

The *INNOVATOR*

NEW CONTRACT— YEAR ONE SUCCESSES & RESULTS

MCI is excited to share with our customers the successes and results of year one of our 5th contract with DHRM/WCS for the workers' compensation claims administration and cost containment program. We had big plans for this contract and hope that you agree we had some significant successes!

Key Program Successes:

- ◆ **Chronic Pain Management** - MC Innovations and PRIUM have successfully demonstrated tangible outcomes from the deployment of the pilot Chronic Pain Intervention Program. 100 claims were identified for inclusion in the pilot in an attempt to ensure that the appropriate pain management modalities are involved and to help with medication oversight. The pre-intervention average monthly medication spend on our pilot claim population was \$2,415, with post-intervention average spend dropping to \$1,569. Most importantly, morphine equivalent dosing (MED), which is a measurement used to determine a patient's cumulative intake of any drugs in the opioid class over a 24-hour period was reduced by 33%.
- ◆ **Medication monitoring** - Cordant Health Solutions, a new team partner, provided the program's Medication Monitoring (drug testing) services. Through this program injured workers are identified for testing through the analysis of pharmacy spend. Through Cordant, the program realized significant savings and our benefit coordinators were provided with more clinical insight into the injured worker's compliance with prescription medications. 313 injured workers were tested and 65% of the tests indicated some sort of inconsistency from what was expected. 62% of inconsistent reports failed to detect evidence of the prescribed medication. There are, most likely, reasonable explanations for this. For example, the prescribing doctor may now allow for the taking of the medication(s) on an as-needed basis. It is the benefit coordinator's job to review the inconsistent reports against the claim file to determine how best to proceed with the results.
- ◆ **Medical Director** - Our program was enhanced to allow the claim team two hours per week access to the program's Medical Director. Dr. Scioscia (see page 3 for more information on the medical director) is available to review medical information, provide consultation to the claim staff, provide claim staff training and participate in peer-to-peer discussions with physicians treating injured workers. He was involved in formal consultation on 70 claims, compared to 29 in FY18, resulting in cost avoidance of \$764,624.
- ◆ **FROI Portal** - Significant enhancements were made to the new claim reporting portal. Among the most significant enhancements is the ability of named users to upload documents to the claim file and add annotations or notes to the claim file. Since rolling this out 2,061 documents have been uploaded by agency

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Special points of interest:

- > Reduction of 33% in morphine equivalent dosing.
- > MCI exceeded key program goals.
- > Program cost avoidance over \$13.9M.
- > Fall, Slip, or Trip injuries account for 27% of total incurred.

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(FY19 Results *continued from page 1*)

**Direct
Deposit ↑ 28%**
compared to
FY15

**Mail Order
Utilization
Increased 125%**

**Medical Bill
Adjudication
Savings of \$17.8M**

**Customer
Satisfaction
95% & Cost
Avoidance of
\$13.9M**

representatives and 170 notes have been added. Those using these features have reported very favorable feedback to us. If you are not already using these features please consider doing so today! We feel confident that you will enjoy many efficiencies using these new features. Other enhancements released include: sorting capability, auto population of various fields, search box, automatic email indicating items that the benefit coordinator will need.

- ◆ **Direct Deposit** - Enrollment for direct deposit continues to grow. At the end of the first year (FY15) of direct deposit implementation, we had enrolled 30.9% of eligible injured workers. Enrollment is currently at 59% with 202 injured workers enrolled. We have also rolled out the ability to reimburse medical providers via ACH effective July 1, 2019. There are currently 68 active payees for ACH payments.
- ◆ **Subrogation Recoveries** - Subrogation recoveries for FY19 totaled \$617,312 compared to \$1,298,476 in FY18 and just over \$1,063,000 in FY17. While the subrogation recovery was lower than the previous two years, third-party offset credits increased from \$615,546 in FY18 to \$1,364,102 in FY19. Recoveries may be impacted by the number and amount of claims with liens, timing of third-party settlements and recovery being waived in order to obtain a settlement.
- ◆ **Mail Order Program** - The mail order pharmacy program has seen extensive growth in FY19 as a result of our new mail order pharmacy vendor, Vectra RX. Qualified injured workers that switch from retail to mail order pharmacy are eligible for an incentive payment of up to \$300 per year. As a result of this financial incentive mail order utilization increased by 125% in FY19. The implementation of the incentive program in 2016 has generated \$399,052 or 58.8% in savings based on total retail price of \$969,026.

