

State of Arkansas

A. WATSON BELL, CHAIRMAN
KAREN H. MCKINNEY, COMMISSIONER
PHILIP A. HOOD, COMMISSIONER

D. ALAN McCLAIN
CHIEF EXECUTIVE OFFICER

DAVID GREENBAUM
CHIEF ADMINISTRATIVE LAW JUDGE



FORT SMITH DIVISION
616 GARRISON – ROOM 207
FORT SMITH, AR 72901
TELEPHONE 479-783-7970
TOLL FREE 1-800-354-2711

SPRINGDALE DIVISION
244 SOUTH 40TH
SPRINGDALE, AR 72762-3845
TELEPHONE 479-751-2790
TOLL FREE 1-800-852-5376

MIKE BEEBE, GOVERNOR
WORKERS' COMPENSATION COMMISSION

324 Spring Street
P.O. Box 950
Little Rock, Arkansas 72203-0950
Telephone 501-682-3930 / 1-800-622-4472
Arkansas Relay System TDD 1-800-285-1131
www.awcc.state.ar.us

October 30, 2009

Ms. Kim Baxter
Legislative Analyst
Arkansas General Assembly
State Capitol, Room 315
Little Rock, Arkansas 72201

Dear Ms. Baxter:

Enclosed please find the Quarterly Report for July, August, and September, 2009, as required by Act 1179 of 1999.

If I may provide any further information or assistance, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in cursive script, appearing to read "D. Alan McClain".

D. Alan McClain
Chief Executive Officer

DAM:wd

Enclosure

cc: A. Watson Bell, Chairman
(W/Enclosure)

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QUARTERLY REPORT July, August, September 2009

The following, as required by Act 1179 of 1999, is a report of activity by the Arkansas Workers' Compensation Commission's Health and Safety Division and the Medical Cost Containment Division.

