

The Guardian Group's

The Good QME: Volume I

Guardian of a Just and Timely Settlement

2025 QME Stakeholder Survey: Learning Objectives

April 2025

Copyright 2025

2025 QME Stakeholder Survey: Learning Objectives

"As a claims adjuster, I review QME reports almost daily. Activities of Daily Living are very subjective, and if the doctor does not do a very thorough exam and comment on the objective versus subjective, then their reports appear to be biased."

I. MEDICAL EVIDENCE-BASED ANALYSIS: TRUST, BUT VERIFY

"Objective findings in the physical examination and diagnostic reporting should be the guide they follow. Not subjective complaints."

Included in the categories that scored the lowest in the survey were:

- Use of Evidence-Based Medical Findings (2.48 out of 5)
- Thoroughness of Medical Analysis (2.48 out of 5)
- Impartiality and Objectivity (2.27 out of 5)

"As defense counsel, I look for reports that provide an objective analysis of diagnostics, and I believe many reports rely on subjective findings too much."

"Impairment ratings and work restriction should have a relation; The problem comes up when an injury results in modest ratings but significant work restrictions."

This speaks of an overall frustration among industry participants who believe that QME evaluators fail to establish a strong objective medical foundation. Instead, they too often rely on subjective complaints to provide conclusory statements, which reduces credibility and often prolongs case resolution.

Specifically, respondents identified the following problems:

- **Lack of Objective Support:** Many reports fail to substantiate conclusions with diagnostic testing, medical research, or standardized guidelines.
- **Discrepancy Between Impairment Ratings and Work Restrictions:** Some reports assign modest impairment ratings but significant work restrictions, creating confusion and legal challenges.
- **Insufficient Discussion on Objective vs. Subjective Findings:** Physicians do not always clearly differentiate between verifiable medical conditions and self-reported symptoms, leading to perceived bias.

This widespread frustration provides a compelling opportunity for QMEs who care about providing just and timely settlements to establish themselves as best in class. While eliminating subjectivity from the evaluation process is unrealistic, **The Good QME** minimizes it by applying a structured, evidence-based framework to every aspect of the evaluation. This framework is built on the following principles:

Standardized Use of Medical Evidence:

- Follow the Guidelines: Evaluators should have an intimate knowledge of the section of the *AMA Guidelines: Fifth Edition* that specifically relates to their approved DWC specialty.
- Understand the implementation of the rating methods and use the most appropriate method given the underlying medical circumstances.
- Whenever possible, findings should be cross-referenced with peer-reviewed medical literature, such as PubMed studies, medical journals, and clinical guidelines.

Structured Approach to Every Evaluation Component:

- Physical Examination: Objective findings should be prioritized over subjective complaints.
- Diagnostic Testing Review: Imaging, lab results, and other diagnostic tools should be incorporated to support conclusions.
- Functional Capacity Assessment & ADLs (Activities of Daily Living): The physician must distinguish functional limitations based on medical evidence versus self-reported difficulties.

Impairment Ratings and Work Restrictions Should Align:

- If a physician assigns work restrictions, the restrictions should be logically aligned with the impairment rating.
- Any deviation should be medically justified with objective support.

Clear and Detailed Justifications:

- A thorough explanation of findings is arguably as important as the impairment rating itself.
- Even if an impairment rating is not perfectly accurate, a well-supported medical discussion improves credibility and better equips the parties to reach a fair and timely settlement.

The Good QME ensures that every impairment determination is structured, objective, medically justified, and properly explained. If you have not done so already, we advise that you spend some time in a quiet place, put pen to paper, and develop an objective framework. If you need assistance, please reach out to our Reports Team; we would be happy to help.

II. APPORTIONMENT/CAUSATION: THEY WANT MORE

"The discussion of causation has been conclusory and lacks specificity. Apportionment often needs to be bolstered via deposition."

The two lowest-graded categories of the survey were:

- Causation Section (2.27 out of 5)
- Apportionment Section (2.22 out of 5)

"Most QME causation [sections are] usually boilerplate and [do] not actually provide medical evidence of industrial causality."

