

# The *INNOVATOR*



MANAGED PHARMACY PROGRAMS... MANAGED BETTER

An MC Innovations  
Publication

Special points of  
interest:

- > Overall new claim volume decreased; but on the rise again!
- > Compensability TAT 10.67 days!
- > Potential negative impacts of losing an hour of sleep.
- > COVID-19 Cause of Injury & Nature of Injury claim coding.
- > Loss Control Resources

Beginning July 1, 2021 MCI will be partnering with Alius Health for pharmacy benefit management (PBM) services for injured workers. Alius Health's focus on patient care, customer service, technology and savings ultimately led us to make this change. Benefits to you and your employees include:

- ◇ Multiple card program options with no out-of-pocket costs to the injured workers.
- ◇ Ongoing pharmacy benefit management of the claim to ensure the injured worker receives the safest and most cost effective therapy for their injury.
- ◇ Customer Service phone number and after hours assistance.
- ◇ Pharmacists on staff to help with medication questions.
- ◇ Less wait time at the pharmacies because of Alius' e-prescribing technology.

In addition to the benefits above, our partnership will yield significantly more savings for the Commonwealth! Through improved formulary management, clinical expertise and transparent pricing with Alius Health we are anticipating a 20% reduction in total pharmacy spend for the Commonwealth. If you are interested in learning more about Alius Health feel free to visit their website <https://aliushealth.com/>.

Stay-tuned for more information on this exciting change as we get closer to the July 1, 2021 implementation date!

## Significant FY21 Results

Hard to believe we will soon be closing the books on another fiscal year! Below we have documented a comparison of some key program metrics in FY20 and FY21 through three quarters.

Metrics	FY21	FY20
# Claims Received	3,767	4,972
- Indemnity	309	376
- Medical Only	1,756	2,336
- Record Only	1,702	2,260
Closing Ratio	100.60	100.58
# of Compensability Decisions	2,178	2,831
Ave. Compensability Decision Lagtime (days)	10.67	9.11
# Medical Bills Paid	30,107	36,256
\$ Medical Bills Paid	\$17.546m	\$20.744m
Cost Avoidance	\$12.485m	\$14.4m
Ave. Medical Bill Payment Turnaround Time (days)	7	9.3
% Claims Reported to MCI within 10 Days	87.1%	85.2%

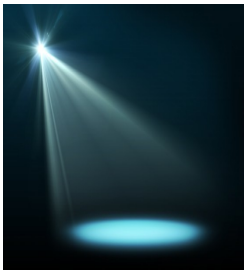
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*(Significant FY21 Results-continued from page 1)*

**Ave. Medical  
Bill Payment  
Turnaround  
Time = 7 days**

**30,107 medical  
bills allowed for  
payments totaling  
over \$17.5M**



Overall, new claim volume is down just over 24% with the biggest change in the number of medical only claims reported (down 24.8%). New claim volume has started to tick up again with an increase of 9.4% reported in Q3 compared to Q2 of FY21. 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 be below the program goal of 14 days.

Generally, the payment of medical bills represents at least 60% 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 on medical bills that were adjudicated exceeded \$12.4M or 41.6% through the third quarter of FY21.

Just as our compensability decision lagtime has consistently outperformed program goals, so has the average number of days it takes for us to pay medical bills. The program reports strong performance of 7 days through three quarters of FY21.

Agencies made a 1.9% improvement in submitting claims to MCI within 10 days of the accident.

With continued vigilance, we should post strong overall performance for fiscal year 2021!

## **SPOTLIGHT: Philip Hughes, Claim Manager**



Phil joined the program, assuming the Claim Manager role, approximately three months ago. He holds his Bachelor of Arts degree in Business Administration from Lynchburg College and is very close to attaining his MBA from Longwood University. Phil also holds several insurance designations, including CPCU (Chartered Property Casualty Underwriter), AIC (Associate in Claims), AINS (Associate in General Insurance), and ARM (Associate in Risk Management). Phil has been in the claims industry for eight years and most recently served as a Risk Performance Specialist at Scott Insurance. He missed the third party claims administration atmosphere and is looking forward to the opportunity to flex his problem-solving muscles and help his teams find solutions to daily claims issues. When not working Phil enjoys hunting and fishing and has started to gain an interest in RVing.

