



CALIFORNIA STATE  
ASSOCIATION OF  
COUNTIES



ALPHA FUND



CALIFORNIA SPECIAL  
DISTRICTS  
ASSOCIATION



ASSOCIATION OF  
CALIFORNIA WATER  
AGENCIES

DATE: March 31, 2011

TO: The Honorable Jose Solorio  
Chair, Assembly Insurance Committee  
1020 N Street, Room 369  
Sacramento, CA 95814

FROM: Faith Conley, California State Association of Counties  
Natasha Karl, League of California Cities  
Paul Smith, Regional Council of Rural Counties  
Julianne Broyles, California Association of Joint Powers  
Authorities  
Jason Schmelzer, California Coalition on Workers' Compensation  
Michael Corbett, CSAC-Excess Insurance Authority  
Amber Wiley, Alpha Fund  
Iris Herrera, California Special Districts Association  
Whitnie Henderson, Association of California Water Agencies

Re: **AB 584 (Fong) – Workers' Compensation: medical treatment  
As introduced February 16, 2011 – OPPOSE**

The California State Association of Counties (CSAC), the League of California Cities (LCC), the Regional Council of Rural Counties (RCRC), the California Association of Joint Powers Authorities (CAJPA), the California Coalition on Workers Compensation (CCWC), the CSAC-Excess Insurance Authority (CSAC-EIA), the Alpha Fund, the California Special Districts Association (CSDA), and the Association of California Water Agencies (ACWA) regret that we must oppose Assembly Bill 584 because it would create a logjam of utilization review requests and increase the cost of this expense for both insured and self-insured employers.

AB 584 would require any psychologist who conducts utilization review in a workers' compensation claim to be licensed in the State of California. We do not support this provision because there is no evidence that it would improve care to injured workers. This requirement is entirely unrelated to the effective execution of the duties entrusted to a utilization review psychologist. All decisions made by utilization review psychologists are required to be based on the medical treatment utilization schedule that has been adopted by the Administrative Director for the Division of Workers' Compensation. If treatment varies from that schedule it must be based on evidence-based, peer reviewed, nationally recognized standards. Because the utilization review standards are nationally based, there is no scenario in which a California psychologist would be more qualified to make a utilization review decision based solely on the fact that s(he) is licensed in California. California psychologists do not have specific knowledge that would make this process any more fair or efficient.

Conversely, a requirement that such psychologists be licensed in California would only limit the number of doctors available to perform utilization review

services, thereby creating a logjam of cases that need to be reviewed. Additionally, this limitation would likely drive up the cost of utilization review services because the demand for those services would increase relative to the number of providers who are legally able to perform them.

Utilization review is the only method by which employers can hold psychologists to evidence based medical treatment standards. UR is the process that enables employers to ensure that employees received the best medical treatment possible while keeping costs under control. For these reasons, we ask for your “no” vote on AB 584.

We are available to discuss our concerns with you or your staff at your convenience. Faith Conley (CSAC) may be reached at 327-7500 ext. 522, Natasha Karl (LCC) at 658-8254, Paul Smith (RCRC) at 447-4806, Julianne Broyles (CAJPA) at 441-5050, Jason Schmelzer (CCWC) at 446-4656, Michael Corbett (CSAC-EIA) at 449-3936, Amber Wiley (Alpha Fund) at 498-6233, Iris Herrera (CSDA) at 442-7887, and Whitnie Henderson (ACWA) at 441-4545.

cc: The Honorable Paul Fong  
Members/Consultants, Assembly Insurance Committee