

# EMPOWERING EVIDENCE-BASED CLAIMS DECISIONS

Montana State Fund 19<sup>th</sup> Annual Medical Conference

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Denise Zoe Algire, MBA, RN, COHN-S/CM, FAAOHN

I have no disclosures to make

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# SESSION OBJECTIVES

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- Define medical treatment variations that increase risk of harm to workers
- Understand the role of evidenced-based medicine in claim outcomes
- Differentiate claims practices that support evidenced-based decisions and outcomes
- Dissect best practices to reduce disability durations and improve health outcomes

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**LET'S DEFINE THE ISSUES, WHY  
ARE WE HERE?**

# US MEDICAL EXPENDITURES

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- Healthcare is the most expensive benefit for American employers, and is the most costly in the world, accounting for more than **17%** of GDP ...with estimates that percentage will reach 20% by 2026.
- National healthcare spending is projected to grow at an average rate of 5.5 percent per year for 2017- 2026 and to reach **\$5.7 trillion by 2026.**

Sources: The Office of the Actuary in the Centers for Medicare & Medicaid Services. 2017. Available: [https://www.cms.gov/Research-Statistics-Data and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected.html](https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected.html)  
How Rising Healthcare Costs Make American Businesses Less Competitive. Forbes. Dec 29, 2014. Available: <https://www.forbes.com/sites/castlight/2014/12/29/how-rising-healthcare-costs-make-american-businesses-less-competitive/#5cfa2a584f5f>

# FACTORS INFLUENCING US MEDICAL EXPENDITURES

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- Chronic conditions: heart disease, diabetes, mental health disorders
- In-patient care, unnecessary re-admissions
- Overuse of healthcare services
- Obesity

# LOW QUALITY CARE & RISK OF HARM

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- According to The New England Journal of Medicine, patients receive the correct diagnosis and care only 55 percent of the time.
- Wide variations in health care quality, access, and outcomes continue due to chronic underuse, overuse, and misuse of services.
- 12 million diagnostic errors per year in the U.S. - with one in three errors causing serious patient harm
- Aggregate annual costs to the US healthcare system -- \$500B

Sources: Quality of Health Care Delivered to Adults in the United States Available: N Engl J Med 2003; 349:1866-1868 [November 6, 2003](#) DOI: 10.1056/NEJM200311063491916

National Academies of Sciences, Engineering, and Medicine. Improving diagnosis in health care . Washington, DC: The National Academies Press, 2015.

Singh H , Schiff GD , Graber ML , et al . The global burden of diagnostic errors in primary care. BMJ Qual Saf 2017;26:484–94.doi:10.1136/bmjqs-2016-005401

# IMPACT OF FAILED BACK SURGERY

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- In the US, more than **1.2M** people undergo spine surgery every year -- double the rate of most developed countries and five times that of the United Kingdom
- Randomized controlled trials indicate that as much as 50% of patients have an unsuccessful outcome following lumbar spinal surgery
- In a study conducted by WA Labor & Industries -- 44% of workers are totally disabled 10 years after lumbar fusion

Source: The economic impact of failed back surgery syndrome [Br J Pain](#). 2012 Nov; 6(4): 174–181.doi: [[10.1177/2049463712470887](#)]

