**Critical Trade Secrets to Settle the Most Difficult WC Claims**

# **Introduction (5 Minutes)**

* Welcome to WC Mastery Training
  + The goal of WC is to get back to baseline
  + Challenges occur when individuals get “stuck” in the system
  + Will cover systems & strategies to proactively and intentionally settle more cases
    - Save WC costs and create positive IW outcomes
* What you will gain from this session:
  + Time
  + Efficiency
  + Financial Savings
  + Improved outcomes and piece of mind for Injured Workers
* 3 Major Points:
  + Biggest Challenges to Settlement
  + Proactive Settlement Tactics
  + Action Steps on YOUR Difficult Cases
* Readers Digest of Settlement Consultant & Professional Administration

# **Main Point #1: Biggest Challenges to Settlement (10 minutes)**

* Claims Don’t get Better with Age, Start Early!
* Fear
  + Medical issues, psychosocial issues
    - How am I going to pay off my mortgage, car, etc?
    - Healing process complications
  + Advice received from attorney / family / friends
  + Concern with exhausting the funds in the account;
  + Left “on their own” after settlement
    - No adjuster, no case manager, no coordination of care, etc.
    - Compliance & billing are difficult / overwhelming
  + Future Unknowns
    - What if I live longer than expected?
    - What if I run out of money?
    - Will there be employment in my future?
    - Could I lose my Medicare benefits?
* Disagree on total value
  + High $$ medical costs
  + High $$ prescription costs
  + Rising treatment costs
  + Inability to retrain/education
* Lack of Proactive Measures / System / Team
  + Not asking the right questions: instead of getting contacted by adjuster every 3-6 months, ask if they want to settle, person says No, and never ask why, case remains open
  + Legacy claims

# **Main Point #2: Proactive Settlement Tactics (35 minutes)**

## **Technical Tactics:**

* + Be Proactive
    - Know your claim file
      * Where is person medically? Have they reached MMI? What is value to indemnity? What does this person owe?
    - Communicate
    - Don’t wait for demand – take control with an offer “quote”
    - Strategize with your consultant
    - Assess roundtable files for best results (forum)
    - Assess government benefits
    - **Leverage the Team Approach**
      * Take settlement tasks off the adjuster’s plate
  + Structure the MSA. Structures are a negotiation tool;
    - Bridge the financial gap through use of an annuity
      * Tool for financial savings and piece of mind
      * Saves injured worker from exhausting funds
    - Use Age Ratings always; rated age/reduced life expectancy
      * Allows to look at holistic medical condition to properly set up structure
    - Savings of 22-34% on MSAs
  + Leverage professional administration
    - CMS highly recommends
    - Prevents mishandling of account
    - Protections from running out of funds
      * Proper management of MSA funds
      * Ensure Medicare benefits continue if do run out of funds
    - Network discounts vs full retail
  + Price out Prescriptions Savings
    - *Johnny: $100k allocated over lifetime, able to get for $40k prescription after discounts; the $60k would be left over in the account to give to beneficiaries.* 
      * *Utilizing this during settlement negotiations; show the actual real time savings that can expect.*
  + Price out Additional Services:
    - Durable Medical Equipment
    - Home Health Aids
    - Prosthetics
    - Etc.
      * Create visual projection of costs & savings
    - Locate providers near the injured worker
    - Special Programs Team - Ametros
  + Medical Cost Projection Reports
    - MSA provider to put together medical cost projection reports. Once had that they would price out all of the prescriptions on the MSA. Would be as prepared as possible.
  + Address Medical Issues
    - Utilize IMEs / Peer Review & 2nd opinions
    - Use a medical case manager
    - Look for changes in treatment
    - Look for prescription drug savings opportunites
  + Return to Work
    - Seek RTW including eligibility, restrictions, & job description
    - Use vocational services
  + Settle cases at lowest reasonable cost possible.
    - You are supposed to pay the claim, you are supposed to pay what is reasonable.

## **Soft Tactics:**

* + Advocate for the injured worker
    - Available to help at all time to field questions
    - Don’t rely on email or voicemail; better if can meet in person
  + Empathy - Being all ears with the injured workers
    - *Johnny: Claim open since 1994, speaking with gentlemen, build rapport, not affliated with carrier, build trust, find out that guy has wanted to go to Alaska for 20 years, hasn’t had chance to go with wife because of wife. Made recommendation to carrier, thinks offer is fair, to get this done would be worthwhile exploring; come up with $2-3k to pay for trip with wife to put toward cruise in Alaska. Took recommendation, go back to IW and said that was able to get additional money to put toward cruise with his wife.*
    - *Broke down in tears to be thoughtful and listen.*
  + Listen
    - What are the needs?
    - How has the claim affected the injured worker?
    - What other alternatives exist to help them move forward with their lives?
    - All of these things help move cases to closure more quickly and efficiently.
    - Assess level of interest the IW might have to settle,
      * if say “no way I’m going to settle for $100k, fact find, what offering was looked at as slap in the face, do you have the ability to increase offer to X to move this forward toward settlement
  + Consider Family’s Interests
    - What are the family’s interests and needs?
    - Have to get everyone’s thoughts involved
    - If the wife doesn’t want to settle, the likely won’t settle
  + Neutral third party, present a different option, look at things in a different light

# **Main Point #3: Action Steps on YOUR Difficult Cases (10 minutes)**

* When to get settlement team involved:
  + After know facts of the case
  + Done investigation
  + Know what is compensable and not
  + Build team approach from beginning
    - Introduction from adjuster / RM more successful
      * Educate on what service entails and overall settlement
* How to identify claims ripe for settlement
  + Cases where claimant frustrated with UR denials.
  + Having concerns where worried about money
  + Indicators of what cases would be good for referral
  + Claimant name and claim number, background on the case, most recent offer, any settlement authority; if represented hardest part is getting a hold of the attorney.
    - Want all of information going into it can give them something to think about and give to their client.
* Start with Legacy case file project
  + Leverage expertise of service providers in file reviews
    - Both disciplines working together on claims settlement projects
    - Know what to look for