**How to Execute a Meaningful WC Claim Review**

**Introduction:**

* Welcome to WC Mastery training
  + What you will get from today’s session is TIME used effectively and efficiently
  + RIMS 2009 Benchmark survey, 90% of companies had reviewed or audited some or all of their claims in the last 6 months.
  + Just because doing it, doesn’t mean doing it well.
  + Toby Soboleski, Senior Field Adjuster- Strategic Comp
  + Single Greatest Challenge Results:
    - Documentation
    - Communication – Same Page
    - Meaningful Action – Doing it Right
    - They’re not doing their job
    - I’m new
* Introduce 3 Major Points
  + Plan & Prepare
  + Execute
  + What Now – Making it Meaningful

**Main Point #1: Plan & Prepare**

* Difference between Audit & Review:
  + Audit – Less frequent, often done by outside party, beginning of a relationship, or beginning of a reform project
    - Looks at statistics and trend data
  + Review – Done more regularly with claims staff, employer, and often insurance broker
* Essential Philosophy & Expectation:
  + Build Relationship:
    - Big picture how claims are handled
    - Look at specific claims
  + Avoid the Blame Game:
    - Employers & Claims Staff blame each other
      * Carrier/TPA not doing their job
      * Adjuster not doing proper investigation
      * Medical providers not getting people back to work
  + Team Mentality
    - Designed to get everyone on same page
    - Review trends/metrics
  + Set Expectations:
    - Brokers / Carriers – for clients for meeting
    - Roles and responsibilities in claim handling
  + Communication - Open up lines
    - Gets people talking about the claims;
* **Avoid Wasting Time**
  + Decision makers need to be a part of the process
    - “If there is no corporate executive, then it’s a waste of time” – Toby Soboleski
  + Doesn’t work if not talking to the right audience
  + Open communication needs to be actionable
    - Leverage Broker and Account Executive relationship
    - “not just talking about claims”; it’s program as a whole
    - How did we get here
* Timing of Reviews / Audits
  + Timing of Review:
    - Quarterly most common
    - Weekly claims roundtable
    - What makes most sense for the employer
      * 3 Step Review Agenda:
        + Name, job title, injury date and type
        + Status

RTW, communication status, medical, surgeries, etc.

* + - * + Action Plan
  + Timing of Audit
    - Unistat date:
      * Date reserves set in stone for Emod Calculation
      * 6 months prior to renewal
        + 1/1 renewal
        + 7/1 unit stat
        + 4/1 is when you want to start audit

$50k reserves on 6/1

Drops to $30k on 8/1

Counted as $50k for Emod calcuation

* + - * Important for all: high deductible, self-insured still important
      * Loss reviews at end of year not as important
    - Recommend every 90 days after policy renews; renewing for the next year; review for mods, then reviewing for the following January;
* Selecting the Right Claims
  + Mix of typical and unusual
  + Basic criteria:
    - Claims > $25K
    - Out of bounds medical only
      * $15k MO claim
    - The more frequent the review, the more claims can review
    - What needs to be addressed NOW
      * Looking at Systems; beginning of claim, middle, and settlement systems
  + Tips:
    - No use reviewing closed claims
      * Can do some closed claims, but usually open claims only
    - Claims w/ large reserves
      * Especially more than a year;
    - Medical Only
      * Large medical only
      * Open > 6 months;
    - Reserve Authority Limit
      * $49K;
      * or $24k on total reserve
    - No Activity
      * Claims re-open to pay a bill and forgotten;
      * Open a long time, but nothing has spent on it for at > 6 months;
      * Settled claim that remains open

**Main Point #2: Execute (20 minutes)**

* Who Should Be There
  + Employer
  + Adjuster
  + Account Manager
  + Senior Management – Employer
  + Insurance Broker
  + Medical Advisor
  + Defense Attorney
* Basic Claims Review Agenda:
  + 3 Step Review Agenda:
    - Name, job title, injury date and type
    - Status
      * RTW, communication status, medical, surgeries, etc.
    - Action Plan
  + Adjuster should have end game laid out
    - When will be back to work
    - Specific timeline
      * Tight vs broad
      * If do generalize, ask specific questions
        + “that is a nice broad scope, do you have a tighter timeline?”
        + Take conversation offline
* 9 Critical Areas to Review: - 90% of claim done in first 48 hours
  1. Timely reporting
     + Employer
  2. 3 point contact made w/ 24 hours
     + Adjuster
  3. Recorded statement taken
     + Adjuster
  4. Medical control established
     + Employer & Adjuster
  5. Checks issued timely
     + Adjuster
  6. State forms filed timely
     + Employer & Adjuster
  7. Follow up on first medical appointment
     + Adjuster
  8. Investigation completed
     + Employer & Adjuster
  9. Return to Work
     + Employer & Adjuster
* Review Areas After 9 Critical Areas:
  + Timing of Reserves
    - Were reserves reviewed for reduction
  + Did review it for closings or reductions?
  + Recommendations:
    - always recommend doing emails; or letters, to make part of file
    - don’t ever call an adjuster
  + Medical Claim File Review
    - Leverage physician advisor to review
* 5 Critical Workers’ Comp Metrics
  1. TRIR
  2. Lag time
  3. RTW Ratio
  4. Litigated Claims & Large Loss Claims
  5. Medical Costs
* Strategic Improvements
  + Employer WC Management Systems
    - Lag time/Injury reporting
    - RTW coordination
    - Communication with employees
    - Supervisor response
  + Medical/Ancillary services
    - Physician / Clinic relationships
      * Ask “how is our clinic working?”
    - Ancillary services
      * Get recommendations from Adjuster
    - Medical management
      * Diagnostics
      * IME timing
      * NCM
      * Peer Review

**Main Point #3: What Now – Making it Meaningful**

* **Summarize findings: Strategic Improvements**
  + Specific recommendations for specific individuals
    - Who’s responsible?
    - What training do they need?
    - What tools do they need?
* Prioritize and Execute the Plan
  + Communicate
  + Set expectations
  + **Who’s responsible?**
    - What tools do they need to execute?
    - What training do they need to execute?
* Measure / Critical Metrics / Areas of improvement
  + Lag time
  + RTW ratio
  + Adjuster responsiveness, etc.
* Same Goal
  + Team Approach to continuous improvement