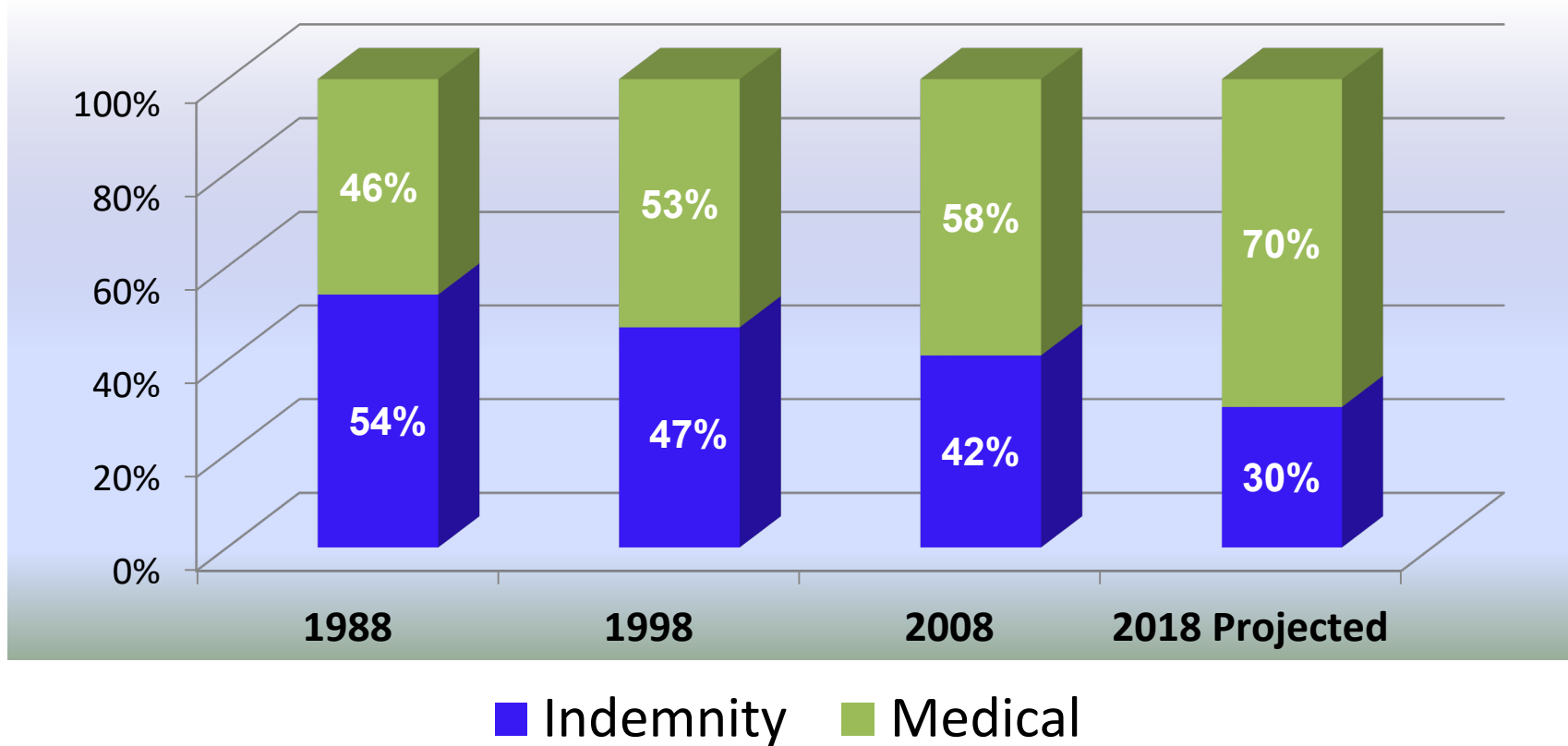
Source: Gary Franklin , MD, MPH Riding the Waves of Primary Care November 7, 2018

# WORKERS COMPENSATION CHANGING LANDSCAPE

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# NATIONAL WORKERS' COMP MARKET TRENDS

Indemnity vs. Medical Claim Costs



Sources: NCCI, State of the Workers Compensation Line, May 2009, slide 36, available at <https://www.ncci.com/Documents/AIS-09-SOL-Complete.pdf>

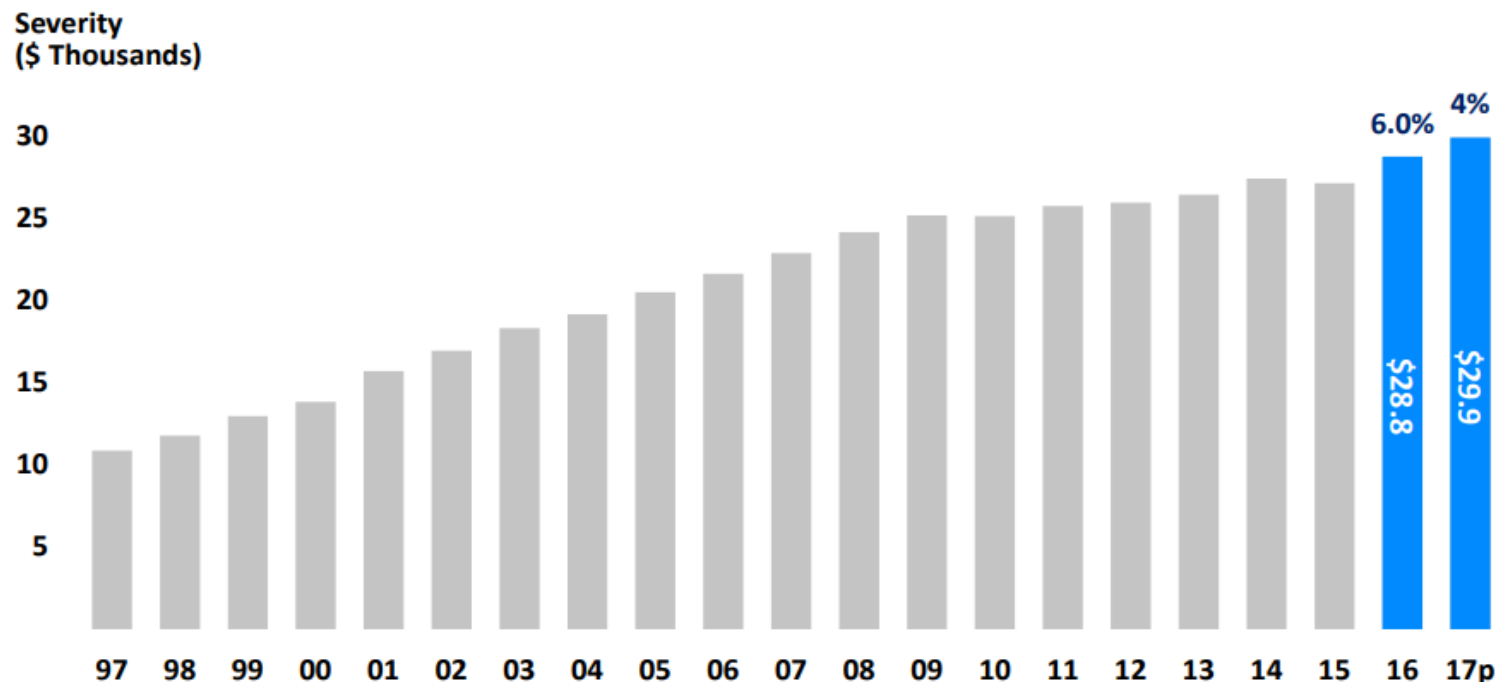
NCCI State of the Line 2018. Available: <https://www.ncci.com/Articles/Documents/AIS2018-SOTL-Guide.pdf>

