

How AMEs and QMEs  
Will be Affected by  
the AMA Guides

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Labor Code Section 4660

-- "the nature of the physical injury or disfigurement" shall incorporate the descriptions and measurements of physical impairments and the corresponding percentages of impairments published in the *AMA Guides to the Evaluation of Permanent Impairment* (5<sup>th</sup> Edition)

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Labor Code Section 4660

"an employee's diminished future earning capacity shall be a numeric formula based on empirical data and findings that aggregate the average percentage of long-term loss of income resulting from each type of injury for similarly situated employees."

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Labor Code Section 4660

"the administrative director shall formulate the adjusted rating schedule based on empirical data and findings from the Evaluation of California's Permanent Disability Rating Schedule, Interim Report (Dec. 2003), prepared by the Rand Institute of Civil Justice Rating Schedule, and upon data from additional empirical studies."

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Labor Code Section 4660

"In determining the percentage of the physical injury or disfigurement, the occupation of the injured employee, and his/her age at the time of injury, consideration being given to an employee's diminished future earning capacity"

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Labor Code Section 4660

Schedule timeline:

Apply to only those permanent disabilities that result from compensable injuries occurring on and after the effective date of adoption of the schedule

and

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## Labor Code Section 4660

Will apply for compensable claims arising before January 1, 2005:

If there is no medical-legal report  
or  
no report by a treating physician indicating the existence of permanent disability

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## Labor Code Section 4660

"on or before January 1, 2005, the administrative director shall adopt regulations to implement the changes made to this section"

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## Definitions

Impairment and disability ratings  
are not the same

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## Impairment

AMA *Guides* definition:

"a loss, loss of use or derangement of anybody part, organ system or organ function"

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## Impairment

Considered permanent when it has reached

### **Maximal Medical Improvement (MMI)**

Well stabilized and unlikely to change substantially in the next year with or without medical treatment

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## Impairment

The term *impairment* in the *Guides* refers to

**Permanent impairment** only

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## Impairment

Evaluated using one of three methods:

- Anatomic loss – eg. musculoskeletal system
- Functional loss – eg. heart enlargement
- Diagnosis related estimates – spine injury

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## Impairment

Orthopaedic evaluations:

Mostly based on anatomic loss objective measurements of the musculoskeletal system

Subjective criteria can be used eg. Pain, grip loss etc)

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## Impairment

Multiple impairments can be combined to submit a single impairment rating using the *Guide* tables

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## Impairment

Requires a medical assessment performed  
by a Physician

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## Disability

AMA *Guides* definition:

“an alteration of an individual’s capacity to meet personal, social or occupational demands on statutory or regulatory requirements because of impairment.”

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## Disability

Impairment is only one aspect of disability

Other information considered in a disability rating schedule:

- Skills
- Education
- Job history - occupation
- Adaptability
- Age
- Environmental requirements and modifications

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## Disability

The *Guides* is not intended to be used for direct estimates of work disability.

Impairment percentages derived according to the *Guides* do not measure work disability.

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## Disability

"the administrative director shall formulate the adjusted rating schedule based on empirical data and findings from the Evaluation of California's Permanent Disability Rating Schedule, Interim Report (Dec. 2003), prepared by the Rand Institute of Civil Justice Rating Schedule, and upon data from additional empirical studies."

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## Preparing Reports

1. Narrative history
2. Work history (optional)
3. Current clinical status
4. Diagnostic study results
5. Maximal medical improvement discussion
6. Diagnosis, impairments

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## Preparing Reports

7. Causation, apportionment, aggravation (if requested)
8. Impairment rating criteria, prognosis, residual function and limitations
9. Job or ADL restrictions (if requested)
10. Calculate the impairment rating
11. Discuss how the impairment rating was calculated (refer to figures, graphs etc.)

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## Major Differences

### History

Unchanged little from present

More detailed ADL related questions

Includes detailed list of prior evaluations

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## Major Differences

### Physical Examination

Accurate measurements of:

joint motion  
angulation  
rotation  
length

The measurements must be reproducible by other examiners

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## Major Differences

### Physical examination

The standard AAOS measurement system is used.

Full extension = 0 degrees (not present 180°)

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## Major Differences

### Physical Examination

Goniometer and measurement tools required.

Grip test and other subjective evaluations are recorded but represent minor impairment values

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## Major Differences

### Physical Examination

Subjective pain can be rated using a questionnaire or other methods of observation.

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## Major Differences

### Physical Examination

The spine examination is usually based on the "diagnosis-related estimates method (DRE)"

The spine range of motion method is only used if the DRE method is not applicable (no verifiable injury)

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## Major Differences

### Clinical Studies

#### Images

Spine images showing fractures or alteration of motion segment integrity can be measured to determine a spine DRE category

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## Major Differences

### Impairment rating

Various measurement can be used individually. (eg. ROM, alignment, vascular etc.)

Use the single method with the greatest percentage of impairment

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## Major Differences

### Impairment rating

Impairment of a body part is converted to whole person impairment

Impairment schedules are based on an average worker performing an average job

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## Major Differences

### Impairment rating

Peripheral nerve lesion impairment includes:

- Decreased motion
- Atrophy
- Vasomotor changes
- Trophic changes
- Reflex changes

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## Major Differences

### Eliminated

- Permanent and stationary term
  - Subjective factors of disability
  - Work restriction measurements
  - Future medical care
  - Qualified injured worker
  - Vocational rehabilitation
- If requested will have no numeric impairment value

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## References

*AMA Guides to the Evaluation of Permanent Impairment. Fifth Edition*

Permanent Disability Rating Schedule

<http://www.dir.gov/dwc/dwcwcabforum/1.asp>

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## Advise

*AMA Guides:*  
You must -----

Read Chapters 1 and 2

Chapter 15 Spine

Chapter 16 Upper extremities

Chapter 17 Lower extremities

Chapter 18 Pain

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Thank you