

The *INNOVATOR*

Network Verification

Each year we require WellComp, our medical bill adjudication partner, to verify network providers. Verification includes practice and physician updates, address and telephone information as well as network status. WellComp verified over 4,400 providers resulting in the removal of 587 providers. Keeping the network up-to-date is obviously a challenging proposition and in part, is dependent on provider's notification of changes and reports from those of us that utilize the network.

Issue 5 of the newsletter included information about the new provider search tool. By way of reminder, you can reach this tool by going to www.covwc.com and clicking **Services** from the toolbar across the top of the page, then PPO Network and WellComp website. In the **Provider Search Results** page, you will find a listing of all providers that match your search criteria. If you find any inaccuracies or concerns with the providers you may utilize the **Comment** button to communicate any updates about the provider to WellComp. You may also call Client Services at 800.734.4460 or email them at ClientServices@rhgnet.com to report any provider issues or to assist in the creating and verification of a panel of physicians.

Getting Accurate Wage Reimbursement

No one likes the extra work required when MCI reimburses an agency for lost wages only to realize that the days and/or amount were inaccurate. The benefit coordinator and agency contact all play an important role in getting this "right."

Communication is the key to ensuring accurate payments. As you become aware of information that impacts agency reimbursement it is important that it be communicated as timely and accurately as possible. Below are changes/updates that impact agency reimbursement and that should be communicated to MCI as soon as they occur:

- ⇒ An injured worker's return to work
- ⇒ An injured worker's lost time from work
- ⇒ A change in an injured worker's earnings
- ⇒ A change in an injured worker's employment status
- ⇒ A change in an the number of hours an injured worker works

Together, we can limit inaccurate agency reimbursement and the extra work required by the agency contact, benefit coordinator, MCI fiscal technician, and DHRM fiscal when mistakes are made.

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An MC Innovations
Publication

Special points of interest:

- > Over 4,400 Network Providers Verified.
- > Dates for 2017 Regional Roadshows Set!
- > Mail Order Pharmacy Program Incentives Possible for all Eligible Injured Workers.

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The Voice of MCI

If you have ever called into the MCI office, chances are you have talked to the voice of MCI! That voice belongs to Peggy Wash and she is our spotlight employee this quarter.



Save the
Dates!!

FY17 Roadshows

Staunton

4/19/17

Tidewater

4/25/17

Richmond

5/4/17

Abingdon

5/16/17

I pass Peggy's desk multiple times a day and am amazed by the pleasant, patient and helpful manner in which she approaches her role as receptionist. Peggy is a true pro and does so much more than just answering the phone. She listens, she consoles, and she asks and answers questions from callers so that she can get them to the correct MCI team member if necessary. Peggy learns something new every day about workers' compensation!

Peggy has been with the MCI program for six years and in total, has worked as a receptionist for over 30 years. Before working at MCI, Peggy's most interesting job involved working with environmental attorneys at a law firm. She says she learned much about strategies to improve the environment. When asked, if she could switch her job with anyone on the MCI team, who it would be, she responded no one, I love what I do! She finds the many facets of workers' compensation interesting and has really enjoyed gaining a better understanding of the medical component of a claim.

Fast Facts about Peggy

- ◆ Messy or organized? Organized
- ◆ Best vacation spot – St. Thomas
- ◆ When not working Peggy enjoys reading and baking, the office enjoys her doing the latter!
- ◆ If Peggy were stuck on an island the three things she would bring with her are books, dogs and coffee.
- ◆ Top 3 life highlights include the birth of her two daughters and when her daughter's first article reached the front page of the Richmond Times Dispatch.
- ◆ If Peggy won the lottery the first thing she would do is buy a large farm to rescue and house shelter dogs.
- ◆ If she could meet anyone living or dead, it would be James Patterson, her favorite author and Julia Child.
- ◆ Growing up, Peggy aspired to be a hairdresser.

I will conclude this employee spotlight with Peggy's favorite quote.