<sup>1</sup>Insurance Information Institute

# WORKERS' COMP MEDICAL SEVERITY

## WC Average Medical Lost-Time Claim Severity

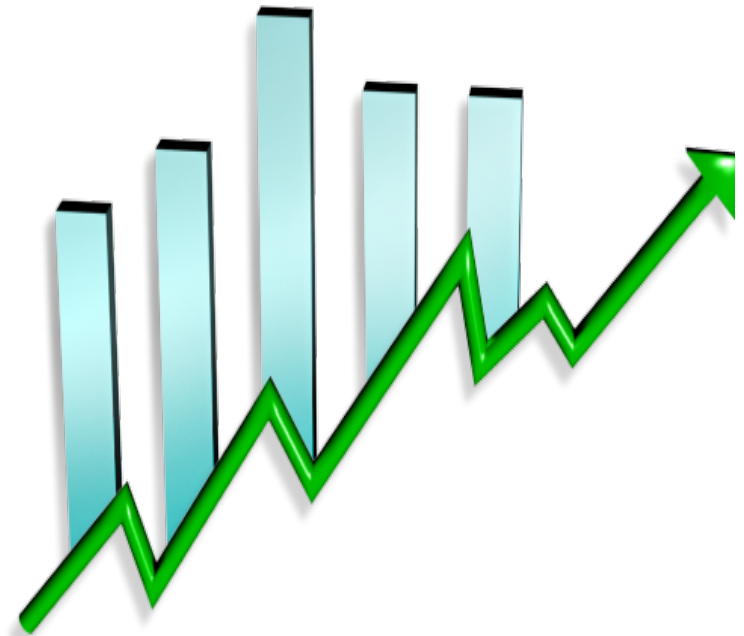
Private Carriers and State Funds—NCCI States



Source: NCCI State of the Line 2018. Available: <https://www.ncci.com/Articles/Documents/AIS2018-SOTL-Guide.pdf>

# WHAT'S DRIVING WORKERS' COMP MEDICAL EXPENDITURES?

- Facility costs
- Opioids and Poly-pharmacy
- Co-morbidities
- Over utilization and misuse of healthcare services
- Wrong measures: savings, fee for service vs. outcomes



<sup>1</sup>Source: Barry Lipton, Chris Laws, and Linda Li , Workers Compensation Prescription Drug Study: 2011 Update, NCCI, 2011, page 1, available at [https://www.ncci.com/documents/2011\\_ncci\\_research\\_rxdrug\\_study.pdf](https://www.ncci.com/documents/2011_ncci_research_rxdrug_study.pdf)

# PRESCRIPTION OPIOID EPIDEMIC – HOW BIG IS THE PROBLEM?



More than  
**40**  
PEOPLE



die every day from overdoses involving **prescription opioids**.

Each day, more than  
**1,000**  
PEOPLE

are treated in **emergency departments** for not using prescription opioids as directed.



At least  
**HALF**

of all opioid overdose deaths involve a **prescription opioid**.



Source: CDC and AOHC Annual Conference 2018 USE OF OPIOID GUIDELINES TO IMPROVE PRESCRIBING BEHAVIORS AND HEALTH OUTCOMES

**2.4 MILLION AMERICANS  
HAVE AN OPIOID ABUSE DISORDER**

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# BY 3<sup>RD</sup> DAY OF OPIOID USE, SOME PATIENTS ARE ON THE PATH TO OAD

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<sup>1</sup>Patient & Physician Risk Communications: An Important Step Before Writing That Opioid Script. Available: [http://www.benefitspro.com/2017/05/31/patient-physician-riskcommunications-an-importan?slreturn=1512575091&page\\_all=1](http://www.benefitspro.com/2017/05/31/patient-physician-riskcommunications-an-importan?slreturn=1512575091&page_all=1)

**THE UNITED STATES HAS LESS THAN  
5% OF THE WORLD'S  
POPULATION...YET CONSUMES  
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OPIOID SUPPLY**

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# POOR-QUALITY CARE -- RAND STUDY 2018

