unit fields many questions related to forms (C-4s, D-35s, D-38s) as well as inquiries regarding permanent partial disability (PPD) evaluations and independent medical evaluations (IMEs). The ensuing information addresses some common mistakes and areas of confusion.

C-4 Forms represent injured employees’ claims for compensation and are completed when an injured employee receives medical treatment. Health care providers are mandated to ensure C-4 Forms are completed appropriately. The top half of the C-4 Form is filled out, appropriatley, using the injured employee’s own words, and signed by the injured employee. Extenuating circumstances do occur very occasionally that prevent an injured employee from completing the C-4 Form initially. In this situation, the health care provider must obtain the injured employee’s actual signature as soon as possible. The WCS is seeing a number of C-4 Forms missing employer addresses. The employer’s address is essential in verifying workers’ compensation coverage. Health care providers complete the lower portion of the C-4 Form including the provider’s tax identification number. Remember, if the information provided is not legible, it is not useful to anyone. Contact the WCS staff person taking proof of coverage (POC) calls if you have difficulty locating the correct workers’ compensation insurer/TPA.

D-38 Forms are used to index claims and are generally completed by insurers/TPAs. If a claim has not yet been indexed in the CARDS system, it is impossible for the WCS to process a request for a PPD rater (D-35 Form). Therefore, in this situation, please submit both forms to the Medical Unit at medunit@business.nv.gov at the same time. Inconsistencies or missing information result in both forms being returned unprocessed, leading to significant delays. Employer and insurer/TPA FEIN numbers are required and should be verified with the appropriate party prior to submitting D-38 Forms to the WCS.

D-35 Forms must be submitted to the WCS prior to requesting or scheduling any PPD evaluation. The WCS utilizes the information provided to ensure an appropriate rater is utilized and to gather data needed for various processes and reports. The information provided on a D-35 Form informs raters of relevant diagnostic information and clarifies the body parts to be evaluated. A rater may not rate a body part that is not listed on the D-35 Form. D-35 Forms must include the names of all previous treating providers and raters. Please ensure that for each body part to be rated there is at least one diagnosis listed. Apply the most specific body part code possible; the “Comments” field may be used to clarify specific body parts when needed.

Rating physicians and chiropractors are often hampered by missing medical records including MRI reports, EMG/NCV studies/reports, previous PPD reports and pertinent information regarding previous injuries/conditions affecting the same body part(s). The necessity of this information is, at least in part, reflected in the numerous PPD report addendums written. This is a waste of time, effort and money for raters, injured employees and payers.

PPDs v IMEs: These two types of medical evaluations must always be completed separately for Nevada’s injured employees. A PPD evaluation results in an impairment rating. Raters are not allowed to order diagnostic testing or make treatment recommendations. IMEs are appropriately used to obtain a second opinion regarding medical treatment, diagnostic testing, adding additional body parts, transfers of care, maximum medical improvement decisions and/or claim closure. PPD evaluations and IMEs may not be done simultaneously or even by the same provider. Lastly, all PPD evaluations require submission of a D-35 Form to the WCS; IMEs do not involve D-35 Forms at all.

Again, the WCS Medical Unit extends its genuine appreciation for the attention to detail necessary to complete and submit forms accurately and timely. It may seem no one notices the correctly submitted forms, only the errors made. There is truth in that sentiment for most of us. However, each form form/process completed accurately and with integrity matters greatly to at least one person – the injured employee. You may not be thanked but our decisions and actions together make a difference for many. Thank you!

Katherine Godwin, BSN, RN Manager, Medical and Benefit Penalty Units

WCS MISSION STATEMENT

The purpose of the Workers’ Compensation Section is to impartially serve the interests of Nevada employers and employees by providing assistance, information, and a fair and consistent regulatory structure focused on: Ensuring the timely and accurate delivery of workers’ compensation benefits. Ensuring employer compliance with the mandatory coverage provisions.
Posting the OSHA 300A “Summary”

On February 1, 2019, employers who are required to keep Injury and Illness records must complete and post their OSHA 300A Annual Summary form for each of their establishments. The OSHA 300A must be posted from February 1 – April 30, 2019.

