WORKERS' COMPENSATION APPEALS BOARD STATE OF CALIFORNIA

SANDRA CORONA.

Applicant.

VS.

LOS APTOS CHRISTIAN FELLOWSHIP CHILDCARE; CHURCH MUTUAL INSURANCE COMPANY,

Defendants.

Case No. ADJ380850 (SAL 0117839)

OPINION AND DECISION AFTER RECONSIDERATION

We previously rescinded our earlier April 26, 2011 Opinion And Order Denying Reconsideration (April 26, 2011 Decision) wherein we denied defendant's petition for reconsideration of the March 1, 2011 Findings and Award of the workers' compensation administrative law judge (WCJ) who found that applicant is entitled to additional cervical radiofrequency ablation (RFA) pursuant to an August 13, 2009 stipulated award of future medical treatment, and granted reconsideration of the WCJ's March 1, 2011 decision on our own motion.¹

In the April 26 2011 Decision, the panel majority incorporated the WCJ's reasons for issuing the March 1, 2011 Findings and Award as expressed in his Report and Recommendation on Petition for Reconsideration(Report) as its reason for denying defendant's petition for reconsideration, and further wrote that the Supreme Court's characterization of an employee's right to pursue the Labor Code section 4062 process as permissive and optional in the case of State Compensation Insurance Fund v. Workers' Comp. Appeals Bd. (Sandhagen) (2008) 44 Cal.4th 230 [73 Cal.Comp.Cases 981] (Sandhagen) supported the WCJ's decision.² In a dissenting opinion Commissioner Lowe wrote that it appeared from

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¹ The WCJ found in pertinent as follows: "Applicant is in need of further medical treatment to cure or relieve from the effects of her injury; said treatment to include, but is not limited to, the cervical radiofrequency ablation as recommended by the primary treating physician, Charlie Nahm, M.D."

² Further statutory references are to the Labor Code.

the concurring opinion of Justice Kennard in Sandhagen that an applicant was required to pursue the section 4062 process by objecting to the utilization review determination and by obtaining a medical evaluation of the treatment request by an Agreed Medical Examiner (AME) or Panel Qualified Medical Examiner (PQME) before setting a hearing on a disputed medical treatment request, citing section 4610(g)(3)(A) and the earlier en banc decision of the Appeals Board in Willette v. Au Electric Corporation (2004) 69 Cal.Comp.Cases 1298 (Willette), which held that an unrepresented applicant must object to a disputed utilization review determination.³

In light of the varying views that were expressed in the April 26, 2011 Decision, the panel acted to rescind its own decision and to grant reconsideration of the March 1, 2011 Findings and Award of the WCJ on its own motion in order to further study the issues presented.

As our Decision After Reconsideration we affirm the March 1, 2011 decision of the WCJ for the reasons expressed in his Report, which is incorporated by reference, and for the reasons below. An employee is obligated to object and follow the section 4062 process if he or she disputes the utilization review denial of authorization. However, when a treatment request is supported by substantial medical evidence it is also appropriate for the injured worker to challenge the utilization review based upon procedural deficiencies at an expedited hearing pursuant to section 5502(d), as in this case.

If the utilization review process is properly and timely followed but there is still a bona fide medical treatment dispute, it would not be proper to present the dispute to a WCJ for determination at an expedited hearing without first obtaining the medical evaluation described in section 4062.1 or section 4062.2 depending upon whether or not the injured worker is represented. In those instances, it appears

³ Section 4610(g)(3)(A) provides in full as follows: "Decisions to approve, modify, delay, or deny requests by physicians for authorization prior to, or concurrent with, the provision of medical treatment services to employees shall be communicated to the requesting physician within 24 hours of the decision. Decisions resulting in modification, delay, or denial of all or part of the requested health care service shall be communicated to physicians initially by telephone or facsimile, and to the physician and employee in writing within 24 hours for concurrent review, or within two business days of the decision for prospective review, as prescribed by the administrative director. If the request is not approved in full, disputes shall be resolved in accordance with Section 4062. If a request to perform spinal surgery is denied, disputes shall be resolved in accordance with subdivision (b) of Section 4062." (Emphasis added.)

