

WORKERS' COMPENSATION

Implementation of a New Contract with
Cross Insurance TPA.

June 18, 2015

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Today's Goals

- Keep you informed about the upcoming change to the State's workers' compensation vendor including providing details about the procurement process.
- Explain Liberty's role moving forward.
- Introduce the State's new vendor: Cross Insurance TPA (Cross).
- Discuss the State's goals for the workers' compensation program.
- Introduce future trainings and communications.
- Presentation by Cross.
- Presentation by Tandem Injury Management, the workers' compensation nurse case management and managed care administrator.

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State's Current Workers' Compensation Contract: Liberty Mutual/Helmsman

- Liberty has been working with the State since 1995.
- Liberty's current 3-year contract expires on 6/30/15 and will not be renewed.
- Liberty will provide Loss Control Services until 6/30/15.
- Report all workers' compensation claims with ***date of injury of June 30, 2015 and earlier*** to Liberty.

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Contract requires Liberty to handle claims "***cradle to grave***".

- Liberty will continue to administer all 290 open cases, reopened cases and closed cases that have future claim activity.
- Our claims will continue to be handled by the same adjusters that handle them today.
- Continue to use all your same contacts with Liberty.
- Continue to use Vantageport or fax when reporting claims to Liberty.
- *Risktrac* (Risk Management Information System): RMU will continue to have access.
 - If your agency needs claim note detail, contact RMU or you can call or email the Liberty adjuster.

Why a Change in Vendor?

- RMU/DAS Purchasing drafted an RFP to encourage bidders and to drive competition.
- RMU issued an RFP for a five-year contract for workers' comp TPA services.
- In 2012, we had one bidder: Liberty.
- In 2015, we had six bidders, 3 of which were scored.
- Cross won the bid with the highest scores for technical and contract price.

Cross TPA

- New England based company.
- RMU has worked with Cross: two contracts for Producer Services.
- 5 year contract: 7/1/15 - 6/30/20.
- Preferred claims adjuster model: one adjuster will handle a case!
- Partners with NH-based Tandem Injury Management.
 - Nurse Case Management
 - Managed Care Network
- Cross will provide Loss Control Services, including industrial hygiene services.

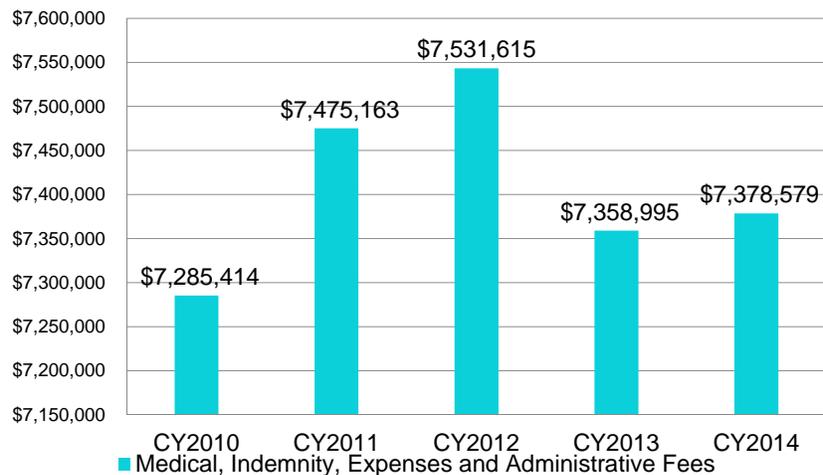
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Change in Workers' Compensation TPA presents an OPPORTUNITY

- Fresh Start!
- Consider how we manage our program.
- We welcome your input and ideas.
- Possible new staff resource dedicated to workers' comp.
- Our mutual goal is to improve outcomes by:
 - Prioritizing worker safety.
 - Getting your staff healthy and back to work sooner when claims do occur.
 - Saving workers' compensation funding for other purposes.

