

NPELRA Connections

Communication:

The Key to Effective WC Claims Adjudication

by Glenn Backus, President - Alternative Service Concepts (2016 Silver Sponsor)

Communication is central to who we are as human beings. In many instances, our ability to communicate effectively is a matter of survival. Organizations are no different. An organization's very survival often depends on its ability to communicate effectively with its employees, customers, vendors, and stakeholders.

Oftentimes we see situations escalate out of control due to a lack of or poor communication. Why is communicating effectively so difficult when it is so central to us, as human beings? Why do organizations often struggle with effective communication?

Dictionary.com defines communicate as:

[kuh-myoo-ni-keyt]

to give or interchange thoughts, feelings, information, or the like, by writing, speaking, etc.

In the workers' compensation claims world, effective communication may be the most important factor in determining the success of a program. When purchasing a workers' compensation program, employers entrust their injured workers - their most valuable asset - in the hands of the insurance carrier, a third party administrator or an internal claims department.

Regardless of the means of administering a WC claim, the success or failure of a WC claims program will depend upon effective communication. Employers can help a great deal to improve the success of their program by:

- Clearly define and communicate expectations of their claims administrator before the first claim is reported, which may include:
 - Three-point contact (where the adjuster connects with the injured employee, the employer, and the treating medical provider) on lost-time claims. Many employers require two-point contact (with the employee and employer) on medical-only claims.
 - Claim reviews: may start out as monthly, then proceed to quarterly once the employer has developed a level of comfort with the claims administrator.
 - Reports: regular reports such as loss runs, check registers, cause of loss and ad hoc reports
 - Returned calls/emails: same day/24 hours/48 hours.
 - Stewardship meetings: usually scheduled annually
- Clearly define communication expectations of the adjuster(s). This requirement cannot be stressed enough and often determines the success or failure of a relationship between the employer and claims administrator. The employer should also address adjuster absence: if the adjuster is out on vacation or sick leave, who will serve as their back-up or cover the adjuster's desk to work the claims?



- Expectations of communication with the Account Manager to address business issues that may pop up on occasion, including pricing, vendor issues, claims meetings, Stewardship Reports, renewal, etc.

Case-in-point

The employee was out of work for almost a year, having gone through surgery, then a revision surgery. He was released to light duty in August of 2014. Through several discussions with the employer, including an assessment of the employer's needs, we were able to create a light duty position for the employee. Even though it took some creative thinking to come up with the position, it has benefited both the client and the employee. The employee has continued to perform very well in this role. This light-duty assignment has produced a financial savings to the district just in TTD benefits alone of over \$32,000.00. The employee has felt better and has likely had a better medical outcome by being able to be at work every day. The employer has been able to get administrative tasks done that would have otherwise needed to be completed by outsourcing or by hiring additional staff.

Weekly communication with the employee and employer, as well as frequent communication with the medical staff helped create good will with the employee and prevent this claim from going into litigation, in a highly litigious state. Working with the employer and treating physician to create a short-term, light-duty position, enabled the employee to recover while engaging in productive work. Effective communication also enabled the adjuster to create a favorable outcome for the employer and employee.