Reduce Cost

Reduce Workers Comp Cost Through Case Management

March 21, 2018

Presented by
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2018 - Workers Comp Cost Increases (www.wcirb.com)

- Effective January 1, 2018
- Section III, Rule 1, *Eligibility Requirements for California Workers’ Compensation Insurance*, was amended to adjust the eligibility threshold from $10,100 to $10,300 to reflect wage inflation and the proposed January 1, 2018 expected loss rates.
- Section III, Rule 5, *Self-Insurers’ Data*, was amended to permit the electronic reporting of self-insured data for experience rating purposes.
- Section V, Rule 1, *General Application of Experience Modification*, Rule 2, *Application of Experience Modification to a Single Policy*, Rule 3, *Application of Experience Modification to Multiple Policies*, and Section VI, Rule 12, *Closed Claims*, were amended to change the term “anniversary rating date” to “rating effective date”.
- Table I, *Expected Loss Rates and D-Ratios*, was amended to reflect the most current data available.
2019 - Workers Comp Cost Increases (www.wcirb.com)

- **Effective January 1, 2019**

- Section I, *General Provisions*, Rule 6, *Subterfuge*, was amended for consistency with other proposed changes, and Rule 7, *Rating Forms*, to incorporate the requirements regarding data displayed on the Experience Rating Form from Section VI, *Tabulation of Experience*, Rule 2, *Experience Rating Forms*, as that rule is being deleted.

- Section III, *Eligibility and Experience Period*, Rule 3, *Experience to be Used for Rating California Workers’ Compensation Insurance Risks*, was amended to incorporate the requirements regarding what data is used in experience rating from Section VI, *Tabulation of Experience*, Rule 1, *Data Used for Experience Rating*, as that rule is being deleted and for clarity.

- Section VI, *Tabulation of Experience*, and Section VII, *Rating Procedure*, were amended to combine these two sections into a single Section VI, *Rating Procedure*, for clarity, to require that the first $250 of each claim is not included in the experience rating calculation and to simplify the experience modification formula.

- Table II, *Credibility Primary and Credibility Excess Values*, was amended to remove the reference to credibilities for consistency with the proposed changes to the Experience Modification Formula.
Team Exercise

1. Who has the longest open Claim to date?
2. Based on today’s lesson – How can you close it early?

Table or row Teams of 5 or less
Do you have a strategy?
Who Is Involved?

- Employee
- Management (HR, Safety, Etc..)
- Insurance
- Doctor
Workers’ Comp Resolution Process

Who actively oversees your workers comp Case Management?

Human Resources????

Safety Director / Manager ????
Focus On Your People

Take care of the person FIRST at the time of the incident!!!!

- EARLY ENGAGEMENT by the employer
- Provide guidance and gather facts
- 30% of all injured workers require Medical Guidance instead of Medical Care (Eliminates Costly ER Visits)
- Use a third party triage party to build trust rather than a Claims professional
Document - Document

1. Document from Employee
2. Document from Witnesses
3. Document from Supervisor
4. Incident Summary from Safety / HR
5. Medical Refusal Document
6. Submit DWC-1 if claim is needed
Monitor Recovery

Maintain frequent contact with employee & ensure they are doing MD Follow ups.

Monitor social media to ensure appropriate activity.
Control Drug Cost

10 years ago 6% of WC Cost was pharmacy. Today its over 20%.

Work with Doctors to reduce drug use when possible. Encourage over the counter dosage.
Value of a Successful Reentry

An employee’s return to work has a major impact on indemnity payments & Medical portion of the claim

Employers should do their best to accommodate modified work with Transitional Work Plan
Work to Close Claims

Work Closely with Doctor and Broker to close claims quickly.

Ask Doctor for plan of action with time line expectations.
CAN SAFETY GET ALONG WITH OPERATIONS?

The Objectives are the same?
5 Tips to reduce WC Cost

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