In order to complete and post the OSHA 300A, the employer must first review the entries made on their OSHA 300 Log during the course of 2018. Then a company executive must sign the OSHA 300A Summary, certifying that he or she has examined both the OSHA 300 Log and the OSHA 300A and he or she believes, based on their knowledge of the process by which the information was recorded, that the annual summary is correct and complete.

According to OSHA’s injury and illness recordkeeping standard (29 CFR 1904.32(b)(4), a company executive who certifies must be one of the following persons:

1. An owner of the company (only if the company is a sole proprietorship or partnership);
2. An officer of the corporation;
3. The highest ranking company official working at the establishment; or
4. The immediate supervisor of the highest ranking company official working at the establishment.

The employer must post a copy of the annual summary in each of their establishments in a conspicuous place or places where notices to employees are customarily posted. (Note: The OSHA 300 Log is not to be posted, only the OSHA 300A Annual Summary.) Employers must ensure that the posted annual summary is not altered, defaced, or covered by other material.

Anyone interested in attending a class on this topic or have questions related to this or any other occupational safety matter, please refer to our website (www.4safenv.state.nv.us) or contact us directly at 1 (877) 472-3368.

Stephen Rodgers
SCATS-Program Coordinator

Nevada Participates in the 104th IAIABC Convention

In October, the Nevada Workers’ Compensation Section participated in the International Association of Industrial Accident Boards and Commissions (IAIABC) 104th Convention held in Williamsburg, Virginia. The IAIABC Convention brings together workers’ compensation administrators, regulators, and industry leaders to discuss major policy and regulatory issues affecting workers’ compensation systems around the world. WCS staff are active on the Medical Issues and the Research and Standards Committees and attended sessions for the Regulations and International Committees. Nevada also participated in the Heads of Delegation Forum and the meeting of the Western Association of Workers’ Compensation Boards (WAWCB). Katherine Godwin, RN is the newly appointed Vice President of the WAWCB. Convention session topics included legacy claims and opioid use, return to work outcomes, big data analytics, the gig economy and innovation in workers’ compensation systems, to name just a few.

The next IAIABC conference will be The Forum 2019, April 1-4, 2019 in San Diego, CA. For more information, visit www.iaiabc.org.

Ruth Ryan, Chief, Research and Analysis Unit

Request for Proposal: Uninsured Claims Administration

The Workers’ Compensation Section is required by Nevada Revised Statutes to manage the uninsured claims process for employees injured on a job when the employer has no workers’ compensation insurance. This process has been contracted to a third-party administrator since July 2000.

Workers’ Compensation Section (WCS) is required by NRS to reissue a Request for Proposal to choose a TPA or insurer to provide claims management services for these injured employees beginning July 2019. WCS expects to release the RFP in late December.

For those interested in submitting proposals for the RFP, monitor the WCS Web site at: http://dir.nv.gov/WCS. Those interested in being on the e-mail notification list for the release of this RFP and for other notifications may sign up at: http://dir.nv.gov/WCS/Email_Enrollment/
When it comes to the protection of the public’s health, safety, and welfare, the Nevada State Contractors Board (NSCB/Board) engages in several initiatives and partnerships to be as proactive and effective as possible in fulfilling its mission.

There are over 15,600 actively licensed construction entities in the State of Nevada, each of which is responsible for adhering to the statutes and regulations under Chapter 624 of the Nevada Revised Statutes and Nevada Administrative Code. Each applicant for licensure is responsible for passing applicable trade exams and a Construction Management Survey exam, which tests an applicant’s knowledge in more business-centered areas such as liens, taxes, labor laws, financial management, project management, contracts, environmental and safety issues, etc.

Once all requirements for licensure are met and all exams have been passed, a Nevada licensed contractor is held accountable to every governing authority that may regulate the construction industry.

The NSCB has a dedicated Enforcement Department that responds to and investigates all complaints against licensed and unlicensed contractors the Board receives. The investigative process may determine the validity of alleged violations, order corrective action when necessary, and/or provide a path for recourse and discipline in the event a licensed contractor does not comply with the Board’s orders.