"Causation is [usually] lacking and simply is a general statement without any detail or substantiation."

"Causation is more often than not lacking and simply is a general statement without any detail or substantiation."

"Most QME reports do not contain substantial evidence regarding apportionment."

These comments reflect a consistent concern among respondents—QME reports often fail to provide detailed, evidence-based discussions on causation and apportionment, leading to ambiguity, legal challenges, and the need for additional clarification via depositions or supplemental reports.

Impairment rating and apportionment together form the foundation for financial settlement. While evaluators often follow relatively clear guidelines for determining an impairment rating, the same level of structure seldom exists for apportionment and causation. This lack of clarity results in considerable variation in how evaluators approach these critical sections, leading less experienced QMEs to rely on subjective or conclusory statements rather than medical evidence. These inconsistencies often delay settlements, frustrate stakeholders, and increase the need for supplemental report requests and depositions, which results in unnecessary delays and expenses for all parties.

The Good QME addresses these issues by applying a structured, precise, and evidence-based approach to apportionment and causation. This approach requires clear reasoning, well-documented medical evidence, and an objective methodology to support determinations, reducing ambiguity and the need for further clarification.

It is important to emphasize that an objective framework, even if imperfect, represents a significant improvement over a purely subjective conclusion. The goal is transparency and consistency, ensuring that findings are well-reasoned and clearly explained to all parties.

The following section presents an example of how The Good QME can provide an objective framework for apportionment:

SCENARIO

The applicant presents with an injury to the lumbar spine, with right lower extremity radiculopathy. This is a result of a slip-and-fall injury landing on a pallet at work on January 2, 2024. An MRI taken on January 19, 2024, reveals disc protrusions at two levels (L4-L5, L5-S1) with intervertebral foramen encroachment on the right L4 nerve.

The patient has reached MMI, and the rating is calculated using ROM, which equates to 10% WPI.

In the history and records, it appears the patient sustained a motor vehicle accident in which he injured his lower back in 2015. The patient reports that he had some physical therapy and that his injury improved; however, from time to time, he experiences mild lower back pain and spasms, which affect his ability to perform some activities of his daily life. In the records, notes from the treating doctor indicate prior physical examination findings and an MRI of the lumbar spine revealing degenerative findings at one level (L4-L5). The patient states that he did not have any radicular symptoms until the work injury.

Apportionment Calculation

Use the Subtraction Method.

Recent - Prior = Actual Rating

Rate the prior injury with the information given.

Calculate Apportionment Percentages.

Prior Impairment / Recent Impairment = % Apportioned, Non-Industrial

Actual Impairment / Recent Impairment = % Apportioned, Industrial

Actual Calculation

The previous injury, using clinical, evidence-based judgement, you qualify as DRE II 5%.

(Subtraction Method) 10% - 5% = 5% Actual Rating

5 / 10 = 50% Apportioned, Non-Industrial

5 / 10 = 50% Apportioned, Industrial

Sample Discussion in Apportionment Section

"According to the patient's history of a 2015 motor vehicle accident where he sustained a low back injury that improved but was not completely resolved, therefore, apportionment is indicated.

Using the records from the prior treating physician, along with the MRI findings, as objective factors and the calculations listed above, it is with reasonable medical probability that I apportion 50% to non-industrial and 50% to the industrial injury that took place on 01/02/24. This is based on total WPI of 10% less WPI of 5% for the pre-existing injury.

II. EXPEDITE THE SETTLEMENT PROCESS: THREE STEPS TO FOLLOW

“Adjusters across the board feel that the new ML codes have given QMEs financial benefit to not find an applicant MMI at the first visit. Why do that when the QME can obtain additional income via supplemental and re-evaluation. It is very rare to see an MMI finding at initial evaluation which is an ever-growing headache and frustration from adjusters in CA.”