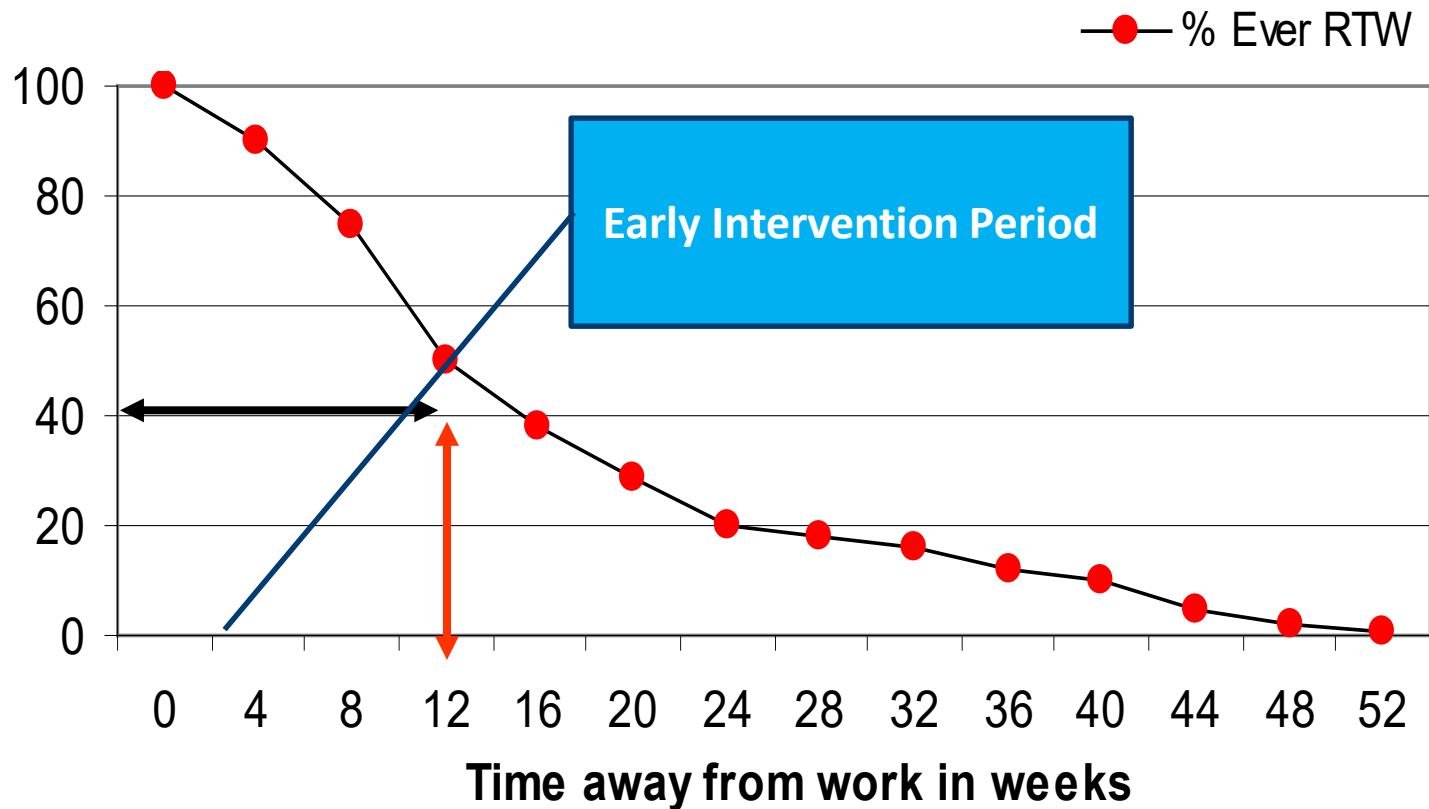
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- **Quality concerns.** Widespread concern among study participants about poor quality of care provided in workers' compensation systems
- **Fragmented care.** Health care for injured workers is often fragmented and of low quality and is not designed to reward worker outcomes.
- **Significant problems remain in disability management and medical treatment.** “Medical care provided to injured workers is often of low quality despite increasing levels of spending, leading to avoidable disability and loss of function or harms, such as opioid addiction and death”.

Source: RAND—How Can Workers' Compensation Systems Promote Occupational Safety and Health ? 2018

