

ERD DATA AND EVALUATION PLAN

LMAC Meeting

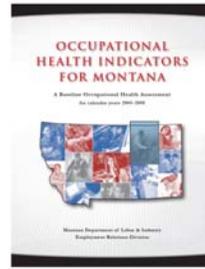
November 19, 2013



Overview

- Our Research Work
 - Annual Report
 - Additional
 - Key Indicators
 - Occupational Health Indicators for Montana
 - Survey
- Sources of Data
 - Examples
- Review of HB334 / Data Plan
 - NCCI priced changes
 - Other Provisions

ERD Research



<http://www.cste.org/group/OHIndicators>

Survey

Annual Report Data

- First Reports of Injury (FROIs) and Subsequent Reports of Injury (SROIs)
- Quarterly Expenditure Reports (QERs)
- Surcharge Remittals
- Plan 1 reporting
- Mediation and Disputes including the Work Comp Court (WCC)
- Independent Medical Reviews (IMRs)
- Safety & Health Bureau
- Specific Program Data
 - Construction Contractor Registration (CR)
 - Independent Contractor Exemption Certificates (ICECs)
 - Subsequent Injury Fund (SIF)
 - Uninsured Employers Fund (UEF)
 - Professional Employer Organizations (PEOs)

Other Data Sources

- National Council on Compensation Insurance (NCCI)
 - State Advisory Forum
 - Medical Data Report
 - Requested Research
- Employment
 - Bureau of Labor Statistics (BLS)
 - US Census Bureau - Quarterly Census of Employment and Wages (QCEWs)
 - Research and Analysis Bureau
 - Unemployment Insurance
- National Academy of Social Insurance (NASI)
- Department of Public Health and Human Services (DPHHS)
- National Institute for Occupational Safety and Health (NIOSH)

FROIs and SROIs (web links)

- Data Management Unit
 - <http://erd.dli.mt.gov/workers-comp-claims-assistance/data-management-unit/data-management-forms.html>
- FROI – EDI Data Elements
 - <http://erd.dli.mt.gov/images/stories/pdf/wcca/edi/11froimco.pdf>
- SROI – EDI Data Elements
 - <http://erd.dli.mt.gov/images/stories/pdf/wcca/edi/12sroimco.pdf>

OSHA Log Case # **First Report** **Adjuster Date Stamp**
of Injury or Occupational Disease
Montana Department of Labor and Industry
PO Box 8011, Helena, MT 59604-8011

Worker

Last Name		First Name		SSN	Date of Birth	Social Security Number	
Home Address				City	State	Postal Code	
Phone Number	Education	<input type="checkbox"/> Less Than High School <input type="checkbox"/> GED or High School Diploma <input type="checkbox"/> Beyond High School	Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Unknown	Marital Status	<input type="checkbox"/> Married <input type="checkbox"/> Widowed, Divorced, Single, Unmarried <input type="checkbox"/> Unknown	Number of Dependents

Wages

Date Hired	Gross earnings for (last) pay period (pending disburse)	
Date / Amount	Date / Amount	Date / Amount
<input type="checkbox"/> Hourly <input type="checkbox"/> Piece <input type="checkbox"/> Seasonal <input type="checkbox"/> Other	Number of Days worked per week	Wage Period
<input type="checkbox"/> Hourly <input type="checkbox"/> Piece <input type="checkbox"/> Seasonal <input type="checkbox"/> Other	<input type="checkbox"/> Hour <input type="checkbox"/> Day <input type="checkbox"/> Week <input type="checkbox"/> Bi-Weekly <input type="checkbox"/> Month	
<input type="checkbox"/> Room & Board <input type="checkbox"/> Overtime <input type="checkbox"/> Bonus <input type="checkbox"/> Commissions <input type="checkbox"/> Other		
<input type="checkbox"/> In addition to gross earnings listed above make no entry <input type="checkbox"/> Estimated value of any <input type="checkbox"/> Other		
<input type="checkbox"/> Worked over scheduled shift <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> If work more than 8 work days <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Paid wages paid for date of onset <input type="checkbox"/> Yes <input type="checkbox"/> No

Accident Description

Job Title	Description of Accident						
Cause of Injury	Event Code	Part of Body	Part Code	Nature of Injury	Station Code	Date of Injury	Time of Injury
Date Disability Began	Date of Death	Number of Workdays		1	2	3	
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No			

