

Critical Trade Secrets to Settle the Most Difficult Workers' Comp Claims

The majority of workers' compensation claims resolve with the injured worker going back to work and resuming life as usual. However, there are a percentage of claims that are very difficult, expensive, and life-altering for the injured employee.

Leverage the expertise of a professional administrator and structured settlement consultant to provide support to the injured worker post settlement, as well as bring expertise and options to make settling the best option for all parties.

Point #1 Biggest Challenges to Settlement

A key point in understanding the solution to difficult workers' comp claims is to understand the underlying challenges.

Address Challenging Claims with a Sense of Urgency

Risk managers and adjuster often fall into the trap of paying challenging claims on autopilot with the belief that the injured worker is not interested in settling. Develop a strategy to address open claims with a sense of urgency as the odds of a successful settlement decrease over time.

Point #2: Think Outside the Box—Settlement Tactics

TECHNICAL TACTICS

1 Structuring the Medicare Set Aside (MSA) Settlement

Settling a workers' compensation claim can be done through a lump sum, or a structured settlement. Structured settlements help ensure injured workers have money for future medical needs and basic living expenses; as well as save the payer significant costs.

2 Price Out Future Prescription Drug Costs

A key tactic when approaching settlement is to understand the wants, desires, and fears of the injured worker. Future prescription drug cost is a common fear.

Leverage a professional administrator to price future prescription drug costs in real time. Network savings can be realized of up to 60%, leaving the injured worker with additional funds, and the payer with an additional negotiating tool to bridge the gap in negotiations.

** Note: a structured settlement consultant and professional administrator are paid only if a claim successfully settles.*

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3 Leverage Professional Administration to Provide System of Ongoing Support Post Settlement

The promise of ongoing support after the claim has closed can be the difference between a claim remaining open and resolution. It provides a level of comfort to the injured worker that they'll continue to have expert help to navigate the system and manage settlement money moving forward.

4 Use Age Ratings on Every Claim

Life expectancy is not a factor of age alone, it's largely dependent on a person's overall health. Longevity and expectation for number of years required to cover indemnity and future medical cost is reduced when a person has multiple comorbidities.

5 Medical Cost Projections

Determine the overall cost of future medical treatments by working with a service provider. These are typically prepared by registered nurses with high level expertise in determining the most likely services that will be required, based on the injury and the person's overall health.

6 Settle Cases At Lowest Reasonable Cost

A legitimate claim is supposed to be paid, set your goal to settle the case at the lowest reasonable cost.

SOFT TACTICS

1 Personal Outreach

Many injured workers who have been out of work for long periods of time rarely, if ever, speak to a live person involved in the claim.

2 Empathy

Take an active interest to develop an authentic rapport with the injured worker, walk in their shoes and imagine what it would feel like in their situation.

Point #3: Action Steps on YOUR Difficult Cases

Step 1: How to Identify Claims to Consider for Settlement

Claims with a higher probability to settle have the following characteristics:

- ✓ Frustrated with constant denials for medical treatment.
- ✓ Worried about money.
- ✓ Tired of undergoing independent medical exams.
- ✓ Irritated by system restrictions.

Step 2: Provide Claim Information

Discuss and send potential cases individually or in blocks to your structured settlement consultant or professional administrator for follow up and evaluation.

Step 3: Engage the Injured Worker

Engage the injured worker as soon as possible for claims that are identified as good potential to pursue settlement.

Step 4: Coordinate stakeholders

Begin your settlement discussion with the highest likelihood of success by assembling your claims handling team and partners to develop an effective settlement strategy and approach for each claim.



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