# NATIONAL TRENDS - LIMITED RTW WINDOW

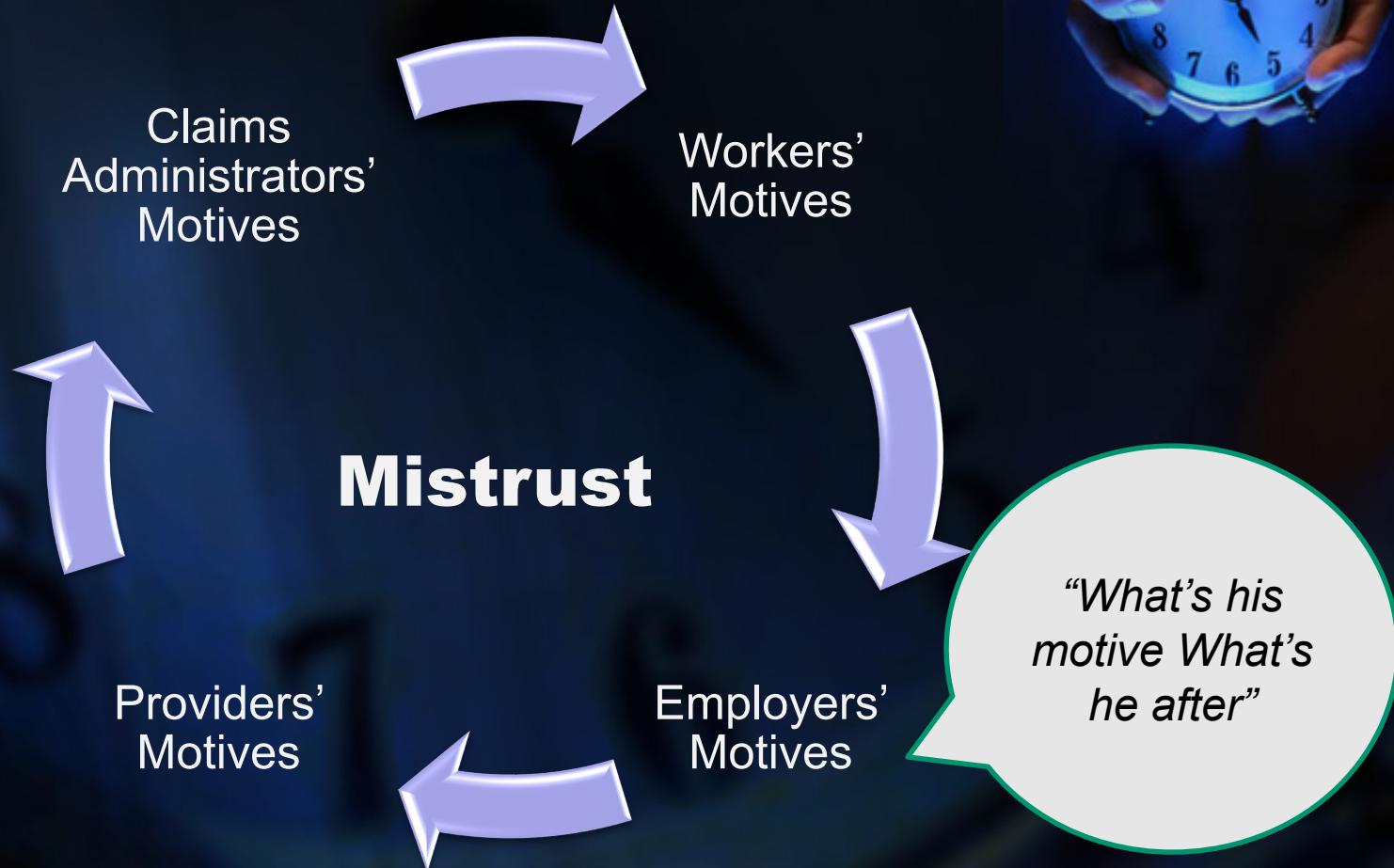
**LT >12 wks; 50% never RTW**



# Systemic Communication Barriers



## Pervasive Mistrust Across Stakeholders



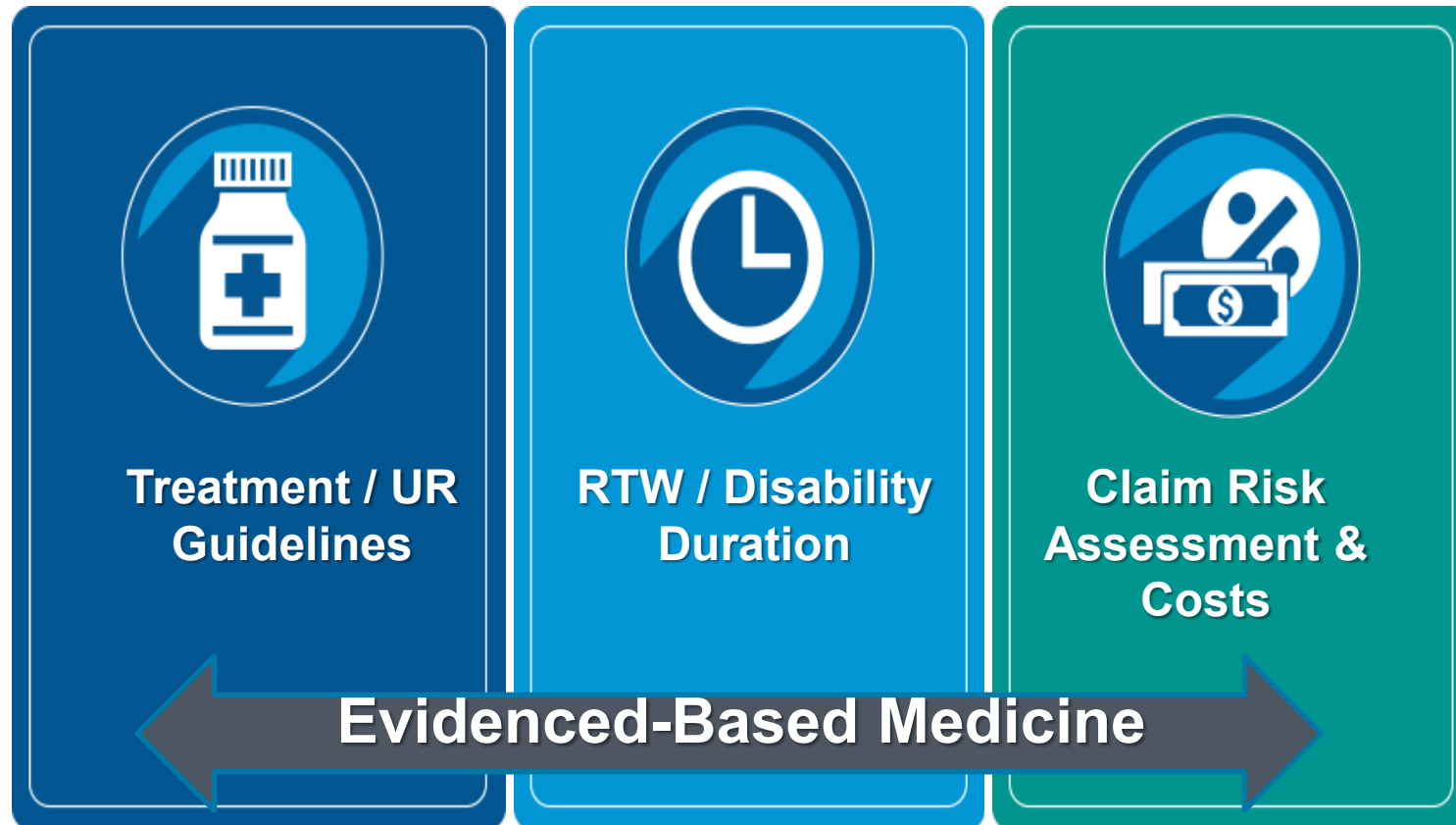
