

THE State Auto Group

*Your Business
Insurance Specialists*

Risk Control Services

What is Effective Managed Care?



Any employer that chooses to take an active role in developing its own managed care program is a witness to its domino effect, in terms of the advantages. Some key benefits are:

Increasing and improving

- Quality of medical care
- Communication between the employee, employer, provider and carrier/ TPA
- Level of Employee Satisfaction
- Productivity

While reducing

- Average number of days off work
- Payout
- Fraud and litigation
- Premium

The integrity of the provider network and its quality medical care is maintained through a strategic workflow, and a series of checks and balances. Its components are:

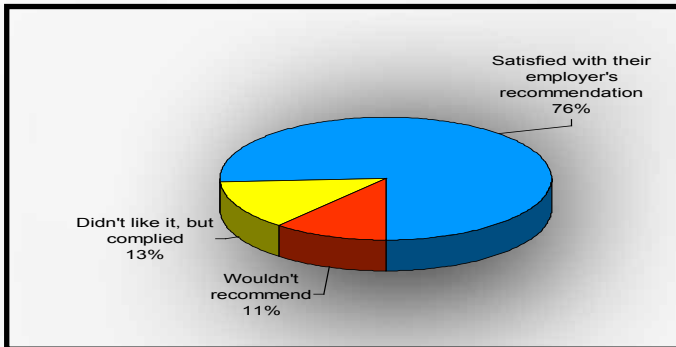
Managed Care is the attempt to influence the relationship between a medical provider, an employer, and a payor in order for an injured worker to obtain quality care in a cost effective manner with a prompt, appropriate return to active employment.

- Network provider selection
- PPO development strategy
- Credentialing/recredentialing program
- Provider relations
- Quality assurance program
- Grievance procedures
- Provider profiling

Employer Role - Understanding How You Can Make a Difference

Of all participants in the workers' compensation system, employers are in the strongest position to have the most immediate and far-reaching impact on satisfaction levels of injured workers. All employers need to make the conscious decision that they are committed to the strategy, development and implementation of their own managed care program. Although there are guidelines that follow this section, each program is unique, depending on the special needs of the employer.

Employer-to-employee communication about workers' compensation is a powerful tool that produces positive results with injured or ill workers. According to a Gallup study, prior communication and post-injury demonstration of concern and care drives higher levels of injured worker satisfaction, reduces time lost from work and attorney involvement. In fact, the study indicates that when an employer suggests a medical provider, 89.1% of employees comply.



The study also gives us a very specific profile of a satisfied injured worker. The profile includes:

- Prior communication regarding workers' compensation
- Medical treatment on first day of injury
- Company arranges transport to care
- Quality care with open communication from provider
- Follow-up from company and co-workers
- Employer believes injury is genuine
- Returns to work within one month
- Employer has established a return-to-work and transitional duty program

In addition, with basic information and direction from the outset, injured workers seemed better able to cope, more willing to follow the employer's recommendations and more satisfied with all aspects of their workers' compensation experience. Keep in mind, however, that while the study tells us that 85% of employers have established procedures, 38% of workers did not learn about them until after the injury occurred.

In other words, the employer's involvement creates a "halo effect" positively influencing all aspects of a workers' compensation claim. Since employers can better manage all of these areas, the door appears wide open for improvement.



Establishing a Healthy Relationship with Your Selected Medical Providers

Fostering a positive, mutually respectful relationship with your local providers is key to the overall success of claim management. In many instances, it is the relationship between the employer and provider that has the greatest impact on return-to-work success. Keep in mind that using an effective group of providers can directly lower your medical and indemnity payout!



Activities Prior to Illness or Injury

The employer needs to identify quality primary medical provider(s)/clinic(s). You should work with State Auto/Concentra to identify proven, preferred providers and occupational or primary treatment centers in your area. This can greatly reduce the chance of using inappropriate or less effective treatment and lost work time. The best step forward when deciding on primary treatment for injured workers is to take the time and visit with the provider at the clinic or office.

Below is a checklist that may be used as a gauge during your visit. The provider should:

- Be interested and experienced in treating your most frequent injury types
- Be willing to visit your company's facility
- Be familiar with workers' compensation reporting requirements
- Be willing to endorse an aggressive return-to-work/transitional duty program
- Approach treatment with a sports medicine approach/result-oriented
- Coordinate with carrier to refer to a specialist as soon as medically appropriate
- Instill confidence in all involved parties
- Offer convenient hours of operation
- Employ flexible and friendly staff

Establishing and maintaining a relationship with a quality medical provider sets clear expectations for both parties. Therefore, when a decision is made to partner with a provider, this provider needs to capture, in some format, your unique information.

- Introduce the injury coordinator
- Identify office/clinic contact
- Provide information on State Auto claims contact
- Review your return-to-work policy/transitional duty program
- Provider job descriptions



- Revisit provider periodically
- Provide positive/negative feedback to both the provider and State Auto Insurance.

The Employee-Selected Doctor

It is imperative that you check the laws in your state prior to implementing your managed care program. Some states require employers to provide a panel of providers from which employees can choose. In addition, some states allow employers to direct employees to medical providers, while others allow complete medical choice for the employee. In states where an employee is free to choose his/her own treating physician, consider the following guidelines.

- Suggest the use of your selected provider
- If statutorily allowed, do not discourage employee from seeing his/her physician
- Offer to call and make the appointment
- Call the provider and express concern and explain your transitional duty program

If any of your employees pre-designate their personal physician, the above guidelines also apply. Remember that these providers, in particular, know only what the employee tells them. *They have also already established their own relationship; it is up to the employer to establish its own relationship as well.*



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