Collaborating with local and state agencies is one of the vital aspects of the Board’s investigative process to best protect the public’s health, safety, and welfare. NRS 624.3011 authorizes the Board to take disciplinary action against a licensee who willfully disregards or violates the state’s building laws, safety or labor laws, or laws regarding industrial insurance. When violations are alleged, the Board relies on adjudicated information from partnering agencies that demonstrates the contractor violated laws outside the Contractor’s Board jurisdiction.

A frequent example of this partnership is seen in the Board’s communication with the Division of Industrial Relations (DIR), which notifies the NSCB when a contractor’s workers’ compensation insurance has lapsed or expired.

[Assembly Bill 86 from the 2013 Legislative Session] mandates the Board to summarily suspend the license if a contractor fails to demonstrate compliance with industrial insurance laws within 30 days of being notified by the NSCB. This is significant because a contractor’s failure to come into compliance with workers’ compensation insurance requirements places the public and any customer they come into contact with at an added risk and liability if someone were to be injured while on the job.

Although the Board may not have jurisdiction over industrial insurance laws, it does have jurisdiction over the contractor’s license and can provide added support to agencies like DIR that may be having difficulty getting a contractor to comply with their laws. When agencies share information and work together, contractors are less likely to evade the requirements of the law, which means the public is the ultimate beneficiary.

The same is to be said with the Board’s collaboration with local building departments. Failure to pull permits for construction work related to life safety trades such as plumbing, electrical, and HVAC can create a very dangerous and life-threatening situation for the occupant of the structure. This is why the Contractors Board receives notification of such instances and can take appropriate action against a contractor’s license when necessary to ensure safety precautions are adhered to at all times.

Each agency within the state has an important role to play in the public’s protection, which is why maintaining open communication on issues of concern is so important. Presenting a united front on public protection issues sends a clear message to the industry that contractors will be held accountable for disobeying the laws, while affording the public greater confidence when hiring a licensed Nevada contractor.

Margi Grein, Executive Officer
Nevada State Contractors Board
Reporting Reminders

Keeping your contact information current with the Workers’ Compensation Section will ensure you receive important information from WCS

- **TPA Information Form** - This form is now available only in our CARDS system and must be completed online using the CARDS web form. WCS will require this form to be updated within 30 days of any changes and reviewed and submitted at least once per year. We will be sending a reminder email to each TPA with a due date for the annual submission in early December. This email will also include the “Claims Handled” data call, so make sure you respond by the due date.

- **Insurer Information Form** - This form is now available only in our CARDS system and must be completed online using the CARDS web form. WCS will require this form to be updated within 30 days of any changes and reviewed and submitted at least once per year. We will send a reminder with a due date for the annual submission soon. The Insurer Information Form in CARDS is how insurers “link” to their Nevada TPAs, allowing them to submit claims data (D-38) and perform other tasks on their behalf.

For more information on the CARDS portal, visit our CARDS webpage: [http://dir.nv.gov/WCS/cards/](http://dir.nv.gov/WCS/cards/).

- **OD-8 Occupational Disease Claim Report (NRS 617.357)** forms for claims reportable in calendar year 2018 are due by December 31, 2018. The Occupational Disease Claim Report Statement of Inactivity form is due by January 7, 2019. All insurers that submitted zero OD-8 forms in calendar year 2018 must file a Statement of Inactivity for calendar year 2018. This form can be found on our web site at [http://dir.nv.gov/uploadedFiles/dirmvgov/content/WCS/InsurerReportingDocs/OccupationalDiseaseStatementOfInactivity.doc](http://dir.nv.gov/uploadedFiles/dirmvgov/content/WCS/InsurerReportingDocs/OccupationalDiseaseStatementOfInactivity.doc). The OD-8 and instructions can be found on our web site at [http://dir.nv.gov/WCS/Insurer-TPA_Reporting/](http://dir.nv.gov/WCS/Insurer-TPA_Reporting/).

- **Coming soon!** The FY18 WCS Workers’ Compensation Claims Activity Report pursuant to NRS 616B.009 and NAC 616B.016. Projected due date for this report will be early 2019. Links to the blank form and instructions will be updated in the coming weeks on our web site at [http://dir.nv.gov/WCS/Insurer-TPA_Reporting/](http://dir.nv.gov/WCS/Insurer-TPA_Reporting/) and an email notification will go out to all workers’ compensation insurers and TPAs.