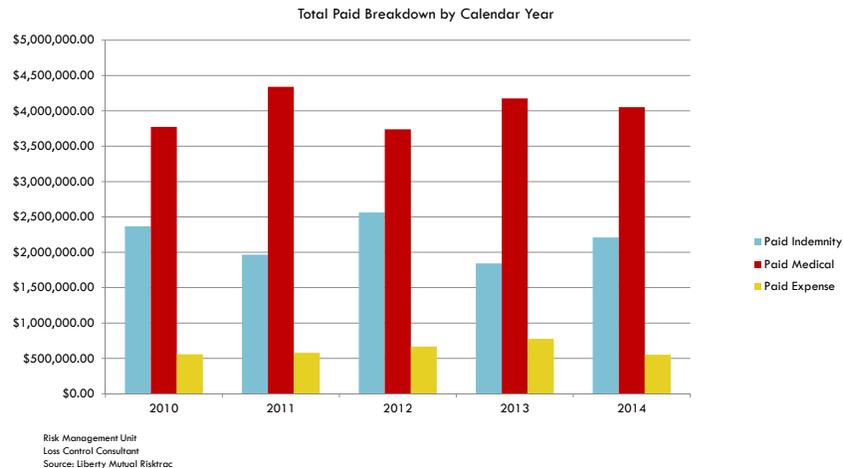
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TOTAL Workers' Comp COSTS CY 2010 - 2014



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BREAKING OUT INDEMNITY AND MEDICAL COSTS



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State's Goals for Workers' Compensation Program

- Support Worker Safety and reduce injury incidence.
- Improve leverage of Second Injury Fund as funding source.
- Enhance claims investigations (RFP written to require more thorough investigations).
- Improve Workers' Comp first reporting of injury metrics.
- Define and emphasize the role of the supervisor.
- Help staff access our Managed Care Network where they can get the right medical care and the best medical outcomes.
- Promote return to work: develop a Temporary Alternative Duty (TAD) program.
- All of these strategies help return your staff to work sooner and save your agency money on Indemnity Payments and Medical Costs.

Worker Safety: CY 2014 Fast Facts

- 749 state workers injured on the job
- 9307 paid lost time days for those 749 state workers.
- \$3.6 million dollars paid for just those injuries

Worker Safety Programs

- Ergonomics Evaluations
- Site Safety Inspections
- Indoor Air Quality Response
- Safe Driving Program
 - Online Courses
 - Acadia Loss Control
- Fleet Claims Reviews
- Reviewing claims with Cross TPA
- Health and Safety Classroom Trainings
 - Accident Investigations
 - Fire and Life Safety
 - Indoor Air Quality
 - Return to Work
 - Machine Guarding
 - Ergonomics
 - Tips to Improve your Safety Committee
 - Commercial Motor Vehicle
 - Reasonable Cause Training- for Supervisors that Oversee CDL Drivers

RMU Can Help Your Agency Reduce its Injury Incidence

- **Benchmarking** – Measure your agency’s performance for different metrics such as accident frequency, claims counts, and lost workdays against previous history or Bureau of Labor Statistics.
- **Target Areas for Improvement** – Address agency problem areas and/or review loss runs to help focus efforts.
- **Resources** – Loss control resources include online training, classroom training, assistance with compliance questions, safety inspections, safety committee participation, review of programs, policies, and procedures.

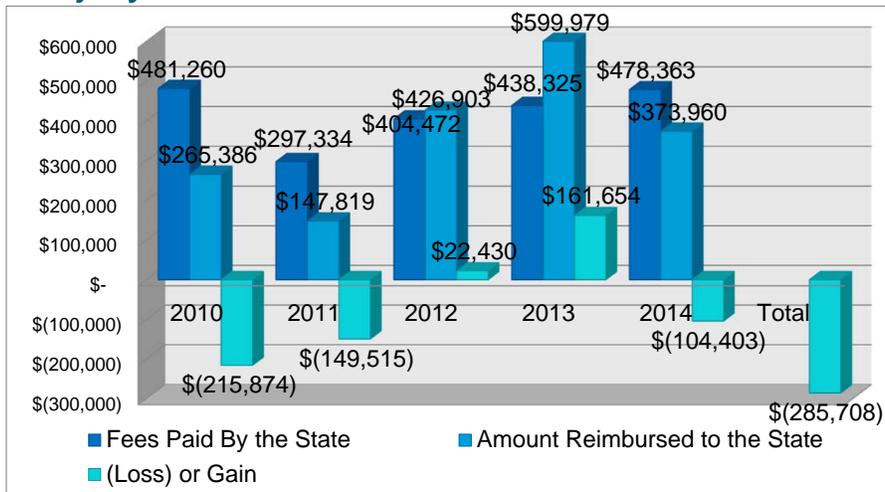
Second Injury Fund

The Second Injury Fund is a program established under Labor law to offset the cost of workers’ compensation claims to employers (YOU PAY LESS) for employees with qualifying preexisting physical or mental impairments. RSA 281-A:54

- Encourages employers to hire individuals with impairments by removing potential barriers.
- The preexisting impairment does not have to be the result of a work related injury.
- To qualify for second injury fund reimbursement the employer must have written documentation (affidavit or other document) indicating knowledge of the impairment prior to a workers’ compensation claim.
- Second Injury Fund training will be scheduled.

