

Z E N I T H M E D I C A L P R O V I D E R N E T W O R K P O L I C Y	
Title: California Provider Evaluation Policy	
Application: Zenith Insurance Company and its Affiliates	
Policy Number: CA010	Issued: December 28, 2007 Revised: February 18, 2020 Last Approved: July 7, 2023
Approved By: Rupali Das, MD, SVP and California Medical Director; Jennifer Calleton, Director, Provider Relations and Network Management; Jay Paik, VP and Assistant General Counsel	

POLICY STATEMENT

It is the policy of Zenith Insurance Company (“Zenith”) to conduct provider evaluations to determine whether or not providers will be included within the Zenith Medical Provider Network (the “ZMPN”), which shall be done in a manner consistent with California Labor Code Section 4616.1, et seq.

DEFINITIONS

“Medical Treatment Utilization Schedule” and “MTUS” means the most current version of guidelines developed and adopted by the Administrative Director pursuant to LC §5307.27 and set for in CCR Title 8, sections 9792.20 et seq.

POLICY PURPOSE

This Policy describes the process utilized by Zenith to evaluate “a particular physician, provider, medical group, or individual practice association based in whole or in part on the economic costs or utilization of services associated with medical care provided or authorized by the physician, provider, medical group, or individual practice association.” First, this Policy sets forth the methodology for such evaluation. Second, this Policy describes how such an evaluation may be used by Zenith.

METHODOLOGY

Zenith shall use defined metrics to directly monitor utilization of services associated with medical care provided by physicians, providers, medical groups, individual practice associations, clinics and ancillary providers (together, “Providers”) within the ZMPN. Such metrics may include examination of temporary, total disability; claim duration; return to work; narcotic utilization; prescribing patterns; surgery utilization; utilization review outcomes; patient safety and efficacy; compliance with Zenith expectations; and/ or litigation rates, and may further include, directly or indirectly, an examination of economic costs and/or utilization of services. Zenith may also utilize a provisional participation status for providers added to the network in order to provide sufficient time to evaluate provider performance.

Zenith may compare results for each metric against the Medical Treatment Utilization Schedule (“MTUS”) and other applicable evidence-based guidelines, such as the guidelines of the American College of Occupational and Environmental Medicine (“ACOEM”), or the Official Disability Guidelines (“ODG”). In addition, the results for each metric for a particular Provider may be compared against the average results for such metric for other Providers. Providers that have results outside of the evidence-based guidelines or that, to a relevant degree, are above or below

the average for the peer group of Providers are identified as potential outliers and may be further evaluated by Zenith as described below (collectively, this process is the “Evaluation”).

PROCEDURES

Zenith may review Providers that have been identified pursuant to the Evaluation, including, as appropriate, a review of relevant medical records (the “Performance Review”). If Zenith determines that as a result of a Performance Review further steps are required to maintain professional standards (as determined, among other things, by evidence-based guidelines) and/or quality of care within the ZMPN, Zenith may take any appropriate actions in a fair and non-discriminatory manner, including:

- Mentoring, clinical outreach and education decisions. Such decisions may include discussions or meetings with a Zenith medical director or designated medical consultant. It may also include requiring the provider to take certain educational courses related to the identified concern.
- Retention, termination, suspension, or removal decisions. Such decisions may include, as appropriate, internal review, review by Zenith’s legal team, and review by any third party at Zenith’s discretion when Zenith determines additional review may be required.
- Change in the degree or extent of utilization review (within the scope of the filed utilization review plan applicable to the ZMPN). Such a change in the review process may include a reduction of the utilization review process for Providers that provide services within the appropriate guidelines or within or above the average for their peer group, and/or an increase of the utilization review process for Providers that provide services outside of the appropriate guidelines or outside or below the average for their peer group.
- Change in the degree or extent of peer review. Such change in the review process may include a reduction of the peer review process for Providers that provide services within the appropriate guidelines or within or above the average for their peer group, and/or an increase of the peer review process for Providers that provide services outside of the appropriate guidelines or outside or below the average for their peer group.
- Implementation of any appropriate incentive or penalty programs. Incentives may be provided to Providers that provide services within the appropriate guidelines or within or above the average for their peer group, and/or penalties may be assessed upon Providers that provider services outside of the appropriate guidelines or outside or below the average for their peer group.