Medical

Attending Physician's Name	Address	State	Postal Code	Phone Number
Hospital Name	Address	State	Postal Code	Phone Number
<input type="checkbox"/> Type of initial medical treatment received: <input type="checkbox"/> No Treatment <input type="checkbox"/> Emergency Room / Urgent Care <input type="checkbox"/> Treatment on-site by Employer or Medical Staff <input type="checkbox"/> Clinic / Dr. Office <small>(Hospital > 24 hours)</small>				

Signature

This is not valid for worker compensation benefits due to the no-fault injury compensation system in Montana. (Montana) that signing this claim for compensation includes the release of the worker's compensation claim as to their ability to sue, Social Security records and health care information (medical records, treatment in OSHA, Public Law 104-191, 42 USC, section 1051, et. seq., and section 1917-105A, MCA) that are directly relevant to the claimed injury, disease or death. **Montana** understands that OI claims or event unauthorized control of the worker's compensation benefits to which it is not entitled. Date: _____
Signature of Injured Worker or Beneficiary: _____ _____
Employer

First Report of Injury - Release 1 - MCO Table

DATA NUMBER	ELEMENTS	REQ
0001	Transaction Set ID	M
0002	Maintenance Type Code	M
0003	Maintenance Type Code Date	M
0004	Jurisdiction	M
0005	Agency Claim Number	OM
0006	Insurer FEIN	M
0007	Insurer Name	M
0008	Third Party Administrator FEIN	O
0009	Third Party Administrator Name	O
0010	Claim Administrator Address LINE 1	O
0011	Claim Administrator Address LINE 2	O
0012	Claim Administrator City	O
0013	Claim Administrator State	O
0014	Claim Administrator Postal Code	O
0015	Claim Administrator Claim Number	M
0016	Employer FEIN	M
0017	Insured name	O
0018	Employer Name	M
0019	Employer Address LINE 1	O
0020	Employer Address LINE 2	O
0021	Employer City	M
0022	Employer State	O
0023	Employer Postal Code	O
0024	Self Insured Indicator	O
0025	SIC Code	O
0026	Insured Report Number	O
0027	Insured Location Number	O
0028	Policy Number	O
0029	Policy Effective	O
0030	Policy Expiration	O
0031	Date of Injury	M
0032	Time of Injury	O
0033	Postal Code of Injury Site	O
0034	Employers' Premises Indicator	O
0035	Nature of Injury Code	M
0036	Part of Body Injured Code	M
0037	Cause of Injury Code	M
0038	Accident Description/Cause	O
0038	Accident Description/Cause	O

Quarterly Expenditure Reports

- Reported to the Department by Carriers
- Total Benefits, Medical and Indemnity Benefits Paid



¹Total benefits paid represent indemnity and medical (including medical in excess of \$200,000), from DLI quarterly expenditure reports as of June 30, 2012.

(Annual Report FY12 Pg. 29)

NCCI – Medical Data Report

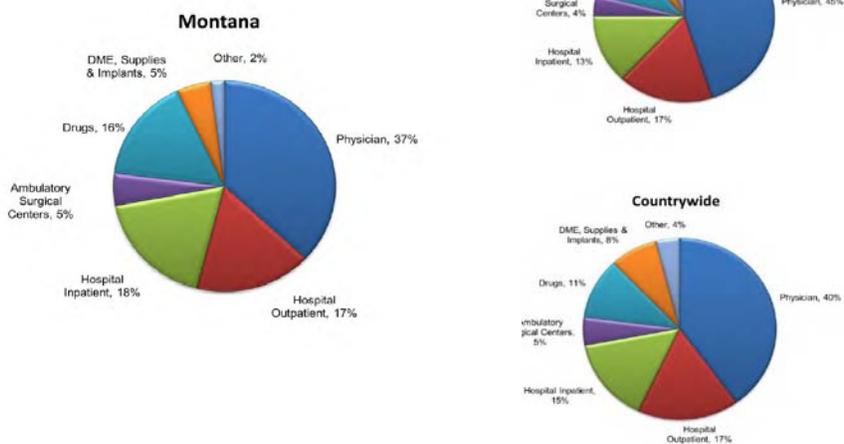
- Breakdown of Services by Category
 - Physician
 - Hospital
 - Ambulatory Surgical Centers
 - Drugs
 - Durable Medical Equipment (DME), Supplies and Implants
 - Other



