

III. STUDY SIGNIFICANCE

California is the eighth largest economy in the world,¹³ and the WC system accounts for approximately 3 percent of all medical treatment in the state.^{14, 15} Furthermore, because an estimated 16% (2.6 million) of workers do not have health insurance in California,¹⁶ the WC system represents the only form of health insurance for a substantial portion of the employed population. Thus, any reforms in the WC system will have an impact on a significant cross-section of the population in the state both financially and in human terms.

Multiple studies have assessed access to care of injured workers and barriers to delivery of care by providers. However, only a few have been conducted following the 2003-2004 reforms or have attempted to establish the consequences of these recent reforms in California. Recent studies of the impact of reforms on access to care, conducted by the California Workers' Compensation Institute (CWCI) using claims data,^{17, 18} found reductions in utilization of physical therapy and chiropractic services, which is consistent with the 24-visit cap on these services, but no negative consequences in access to care in terms of distance to providers and access to primary care providers and specialists. However, the CWCI claims data do not include unique physician identifiers, and thus were unable to measure access to the actual physicians who treated injured workers. Instead, their analyses rely on distance from the injured worker's home to the three closest physicians or physician groups, regardless of whether these physicians were actually involved in treating injured workers. Furthermore, claims data do not assess the perceptions of injured workers or providers about barriers of access to quality care or satisfaction with care. Therefore, while providing information on certain indicators of access, these studies cannot address the impact of reforms on perceived quality of and satisfaction with care received by injured workers.

Studies of barriers to delivery of care by providers conducted by professional societies, including the California Medical Association (CMA)¹⁹ and the California Orthopaedic Association²⁰ paint an alarming picture of deterioration in participation rates of providers

who face reduced fees and stringent UR criteria and predict further declines in access to providers if such problems are not alleviated. While the concerns raised by these studies represent the views of those providers who participated in the related surveys, it is difficult to determine if these providers are representative of the much larger population of WC providers across the state. These studies provide limited information on methodology, include small sample sizes, and do not include all providers listed under the Labor Code such as chiropractors and acupuncturists.

Our study addresses the limitations of the aforementioned studies by simultaneously surveying large representative cross sections of injured workers and providers. Both of these surveys were conducted using rigorous scientific standards of survey research, including the use of objective, non-leading questions to solicit unbiased views of the respective experiences of survey participants. The injured worker survey provided an opportunity for participation by employees with all types of injuries. The results represent the experiences of injured workers after the implementation of WC reforms in 2004 and 2005. Our findings therefore represent a baseline identifying the rate of possible access problems identified by injured workers in the period immediately following reform implementation. Our results cannot be used to compare rates of access problems in the pre-reform period (i.e., prior to 2004) with those in the post-reform period (i.e., starting January 1, 2004), however.

Similarly, our provider survey has the distinct advantage of including providers who contract with WC HCOs and MPNs around California, thereby targeting the population of providers with the most potential to be treating in the WC system. In addition, this survey captured the potential barriers to provision of care before and after the recent reforms by including both issues faced by current providers as well as the experiences of providers who previously treated injured workers under the WC system but who report that they no longer treat WC cases. Thus, the results provide a snapshot of the time periods before and after the recent reforms. Finally, the provider survey includes sufficient sample sizes of various types of physicians, as defined by LC § 3209.3, to reliably estimate provider perceptions and experiences separately for several important categories of physicians.

By conducting a survey of WC payers, our study has the further advantage of including an exploratory examination of issues in WC coverage from the perspective of several important categories of payers, including self-insured employers, commercial insurers, and third-party administrators. The issues examined in our payer survey included potential difficulties faced by payers in the development of provider networks and the respective standards of access to care defined by payers.