In this case, the record reflects that applicant did appropriately initiate the section 4062 process by making an objection.

 that the required medical evaluation by an AME or PQME may be accomplished by the review of relevant documents if the physician has previously examined the injured worker and concludes that another examination is unnecessary, unless an exception applies under sections 4062.3(j), 4067 or otherwise.⁵

BACKGROUND

Applicant sustained an admitted cumulative injury to her neck, wrists, back and psyche from 1986 to 2006, while employed as a preschool teacher by defendant. Medical examinations were conducted by the parties' orthopedic AME Steven Feinberg, M.D., and psychiatric AME Roy Curry, M.D. Based upon their reporting the WCJ approved the parties' stipulated award of 34% permanent disability and future medical treatment on August 13, 2009.

In his initial report of March 24, 2008, Dr. Feinberg opined that applicant's condition was not yet permanent and stationary and he addressed her need for future medical treatment as follows:

"There are several ways to approach her problem. There is argument for instance to have her undergo further tests and procedures such as radiofrequency medial branch procedures and carpal tunnel surgeries. There is nothing inherently wrong with this but the psychological test results bode poorly for a good outcome.

"Absent her opting to undergo such treatment, she really needs a more coordinated and intensive functional restoration approach to her problem...The real question is whether an intensive functional restoration program would make a difference for her in the long run."

In his supplemental report of April 28, 2008, Dr. Feinberg restated his view as expressed in his report of March 24, 2008 that a functional restoration program was not an unreasonable approach, but

⁵ Section 4062.3(j) provides that the medical evaluator selected to provide an earlier evaluation addressing a medical dispute shall be used to address any subsequent medical issue "to the extent possible."

Section 4067 generally provides that an agreed medical evaluator or a qualified medical evaluator selected by an unrepresented employee shall conduct any subsequent evaluation unless the WCJ did not rely on the evaluator's earlier evaluation, or if any party contested the original evaluation by filing an application for adjudication, or if the unrepresented employee hired an attorney and selected an evaluator pursuant to section 4064(b), or if the prior evaluator is no longer qualified or readily available to prepare another evaluation.

that there was a question whether it would make any difference "in the long run." In his supplemental report of May 16, 2008, Dr. Feinberg reiterated his qualified support for a functional restoration plan and restated his caution regarding that approach as expressed in his earlier April 28, 2008 report.

In his report of January 15, 2009, Dr. Feinberg declared applicant's condition to be permanent and stationary. He also discussed his review of several medical records and noted the following concerning an RFA earlier performed on applicant:

"Dr. Sylvain stated on 12/3/07 the patient required lumbar facet blocks or radiofrequency ablation, which ever [sic] was authorized first. She returned on 1/17/08 and apparently she had undergone a right-sided radiofrequency ablation by Dr. Bayaca and she still had to do the left side. It was recommended that she have occupational therapy to address the carpal tunnel syndrome. The patient stated that care with Dr. Bunger was no longer authorized which Dr. Sylvain disagreed with...

"Dr. Sylvain reported on 5/20/08 the patient reported 75% reduction in pain after the cervical medial branch blocks. She would be scheduled for radiofrequency ablation...

"On 6/2/08 the request for radiofrequency ablation at C4-5-6 facet nerves was non-certified.

"The patient returned to Dr. Poree on 6/2/08 and apparently cervical facet radiofrequency ablation had been authorized.

"Dr. Poree went forth with cervical radiofrequency ablation at left C4, C5, and C6 on 6/24/08.

"She had cervical radiofrequency ablation in June 2008 with 70% reduction in her burning pain. This relief lasted for approximately five months before it gradually began returning.

"Dr. Sylvain stated on 7/10/08 that the patient had excellent results from the radiofrequency. The cervical thoracic spine pain was completely resolved on the last injections." (Emphasis in original.)