NCCI – Medical Data Report

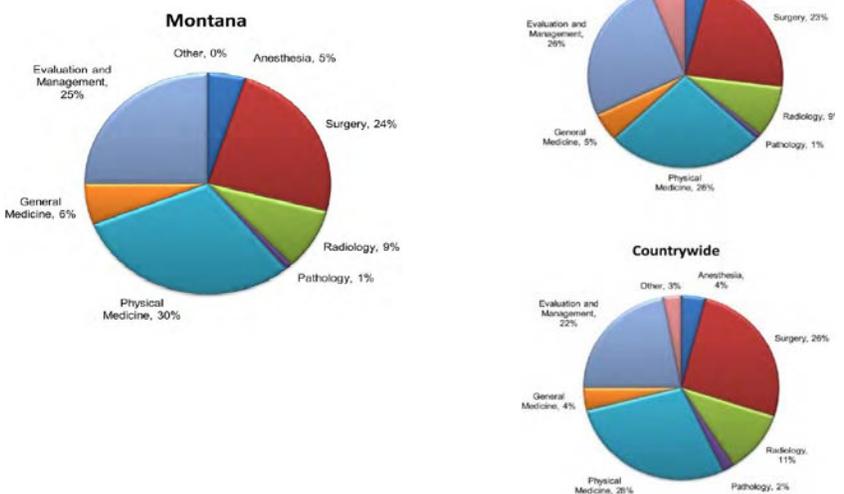
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Distribution of Medical Payments



NCCI – Medical Data Report

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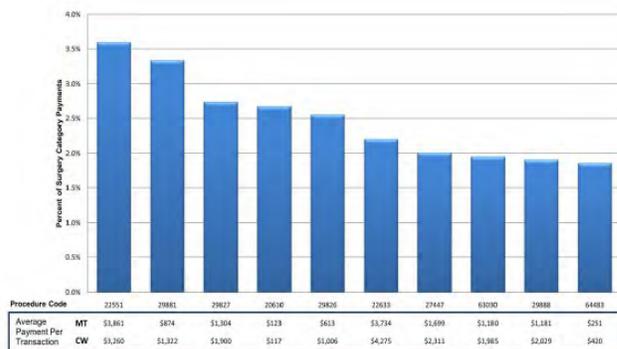


NCCI – Medical Data Report

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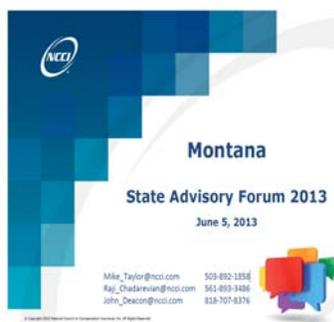
Chart 6

Top 10 Surgery Procedure Codes by Amount Paid for Montana



NCCI – Annual Advisory Forum

- Annual Advisory Forum
 - https://www.ncci.com/documents/SAF_MT.pdf
- System Overview
- Loss Cost Filing
- Legislative Issues
- State of the Economy
- Claim Data
 - Frequency
 - Indemnity Severity
 - Medical Severity
- Medical Fee Schedule



Employment – (web links)

- Research & Analysis – Labor Market Information
 - Employment & Wages
 - <http://www.ourfactyourfuture.org/cgi/databrowsing/?PAGEID=4>
- Bureau of Labor Statistics
 - Geographic Profile of Employment
 - <http://www.bls.gov/opub/gp/gpsec2.htm>
- US Census Bureau
 - County Business Patterns employment by NAICS industry code
 - <http://censtats.census.gov/cgi-bin/cbpnaic/cbpcomp.pl>
- Montana Employment Demographic Profile
 - http://erd.dli.mt.gov/images/stories/pdf/wcca/erd_wcca_dmu_ohi026.pdf

Bureau of Labor Statistics – (web links)

