

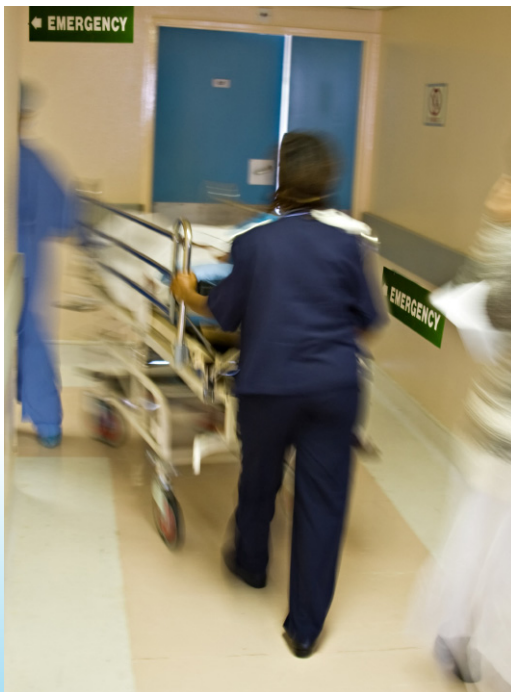


PMAMC Claims Service Delivers R.O.I.

Reduced Claims, Lowered Reserves & Recoveries

Boost CVPH Medical Center's Bottom Line

The Champlain Valley Physicians Hospital (CVPH) Medical Center has been serving its local communities in Plattsburgh, New York, and across the greater New York region, since 1910.



Today, the 341-bed acute care hospital is also a 54-bed skilled nursing facility providing a wide array of medical and surgical services.

Situated 60 miles south of Montreal, Quebec, Canada, and only an hour away from Lake Placid, New York, the medical center's capabilities are as impressive as its surroundings. In 2007 alone, CVPH handled more than 12,000 admissions, more than 18,000 surgeries, 50,000

emergency visits and nearly 1,100 births.

A self-insured, not-for-profit organization, CVPH engages a third-party administrator (TPA) to handle its workers' compensation claims. In early 2006, along with its agent, Deena Giltz McCullough, President of Northern Insuring Agency, Inc., CVPH selected PMA Management Corp. (PMAMC), the PMA Companies' third-party administrator, for its focus on customer service, the efficiency of its claims handling model and its proven ability to reduce claim costs.

Reduced Claims

Workers' compensation claims can easily cost an organization such as CVPH millions of dollars a year. That's why when selecting a new TPA, the medical center wanted to partner with a TPA who could help close claims and reduce its reserves.

In two years' time, working closely with CVPH staff and Northern Insuring, PMAMC helped reduce CVPH's outstanding reserves by \$1.5 million.

"One of our first steps in April 2006 was to takeover their existing claims," says Chuck Bolesh, Sr. Account Executive, PMAMC. "In so doing, we performed a thorough analysis of the claims, outstanding reserves, remaining associated exposures, and potential recoveries."

Pending Claims Down 25%

continued

The PMAMC team identified opportunities to better handle claims. They closed many in the process and partnered with CVPH to build an action plan aimed at closing claims and reducing reserves. In two years' time, working closely with CVPH staff and Northern Insuring, PMAMC helped reduce CVPH's outstanding reserves by \$1.5 million.

Since that time, pending claims are down more than 25% and CVPH has fewer funds devoted to longtime claim reserves.

Recoveries

Experts in excess, subrogation and special fund recoveries, PMAMC also uncovered recovery opportunities as part of its takeover claims analysis. "As is often the case," notes Bolesh, "our team found claims for which the client's monies were paid beyond what should have been allowed by its excess coverage or special funds. The ability to pursue and recover special funds relief impacts the client two-fold both in cash flow and capping the future exposures."

Once identified, these opportunities were rigorously pursued by the PMAMC service team in collaboration with CVPH defense counsel. To date, more than \$375,000 in recoveries have been returned to CVPH and more are expected over time.

Continuous Improvement & Communication

The CVPH human resources staff uses PMAMC's 24-hour online risk management information system, PMA® Cinch, to report, manage and track its claims. The system makes running standardized or customized reports a simple task and can help to identify claims trends.

The availability of claims information also makes it easier for CVPH's dedicated PMAMC claims adjuster to stay in touch with the CVPH team. "All of our efforts are coordinated from the start so we're always on the same page with each and every claim," says Colleen Zielinski, Sr. Account Claims

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Representative, PMAMC. "We initiate the compensability exam for the injured worker, keep shared log notes and work through the process to return the injured worker to light or full duty as soon as medically safe."

In total, these efforts and outcomes have amounted to a significant positive impact on CVPH's bottom line. As a self-insured not-for-profit, cost reductions, down-trending claims and recoveries well position the medical center to maintain its self-insured status and possibly reduce its future collateral commitment to the State of New York.

"Every dollar we can save or return to our self-insured clients," adds Bolesh, "is a dollar they can use elsewhere to improve services, programs and the business that drives them. We're happy to have been able to help CVPH in such a way and look forward to continuing the trend for sometime to come."