PROFESSIONAL CLAIMS INTERVENTION SERVICES

Labor and Industry Cost Control and Record Keeping
Causes of Rising Costs
Rate increases on horizon to beef up state fund

Officials are developing five- and 10-year scenarios for rebuilding the surplus of the state workers’ compensation fund.

Change in base rate

Rates were essentially unchanged in 1995, 1997, 2000, 2001, and 2012

*Highest and lowest potential increases under current scenarios

Source: Department of Labor and Industries

KELLY SHEA / THE SEATTLE TIMES
L&I SURCHARGES ON PREMIUMS

Surcharge on Premium

- Palliative Care
- Occupational Diseases
- Malingering Claims
- Unrelated Medical Conditions
- Worker at home too long

Time

Premium

Premium
Abuse of Kept on Salary and Modified Duties
Workers’ Compensation Claims

Honest Reasonable Claims

Abusive Malingering Claims
Workers’ Compensation Claims

- Kept on Salary
- Modified Duties

Honest Reasonable Claims

Abusive Malingering Claims
Workers’ Compensation Claims

Honest Reasonable Claims

Abusive Malingering Claims

- Analysis
- Strategy
- Litigation
Losing the Debate on Injuries
## CAUSES OF ABUSIVE

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<thead>
<tr>
<th>Doctor Pay</th>
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**Sources:** WA Dept. L&I, USDOL, US Census, Physicians News
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<td>1,162 in WA 11 in OR</td>
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<td>Claim Workload</td>
<td>40% of all claims Older than 3 years</td>
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THE RESULT

- Good Safety Programs
- Excellent Hiring Practices
- Years of Hard Work & Effort
THE RESULT

Good Safety Programs

Excellent Hiring Practices

Years of Hard Work & Effort

A Few Unfair Benefit Decisions

$ $
What the Costs Look Like
<table>
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<tr>
<th>Employee Name</th>
<th>Date of Injury</th>
<th>Cost</th>
<th>Years Impacted</th>
</tr>
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<tbody>
<tr>
<td>HILL, J</td>
<td>1/5/2012</td>
<td>$46,063</td>
<td>2014 2015 2016</td>
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<tr>
<td>KELLUM, J</td>
<td>12/19/2008</td>
<td>$20,405</td>
<td>2011 2012 2013</td>
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Administrative Costs
Administrative Costs

- Challenge
- Financial Impact
- Close Claim
Administrative Costs

**Administrate**
- Documentation and Forms
- Correspondence
- Meetings
  Claim Managers, Doctors,
  Lawyers, Attorneys, Counselors

**Initiate**
- Challenge
- Financial Impact
- Close Claim
Administrative Costs

**Administrate**
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**Initiate**
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**Litigate**
- Appeals
- Hearings
- Discovery
- Testimony
L&I Record Keeping Guidelines

- 33 Record Keeping and Reporting Rules
- 25 Safety Rules
- Link to the list on PCIWC.com
How the “System” Works
Do what the attending physician says...
Do what the attending physician says...

Benefit of the doubt goes to the employee...

Claim Manager

Winning Outcome
Unless there is a preponderance of medical evidence to suggest otherwise...
How to Shift the Control
SHIFTING THE BALANCE
Determine the Economic Impact of Each Claim

- Modified Duties
- Kept on Salary
- Change to eMod Rate
Challenging the Claims

INTERVENTION TEAM

- Medical Doctors
- Registered Nurses
- Bio-Mechanics
- Psychologists
- Psychiatrists
- Pharmacists
- Vocational Counselors
- Private Investigators
- Paralegals

All Licensed Authorities
EMPLOYEE IMPACT
PCI SUCCESS

- Over $25,000,000 in yearly premiums
- Over 27,000,000 FTE hours per year
- Represent 300 employee risk classifications

More info at PCIwc.com or call 425-373-4982

$Millions revenue recovered

Safety net for claims

Clients focus on profits