Key Metrics

Compensability Decision Turnaround Time - We made compensability decisions on 3,796 claims with an average compensability turnaround time of 9 days. Claims requiring more than 30 days to make a decision have been reduced to 7% from 18% IN FY18.

Medical Bill Payment Turnaround Time - The average payment lag time on 56,668 checks was 10 days. Only 1% of medical checks issued were more than 30 days from the date of receiving a complete and proper bill.

Medical Bill Adjudication - Our medical bill adjudication partner recommended medical payments totaling \$28,721,000 which is a decrease of \$2,920,000 compared to FY18. Medical bill adjudication resulted in a savings of \$17,861,000 or 38.34%.

Customer Satisfaction Survey - Workers' Compensation Services released its annual customer satisfaction survey to our agency contacts at the end of the fiscal year. 95% of those responding rated MCI as 6 or better on a 10-point scale. In FY19 48% gave us the highest rating of 10, while 38% gave us the highest rating in FY18; 34% in FY17.

Return-to-Work - The program continued to emphasize return-to-work and reducing lost work days. This year's 99% result marks the tenth consecutive year with RTW rates of either 98 or 99 percent. Additionally, our average disability duration per claim of 33.92 days is 3.4% lower than the average over the last three years. Moreover, our FY19 results are a reduction of 22.4% over the established benchmark of 43.72 days in FY14.

Cost Avoidance - Since FY09, the program has tracked cost avoidance experienced under the outsourced program by comparing spend against actuarial projections. Cost avoidance for FY19 totaled \$13,915,685 as compared to a total of \$9,436,681 for FY18. The program has achieved cost avoidance over actuarial projections in this model from FY09 through FY19 totaling \$49,319,886.

Spotlight – Medical Director, Dr. Thomas Scioscia

Our Medical Director (MD) plays an integral role in our program and in making sense of the complex medical issues that our benefit coordinators must navigate. Assistance can include, but is not necessarily limited to, medical issues surrounding compensability decisions, appropriateness of medical care, return-to-work opportunities, and assessment of alternative courses of treatment. The MD will consult with the treating physician when there is a lack of concurrence on the proper course of treatment.

Dr. Thomas N. Scioscia specializes in orthopedics of the spine and spine surgery. He graduated from the University of Richmond, where he was an All-American Division I baseball player as well as a Rhodes Scholar candidate. He earned his medical degree from the Medical College of Virginia and graduated as the valedictorian of his class. He went on to attend the University of Pittsburgh for his internship and residency, followed by a fellowship at the University of California, Los Angeles.



Quick Facts about Dr. Scioscia:

Why did you become a doctor?

I was interested in science, sports, and treating ailing people.

When did you become the Medical Director for MC innovations?

2007

What would you say is the most important/rewarding part of serving as the Medical Director?

Making sure injured workers are getting reasonable treatment to help them return to an active and productive lifestyle.

What is the most challenging part of this job?

The variety of work-related ailments we see.

Please discuss the progress you have seen in this program.

The efficacy in which we can review data and, in turn, help injured workers get the appropriate treatment.

Please discuss your vision for the future of this program.

Enhance knowledge of benefit coordinators and promote the best possible treatment for all injured workers.

Fun Facts:

What is your favorite food?

Pizza - when I feel cheap. Sushi when I go out with my wife!

What is your favorite movie?

So I Married An Axe Murderer (this really was his answer!)

**REGISTER - Safety Officer
Network Meetings**

August 20th - Tidewater

August 27th - Wytheville

October 1st - Glen Allen

October 9th - Staunton

**REGISTER - WORKERS'
COMPENSATION ROADSHOWS**

**September 10 - VDOT in Northern
Virginia**

**September 17 - Virginia
Community College System in
Richmond**

**September 19 - Jamestown-
Yorktown Foundation in
Williamsburg**

September 24 - VMI in Lexington



Walk Smart

Every day we see people of all ages walking with their heads down like zombies while using mobile phones, talking, texting, playing games, totally oblivious to what's going on around them. **Distracted walking** is a dangerous habit that has prompted some states to enact laws prohibiting such activity. The laws are targeting people using mobile phones while walking about without paying proper attention to their surroundings. Walking without paying attention to the environment around you can put not only you, but everyone's safety at risk, and all ages are susceptible.



According to a report in "Injury Facts," in 2017, about **16% of all traffic deaths were pedestrians**. Also, 10- to 14-year-olds and 50- to 69-year-olds experienced 20% more pedestrian deaths as a percentage of all traffic fatalities. Roughly 91% of the pedestrians killed in traffic crashes involved single vehicles, and more than two-thirds were males.