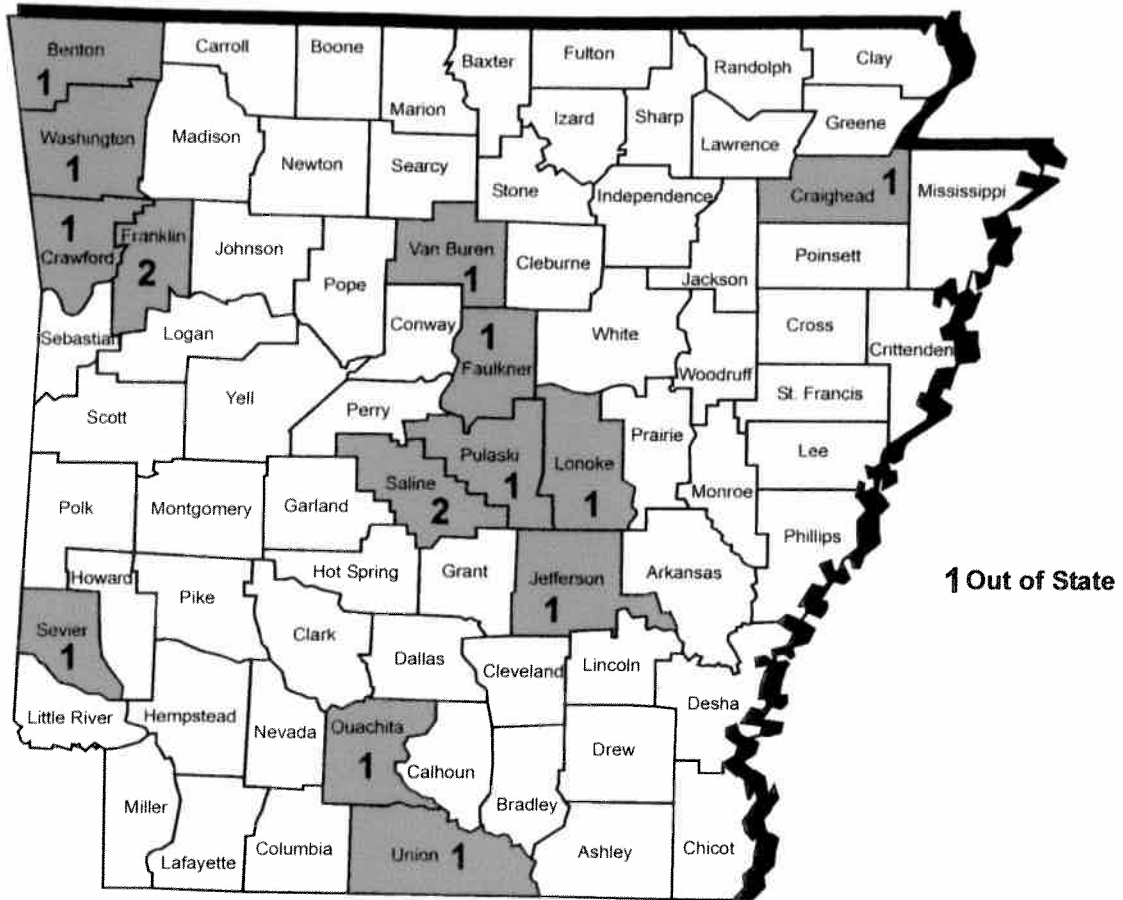
HEALTH AND SAFETY DIVISION

Ark. Code Ann. §11-9-409, as amended by Act 796 of 1993, established the Workers' Compensation Commission's Health and Safety Division to launch educational programs; collect injury data; identify hazardous employers; monitor their progress with follow-up inspections; and monitor accident prevention programs of insurance carriers.

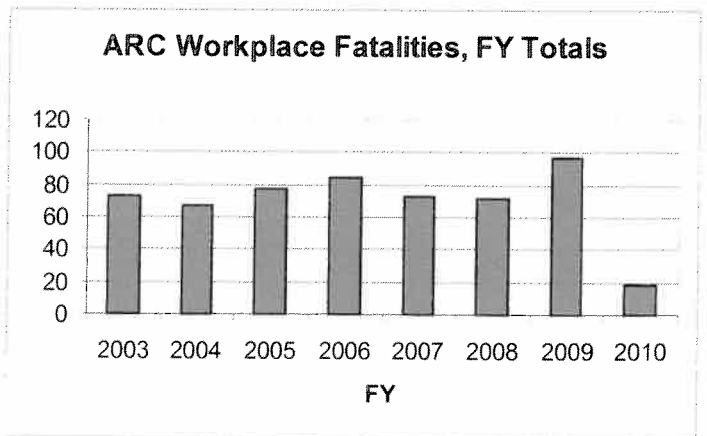
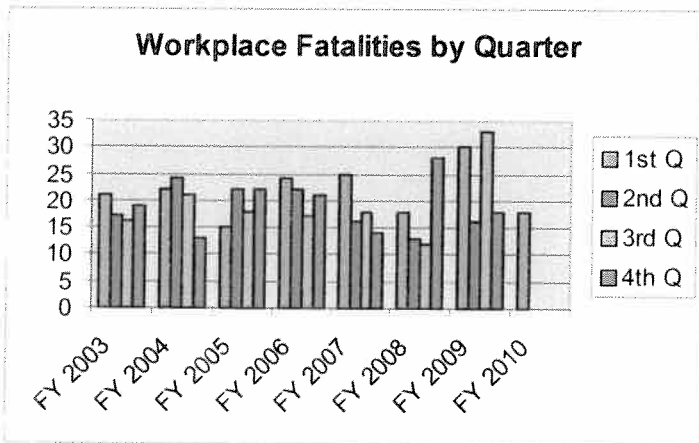
MEDICAL COST CONTAINMENT DIVISION

The Medical Cost Containment Division (MCCD) was established pursuant to Ark. Code Ann. §11-9-517 (1987) and is responsible for the implementation, revision, and compliance of Commission Rules 30, 33, and 34. Rule 30 consists of an inpatient and outpatient medical fee schedule. Rule 33 is our managed care rule, and Rule 34 refers to the Impairment Rating Guide.

**Arkansas Workers' Compensation Commission
Health and Safety Division
Workplace Fatalities Reported to AWCC
1st Quarter, FY 2010**



During the 1st Quarter, FY 2010, 17 fatalities were reported to the Arkansas Workers' Compensation Commission, 1 accident reported occurred to businesses located out of the state.