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Are We Taking Advantage of the Second Injury Fund?



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First Report of Injury (FROI), Form 8WC

- We all need to educate employees so they understand they must report workplace injuries ASAP.
- HR needs to send FROI to Cross TPA ASAP.
- Early reporting enables:
 - Statutory compliance.
 - Upfront education of employee about Managed Care network requirements and Occupational Medicine options.
 - Timely completion of investigation while memories and facts are fresh.
 - Creation of a thorough record of what happened including preservation of witness statements, if applicable.
 - Better outcomes based on all of the above.

Define and Emphasize the Role of the Supervisor

- Supervisor must:
 - Educate employees about responsibility to report injuries.
 - Ensure injured worker fills out the *Notice of a Accidental Injury or Occupational Disease (8aWCA)* and provides it to supervisor or HR, consistent with your agency's process.
 - Complete the FROI and provide to HR so it can be sent to Cross.
 - Help employee access the Managed Care network and provide choices including Occupational Medicine options.
 - Support HR in workers' comp case reporting and handling.
 - Work with HR and employee on return to work strategies.
 - Keep in touch with the injured employee.
 - Workers want to know they are valued, that we care about them and that we want them to be healthy so they can rejoin the team.
 - Calls to check in and see how they are doing, whether they are getting the care they need, letting them know we want them to get better and come back to work.

Helping Workers Get the Right Care to Promote Best Outcomes

- We must inform injured workers about Tandem's Managed Care network and recommend Occupational Medicine provider options.
- Workers have the right to choose a provider from the network.
 - Workers are obligated to accept treatment within the network unless a statutory or regulatory exception applies. (Tandem to explain more later).
 - If employee chooses an out-of-network provider without Tandem approval, we are not obligated to pay the bill.
- Occupational Medicine providers can often see patients the day they are injured.
- Occupational Medicine providers are skilled at:
 - treating workers appropriately to help them recover and heal from occupational injuries.
 - working with injured workers on the psycho/social aspects of being injured and out of work.
- Getting the right care gets our staff the best medical outcomes, gets them back to work as soon as possible, and helps save your agency money.
- We need your help and the help of your agency supervisors to make timely referrals to recommended locations. Call Tandem if you need help with a recommendation!

Promote Return To Work

- Return to Work is integrally related to positive medical outcomes and reduction in workers' comp costs.
- Workers feel forgotten when they are not working and don't hear from their employer.
 - Supervisors staying in contact with staff furthers this goal!
- Our goal is to bring our workers back to work, we need to consider:
 - Part-time hours.
 - Alternative assignments.

Comply with Labor Law RSA 281-A:23-b

TITLE XXIII
LABOR
CHAPTER 281-A
WORKERS' COMPENSATION

Section 281-A:23-b

281-A:23-b Alternative Work Opportunities. – All employers with 5 or more employees shall develop temporary alternative work opportunities for injured employees. If the employee fails to accept temporary alternative work, the employer may petition the commissioner pursuant to RSA 281-A:48, to reduce or end compensation. Notwithstanding RSA 281-A:22, if an injured employee returns to temporary alternative work within 5 days of sustaining the injury, such employee shall be paid workers' compensation from the first date of the injury. The commissioner shall adopt rules under RSA 541-A relative to the administration of this section. **Source.** 1994, 3:5. 1997, 343:2, eff. Jan. 1, 1998.

Develop and Promote Temporary Alternative Duty (TAD) programs to Transition Employee back to Full-Duty

- Temporary Alternative Duty (TAD) is often the key to getting people back to work.
 - Employer completes a job task analysis for the doctor to review and approve.
 - Doctor will issue a release for return to work, sometimes at TAD.
 - TAD often the path to encourage the employee to return and allow them to transition back to full-duty.
- Advantages
 - Employee has opportunity to earn full pay.
 - Employee can preserve sick and annual leave.
 - Agency benefits from work performed.
- The State of New Hampshire must comply with the regulations.

Let's Work Together

- Let's Work Together to Improve Worker Outcomes and Reduce Workers' Comp Costs
 - You are going to get to know me....
 - Upcoming invitations to workers' compensation trainings.
 - HR meeting presentations.
 - There will be change and there will be bumps in the road: we will work through it together and we invite your feedback and ideas.
 - How can we help you?