

The *INNOVATOR*

Fiscal Year 2020 SUCCESSES & RESULTS

To overstate the obvious, this has been an interesting year! No one would have guessed, when we began fiscal year 2020, that we would be providing workers' compensation claims management and cost containment services while our country deals with COVID-19 and its impact on our physical and economic health and safety. With the exception of our essential support services group, the entire MCI staff has been teleworking since approximately March 17, 2020. I am now very happy about the annual disaster recovery tests that the program performs, as without those exercises I do not think we would have been as successful with transitioning to 100% teleworking. Considering the challenges faced in the last quarter of this fiscal year, MCI is especially excited to share with our customers the successes and results of this year.

Key Program Successes:

- ◆ **Chronic Pain Management** - MC Innovations and PRIUM continue to demonstrate tangible outcomes from the deployment of the Chronic Pain Intervention Program. Through this program we attempt to ensure that the appropriate pain management modalities are involved and to help with medication oversight. 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 31%.
- ◆ **Medication monitoring** - Team partner Cordant Health Solutions 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. 331 injured workers were tested and 62.8% of the tests indicated some sort of inconsistency from what was expected. 36% 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 team continues to utilize the expertise of our Medical Director, Dr. Scioscia. He 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 62 claims this fiscal year as compared to 70 last year and 29 in FY18, resulting in cost avoidance of \$736,870.

An MC Innovations
Publication

Special points of interest:

- > Reduction of 31% in morphine equivalent dosing.
- > MCI exceeded key program goals.
- > Program cost avoidance over \$19.3M.
- > Struck or Injured by injuries account for 28% of total incurred.

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(FY20 Results *continued from page 1*)

**Direct
Deposit ↑ 32%
compared to
FY15**

**Subrogation
Recoveries
\$712,421**

**Mail Order
Penetration Rate
Increased 6%**

**Medical Bill
Adjudication
Savings of \$19.18M**

**Customer
Satisfaction
94% & Cost
Avoidance of
\$19.3M**

- ◆ **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 62.5% compared to 59% in FY19. 177 injured workers are currently enrolled. We also continue to solicit medical providers to enroll via ACH.
- ◆ **Subrogation Recoveries** - Subrogation recoveries for FY20 improved by \$108,185 up to \$712,421.
- ◆ **Mail Order Program** - Continued growth of MCI's innovative mail order program which offers an incentive to injured workers to switch from retail to mail order. The growth over the past 12 months has resulted in cost savings totaling \$863,827.15. This is the highest savings the Commonwealth has seen since the program was rolled out in 2016. From 2016 to 2019, the Commonwealth saw cost savings of \$399,052.39. The mail order penetration rate for FY20 was 17%, up from 11% in FY19. The discount offered for mail order generic prescriptions is approximately 3.5 times greater than the generic discount for a retail pharmacy.
- ◆ **Redesign of COVWC.com** - The program's dedicated website was overhauled and functionality was improved.
- ◆ **Tele-care** - Through our program partnerships we were able to quickly roll out both telemed and telerehab.
- ◆ **Training** - Developed a Panel of Physicians guide (see :<https://69q.768.myftpupload.com/wp-content/uploads/documents/how-to-develop-panel-of-physicians.pdf>) to assist agencies in the proper development of a panel. Also developed a "how to" video for Visual Reports Studio.
- ◆ **Case Management Savings** - \$6,082,316 compared to \$5,624,089 in FY19.

Key Metrics:

Compensability Decision Turnaround Time - Significant focus continues to be placed on reducing the number of days it takes to make compensability decisions, which averaged 10 days for the period of July 1, 2019 through June 30, 2020 - well below industry standards.

Medical Bill Payment Turnaround Time - The average payment lag time on 37,720 checks was 9 days compared to 10 days in FY19. Only 2% 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 \$25,904,000 which is a decrease of \$2,817,000 compared to FY19. Medical bill adjudication resulted in a savings of \$19,175,000 or 42.54%.

Customer Satisfaction Survey - The Office of Workers' Compensation released its annual customer satisfaction survey to our agency contacts at the end of the fiscal year. 94% of those responding rated MCI as 6 or better on a 10-point scale. In FY20 48.1% gave us the highest rating of 10, while 48% gave us this rating in FY19; 38% 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 eleventh consecutive year with RTW rates of either 98 or 99 percent. Our average disability duration per claim increased from 33.92 days in FY19 to 35.8 days in FY20. Our ability to impact lost work days was impacted by COVID-19 as medical appointments and services were canceled or delayed and agencies withdrew or were unable to provide modified duty. Our FY20 results are still a reduction of 18.1% 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 FY20 totaled \$19,343,939 as compared to \$13,915,685 in FY19 and \$9,436,681 for FY18. The program has achieved cost avoidance over actuarial projections in this model from FY09 through FY20 totaling \$68,663,825.

Spotlight – Benefit Coordinator, Jessica Hopkins

We are so happy to see employees advance within the MC Innovations program and that is just what Jessica Hopkins did! Jessica, originally from Nuernberg, Germany, joined the program in December of 2014 and has advanced from a Claim Assistant to Associate Benefit Coordinator managing questionable medical only claims, to her most recent promotion of Lost Time Benefit Coordinator in April of 2020. When asked what drew her to the MCI program, Jessica stated, “I wanted to transition into workers’ compensation, and MCI made it possible to learn it from the ground up.”

Jessica holds a Bachelor of Arts degree in Business Administration. Before working for the MC Innovations program, Jessica worked for a family-owned bakery in Germany. She can tell you stories about cleaning the floor with a toothbrush, just ask her!