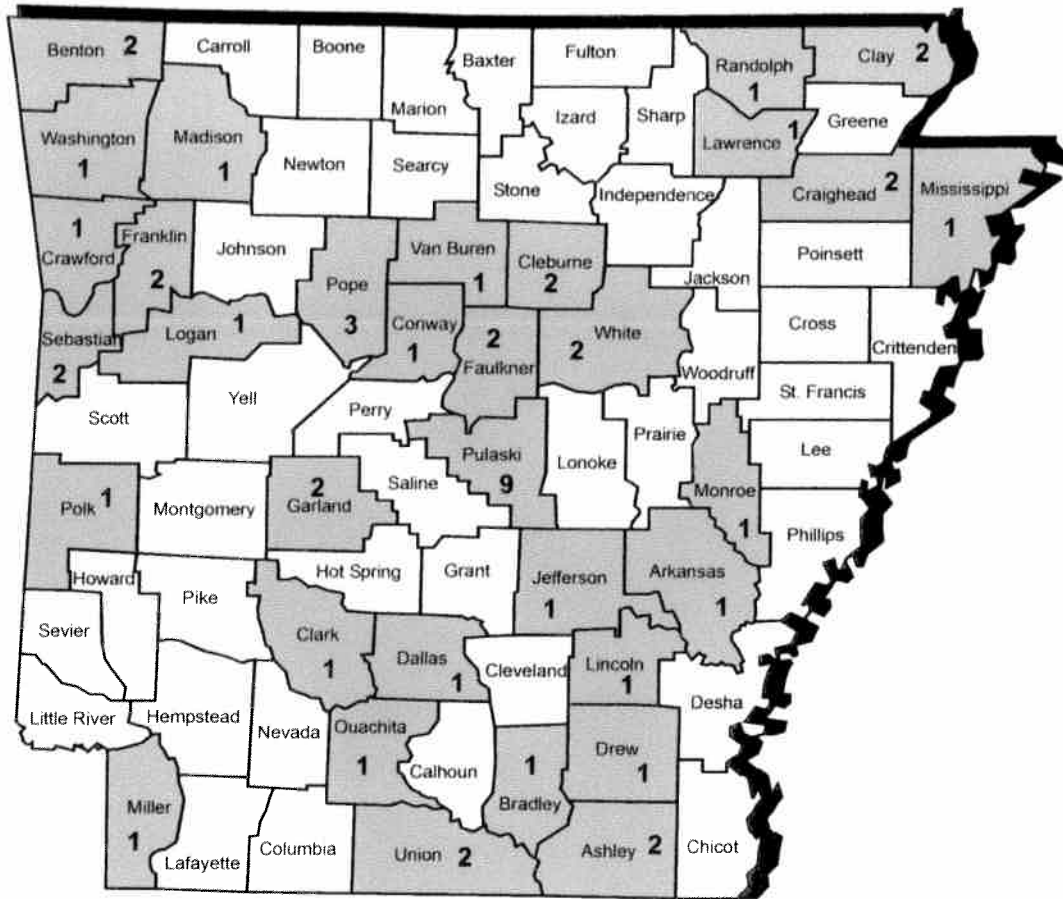
**Arkansas Workers' Compensation Commission
Health and Safety Division
Workplace Fatalities Reported to AWCC
1st Quarter, FY 2010**

Rep. to AWCC	Employee	Employer	County of Employer	Length of Service (yrs.)	Type of Work	Type of Injury
8/4/2009	John Haney	Staffmark	Benton	0.1	Laborer	Struck by
7/10/2009	Richard A. Bales	Jonesboro Sun	Craighead	1.6	Circulation Director	Struck by
9/14/2009	Danny Ray Parks	USA Truck, Inc.	Crawford	0.8	Driver	MVA
9/24/2009	Wynetta J. Raye	Federal Express Corp.	Faulkner	13.4	Courier	Struck by
8/20/2009	Alma Lee Murphy	DHS	Franklin	25.9	Program assistant	MVA
8/31/2009	William David Blanscet	Wiederkehr Wine Cellars, Inc.	Franklin	1.0	Laborer	Heart attack
7/30/2009	Jason A. Cruce	Rasmussen Group	Jefferson	8.6	Equipment operator	Struck by
9/30/2009	Ronald Fulton	Underground Utilities Contract	Lonoke	1.1	Lineman	Electrocution
9/22/2009	Michael Singleton	The Paper Tigers, Inc.	Ouachita	7.2	Plant Manager	Caught in
9/4/2009	Roy Harris	ABC Salvage and Scrap Metal, Inc.	Pulaski	4.1	Machinist	Caught between
7/30/2009	Marvin Berryhill	Reynolds Metals	Saline	not given	not given	Exposure/Asbestosis
8/19/2009	Archie Wilson	Awa-Bauxite	Saline	41.5	Assembly	Asbestosis
9/10/2009	Jeremy Frachiseur, Jr.	Pilgrim's Pride Corp.	Sevier	3.2	Driver	MVA
7/21/2009	Jackie Stiles	Sewll Drilling, LLC	Union	0.0	Laborer	Heart attack
8/5/2009	Henry Duvall	Arkansas Energy Services	Van Buren	0.1	Driver	MVA
7/22/2009	Brandon Keith	Cozard & Co., Inc.	Washington	1.3	Installer	Electrocution
7/9/2009	Charles Farrow	TXO Services, LP	Out of State	0.1	Truck Driver	MVA