### **Quick Facts about Phil:**

#### **His secret talent:**

I am a drummer. I wouldn't say I am extremely talented, but I can bust a pretty funky groove on a good day. I currently live in a quiet neighborhood, so I had to ditch the acoustic kit and move to a

*(Employee Spotlight-continued from page 2)*

Roland TD-25 electronic drum set.

**Where is your “happy place” in Richmond?**

I am a trivia nerd. Pre-pandemic, I would say my happy place would be Penny Lane on Wednesdays from 7-9:30pm. Seven rounds of trivia. Wednesdays make me very happy.

**If you had to eat one meal every day for the rest of your life, what would it be?**

Meatloaf from The Hill Café in Church Hill. Those people know my order when I walk in the door. Meatloaf with mac & cheese and collards. They never forget my Allagash White either!

**Best vacation or favorite travel spot?**

Aruba. Beautiful island. Fun fact: Aruba and Richmond are very close in size. Richmond is 7 square miles smaller.

**What is an ability you wish you had?**

I wish I could play the piano. They make it look so easy on tv but when I tried at the age of 9, I didn't sound anything like Ray Charles.

**What is your biggest pet peeve?**

Nearly everything every other driver does when I am on the road.

## Sprung Forward

Unlike the "Fall Back" time adjustment, Daylight Saving Time change isn't always a pleasant one: The effects of losing an hour of sleep could come with negative consequences to your mental and physical health and may persist longer than just a day. During the week following the Sunday transition, some people may experience a noticeable decrease in sleep each night that may continue through the following Friday.

The lack of sleep can lead to [performance deficits](#) in motor skills and focusing on tasks. These tiny gaps could easily manifest themselves into a serious traffic accident in the five days following the switch to daylight saving time when the risk of such a crash occurring increases by 6%. In the seven days following the spring Daylight Saving Time switch, research also has found an 18.7% [increase](#) in patient safety-related incidents in health care situations that likely were due to human error.



According to an article by "[The Institute for Childhood Preparedness,](#)" it can be argued that even heart attacks and workplace injuries may increase in the days after the Daylight Saving Time change. What will that mean to childcare facilities this year with everyone still struggling with the demands of dealing with the COVID-19 pandemic? Let's look at a few things we should prepare for and expect to see after the time change:

We can all expect our infants and toddlers to experience some disruption in their sleep schedules, leading to nap issues and overtired children.

We may also see our parents showing signs of fatigue as their children, who usually woke up at 6 am, are now waking up at 5 am! This change can increase parent frustration with even further disruption in their lives. This time change also comes when many are dealing with job loss, financial issues, fear of the COVID-19 virus, and even increased seasonal depression symptoms as we move into the winter months. So, what can you do to help make sure the transition goes more smoothly?

Tips on how you can adjust Daylight Saving Time:

*(Sprung Forward-continued from page 3)*

- ◇ To give your body more time to adapt to the Daylight Saving Time change instead of getting hit with it all at once, the week before the time change go to sleep and get out of bed earlier as the date approaches.
- ◇ People already experiencing fatigue should reassess their sleeping habits. If your schedule allows it, keep your regular sleep schedule.
- ◇ Create a bedtime routine that helps your brain recognize when it's time to sleep and wake up.
- ◇ Try to avoid stimulants (like caffeine in coffee, tea, soft drinks, tobacco, and alcohol) several hours before bedtime, and avoid altering your caffeine intake by guzzling multiple cups the next day.
- ◇ Aid your body in associating bed with sleep. Watching television or mobile phones and tablets subject the body to mixed messages. They can stimulate the brain instead of allowing it to relax, making it hard to fall asleep. Also, the light from the screens can interfere with your circadian rhythms. Our body's circadian rhythm cues us when it's time to go to sleep and time to wake up.
- ◇ First thing in the morning, open the curtains and turn on the lights. Light jumpstarts your body.

Just remember with the Daylight Saving Time change, Spring and Summer is upon us, and that's not a bad thing.