As to future medical care, Dr. Feinberg wrote in pertinent part in his January 15, 2009 report as follows:

"Future medical care should be left open for physician visits and medication prescriptions. Carpal tunnel surgery would be reasonable medically. I can support another radiofrequency procedure given the benefit of the last one." (Underlining in original, italics added.)

A May 19, 2009 surgical report by Lawrence Raymond Porce, M.D., describes an RFA procedure he performed on applicant on that date without complications.

Following entry of the August 13, 2009 stipulated award, applicant's treating physician Charlie Nahm, M.D., faxed an April 19, 2010 new patient evaluation report to defendant.⁶ As part of that report, Dr. Nahm discussed applicant's prior treatment and then noted, "She has had cervical RFA's [sic] by Dr. Poree with good pain relief lasting at least 3 months. He is [sic] also performed RFA is also [sic] low back with similar results." Dr. Nahm then described part of his treatment plan to include, "request authorization for repeat cervical RFA with Dr. Poree."

Although the record does not include the document, defendant in its Petition for Reconsideration avers that, "On April 26, 2010, a request was made from Coventry [defendant's utilization review provider] for additional information" regarding Dr. Nahm's request for authorization to perform a repeat RFA.

In his report of May 3, 2010, Dr. Nahm appealed what the physician described as defendant's April 26, 2010 denial of authorization for a repeat of the RFA procedure, noting that applicant had significant pain relief for approximately six months as a result of the RFA procedure performed by Dr. Poree on May 19, 2009.

That same date, May 3, 2010, defendant issue a utilization review denial of authorization of Dr. Nahm's request to perform a repeat RFA. The denial included the following comments by the reviewing physician Manoj Moholkar, M.D.:

"The medical report dated 4/14/10 indicates that the patient had a cervical radiofrequency ablation with three months relief. The attending [physician] stated that the prior ablation was performed in 5/09. The patient later had some medical issues and was hospitalized and now her symptoms have worsened. Hence, the request for repeat ablation. The percentage of relief from the previous radiofrequency ablation was not quantified. Nevertheless, current guidelines do not support that the procedure is successful without sustained pain relief for at least six

⁶ Defendant questioned in its Petition for Reconsideration whether Dr. Nahm was properly selected by applicant as her primary treating physician, but the February 2, 2011 Minutes of Hearing states as an admitted fact that "The primary treating physician is Charlie Nahm, M.D."

27 i months. The formal plan of recommended conservative care such as Physical Therapy, exercise and oral pharmacotherapy in conjunction with the requested procedure was also not mentioned. The request does not indicate the cervical levels and side to be subjected to ablation. Based on these grounds, the medical necessity for such service has not been substantiated."

On May 13, 2010, Dr. Nahm appealed defendant's denial of authorization to perform an additional RFA.7 In the appeal, Dr. Nahm included the following information.

"Upon further questioning regarding the prior cervical RFA which she has received with Dr. Poree, she states that the neck pain was relieved for at least 6 months and she reports substantial benefit with at least 80% pain reduction. During her period of pain relief, she was able to be more functional, perform her house chores, also she was able to exercise and her toleration for prolonged sitting and static neck positioning was substantially improved. Although she states that she was recently hampered by a rare form of encephalitis, which did have negative effects on her mental status as she has slowly recovered and become more mentally astute, she is complaining of a chronic neck pain which previously responded very favorably to the cervical RFA."

Dr. Nahm's May 13, 2010 appeal was addressed by defendant in a June 4, 2010 utilization review denial of authorization, which included the following comments by the reviewing physician Jeffrey Ndeto, M.D.:

"The appropriateness and the medical necessity of the appeal for a cervical radiofrequency ablation are not established. The patient sustained injury dated 5/18/06 at work, when a child jumped on her causing her to fall onto her back. The patient was last seen on 4/14/10 which showed that the patient has had cervical and lumbar radiofrequency ablation with good relief for three months. The patient now complains of chronic neck and low back pain. The pain was described as constant dull ache with sharp pain, and aggravated by movement which bothers the patient. The pain radiates to her shoulders bilaterally and was rated at 8/10 on VAS scores with a range of 5-9. Physical examination showed decreased range of motion with extension. Physical examination of the extremities showed there was decreased sensation to light touch in the Right upper extremity when compared to the left. The strength is intact. However, the formal operative reports of the previous radiofrequency ablation as well as the

⁷ The May 13, 2010 correspondence from Dr. Nahm to defendant refers to an April 26, 2010 denial of authorization, but the content of his appeal appears to be directed to the May 3, 2010 utilization review denial.