**Arkansas Workers' Compensation Commission
Health and Safety Division
Workplace Fatalities Reported to AWCC
1st Quarter, FY 2010**

Rep. to AWCC	Employer	County of Employer	Length of Service (yrs.)	Type of Work	Type of Injury
8/4/2009	Staffmark	Benton	0.1	Laborer	Struck by
7/10/2009	Jonesboro Sun	Craighead	1.6	Circulation Director	Struck by
9/14/2009	USA Truck, Inc.	Crawford	0.8	Driver	MVA
9/24/2009	Federal Express Corp.	Faulkner	13.4	Courier	Struck by
8/20/2009	DHS	Franklin	25.9	Program assistant	MVA
8/31/2009	Wiederkehr Wine Cellars, Inc.	Franklin	1.0	Laborer	Heart attack
7/30/2009	Rasmussen Group	Jefferson	8.6	Equipment operator	Struck by
9/30/2009	Underground Utilities Contract	Lonoke	1.1	Lineman	Electrocution
9/22/2009	The Paper Tigers, Inc.	Ouachita	7.2	Plant Manager	Caught in
9/4/2009	ABC Salvage and Scrap Metal, Inc.	Pulaski	4.1	Machinist	Caught between
7/30/2009	Reynolds Metals	Saline	not given	not given	Exposure/ Asbestosis
8/19/2009	Awa-Bauxite	Saline	41.5	Assembly	Asbestosis
9/10/2009	Pilgrim's Pride Corp.	Sevier	3.2	Driver	MVA
7/21/2009	Sewll Drilling, LLC	Union	0.0	Laborer	Heart attack
8/5/2009	Arkansas Energy Services	Van Buren	0.1	Driver	MVA
7/22/2009	Cozard & Co., Inc.	Washington	1.3	Installer	Electrocution
7/9/2009	TXO Services, LP	Out of State	0.1	Truck Driver	MVA

**Arkansas Workers' Compensation Commission
 Health and Safety Division
 Employers Completing the Rule 32 Program
 1st Quarter, FY 2010**