**Evidenced-Based Claims  
Decisions**

**Opportunity to Turn The Tide**

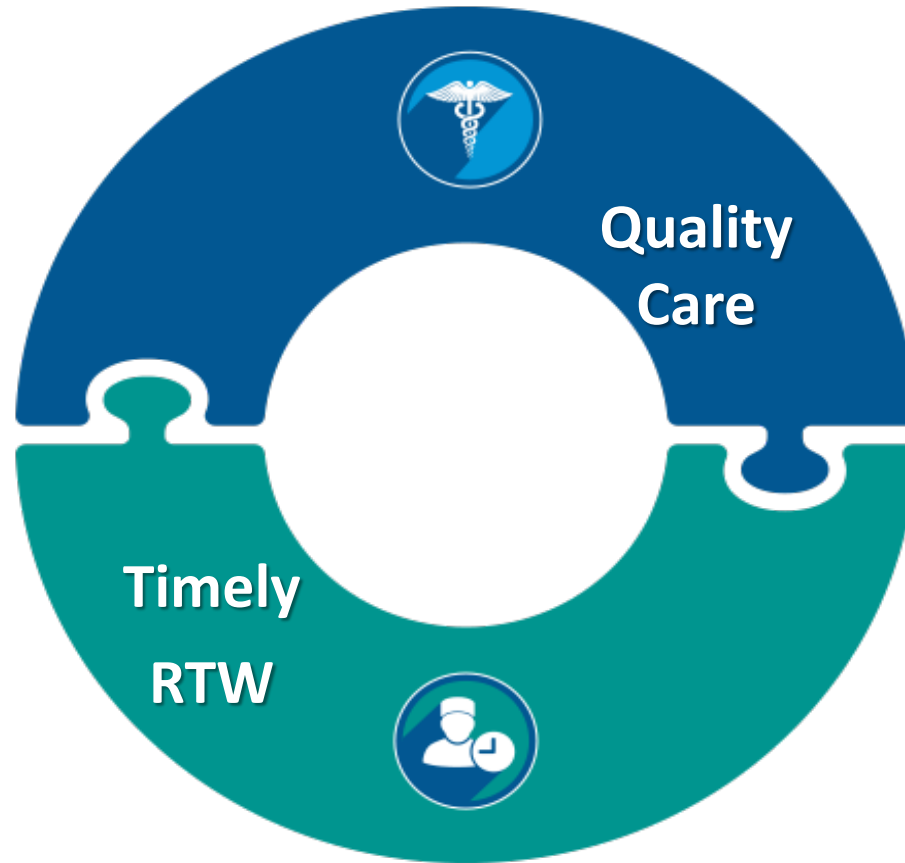


# QUALITY & TIMELY CARE – IMPACT ON CLAIMS

Three areas, interrelated in claim outcomes...



