

# The *INNOVATOR*

## Ready, Set, Go—FY 2019!

New contract, new goals and new partners kept us busy during the first quarter of fiscal year 2019.

### Key Program Updates

- ◆ **Medication Monitoring Services**- Cordant Health Solutions, a new team partner, completed 27 drug tests on injured workers receiving prescriptions through the workers' compensation program. 41% of the tests indicated some sort of inconsistency from what was expected. 55% 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**— As expected, our teams have taken advantage of having more access to the program's Medical Director. After one quarter, 18 claims were referred to the medical director, compared to 29 the entire previous fiscal year.
- ◆ **VLW York Employer Accident Report Portal**— Testing of VLW enhancements is underway! We anticipate the roll-out of many exciting enhancements by year-end.

### Key Metrics

With the close of another quarter comes the analysis of various key program metrics. The table below compares first quarter 2019 to the first quarters of 2018 and 2017.

Metric	Q1FY17	Q1FY18	Q1FY19
Total Open Inventory	3,791	3,743	3,444
Indemnity	2,556	2,482	2,337
Medical Only	1,235	1,261	1,107
# Claims Received	2,039	1,806	1,798
Indemnity	146	116	142
Medical Only	966	909	783
Record Only	927	781	873
Closing Ratio	100.82	98.74	101.23
# Compensability Decisions	1,133	1,022	1,028
Ave Compensability Lagtime (days)	12	17	11
# Medical Bills Adjudicated	12,912	12,259	13,010
\$ Medical Bills Paid (in millions)	\$7.75	\$8.53	\$7.50
Cost Avoidance (in millions)	\$3.39	\$3.37	\$4.80
Ave Medical Bill Turnaround Time (days)	10	8	8

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### Special points of interest:

- > VLW changes are coming!
- > Compensability decisions being made quicker
- > NEW Medication Monitoring Services aims at improving injured worker safety & results

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*(FY19 Results continued)*

## Medical Director Reviews Increasing

Overall, open claim inventory decreased by 9.2% from 2017 levels along with an 11.8% decrease in new claim volume. However, the number of indemnity claims reported, the most costly claim category, increased by 26 over first quarter FY2018. Claim closings continue to be strong and over the 100% closing ratio goal. The average number of days it takes our staff to make compensability decisions improved to 11 days which is better than the program goal of 14 days and better than results in the first quarter of fiscal years 2017 and 2018.

The payment of medical bills approaches 70% of the total payments on claims each fiscal year. As a result MCI places considerable focus on strategies aimed at controlling medical costs. Cost avoidance in the first quarter of FY19 reached \$4.8M, a significant improvement over the first quarters of FY18 and FY17.

We continue to report strong performance in the area of medical bill payment turnaround time, with quarterly results of 10 days or fewer.

Fiscal year 2019 program performance is off to a great start!

Medical bill adjudication results in \$4.8M in cost avoidance

Ability to upload documents, pictures & report RTW information via VLW on its way!



## Employee Spotlight– Brian Nixon

Life in claims means that no day is exactly the same, and that's exactly how Claim Supervisor Brian Nixon's days go! Claim Supervision is the backbone of MCI's claim management program and Brian has been employed in this capacity for just over 3.5 years. Brian initially started handling claims in 1995 with a major oil company. He has also occupied a variety of positions with insurance carriers and third-party administrators while living in Chicago, Tampa and now, Richmond which has the added bonus of being closer to his daughter and grandkids. Brian's six year history in the US Army as a military police officer provides him with a unique perspective when reviewing claims for the Virginia State Police.

### Quick Facts about Brian:

**What are 3 hashtags to describe you?**

Sorry, but I'm "old school."

**What do you like most about working on the MCI program?**

I have always had a good team to work with and we have all been supportive of each other.

**What is on your wish list for the next 10 years?**

I would like to retire and spend some time living abroad.

**What was the best concert you ever attended?**

The Rolling Stones.

**What are you passionate about?**

Family and travel.

**What's your favorite movie?**

It's actually my grandkids' favorite movie: The Polar Express.

*(Employee Spotlight-continued from page 2)*

**If you could visit anywhere in the world you've never been, where would you go?**  
Really? I've already traveled throughout Europe, the Caribbean, Central and South America. I am well into my third passport.

**What do you like to do when you're not at the office?**  
Spend time with my grandkids.

**If you could pick one superpower, what would it be?**  
Time travel.

**If you could learn to do anything, what would it be?**  
My goal is to one day be able to speak fluent Spanish.

**When you have 30 minutes of free-time, how do you pass the time?**  
Go out for a walk.

**What chore do you absolutely hate doing?**  
Grocery shopping.

**What would you most like to tell yourself at age 13?**  
Take school more seriously.

## Opioid Misuse & Abuse

*Article and information courtesy of Cordant Health Solutions™ NEW team partner for our workers' compensation program.*

Opioid misuse and abuse is a long-standing and growing concern for workers' compensation payers. Identification of at-risk injured workers and early intervention can result in significantly lower costs as well as better worker outcomes. Pharmacy benefit management (PBM) programs are critical to protecting injured workers and keeping treatment costs down. However, prescription use patterns are only one piece in understanding injured worker risk. Appropriate monitoring of worker compliance with a given treatment plan is the essential missing piece of the treatment puzzle. Cordant Health Solutions™ integrates prescription drug information from the PBM with laboratory data to increase visibility into medication adherence, providing actionable insights to help keep injured workers safe, promote compliance and improve outcomes. Cordant's targeted dual risk assessment process is designed to complement the formularies, prior authorizations and clinical programs that PBMs use to promote injured worker safety and recovery while helping to combat misuse and abuse.