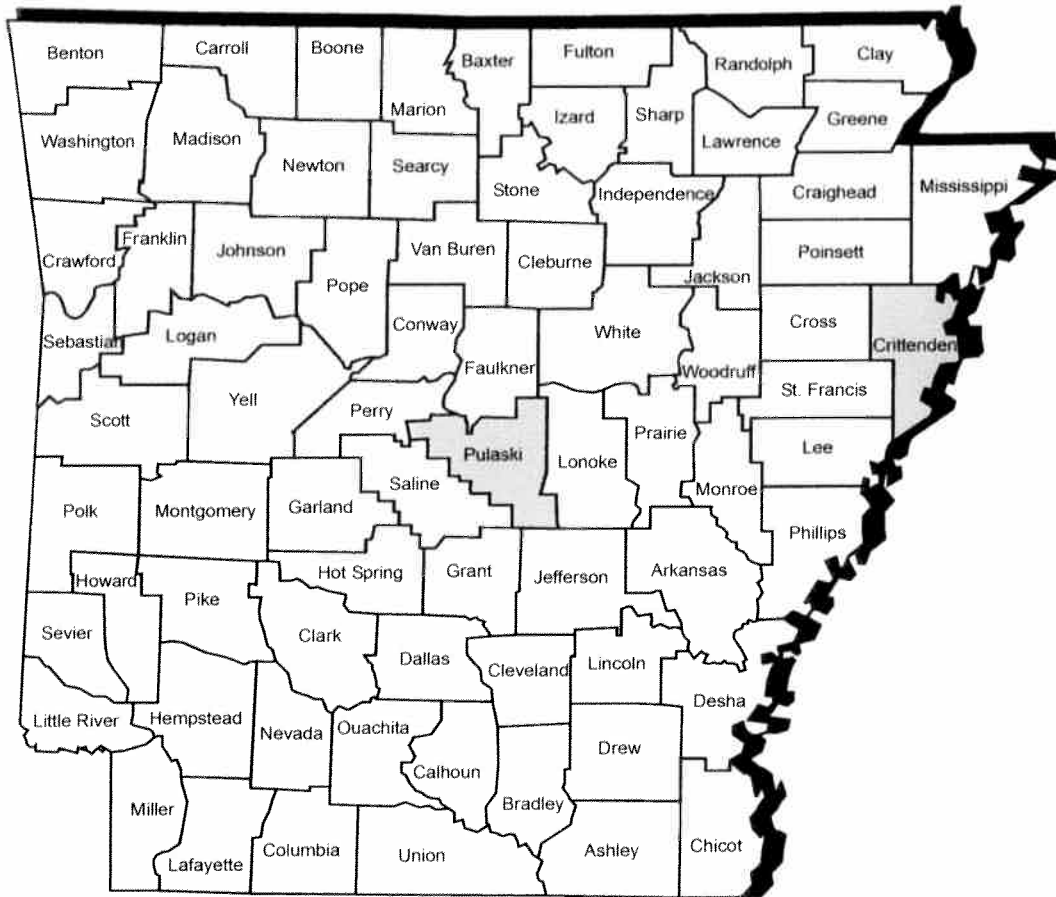
During the 1st Quarter, FY 2010, 54 employers successfully completed the Rule 32 Program.

**Arkansas Workers' Compensation Commission
Health and Safety Division
1st Quarter, FY 2010
Rule 31: Accident Prevention Services Program
Arkansas Workers' Compensation Insurance Companies**

The Accident Prevention Services (APS) group conducts audits of all insurance companies writing workers' compensation insurance policies in Arkansas. During the 1st Quarter, FY 2010, the APS group inspected the following companies:

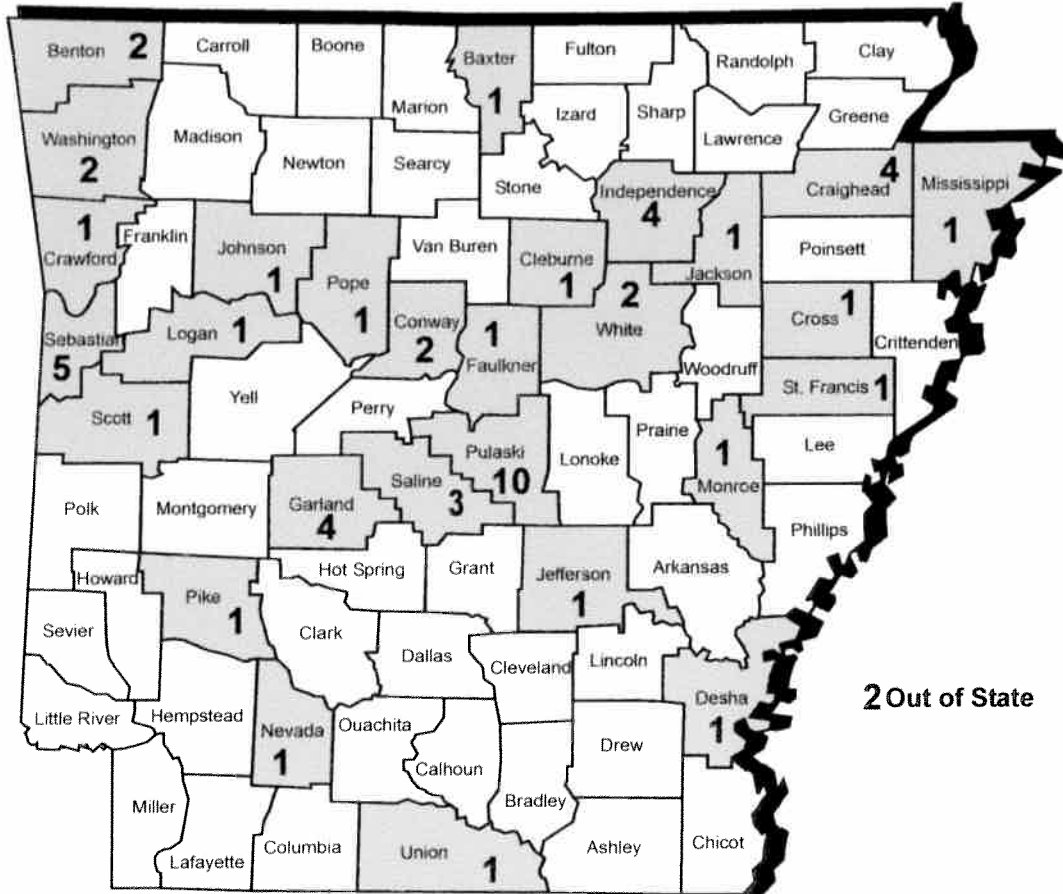
Company	Account Premiums	No. of Policyholders
Auto Owners Insurance - Owners Insurance Co., Southern-Owners Insurance Co., Property-Owners Insurance Co., Home-Owners Insurance Co.	\$1,700,334.00	630
Farmers Insurance Group - Farmers Insurance Exchange, Truck Insurance Exchange, Farmers Insurance Co., Mid-Century Insurance Co.	\$6,382,036.00	1,073
Cuna Mutual Group	\$10,265.00	60
Banclinsure Inc.	\$85,080.00	12
Old Republic Insurance Company - Old Republic General Insurance Corporation	\$5,389,436.00	68
Preferred Professional Insurance Co.	\$225,684.00	2
Stonetrust Commercial Insurance Co.	\$562,254.00	41
Zenith Insurance Co - ZNAT Insurance Co.	\$304,841.00	63
Frankenmuth Mutual Insurance Co. - Fortuity Insurance Co., Ansur America Insurance Co.	\$514.00	1
Harco National Insurance Co.	\$90,168.00	2
General Casualty Insurance - General Casualty of Wisconsin Insurance Co., Southern Guaranty Insurance Co., Regent Insurance Co., Southern Fire & Casualty Insurance Co., Southern Pilot Insurance Co.	\$391,834.00	129
Hartford Insurance Group - Hartford Accident & Indemnity Co., Hartford Casualty Insurance Co., Hartford Fire Insurance Co., Hartford Insurance Co. of the Midwest, Hartford Underwriters Insurance Co., Property & Casualty Insurance Co., Sentinel Insurance Co. Ltd., Trumbull Insurance Co., Twin City Fire Insurance Co.	\$15,526,929.00	10,303
American First Insurance - Peerless Insurance Co., Peerless Indemnity Insurance, Ohio Casualty Insurance Co., West American Insurance Co., Ohio Security Insurance Co., American Fire & Casualty Co., The Netherlands Insurance Co.,	\$6,061,013.00	467
National American Insurance	\$586,133.00	25

**Arkansas Workers' Compensation Commission
Health and Safety Division
Presentations and Speaking Engagements
1st Quarter, FY 2010**



The AWCC Health and Safety staff receive frequent requests to speak on a variety of topics related to loss control, drug-free workplace programs, and related topics. If your constituents would like to host a program by the Health and Safety staff on these or other subjects, please contact Patricia Burge at 501-682-2063 or pburge@awcc.state.ar.us.