# WHAT FACTORS DRIVE CLAIM DURATION?



# WHAT IS EVIDENCE BASED MEDICINE (EBM)?

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- **Evidence-based medicine** is the conscientious, explicit and judicious use of current best evidence in making decisions about the care of individual patients.
- **The practice of evidence-based medicine** means integrating individual clinical expertise with the best available external clinical evidence from systematic research.

Sackett DL, Rosenberg WMC, Gray JAM, Haynes RB, Richardson WS. 1996. **Evidence based medicine: what it is and what it isn't.** BMJ 312: 71–2

# EBM USE - PRINCIPLES

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**Cost containment should NOT be the primary driving principle!**

- **Primary Goal:** Provision of expedient, appropriate healthcare – right care to the right patient at the right time
- **Secondary Benefits:** Decreased unnecessary resource utilization and reduced total cost of care are benefits of the primary goal

# EBM USE IN MONTANA

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- Montana Guidelines establish evidence-based utilization and treatment guidelines for primary and secondary medical treatment
- *All insurers shall routinely and regularly review claims to ensure that care is consistent with the Montana Guidelines*
- **FUNCTIONAL IMPROVEMENT GOALS should be consistently addressed.**  
Positive patient response results are defined primarily as functional gains that can be objectively measured
- Independent Medical Review from the MT L&I Medical Director
- **Chronic Pain Disorder Guidelines - Proposed Effective July 1, 2019**
- **ODG Drug Formulary Effective April 1, 2019**
- Legacy claims incurred prior to April 1, 2019 must comply with the formulary by April 1, 2020 or 90 after the insurer gives notice

# Intensive Case Management for Opioid Prevention

- Point of sale adjudication
- Dedicated pharmacy UR team
- Early intervention to manage narcotic utilization
- Proactive provider communication
- **Patient education**



# ENGAGING STAKEHOLDERS

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# COMMUNICATING WITH INJURED WORKERS

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- Key Strategies
  - Establishing Trust
  - Educating/Informing
  - Collaboration
- Meaningful engagement/communication requires us to first LISTEN!
- Cultural code shifting
- Words matter!

# COMMUNICATION WITH INJURED WORKERS

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## Education – a lost art

- Discuss/educate how the system works
- The value of being an integral part of their own care and recovery – Potential discussion topics....
  1. *What activities are important to you at home and work?*
  2. *What components of your job do you believe you can do today?*
  3. *What do you believe is preventing you from returning to work?*
  4. *What has helped you continue to do the activities that are important to you at home and work?*
- Understanding EBM and their treatment options

# COMMUNICATING WITH EMPLOYERS

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- Try not to use words such as “light duty” – sends a negative message, that the employee can’t perform any job fully
- Involve employees in discussions about potential job tasks – create buy-in and give employees some control in a situation where they feel control is lost.

# COMMUNICATING WITH EMPLOYERS

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- Overcoming fears
  - Re-injury
  - Getting “half” a person
- Educating the employer
  - Business impacts
  - Best recovery
  - Human needs
- Importance of ongoing Communication with the employee

# COMMUNICATING WITH PROVIDERS

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- Establishing trust
- Communicate role
- Recognize value of provider
- Ensuring proactive open communication
- Collaborate plan to facilitate optimal medical & functional outcomes
- Avoid “back office” case management

# COMMUNICATING WITH PROVIDERS

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- Provide job description and functional tasks for alternate work availability for all time loss claims
- Identify medical vs. non-medical barriers to functional abilities
- Identify and address any unanswered issues early and often
- Conveying your message in a non-confrontational way

# FACILITATING RAPID RETURN TO WORK

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- Early case management intervention
- Ongoing assessment and triage
- Worker empowerment through education
- Focus on function and work related goals
- Timely and meaningful communication
- Team approach
- Develop job tasks by Job Description or Function and list the specific tasks
- Work Tasks -- focus on what the Employee Can Do
- Use resources: Job Accommodation Network – free resource for employees, employers and other stakeholders  
<https://askjan.org/>

# APPLYING QUALITY AND OUTCOME MEASURES

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- RTW outcomes
- Adherence to EBM
- Functional improvement
- Zero never events, or serious reportable events as defined by the National Quality Forum.
- Risk of harm - intended or unintended physical or psychiatric injury resulting from/contributed to by health care services
- Litigation rate
- Closing ratio
- Total cost of risk

Source: [http://www.ahrq.gov/professionals/quality-patient-safety/patient-safety-resources/resources/advances-in-patient-safety-2/vol1/advances-west\\_102.pdf](http://www.ahrq.gov/professionals/quality-patient-safety/patient-safety-resources/resources/advances-in-patient-safety-2/vol1/advances-west_102.pdf)  
<http://www.ahrq.gov/research/findings/nhqrdr/nhqr13/chap4.html>  
<http://apps.leg.wa.gov/wac/default.aspx?cite=296-20-01030>