Failure to submit the required reports may result in administrative fines.

Questions may be directed to WCS Research and Analysis at (702) 486-9080 or to wcsra@business.nv.gov.

### Discontinuance of D-38 Paper Forms Effective January 1, 2019

Effective January 1, 2019, the Nevada Division of Industrial Relations, Workers’ Compensation Section (WCS) will no longer accept paper D-38 Forms. Insurers and TPAs will be required to submit Claims Indexing data via the CARDS Web Portal or Flat File.

See the memo for more information: [Discontinuance of D-38 Claims Indexing Paper Forms – Effective January 1, 2019](http://dir.nv.gov/WCS/cards/).

The Positives in the Neighborhood

**Robin Hoodie Project**

During the months of October – December. The DIR team will be collecting hoodies to help the students at Myrtle Tate Elementary School. Myrtle Tate Elementary School is an at-risk elementary school with an impoverished population. Many of the students do not have sweaters or jackets, so they freeze on the playground or on their walk to and from school during the winter months. Last year the DIR collected (147) hoodies for the students at Myrtle Tate Elementary School. This year our goal is to collect a hundred (200) or more hoodies for the students. Santa Claus will be delivering the hoodies to the students before their winter break.

**VETERANS VILLAGE LAS VEGAS UPDATE**

The Division of Industrial Relations (DIR) team collected non-perishable food items and personal products from late September through November for Nevada’s veterans. Boxes of canned goods and products were delivered on November 8th, 2018. Veterans Village has been caring for the needs of our homeless veterans for the last six years and has recently opened their third location which will provide medical and rehabilitation services in addition to other onsite services to help veterans needs. Future plans include Veterans Village Women’s Housing. We look forward to our ongoing relationship with such an important organization.

(Krissi Garcia and Cara Curtis of DIR , delivering canned goods, and personal products to Veterans Village )
Congratulations to Stephanie Canter! She has left WCS for the Division of Insurance where she accepted a position as Chief Compliance/Audit Investigator for Enforcement. Stephanie started her career with the State of Nevada in 1998 with the Department of Employment Training, & Rehabilitation where she worked as a Claims Examiner and an Adjudicator. She came to WCS as a Compliance/Audit Investigator for the Employer Enforcement Unit in September 2006. She was promoted to a Management Analyst II in the Research & Analysis Unit in May 2016 and shortly after was tasked as the Project Manager for the new Claims and Regulatory Data System (CARDS), where she was instrumental in the success of the program. Stephanie is greatly missed by all of her friends and co-workers in the Workers’ Compensation Section.

A big welcome to Jacqueline Mora, the new Administrative Assistant II in the Audit Unit. Her main function will be AO/Ho review and compliance processor. Prior to joining WCS, she was a paralegal in Family Law for 8 years. She is originally from El Centro, CA and has been in Las Vegas over 15 years. In her spare time she enjoys baking and spending time with her goddaughter. She’s also loves watching baseball, with the Dodgers being her all time favorite team.

Congratulations to Austin Salinas who recently accepted a promotion at the Athletic Commission as a Administrative Assistant III. He previously worked as the D-35 Coordinator in the Medical Unit. Although he will be missed, we wish him well on his new career path!

Congratulations to Sara Ganung who was promoted in October to Compliance /Audit Investigator I to the Northern Enforcement Unit. Sara has been with State of Nevada 5 years in January. She started as AA2/Receptionist and has gradually worked her way back to the Enforcement Unit, where she was an Administrative Assistant III for 3 years. Sara has been a great team member to our unit and she is excited to have joined the team of Investigators. She has lived in Nevada for 18 years.

Welcome Maria Ledesma the new D-35 Coordinator in the Medical Unit. Prior to her current position, Maria worked in both the physical therapy and orthopedic field for 15 years. Originally from Southern California, Maria moved to Las Vegas in 2007. On her time off she enjoys reading, traveling, being outdoors and spending time with her two boys.