References:

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6879580/>

<https://www.childhoodpreparedness.org/post/be-prepared-safety-issues-to-consider-with-daylight-saving-time>

[https://unsplash.com/photos/Q\\_YPf0h5q5E](https://unsplash.com/photos/Q_YPf0h5q5E)

<https://unsplash.com/photos/ytLjLswscRM>

## Tips for Teamwork

- ⇒ Please use the appropriate Cause of Injury and Nature of Injury codes when reporting COVID-19 claims in the FROI application. It is important that the program be able to track and report out on the impact COVID-19 has had on the entire COV workers' compensation program as well as specific agencies.

Cause of injury

Machinery (caught in or between)  
 Misc. (Burn, Scald, Heat or Cold Exposure)  
 Misc. (Caught in or Between)  
 Misc. (Cut, Puncture, Scrape)  
 Misc. (Fall or Slip)  
 Misc. (Motor Vehicle)  
 Misc. (Strain or Injury by)  
 Misc. (Strike Against or Step On)  
 Misc. (Struck / Injured by)  
 Miscellaneous Causes Mold  
 Noise, continual, strain or injury by  
 Object being lifted/handled (cut, punc, scrape, inj b  
 Object Handled (caught in or between)  
 Other (Not Otherwise Classified)  
 Other than physical cause of injury  
**Pandemic - Includes disease epidemic that has spread across a large region.**  
 Pushing Or Pulling (Strain or Injury by)  
 Radiation  
 Reaching (Strain or Injury by)  
 Repetitive Motion

Nature of injury or illness

Adverse Reaction to a Vaccination or Inoculation  
 AIDS  
 All Other  
 All Other Cumulative  
 All Other Occupational Disease  
 Amputation  
 Angina Pectoris (Cond. Assoc. w/Heart Disease)  
 Asbestosis  
 Asphyxiation/Drowning /strangulation  
 Black Lung  
 Burn  
 Byssinosis  
 Cancer  
 Carpal Tunnel Syndrome  
 Concussion  
 Contagious Disease  
 Contusion  
**Coronavirus disease 2019 (COVID-19) is a respiratory disease caused by a coronavirus**  
 Crushing

- ⇒ Looking for a way other than emailing or calling the MCI office to get some basic claim information? Things like who is assigned to a particular claim, has the claim been accepted, or whether a medical bill has been paid. If so, and you are a Visual Reports Studio user, these two reports, "My Open Claim List" and "Claim Detail Search" may give you the information you are looking for. For a training video, please follow the attached link to the Virginia Learning Center.

Content Link: <https://covlc.virginia.gov//DL.aspx?id=EADFEA36C8A64A8FB991FD9D7673A547>

- ⇒ 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.
- ⇒ To improve efficiencies and potentially speed up return-to-work, please submit the Employee Work Profile (EWP), at the time you enter claims in the Sedgwick Employer Accident Report Portal.

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Got ideas  
 for the  
 newsletter?

Contact

Penny  
 Gough

We're on the web!

[www.mcinnovations.com](http://www.mcinnovations.com)

[www.govwc.com](http://www.govwc.com)



There are a variety of loss control services available to state agencies. Please see the [Program's dedicated website](#) for a summary of some of those services.

#### **Toolbox Topics**

It goes without saying that the best way to control workers' compensation claims is to prevent the accident from happening in the first place! There are a variety of [Loss Control Toolbox Topics](#) on our website. If you are interested in delivering a brief loss control focused training talk to your employees, why not choose from some we have already developed for you!

#### **Safety Training by Request**

Loss Control Innovations (LCI) consultants will also assist state agencies in developing new or modified safety training programs upon request. Some agencies do not have the resources to develop new training programs and the loss control consultants will assist them in identifying and evaluating the training required and then develop training aids and supporting materials to deliver in a train-the-trainer environment. Send your request to Aubrey Chigwada, Director, Office of Workers' Compensation, at 804-786-0362 or [johnny.nugent@dhrm.virginia.gov](mailto:johnny.nugent@dhrm.virginia.gov).

#### **Scheduled Loss Control Training**

LCI consultants deliver safety training classes throughout the year. The classes cover a wide range of topics including 10- and 30-hour OSHA Outreach training, VOSH/OSHA topics, safety strategies for the most frequent and expensive types of injuries and safety officer skills and techniques. Follow the link below for the current listing of scheduled trainings.

[Current Training Schedule](#)