

Improving Outcomes of Workers' Comp Claims

By Scott R. Green

The bill is due... and the doctor's payment too. The claim file appears lost and up goes the cost. Your supervisor says now... but you just think, "How?"

While claim processing jingles can be cute, managing workers' compensation claims is anything but pretty. It is a process buried in paper, huge files, rules, regulations, deadlines, and penalties. So what are you to do? It is time for a change.

Today, claim executives are expected to manage more claims in less time with fewer resources than ever before. It is a real challenge to meet their goal to improve outcomes while reducing costs. The good news is that working harder, longer, and faster are no longer the best methods to achieve these goals.

Work Smarter – Not Harder

Working smarter is clearly a better approach, and with today's advanced technology, a better way to go. Through Internet or browser-based technology, claims management can have access to much more "real-time" information to handle workers' compensation claims.

The old model of nurse case management, based on manual note-writing, error-prone interpretation, and reliance on outdated reports, is costly and ineffective. Today's new, data-based technologies allow for more efficient input of managed-care treatment plans and utilization review parameters, resulting in fully automated administration and streamlined communication processes.

Consider the value proposition of a nurse case manager being able to enter a treatment plan and receive notice by real-time e-mail that the plan is being exceeded as well as check on the patient's status, all from a secure, wireless laptop. The use of

this extraordinary technology and system integration can move claims management from an antiquated, retrospective model towards a proactive and prospective one.

Additionally, imagine having the ability to review and approve bills online, preventing incorrect payments before the check is cut. Or having electronic paperless files at your fingertips instead of the old model of space-consuming paper files that contain 60-day-old reports and other outdated information?

A Significant Return on Investment

Okay, so this all seems to make sense... but your boss is skeptical, wants proof, and a return on investment (ROI) analysis. That is a reasonable request — all technology investments should have a solid ROI. So start adding it all up — the time-consuming process for an adjuster to request a claim file, waiting for it to arrive or pulling it themselves, searching through the file to locate the desired document, copying it, and returning the file. This entire process can take minutes, hours, or possibly even days! In the electronic model, the adjuster uses his desktop computer or laptop to search for the document, access it, and print it or forward by e-mail, all in a matter of seconds. Is it more productive? Yes!

Now add up the payments made to providers that exceed the agreed upon treatment plan because your system operates totally in a retrospective or retroactive mode. Without true utilization review, you have a "time-lapse" disconnect. Have you ever had a provider willingly send you a refund check or issue a credit for funds you incorrectly paid? The key to cost containment is containment! **Prevention, not intervention, is your most effective form of cost reduction.**

There are numerous other total costs of ownership issues to consider when building your ROI for utilization review, managed care, and bill review system integration. They include the more obvious increased adjuster and claims management productivity, increased prospective cost containment, and ancillary reduced expenses, such as eliminating storage of bulky paper-based files. But what about the most important goal... improved claim outcomes?

Ultimately, getting the injured worker healthy and back on the job is what the utilization review and managed care process is all about. If done well, it is beneficial to the insurance carrier and/or self-insured employer and employee. The key is achieving the "return to work" goal with maximum cost containment. The simple fact is, the sooner an employee is made "whole," the shorter the claim life and in turn the greater costs are contained.

Move Forward with Confidence

The key to improving claims management is making better decisions by having access to robust, relevant, and timely data and information. The technology now available is masterful at providing customizable solutions for managing the sea of workers' compensation claims you may be swimming in.

The choice is yours... a continued claims management "jingle" or a real solution. The technology is here — all you need to do is embrace change. ■

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