Arkansas Workers' Compensation Commission
Health and Safety Division
Voluntary Drug Free Workplace Program
New Approvals and Renewals
1st Quarter, FY 2010



During the 1st Quarter, FY 2010, the following Arkansas companies received approval of their Voluntary Drug Free Workplace Programs:

**Arkansas Workers' Compensation Commission
Health and Safety Division
Voluntary Drug Free Workplace Program
New Approvals and Renewals
1st Quarter, FY 2010**

COMPANY	CITY	COUNTY
Guy King & Sons, Inc.	Mountain Home	BAXTER
Built-Well Construction	Bentonville	BENTON
Bella Vista Village POA	Bella Vista	BENTON
Bobby Kennedy Construction Co.	Quitman	CLEBURNE
Hamilton Aggregates, Inc.	Morrilton	CONWAY
Mobley Contractors, Inc	Morrilton	CONWAY
Hedger Brothers Jonesboro Concrete Product	Jonesboro	CRAIGHEAD
Delta Materials Handling	Jonesboro	CRAIGHEAD
Dixie Contractors, Inc.	Jonesboro	CRAIGHEAD
Brand Custom Hauling, LLC	Bono	CRAIGHEAD
Cockrum Welding Fabrication, Inc.	Van Buren	CRAWFORD
Heartland Equipment, Inc.	Wynne	CROSS
Scott Equipment Company, LLC	McGehee	DESHA
Oak Brothers	Greenbrier	FAULKNER
Selected Funeral and Life Insurance Company	Hot Springs	GARLAND
Gigerich Electrical, Inc.	Hot Springs	GARLAND
SAV A LOT	Hot Springs	GARLAND
Arkansas Ophthalmology Clinic DBA Wallace Eye Clinic	Hot Springs	GARLAND
SNL Distribution Services	Batesville	INDEPENDENCE
Ronnie Dowdy Inc.	Batesville	INDEPENDENCE
Wade's Heating Air Conditioning and Electric	Batesville	INDEPENDENCE
Costner Excavating, Inc.	Locust Grove	INDEPENDENCE
Arkansas Steel Associates, LLC	Newport	JACKSON
Building & Utility Contt., Inc.	Redfield	JEFFERSON
Wiederkehr Wine Cellars, Inc.	Wiederkehr Village	JOHNSON
Circle M Construction Mgmt	Ratcliff	LOGAN
JMS Russel Metals Corp	Blytheville	MISSISSIPPI
SAV A LOT	Brinkley	MONROE
J.D. & Billy Hines Trucking, Inc.	Prescott	NEVADA

**Arkansas Workers' Compensation Commission
Health and Safety Division
Voluntary Drug Free Workplace Program
New Approvals and Renewals
1st Quarter, FY 2010**

COMPANY	CITY	COUNTY
Blackmon Oil, Inc.	Glenwood	PIKE
Industrial Power Inc.	Russellville	POPE
Anderson Engineering Consultants, Inc.	Little Rock	PULASKI
YourEmployment Service, Inc. dba The Hughes Agency	North Little Rock	PULASKI
Hampton Inn & Suites/Goff	Little Rock	PULASKI
Good Shepherd Ecumenical Retirement Center	Little Rock	PULASKI
Penepime of Arkansas, Inc.	Maumelle	PULASKI
Little Rock Christian Academy	Little Rock	PULASKI
Thompson Electric	Mabelvale	PULASKI
S & J Construction Co., Inc.	Jacksonville	PULASKI
Little Rock Winwater Works	Little Rock	PULASKI
Hospice Home Care	Little Rock	PULASKI
Pioneer Scale Co., Inc.	Benton	SALINE
Fleming Electric, Inc./Fleming Network Services, Inc.	Bryant	SALINE
BR McGinty	Bryant	SALINE
RB Transport, Inc.	Waldron	SCOTT
Go Ye, Inc.	Fort Smith	SEBASTIAN
RWB Construction	Fort Smith	SEBASTIAN
Fort Smith Airport Commission	Fort Smith	SEBASTIAN
Eastern Tank Services, Inc.	Fort Smith	SEBASTIAN
Forsgren, Inc.	Fort Smith	SEBASTIAN
Forrest City Ready Mix Concrete Company Inc.	Forrest City	ST FRANCIS
Norman Transport, Inc.	El Dorado	UNION
The Bank of Fayetteville	Fayetteville	WASHINGTON
Howard Barnes Trucking	Fayetteville	WASHINGTON
Delk Construction Company	Bald Knob	WHITE
SAV A LOT	Searcy	WHITE
Lesco Logistics, Inc.	Chattanooga	OUT OF STATE
Robertson Contractors, Inc.	Poplar Bluff	OUT OF STATE