The Qualified Medical Evaluator (QME) is a medical expert credentialed by the California Department of Workers Compensation (DWC) to help facilitate the just and timely settlement of a work injury dispute. The Good QME remains diligent in upholding that responsibility. In Sections I and II, we focused on contributions to a “just” settlement through increased use of objective analysis. This final section discusses three ways The Good QME can better provide for a “timely” settlement to the case.

Action 1: Appropriate MMI Classification

An additional category that scored poorly on the 2025 survey was:

- Timeliness of MMI Classification (2.35 out of 5)

“Since instituting a fee schedule for QME, doctors hardly ever find applicant MMI on first visit and MMI report requires multiple returns and diagnostics before an MMI report is issued. Even if a prior PTP has found an applicant MMI.”

“When there is no change in the condition, and no upcoming treatment, and we are several months or years past injury, [an] applicant should be MMI.”

“Sometimes applicants are treat[ed] with no real change for many months, sometimes even more than one full year, and some QMEs still say the injured worker is not P&S’ed. Neither the AA nor the DA will be upset with an immediate MMI report (or not MMI) so long as you explain why in detail.”

“The quality of QME reports recently is atrocious. They never find the applicant P&S on the first visit even if the PTP finds the applicant MMI months before.”

Among survey respondents, one of the most frequent complaints was a perceived unnecessary delay in the classification of Maximum Medical Improvement (MMI). This is a sensitive issue because it questions the integrity and motives of the evaluator, as it is the only party that benefits from unnecessary delays.

The Good QME approaches MMI classification with a commitment to medical integrity and efficiency, ensuring that decisions are made based on clear, objective evidence rather than external incentives. The AMA Guidelines: Fifth Edition defines MMI as:

The point at which an applicant’s condition has stabilized and is unlikely to change significantly within the next year, with or without treatment.

The Good QME understands that the applicant's treatment history does not start at the initial QME visit and, therefore, carefully analyzes it. If the injured worker has completed all reasonable medical interventions—or has declined further treatment—there is no justification for deferring MMI.

If deferring MMI is found to be medically appropriate, The Good QME provides a specific, medically supported explanation and a clear outline of the steps required to reach MMI status. This may include missing medical records or diagnostic testing. Once the missing information is provided, The Good QME strongly considers providing determinations via a Supplemental Report instead of requiring an additional exam.

Action 2: Read the Cover Letter

"QMEs don't respond to all the issues I identify in my cover letter. The omissions require me to either depose the QME or request a supplemental report. Either way leads [to] about a 6 month delay in resolving the case. My cases used to resolve, on average, in 18 months. Now it takes multiple years."

A well-structured cover letter serves as a critical guidepost in the QME process, highlighting key issues that must be addressed. However, many respondents reported that QMEs frequently fail to respond to all questions in the cover letter, forcing adjusters and attorneys to request supplemental reports or depositions, which can unnecessarily extend case resolution.

The Good QME understands that the Cover Letter provides the parties with the rare opportunity to discuss what is needed to resolve the dispute. It only takes a few minutes to read a Cover Letter. If you have not done so already, add it to your pre-exam ritual and incorporate it into your evaluation process.

Action 3: Explain, Explain, Explain

"When I identify a QME that also requires either additional QMEs to complete their reporting or requires what appears to be an unnecessary delay in order to generate a supplemental report billing opportunity, I cross them off my list of QMEs to use if their behavior appears to be self-interested in order to generate supplemental reports."

"Most of the QME reports are very conclusory."

"The discussion of causation has been conclusory and lacks specificity. Apportionment often needs to be bolstered via deposition, and work restrictions almost always need clarification to enable the employer to have a valuable accommodation meeting."

A QME Report with conclusory determinations often results in additional Supplemental Reports and Deposition requests as the parties seek an explanation. This disrupts a timely settlement of the case and was expressed as a significant frustration from survey participants. The opinions of the Qualified Medical Evaluator are not binding but are meant to provide a starting point for settlement negotiations. A lack of explanation in critical sections of a QME Report can read more like a ruling than an opinion and gives the impression that an objective framework was not followed.

The Good QME recognizes that an explanatory evidence-based report will expedite the settlement process, which serves the best interests of all stakeholders.