Fun Facts about Jessica:



Share something about yourself that would surprise us:

She is that crazy cat lady! Jessica has three cats and a puppy. She also volunteers with a local animal shelter every other weekend.

What is your proudest moment working at MCI?
Being able to help or train new employees transitioning into roles.

Jessica’s secret talent; well, at least until now?
I am an excellent cook and baker. She credits her grandma for this talent.

What is the most challenging part of this job?

The volume of diaries, telephone calls and emails that are received on a daily basis.

Where is your “happy place?”

Belle Isle. You are in the middle of the City of Richmond, but you would never know it sitting on the rocks and listening to the river.

Five hashtags that describe your personality.

#Independent; #Confident; #Patient; #Helpful; #Curious.

Top 3 life highlights?

Moved to the US when I was 20 years old; learned English while being in a foreign country; first-time homeowner in 2018.

What did you want to be when you grew up?

A veterinarian.

What is an ability you wish you had?

The ability to read minds.

What is your biggest pet peeve?

Having to repeat myself over and over.

REGISTER - FOCUS Training

**August 14th - Do I need PPE
at Home**

**August 18th - Lifting and
Carrying Safety**

**August 26th - Pedestrian
Safety and Distracted
Walking**



Social Distancing



Helping to slow the spread.

Social distancing is the chief buzz word being used to identify the practice of keeping a safe physical distance between yourself and other people who are not in your household. The rule of thumb indoors and out is to maintain at least 6 feet of space between you and other people near you.

In addition to "Social Distancing," you can increase your COVID-19-spread preventative efforts by also wearing a surgical mask or cloth face covering (unless you have a medical condition that prevents you from wearing one), avoiding touching your face with unwashed hands or gloves and by frequently

using hand sanitizer or washing your hands with soap and water for a minimum of 20 seconds.

Why Social Distancing?



The medical professionals think COVID-19 may spread by individuals being in close contact (6 feet or less) for extended periods. When an infected person talks, coughs, or sneezes, droplets are launched from the nose and mouth into the air. These airborne droplets can land on or in nearby people's mouths or noses, to be swallowed or inhaled into their lungs. Even if a person has no symptoms, they can still spread the virus. By keeping a safe distance between yourself and others, you reduce your risk of becoming in contact with the virus. Distancing is especially important for individuals who are at a higher risk for severe illness from COVID-19.

Surfaces can be contaminated.

COVID-19 can survive for hours and sometimes days on surfaces depending on certain conditions, such as the type of surface (cloth, plastic, glass, wood, metal), sunlight, humidity, and temperature. However, this is not thought to be the primary way COVID-19 spreads. Social distancing helps limit opportunities to come in contact with contaminated surfaces and infected people outside the home.

Do your part.

While the risk of becoming severely ill is different for everyone, anyone with COVID-19 can spread it wherever they go.

Everybody has a part to play in slowing the spread, protecting themselves, and others in the community from COVID-19.

Take responsibility by practicing "Social Distancing" to help reduce exposure and transmission of this dreadful virus.



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Injury Analysis FY20

What are your most costly causes of accidents? Are you reviewing and analyzing your annual Industrial Claims Report? Loss Control Consultants review worker injury statistics every year to see if there are any trends and to help in developing strategies around prevention. We thought it might be helpful to share this year's analysis with everyone to highlight some of the more persistent causes of injuries.

Below are the types of injury causes for claims reported in FY20, ranked by total incurred:

Cause Category	Total Incurred		Count	
Struck or Injured By	\$5,630,834.53	28 %	1,802	27 %
Fall, Slip, or Trip Injury	\$5,443,491.02	27 %	1,185	18 %
Strain	\$4,966,440.07	25 %	900	14 %
Motor Vehicle	\$1,802,812.36	9 %	206	3 %
Miscellaneous Causes	\$736,179.51	4 %	697	10 %
Cut, Puncture, Scrape	\$561,967.31	3 %	636	10 %
Striking Against or Stepping On	\$522,825.59	3 %	179	3 %
Caught In, Under or Between	\$402,445.03	2 %	182	3 %
OTHER	\$196,822.28	1 %	855	13 %
Burn Scald Exposures	\$4,328.74	0 %	9	0 %
Rubbed or Abraded	\$0.00	0 %	6	0 %

"Struck or injured by" and "fall, slip or trip" accidents were the most frequent and costly claims reported in FY20 and is consistent with FY19. Together these types of claims account for 55% of the total incurred and 45% of the number of claims. Included in the "other" cause category are 699 claims reported related to the pandemic. OWC 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. If you feel your agency would benefit from these services please reach out to your designated Agency Relations Representative.

Tips for Teamwork

- ◆ Don't forget about the features within the Sedgwick 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.
- ◆ MC Innovations encourages agencies to consider adding a telemedicine option to their Panel of Physicians. We have shared with you guidance regarding telemedicine capability through network provider Concentra. Many of you reached out to either MCI or Concentra to express interest and to initiate and complete the registration process. If you haven't yet considered adding Concentra telemedicine to your panel for the treatment of various types of work injuries or completed the registration process, we encourage you to do so. Remember telemedicine may be appropriate for the following types of injuries:
 - ⇒ First-degree burns
 - ⇒ Minor sprains and strains
 - ⇒ Bruises/contusions
 - ⇒ Abrasions/scrapes
 - ⇒ Repetitive use injuries
 - ⇒ Bloodborne pathogen exposure

If you have additional questions, please contact your designated Agency Relations Representative.