

Aggressive Claims Management and In-Depth Reporting Yield Exceptional Workers' Compensation Cost Reductions and Return-to-Work Success for County

Prince William County is located in northern Virginia, approximately 35 miles southwest of Washington, D.C. The County provides a full range of local government services including police, fire and rescue, court services, libraries and parks and recreational services to approximately 350,000 residents. Prince William County, the Adult Detention Center, and Prince William Park Authority procure casualty insurance and workers' compensation protection through the Prince William Self-Insurance Group Casualty Pool and Workers' Compensation Association.

When the County embarked on a search for a new third-party administrator in 2001, one of their primary objectives was to find a TPA that could provide them with easy access to their claims data, as well as detailed information on the nature of each claim.



44%

Cost-saving measures saved the County \$614,788 or 44 percent off billed medical charges of \$1,398,684 from July 1, 2004 through June 30, 2005.

Fulfilling the Need for In-depth Reporting

"With our previous TPA we had no control over how the claims reports were written," says Lori Gray, Risk Manager, Prince William County. "PMA Management Corp. has the technology to break our claims data down by divisions and individual locations. If we want to run a report to find out how many workers' comp claims a particular fire station has had, the types of injuries incurred and the related costs, we can do that with PMA. Having access to this kind of data has enabled us to make improvements to our safety program."

To access their claims data, the County's risk management team logs on to PMA CINCH[®], an Internet-based risk management information system that allows them to retrieve their loss information down to the dollar, analyze risk data, report claims and generate full-color graphs on expenditures and trends. "We're frequently upgrading our systems and processes to find easier ways of doing business for clients like Prince William County," says John Waggoner, Regional Manager, PMA Management Corp. "We want them to have access to the type and amount of information they need to reduce costs and make improvements to their program." In addition, the County capitalizes on PMA's Internet Loss Reporting Capability, which enables the County to report claims easily and immediately receive an electronic confirmation receipt along with the new claim's number.

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Containing Medical Costs

PMA Management Corp. uses a combination of cost-saving strategies to produce exceptional results for the County. “We provide a very high level of cost-saving services including reviewing each medical bill for reasonable pricing, duplicate and appropriate charges, and bundled/unbundled services. The County’s employees can also get their prescriptions filled at local pharmacies who will direct bill PMA electronically at discounted rates and the County has access to a large network of medical providers who offer quality care at pre-contracted, reduced rates,” says Waggoner. “These cost-saving measures in aggregate saved the County \$614,788 or 44 percent off billed medical charges of \$1,398,684 from July 1, 2004 through June 30, 2005.”

Return-to-Work Success

Prince William County and PMA Management Corp. share the same philosophy when it comes to returning employees to work. “If you want to have a successful workers’ compensation program, you have to be willing to provide injured employees with modified duty until they are fully functional, and the County works very hard to make that happen,” says Waggoner.

PMA Management Corp. helps facilitate the return-to-work process by making contact with the injured worker, the medical provider and the employer within 24 hours of receiving a claim. On cases involving lost-work time, PMA Claims Representative Beverly Deale and Disability Management Coordinator Mary Simpson, RN, work together to make the three-point contacts. “I try to serve as a resource for employees by answering any questions they have about their injuries and encouraging them to schedule appointments and follow through with their treatment plans,” explains Simpson. “Our goal is to make sure the injured worker receives appropriate care in a timely fashion and returns to work as soon as it is medically appropriate to do so.”

This proactive approach has lowered the County’s lost-work time incident rate by 52 percent. “We went from 3.45 lost workday cases per 100 employees prior to our contract with PMA Management Corp. to 1.65 cases in 2005,” says Prince William County Risk Manager Lori Gray. “A lot of the credit for our program’s success goes to Mary and Beverly for their thorough investigation and communication with regard to our claims.”

Focus on Communication

PMA Management Corp. and representatives from the County meet quarterly — and sometimes more often — to discuss pending claims and strategies for moving the cases forward. “We also meet annually to present the County with a stewardship report that provides claims and risk management information with costs and savings breakdowns by year,” says Waggoner, “but the key to our success is in the day-to-day communication between our claims team and the risk management team in Prince William County. Taking time to discuss the best way to handle a claim or the pros and cons of moving one direction or another for a particular case are keys to building a successful relationship and ensuring that every situation is handled in the best possible way.”