A recent case study illustrates how Cordant uses its targeted testing services to help case managers and benefit coordinators and achieve better outcomes through a complementary testing program:

### **FASTER RETURN TO WORK**

- On average, claims tested in Cordant's program closed in **473 fewer days, or 17% faster, than claims identified but not tested by Cordant.**
- The rate of closure increased **24.5% within 5 years** compared with injured workers identified as at risk by Cordant but not tested by Cordant.
- **8.5% of Cordant-tested claims were closed within 30 days** of an injured workers' last test date.



(Opioid Misuse & Abuse-continued from page 3)

#### BETTER COMPLIANCE

- **32% of injured workers showed improved** medication compliance after initial testing.

#### REDUCED MORPHINE MILLIGRAM EQUIVALENT (MME) LEVELS

- 47% of injured workers with MME levels above 90 demonstrated a **reduction in MME post testing.**
- 29% of these injured workers **experienced reductions to < 90 MME per day.**

#### LOWER COSTS FOR CLAIMANT

- **48% of injured workers originally prescribed opioids > 90 MME** saw decreased average prescription costs.
- **41% of injured workers received 2.5 fewer prescriptions** in the 90 days post testing.

#### SIGNIFICANT PAYER SAVINGS

- Cordant identified and tested injured workers averaged 1.9 drug tests/year, while Cordant identified injured workers tested outside of Cordant's program averaged 3.6 tests/year.
- Costs under Cordant's solution were \$10.5M lower when compared to the workers' compensation fee schedule.

Incorporating Cordant's targeted testing program into injured workers' treatment plans is the missing piece in medication compliance monitoring. Cordant's risk evaluation program not only identifies appropriate injured workers to test but continues to monitor where risk lies throughout treatment on the road to recovery. The actionable information provided is a tool for case managers, benefit coordinators and clinicians to drive individualized interventions, reduce unnecessary costs and improve the rate at which injured workers return to work.

## Electrical Safety...at Work and at Home

Electrical safety can be a touchy subject because many people are afraid of electricity, BUT electricity is a necessity that is to be respected, not feared. Injuries experienced by those working with or around electricity include burns, falls, shock, and electrocution. In fact, on average, one worker is electrocuted every day. Electrical shock occurs when current passes through the body, but when electricity flows through the trunk of the body where the heart and lungs are located, serious injury or electrocution (death) can occur. Equipping yourself with knowledge and understanding ensures safety while living and working around such a powerful force.

Natural disasters, storms, and the like can *create* electrical hazards. Downed powerlines and power outages may be the result of these events. If generators are used during power outages, be sure you read and understand the manual and understand how to use the generator safely. Any electronic devices should be unplugged and turned off but you may want to leave at least one light turned on to determine when power has been restored. Damaging power surges can occur when power is restored so consider disconnecting large appliances and sensitive electronics by unplugging, turning off the breakers or removing the corresponding fuses. If you are ever near downed power lines **NEVER** touch them. It is not possible to determine if an electric line is energized by just looking at it. If an energized line falls on your vehicle, **DO NOT EXIT THE VEHICLE** until completely free or clear of the line. If you are able to drive the vehicle, drive it away from the fallen power line. Immediately call the utility company or 9-1-1 whenever you encounter a fallen power line.



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Follow proper lockout/tagout procedures at work before doing any maintenance, repair, or replacement of electrical machinery or equipment. Make sure other workers in the area are advised of the work being done and that everyone is clear of the equipment before start up after the work is completed. Further guidance and safety precautions for electrical hazards at work can be found at the OSHA website at: <https://www.osha.gov/SLTC/electrical/index.html>.

The holidays are just around the corner and a few things should be considered to remain safe. Inspect all lights, power cords, and electrical decorations to identify damage prior to use. Also, check the size and proper rating for extension cords. Be sure holiday lights used outdoors are properly rated (indoor lights should not be used outdoors). Don't string more than three sets of lights together. Use on/off timers or unplug lights when leaving home, or the office, and before going to sleep.

In general, never overload circuits using multiple power strips, extension cords, etc., which may contribute to an electrical fire. Make sure electrical items exposed to moisture, especially outdoors, are protected using ground fault circuit interrupters (GFCI). If electrical equipment gets wet, make sure a qualified electrician inspects the equipment for defects and safety before re-energizing.

If using a ladder, stay at least 10 feet away from overhead powerlines and be sure to call Miss Utility (8-1-1) if you need to dig for any reason so buried utilities, including power lines can be identified and marked to prevent damage.

Remember, electricity can be dangerous, but it is a necessary resource and taking a moment to think, remain calm, and apply safety principles will ensure your safety, prevent injury and potentially save lives.