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percentage relief were not provided. Also, the levels to be blocked were not provided. Hence, this request is not substantiated at this time. I discussed the case at length with the MD. He informed me that the claimant had had the same procedure in the past with about 6 months worth of pain relief and that the requested repeat of the procedure this time had come from the patient. I did not see an evaluation of the patient with documentation of the clinical features that would support a diagnosis of facet syndrome since it is a clinical diagnosis."

In his reports of September 10, 2010 and November 29, 2010, Dr. Nahm noted that applicant was following up with her attorney regarding defendant's denial of authorization for the repeat RFA

On December 22, 2010, Dr. Nahm faxed his December 21, 2010 report to defendant, which noted that applicant obtained "at least 60% reduction in pain severity which lasted 3-4 months gradually returning to baseline" following her earlier cervical RFA and confirmed her desire for a repeat of the procedure. He described his plan regarding that issue as follows:

"I will again request authorization for the patient [to] undergo cervical RFA. The patient has a previous history of responding very favorably to his procedure and a repeat procedure is very reasonable. The benefits of undergoing the procedure could keep the patient from escalating her narcotic usage for pain control." (Bracketed material added.)

On December 29, 2010, defendant issued a utilization review report with the following comment by the reviewing physician, Tony Ross, M.D.:

"In the medical report dated 12/21/10, the patient reports exacerbation of neck pain with radiation to the right shoulder and upper extremity. On examination, there is decreased ROM of the cervical spine secondary to pain. There is diffuse tenderness along the upper paracervical and trapezial muscles. Spurling's test is negative bilaterally. Sensation is decreased to light touch in the right upper extremity. Deep tendon reflexes are 1+ on the left triceps and trace on the right. The remainder of the right upper extremity reflexes was non-detectable. This request is for cervical RFA. The levels for the requested RFA were not provided for review. Moreover, the reports of the previous RFA performed were not provided. Lastly, current literature does not support repeating the procedure without sustained pain relief (generally of at least six months duration). The pain relief of this patient lasted only three to four months. The medical necessity is not established."

In a January 3, 2011 letter to the insurer, Dr. Nahm appealed defendant's December 29, 2010 utilization review denial of authorization for a repeat RFA as follows:

"We are in receipt of your letter dated December 29, 2010. Please be advised that pursuant to Labor Code 4062 and 4610 applicant objects to your denial of treatment. The denial has now created a medical dispute and applicant has the right to develop the record pursuant to the above referenced sections as well as Labor Code Sections 4620 and 4621. I will therefore formulate a comprehensive medical report regarding the appeal of this denial.

"The patient has clear-cut cervical facet disease as evidenced by the fact that she received tremendous benefit from her last cervical radiofrequency ablation procedure performed by Dr. Lawrence Poree. The fact that the patient responded so well to the cervical radiofrequency ablation procedure clearly establishes the diagnosis. I have previously stated numerous times that the patient received significant benefit from her RFA and this allowed her to be more functional as well as providing optimal pain relief. The request for cervical RFA is medically reasonable and appropriate and any denial of such a procedure can have detrimental effects for the patient's chronic pain status, and not to mention her well-being. Please certify her cervical medial branch block so that she may not suffer unnecessarily and that she may regain her functional status. Otherwise, I will advise the patient and her attorney to seek an expedited hearing on the matter."

On January 4, 2011, applicant's treating psychiatrist Gordon Walker, M.D., issued a PR-2 report as follows:

"Patient is more depressed, distraught, helpless, helpless and anxious today due to a recent denial of authorization of RFA treatment of her pain per Dr. Nahm by the insurance carrier. This is the third time they have denied this, although it is the only treatment that has been helpful for her pain. The lack of treatment and increased pain has increased desperation and despair. It is my fear that in the end, this will increase the length, duration, cost, expense and disability of this case in a manner that is not helpful to any party involved...