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**QUARTERLY REPORT FOR
JULY AUGUST SEPTEMBER
2009**

Medical Cost Containment

The Medical Cost Containment Division (MCCD) was established pursuant to Ark. Code Ann. §11-9-517 (1987) and is responsible for the implementation, revision and compliance of Commission Rules 30, 33, and 34. Rule 30 consists of an inpatient and outpatient medical fee schedule. Rule 33 is our managed care rule and Rule 34 refers to the Impairment Rating Guide. In the last quarter the following activities occurred regarding these rules:

Rule 30

Rule 30 was revised effective May 15, 2000. The AWCC adopted the Medicare RBRVS Medical Fee Schedule with Arkansas specific reimbursement multipliers. The new Medical Fee Schedule is available electronically from the AWCC Home Page. Since the Medical Fee Schedule is available electronically we are no longer printing a medical fee schedule.

Administrative Review

Rule 30 contains an Administrative Review Process. This process allows providers or carriers to request assistance from the Medical Cost Containment Division regarding disputes. Each administrative review requested consists of an investigation, desk audit by department staff and the issuance of an order, which determines the disputed issue. During this quarter there were 24 review requests processed, eight (8) review requests granted and 13 orders issued. The ongoing issues in dispute consist of nonpayment, untimely payment, penalty request, and reimbursement disputes.

Balance Billing

Rule 30 also contains a prohibition against balance billing by providers. The balance billing process involves: receipt of an allegation of balance billing by a claimant, carrier, employer, self-insured, etc.; notice being sent to all involved parties; an investigation; an audit; and a determination order being issued. During this quarter the MCCD received "zero" balance billing allegations.

Investigations

There were approximately 161 investigations conducted this quarter.

Rule 33

We currently have 11 certified MCOs.

Medical Reports

As a result of a meeting held between the Chief Legal Advisor, the Medical Cost Containment Administrator, and the Chief Administrative Law Judge, the Medical Cost Containment Division is obtaining medical records for carriers or employers that have been unable to do so from the provider. In the past the legal advisors would write to the provider requesting medical records. If the provider did not respond then the Chief Administrative Law Judge would issue a subpoena in order to obtain the records. We thought perhaps there was another approach, especially since the MCCD staff has numerous medical contacts. We have thus far been able to call the provider and obtain the records without any problems.

This quarter we received three (3) cases involving disputes over obtaining the medical records.

Change of Physician

To expedite Change of Physician (COP) requests and to comply with recent legislative changes new procedures and policies have been implemented. COP requests are sent to the Clerk of the Commission who then forwards them to the Medical Cost Containment Division (MCCD) for processing. If a WCC file has been established the MCCD calls the carrier/self-insured employer to determine if a Managed Care contract exists. When a response is received and a contract exists, the contract is reviewed to determine if it complies with Rule 33 and if appropriate internal policies were followed. MCCD will review the claimant's medical records and determine an appropriate provider if the claimant has not requested a specific provider. An appropriate provider will be chosen on a case-by-case basis. If the request is to the claimant's treating physician, MCCD must determine if the provider meets the statutory requirements for the regular treating physician. If claimant requests a particular provider, MCCD checks to see if the provider meets the required statutory requirements. Once an appropriate provider is chosen MCCD will determine that the provider is a member of either the carrier/employer's MCO if a contract exists or a certified MCO if no contract exists. MCCD will contact the provider and ask if the provider will treat the claimant. MCCD will issue an order stating this is the claimant's one time only change of physician. This order will contain the provider's name and address. All parties will be copied. If either party objects to the MCCD order they can appeal to an Administrative Law Judge (ALJ).

This quarter the MCCD received 145 COP requests. MCCD has issued 124 orders and 37 requests were either returned to open general files, withdrawn, controverted, resolved, or returned to the Clerk of the Commission's office for other action.

Audits

Requests are received from the ALJ Division as well as outside entities (i.e., caseworkers, attorneys, etc.) for medical bill audits.

This quarter the MCCD received and processed six (6) audits.

Rule 34

There have been no changes at this time in Rule 34. Legislation was written to extend the legislative mandate regarding an impairment rating guide.

Speaking Engagements

During this quarter the following activities were attended:

CEU Class (Fayetteville, AR)

CEU Class (Little Rock, AR)