- Nonfatal and Fatal Injury Counts and Rates by State
 - <http://www.bls.gov/iif/oshwc/osh/os/pr116mt.pdf>
- Injuries by Cause, Nature, Body Part, Industry, and Occupation
 - <http://www.bls.gov/iif/oshstate.htm#MT>
- Fatalities by Age, Race or Ethnic Origin, Cause, Industry and Occupation
 - <http://www.bls.gov/iif/oshwc/cfoi/tgs/2012/iiffw30.htm>

NASI

- Workers' Compensation: Benefits, Coverage, and Costs, 2011 published in August 2013
- <http://www.nasi.org/research/2013/report-workers-compensation-benefits-coverage-costs-2011>
- In MT 466,000 employed in 2011 and 406,000 (87%) covered by workers' compensation

Review of HB334 and Other Legislative Changes

NCCI Priced Impacts of HB334

Description	Indemnity	Medical	Total
Permanent Partial Disability Awards	-5.2%	-	-1.7%
Terminating and Reopening Medical Benefits	-	-18.1%	-12.1%
Medical Fee Schedule Freeze	-	-3.4%	-2.3%
Introduction of Retroactive Period	1.6%	-	0.5%
Choice of Treating Physician	-7.8%	-8.8%	-8.5%
Overall Cost Impact	-11.2%	-27.8%	-22.4%
			\$-92.2 M

Source: National Council on Compensation Insurance, Inc.

Permanent Partial Disability Awards

NCCI priced -1.7% impact

Fiscal Year of Injury	PPD Count	Total Paid	Average
2007	1,839	\$21,633,521	\$11,764
2008	2,021	\$23,563,389	\$11,659
2009	2,179	\$22,844,960	\$10,484
2010	2,150	\$17,812,027	\$8,285
2011	1,956	\$15,478,002	\$7,913
2012	282	\$6,161,504	\$21,849

PPD including Lump Sums

Injury Year	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
2005	Claims	1,219	1,043	514	303	148	88	46	29
	Average Yearly Benefits	\$8,165	\$12,283	\$15,217	\$11,444	\$9,642	\$9,607	\$10,334	\$44,699
	Average Total Benefits	\$8,165	\$16,829	\$32,092	\$42,784	\$57,514	\$31,052	\$29,073	\$225,816
	Percent	59%	50%	25%	15%	7%	4%	2%	1%
2006	Claims	886	965	584	298	165	81	49	
	Average Yearly Benefits	\$7,090	\$12,552	\$12,997	\$11,268	\$9,417	\$11,826	\$5,857	
	Average Total Benefits	\$7,090	\$15,259	\$20,739	\$24,870	\$24,243	\$29,647	\$23,565	
	Percent	47%	52%	31%	16%	9%	4%	3%	
2007	Claims	751	996	566	283	154	77		
	Average Yearly Benefits	\$7,384	\$10,459	\$12,347	\$11,414	\$9,724	\$7,243		
	Average Total Benefits	\$7,384	\$12,399	\$18,943	\$22,318	\$23,003	\$25,451		
	Percent	41%	54%	31%	15%	8%	4%		
2008	Claims	869	1,162	559	264	100			
	Average Yearly Benefits	\$6,224	\$12,488	\$12,891	\$13,614	\$9,279			
	Average Total Benefits	\$6,224	\$14,190	\$19,568	\$26,817	\$25,407			
	Percent	43%	57%	28%	13%	5%			
2009	Claims	1,078	1,207	494	199				
	Average Yearly Benefits	\$6,304	\$10,783	\$12,351	\$11,029				
	Average Total Benefits	\$6,304	\$12,451	\$18,166	\$22,002				
	Percent	49%	55%	23%	9%				
2010	Claims	1,229	1,098	373					
	Average Yearly Benefits	\$4,841	\$9,061	\$9,504					
	Average Total Benefits	\$4,841	\$10,492	\$14,403					
	Percent	57%	51%	17%					
2011	Claims	1,213	1,032						
	Average Yearly Benefits	\$6,033	\$21,177						
	Average Total Benefits	\$6,033	\$24,173						
	Percent	62%	53%						
2012	Claims	282							
	Average Yearly Benefits	\$7,845							
	Average Total Benefits	\$7,845							
	Percent	100%							