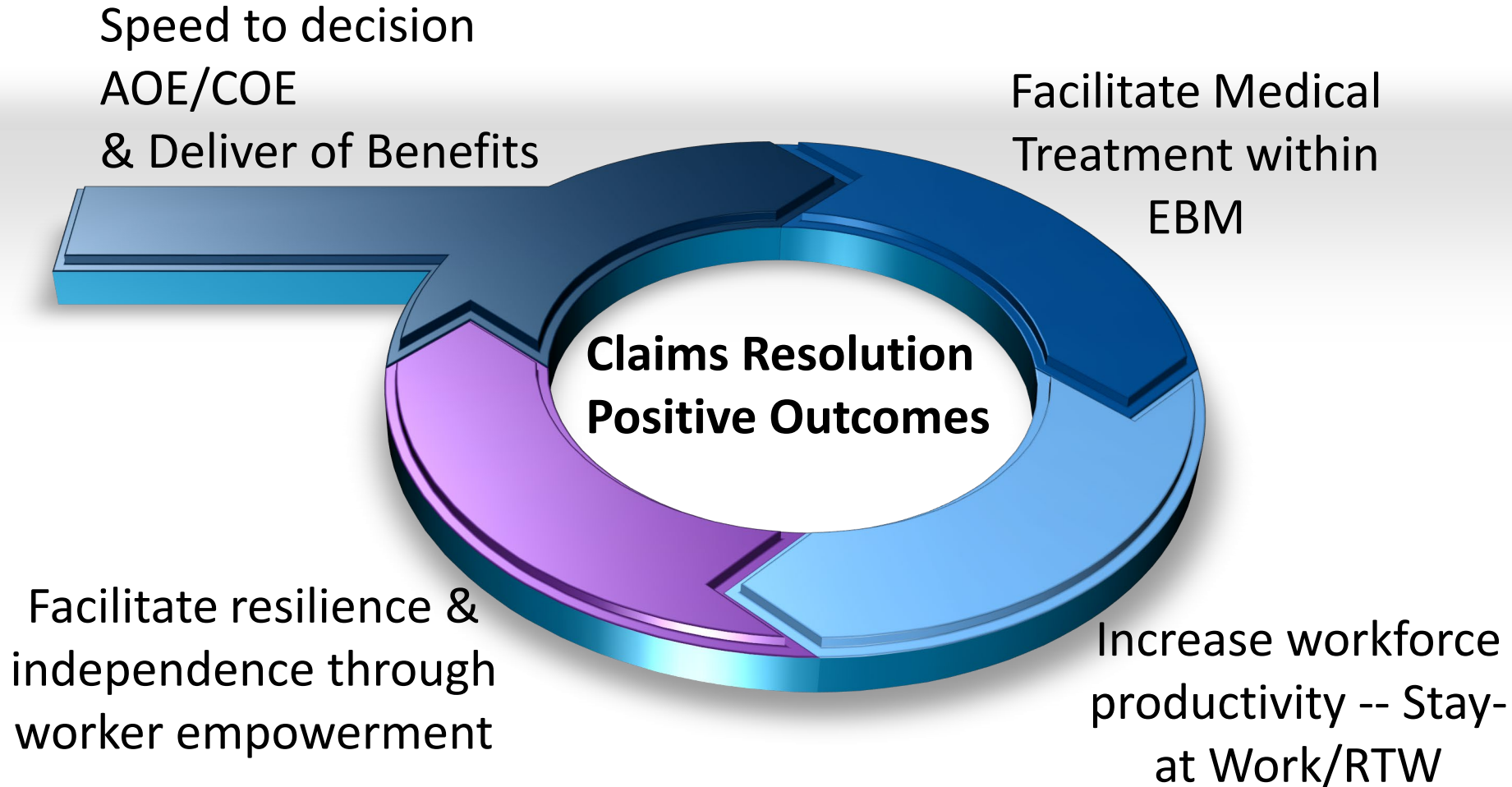
# FUNCTIONAL IMPROVEMENT - IMPORTANT!

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Functional improvement - means either a clinically significant improvement in activities of daily living or a reduction in work restrictions as measured during the history and physical exam, performed and documented as part of the medical evaluation and treatment; and a reduction in the dependency on continued medical treatment.

Source: CA Chapter 4.5. Division of Workers' Compensation Subchapter 1. Administrative Director - Administrative Rules Article 5.5.2. Medical treatment utilization schedule

# CLAIMS MANAGEMENT BEST PRACTICES - GOALS OF EVIDENCED BASED CLAIMS DECISIONS



# KEY TAKEAWAYS

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- Leverage RTW & Evidenced Based Medicine Treatment Guidelines as benchmarks for disability durations and appropriate/quality care. Utilize as discussion tools with workers, employers and providers.
- Utilized L&I Rules to ensure appropriate/evidenced-based claims decisions.
- Engage providers in alternative treatment options when requested treatment is outside of EBM.
- Include patient centered outcomes in claims management strategies and desired claims outcomes.

# QUESTIONS

THANK YOU!