"We don't need a list of rights and wrongs, tables of dos and don'ts: we need books, time and silence. *Thou shalt not* is soon forgotten, but *Once upon a time* lasts forever." - Philip Pullman

MCI Mail Order Program

In our last quarterly newsletter we reported on the results of MC Innovation's (MCI) pilot mail order program. By way of reminder, the mail order program is modeled after group health mail order prescription coverage by offering incentives for using mail order services. The pilot program resulted in a conversion rate of 14% from retail to mail order along with additional savings to the Commonwealth of Virginia which helps to control agency workers' compensation premiums. MCI is now rolling this program out to all injured workers receiving qualified retail medications.

The participating injured worker receives 20% up to a maximum of \$300 per year of the adjusted savings resulting from the mail order pharmacy program. In addition to the introduction of this incentive payment to the injured worker, there are numerous benefits of receiving medications through First Script mail order. The benefits include up to 3 months (a 90 day supply) of medications vs. only 30 days at retail, easy refills on prescription(s) online or by phone and free delivery to their front door. Injured workers also receive important drug and safety information with every order, along with having 24/7 access to a Specialist Pharmacist who can answer questions regarding medications.

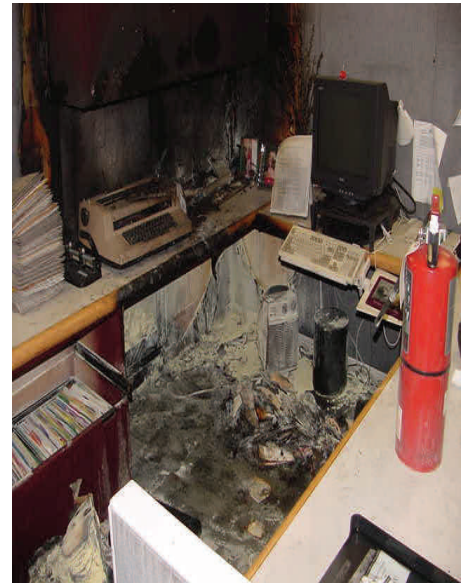
Nothing changes for you! You will continue to enroll your injured workers' in the First Script pharmacy program at the time their injury is reported. Stay tuned for follow-up information on this exciting new program.

Worker Safety In the Office

When we talk about safety and the "most hazardous" environments, the office rarely pops into our minds. The office can become a hazardous environment if safe practices are not implemented and if these spaces are not frequently checked. A "walkthrough," inspection, or assessment should be completed with regular frequency to identify hazards and implement corrective actions. What are some things we need to address in our office spaces? Make sure your office space is kept free of excess materials on the floor to prevent slips, trips, or falls (STF). A clean workspace may also be a deterrent for pests. Supplies and other stored materials should be placed on sturdy, secure shelving with heavy objects on shelves closest to the floor. Always remember to use assistive devices like hand carts and dollies when transporting materials and always use proper lifting techniques. File cabinets should be properly installed and secured to prevent tip-overs. Do not overfill file cabinets and remember to close drawers not in use.

Winter weather is fast approaching and the office may become cold. Some workers may choose to use space heaters near their desk which could result in a fire hazard. Check with your agency to determine if space heaters are even allowed in your office area. For example, DGS Bureau of Facilities Management tenant handbook allows only certain types of heaters and only with permission of DGS. If they are allowed, make sure they are not used near combustible materials and are properly designed (i.e. U.L. Listed) and equipped with a temperature control and an auto tilt shut off feature. Winter weather changes also open the door to cold and flu season. If you're sick, stay at home to prevent transmitting the sickness to others.

Ergonomic principles should be utilized to prevent discomfort and injury while



Commonwealth of Virginia
Workers' Compensation Services

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working in the office. Ergonomically appropriate chairs are designed with five casters and should be fully adjustable for height, seat tilt, lumbar support, and arm rests. The monitor, keyboard, and mouse should also be able to be properly adjusted for comfort. If you find yourself sitting or standing for long periods of time, take a break, stretch, and change to the opposite posture for a while. There should be adequate lighting to prevent eye strain. Too little light may cause eye fatigue and too much lighting may create unnecessary glare.