"I STRONGLY URGE AUTHORIZATION OF RFA PAIN TREATMENT FROM PSYCHIATRIC POINT OF VIEW AS BEING MEDICALLY ESSENTIAL FOR EFFECTIVE TREATMENT OF THIS PATIENT'S PSYCHIATRIC SEQUELAE OF HER INDUSTRIAL INJURY." (Upper case emphasis in original.)

 On January 18, 2011, defendant issued a utilization review reply to the January 3, 2011 appeal by Dr. Nahm. The utilization review report included the following comments by the reviewer Paul Loubser, M.D.:

"The patient complains of neck pain with radiation to the right shoulder and upper extremity. This appeal for a Cervical Radiofrequency Ablation cannot be substantiated because there is no documentation of failed conservative management because official and serial Physical Therapy reports were not submitted for review. Furthermore, official imaging reports of the cervical spine were not submitted for review. It is noted that the patient has received a Cervical Radiofrequency Ablation that provided functional improvement. However, objective measures of functional improvement were not noted. The medical necessity of this request cannot be established at this point."

On January 11, 2011, applicant filed a Declaration of Readiness to Proceed to Expedited Hearing on the issue of her entitlement to obtain an additional cervical RFA pursuant to the August 13, 2009 stipulated award of future medical treatment. On or about January 20, 2011, defendant filed written objection to applicant's request for an expedited hearing, asserting in part that "applicant has not taken the proper steps to contest the Utilization Review, namely sending the matter to the doctor."

An expedited hearing was conducted on February 11, 2011. The Minutes of Hearing describe the issue to be addressed as "Need for medical treatment: specifically a cervical radiofrequency ablation as recommended by Dr. Nahm," and notes the parties' stipulation that, "Applicant timely objected to the most recent utilization review denial." The reporting of AME Dr. Feinberg, reports by treating physicians Dr. Nahm, Dr. Walker and Dr. Poree, and the four utilization review reports were all received into evidence. Following the trial, the WCJ issued his March 1, 2011 Findings and Award finding that the treatment should be allowed, as described above.

DISCUSSION

Section 5502 establishes an expedited hearing process to resolve disputes involving an employee's entitlement to medical treatment. Subdivisions (b) and (c) describe the expedited hearing procedure to be administered by the Administrative Director and provide in pertinent part as follows:

- "(b) The administrative director shall establish a priority calendar for issues requiring an expedited hearing and decision. A hearing shall be held and a determination as to the rights of the parties shall be made and filed within 30 days after the declaration of readiness to proceed is filed if the issues in dispute are any of the following:
- (1) The employee's entitlement to medical treatment pursuant to Section 4600.
- (2) The employee's entitlement to, or the amount of, temporary disability indemnity payments.
- (3) The employee's entitlement to compensation from one or more responsible employers when two or more employers dispute liability as among themselves.
- (4) Any other issues requiring an expedited hearing and determination as prescribed in rules and regulations of the administrative director.
- (c) The administrative director shall establish a priority conference calendar for cases in which the employee is represented by an attorney and the issues in dispute are employment or injury arising out of employment or in the course of employment. The conference shall be conducted by a workers' compensation administrative law judge within 30 days after the declaration of readiness to proceed. If the dispute cannot be resolved at the conference, a trial shall be set as expeditiously as possible, unless good cause is shown why discovery is not complete, in which case status conferences shall be held at regular intervals. The case shall be set for trial when discovery is complete, or when the workers' compensation administrative law judge determines that the parties have had sufficient time in which to complete reasonable discovery. A determination as to the rights of the parties shall be made and filed within 30 days after the trial." (Lab. Code, § 5502(b) and (c), emphasis added.)

As can be seen, section 5502 specifically establishes a process to expedite the hearing and determination of an employee's entitlement to medical treatment pursuant to section 4600. However, the Legislature has also adopted section 4062 as part of the process for determining medical treatment disputes through utilization review. The utilization review process and the employer's obligations in that process were addressed by the Supreme Court in *Sandhagen*.