The National Center for Health Statistics estimated in 2017 that **7,450 pedestrians died** in traffic and non-traffic incidents. Non-traffic incidents occur in non-traffic areas such as parking lots, driveways, or private property.

The National Highway Traffic Safety Administration estimated that in 2017 **5,977 pedestrians died** in traffic crashes occurring on public roads. They also reported that in 2017 the majority of all pedestrian traffic deaths occurred mostly in urban settings (78%), on the open road (72%) vs. intersections (18%), and at night (74%). The most significant number of pedestrian deaths occurred on Saturdays (991), with the majority of these deaths happening at night (791).

Except for a decline on Sundays, the number of pedestrian deaths during daylight hours is relatively consistent throughout the week. However, pedestrian fatalities at night vary substantially. Nighttime pedestrian deaths are at their lowest point on Wednesday and increase throughout the remainder of the week, peaking on Saturday.

It's a fact that **distracted walking** incidents are increasing, and everyone with a cell phone is at risk. We are continually losing focus on our surroundings. A large number of distracted walking injuries occur at home, proving that we need to pay attention to our surroundings, whether indoors or out.

Keep Your Head Up, And Your Mobile Phone Down

How do you protect yourself?

- Stay alert – stop cell phone use, remove headphones or earbuds while walking in congested areas or using crosswalks and intersections.
- Whenever possible, use the sidewalk, facing traffic; if no sidewalk or walking path is available, walk facing oncoming traffic.
- Obey all traffic signs and crossing signals; don't "jaywalk."
- When possible, cross streets at crosswalks.
- Children younger than 10 should cross the street with an adult.



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- If a crosswalk is not available or your vision is obstructed, move to a place where you can see oncoming traffic.
- Always look both ways, and left again before crossing the street.
- Make eye contact with drivers of oncoming vehicles to make sure they see you.
- Watch for vehicles entering or exiting driveways or backing up in parking lots.
- Avoid alcohol and drug impairment when walking.
- Wear reflective or bright clothing, and use a flashlight at night.

Sited works:

<https://www.dailydot.com/debug/honolulu-distracted-walking-law/>

<https://injuryfacts.nsc.org/motor-vehicle/road-users/pedestrians/>

<https://www.nsc.org/home-safety/safety-topics/distracted-walking>

<https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812603>

<https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812681>

Injury Analysis FY19

Loss Control Consultants review worker injury statistics every year to see if there are any trends. We thought it might be helpful to share this year's analysis with everyone to highlight some of the more persistent types of injuries.

Below are the types of injury causes for claims reported in FY19, ranked by total incurred:

Cause Category	Total Incurred		Count	
Fall, Slip, or Trip Injury	\$6,294,597.77	27 %	1,404	21 %
Struck or Injured By	\$5,541,682.69	24 %	1,959	29 %
Strain	\$4,054,855.35	18 %	963	14 %
Motor Vehicle	\$2,614,670.40	11 %	283	4 %
Miscellaneous Causes	\$2,339,929.13	10 %	803	12 %
Cut, Puncture, Scrape	\$875,587.45	4 %	743	11 %
Caught In, Under or Between	\$675,264.91	3 %	196	3 %
Striking Against or Stepping On	\$578,551.59	3 %	202	3 %
OTHER	\$96,832.71	0 %	165	2 %
Burn Scald Exposures	\$10,819.85	0 %	22	0 %
Rubbed or Abraded	\$2,497.53	0 %	4	0 %

"Struck or injured by" and "fall, slip or trip" accidents were the most frequent and costly claims reported in FY19. WCS and MCI Loss Control Consultants provide consultative services to our client agencies. These services include coaching, technical advice, training, data analysis, inspections, assistance with problem solving, and other services in support of reducing workplace hazards.

Agencies are encouraged to review and analyze their annual Industrial Claims Report for a similar summary of accident causes.

Tips for Teamwork

- ◆ Don't forget about the NEW features within the York Employer Accident Report Portal (also referred to as VLW) that allows for the uploading of claim-related documents and photos and the addition of claim-related notes or annotations. Both features should save you time and reduce the number of emails and telephone calls through the timely sharing of information.
- ◆ We receive hundreds of record-only claims each month. Some of these will change to medical-only or lost-time claims. Please notify the MCI staff as soon as you have knowledge that treatment and/or lost time is involved. The sooner we have information, the sooner we can investigate.