Are there chemicals used in the office? Make sure no food is stored or consumed in areas with hazardous chemicals or other hazardous materials. Safety Data Sheets (SDS), with specific chemical information, should also be available on-site.

Electrical concerns? Do NOT attempt to connect power strips/surge protectors into one another to gain access to additional outlets. Consider the necessity of the equipment or contact the agency about properly installing additional outlets. Make sure all electrical wires are in good condition and not pinched or run under carpets, mats, or combustible materials.

Know your facility's emergency evacuation, shelter-in-place, and fire extinguisher procedures in the event of an emergency. Keep exit doors and emergency equipment free of clutter and storage and readily available.

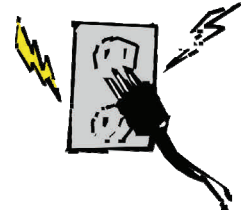
FY17 First Quarter Results Posted

It's hard to believe it's already October, which means the first quarter of fiscal year 2017 has also come to a close! We have been busy analyzing various key program results. The table below compares first quarter 2017 to first quarter 2016 results.

Metrics	Q1 FY17	Q1 FY16
# Claims Received	2,039	2,197
Indemnity	146	146
Medical Only	966	1,022
Record Only	927	1,029
Closing Ratio	100.82	101.04
# of Compensability Decisions	1,133	1,331
Ave. Compensability Decision Lagtime (days)	12.33	15.67
# Medical Bills Paid	12,912	14,286
\$ Medical Bills Paid (in millions)	\$7.75	\$9.10
Cost Avoidance (in millions)	\$3.39	\$3.72
Ave. Medical Bill Payment Turnaround Time (days)	10	12
% Claims Reported to MCI within 10 Days	88%	86.60%

Overall, new claim volume is down 7.2% with the biggest change in the number of record only claims reported. 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 continues to improve with first quarter results of 12.33 days which is better than the program goal of 14 days and 3.34 days better than results in the first quarter of fiscal year 2016.

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Strong First Quarter Results!



(First Quarter Results - continued from page 4)

Generally the payment of medical bills represents close to 70% of the total payments on the workers' compensation program each fiscal year. As a result MCI places considerable focus on strategies aimed at controlling medical costs. Cost avoidance in the first quarter of FY17 approached \$3.4M or 30.47%, compared to 29% in the first quarter of FY16.

Just as our compensability decision lagtime has improved, so has the average number of days it takes for us to pay medical bills. Our strong performance of 12 days in Q1FY16 was reduced to 10 days in Q1FY17.

Fiscal year 2017 program performance is off to a great start!



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Tips for Teamwork

- ◆ When submitting a claim through VLW, pay close attention to the type of claim you select. Whether you select indemnity, Medical Only or Record Only impacts which benefit coordinator is assigned to the claim. Inaccurate selections of claim type may result in unnecessary claim re-assignments and possible delays in claim decisions. See the definitions for claim types listed below:
 - ⇒ Indemnity: You expect lost time greater than 7 days.
 - ⇒ Medical Only: Not Indemnity, but Hospital or Physician treatment is expected.
 - ⇒ Record Only: Incident Only, first aid only, no cost expected.

- ◆ Benefit Coordinators are required to complete an investigation on all indemnity claims and on any medical only claims that are questionable in nature. These investigations necessitate participation from the agency and could include:
 - ⇒ Clarification of information reported through VLW.
 - ⇒ Answering questions not included in what was submitted through VLW.
 - ⇒ Providing photographs or video of accident scenes.
 - ⇒ Gaining access to the injured worker's direct supervisor and/or witnesses.
 - ⇒ Verification of the results of your agency investigation.
 - ⇒ Your assistance in getting the injured worker to contact the benefit coordinator.

Innovator Suggestions?

If there is a topic you would like us to address please send an email to:

pgough@mcinnovations.com