In Sandhagen the Supreme Court held that an employer is obligated to conduct utilization review of all medical treatment requests and may not instead initiate and pursue the section 4062 process. In reaching that holding, the Court noted that only the employee "may" challenge a utilization review denial pursuant to section 4062 "if dissatisfied with an employer's decision" following utilization review. In

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her concurring opinion in Sandhagen, Justice Kennard explained her view that utilization review is a new threshold step that an employer must follow in addressing medical treatment disputes, writing as follows:

> "The fact that the 'employee (and only the employee)' initiates the disputeresolution process set forth in section 4062 is not intended to exclude employers from that process; rather, it merely reflects the circumstance that utilization review has been interposed as a threshold step. The employer who seeks to object to a proposed medical treatment must follow the utilization review process. If that process results in a modification, delay, or denial of the requested treatment, then naturally the employee is the party that invokes the section 4062 dispute-resolution mechanism, because the employee is the aggrieved party" (First emphasis in original, other emphasis added.)

Because utilization review is a threshold step the *employer* must take in addressing medical treatment requests, the holding in *Sandhagen* does not preclude *an employee* from challenging a utilization review denial by proceeding to an expedited hearing pursuant to section 5502 *in addition to* presenting an objection and initiating the section 4062 process. When circumstances allow for disposition of a treatment dispute at an expedited hearing because the utilization review was untimely performed or otherwise procedurally deficient, and there is substantial medical evidence supporting the treatment request, a WCJ may properly determine the dispute at an expedited hearing before the section 4062 process is concluded, as in this case.

Thus, an employee is obligated to object and initiate the section 4062 process if the utilization review denial of authorization is disputed, consistent with the plain language of section 4610(g)(3)(A), which provides in pertinent part that if a request for a medical procedure "is not approved in full" as part of the utilization review "disputes shall be resolved in accordance with Section 4062," which in turn provides for a medical evaluation to determine the disputed medical issue. (Cf. Willett, supra [unrepresented employee required to initiate the section 4062 process by objecting to denial of treatment request].)

⁸ See footnote 3, supra, page 2. Of course, if the employee does not object to the utilization review determination, he or she is not obligated to pursue the section 4062 process.

However, the denial of the medical treatment request may also be challenged at an expedited hearing pursuant to section 5502 before the section 4062 process has concluded if the utilization review was untimely or otherwise procedurally deficient and there is substantial medical evidence supporting the treatment request.

Here, applicant's treating physician reasonably sought authorization to repeat the RFA that earlier alleviated applicant's symptoms. Had the utilization review physician(s) been provided all of the relevant medical reporting and information that was in defendant's possession as required by the utilization review process, the request for a repeat RFA may have been approved because it is supported by substantial medical evidence, as discussed by the WCJ in his Report. Thus, it is not necessary in this case to further develop the medical record through the section 4062 process with its associated cost and delay by requiring applicant to obtain additional opinion from an AME or PQME. Instead, the WCJ properly addressed the dispute at an expedited hearing and issued a reasoned decision based upon the substantial medical evidence placed into the record at that time.

The March 1, 2011 decision of the WCJ is affirmed.

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For the foregoing reasons,

IT IS ORDERED as the Decision After Reconsideration of the Appeals Board that the March 1, 2011 Findings and Award of the workers' compensation administrative law judge is AFFIRMED.

WORKERS' COMPENSATION APPEALS BOARD

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FRANK M. BRASS

I CONCUR,

ALFONSO J. MORESI

DEIDRA E. LOWE

DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

SEP 0 5 2012

SERVICE MADE ON THE ABOVE DATE ON THE PERSONS LISTED BELOW AT THEIR ADDRESSES SHOWN ON THE CURRENT OFFICIAL ADDRESS RECORD.

SANDRA CORONA LANGLEY SCHWARTZAPFEL VILEISIS, BRUSH & GOLDFLAM

JFS/abs