Terminating Medical Benefits

NCCI priced -12.1% impact

- The Department will estimate the number of claims closing per year and will track the trends in total medical paid
- The Medical Regulations Unit will track the claims that petition for re-opening medical after termination
 - Total requests
 - The number of re-openings
 - Reasons
 - Other background information
- Note: The Department will also soon be working on Administrative Rules to guide this process

Total Medical including Lump Sums

Injury Year	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
2005	Claims	4,448	2,352	1,616	918	710	577	452	355
	Average Yearly Benefits	\$9,526	\$6,640	\$8,742	\$9,065	\$12,882	\$9,702	\$8,737	\$9,037
	Average Total Benefits	\$9,526	\$19,532	\$29,548	\$43,000	\$55,033	\$67,875	\$81,030	\$92,938
	Percent	85%	45%	31%	18%	14%	11%	9%	7%
2006	Claims	4,206	3,170	1,564	1,109	890	589	453	
	Average Yearly Benefits	\$7,626	\$10,142	\$8,480	\$9,569	\$9,033	\$12,383	\$8,274	
	Average Total Benefits	\$7,626	\$17,983	\$31,017	\$40,548	\$49,844	\$64,045	\$71,877	
	Percent	77%	58%	29%	20%	15%	11%	8%	
2007	Claims	4,284	2,782	1,643	990	642	517		
	Average Yearly Benefits	\$11,121	\$8,265	\$9,475	\$8,817	\$9,049	\$9,089		
	Average Total Benefits	\$11,121	\$21,252	\$32,268	\$45,387	\$57,499	\$66,379		
	Percent	80%	52%	31%	19%	12%	10%		
2008	Claims	4,738	2,839	1,447	925	646			
	Average Yearly Benefits	\$10,247	\$9,206	\$9,628	\$10,006	\$9,303			
	Average Total Benefits	\$10,247	\$21,801	\$35,840	\$49,020	\$62,549			
	Percent	85%	51%	26%	17%	12%			
2009	Claims	4,175	2,567	1,342	797				
	Average Yearly Benefits	\$10,966	\$9,377	\$9,246	\$7,632				
	Average Total Benefits	\$10,966	\$22,605	\$36,108	\$47,570				
	Percent	83%	51%	27%	16%				
2010	Claims	4,027	2,462	1,127					
	Average Yearly Benefits	\$11,126	\$9,965	\$8,404					
	Average Total Benefits	\$11,126	\$24,007	\$39,379					
	Percent	86%	53%	24%					
2011	Claims	4,061	2,332						
	Average Yearly Benefits	\$12,281	\$8,643						
	Average Total Benefits	\$12,281	\$24,508						
	Percent	88%	51%						
2012	Claims	3,558							
	Average Yearly Benefits	\$10,595							
	Average Total Benefits	\$10,595							
	Percent	100%							

Medical Fee Schedule Freeze

NCCI priced -2.3% impact

- The freeze prevented a 1% in 2011 and a 1% in 2012 due to the relative value units from Medicare that are incorporated into the reimbursement calculation(effective until 7/1/2013).
- After the freeze, NCCI estimates the changes effective 07/01/2013 would result in an increase in Montana workers compensation system costs of +0.9% (+\$ 2.5M)

Retroactive Payment Period

NCCI priced +0.5% impact

- If the worker is totally disabled and unable to work for 21 days or longer compensation must be paid retroactively to the first day of total wage loss unless the worker waives the payment if used sick leave.
- Using SROI data for FY2012
 - ~ 2,300 or 68% of Temporary Total Disability (TTD) claims received payment for the 4-day waiting period
 - ~ \$504,885 of increased benefits
 - Assumes no use of sick leave

Choice of Treating Physician

NCCI priced -8.5% impact

- Not measurable with current ERD data collection
- NCCI
- Option: Request information from insurers

Other Provisions

- Course and Scope
- Required use of 6th Edition of AMA Guides
- Settlements for Future Medical
- Utilization and Treatment Guidelines
- Stay-at-Work/Return-to-Work

Course & Scope

- Clarifying Course & Scope of Work Comp Coverage
- Measure the change in compensable claims by looking at Denials with the reason “Not in Course and Scope of Employment”
- FY2012 there
 - 25,510 claims
 - 489 (2%) were denied for not being in course and scope of employment
 - No change in % of claims denied for not being in course and scope from FY2011

6th Edition of the AMA Guides

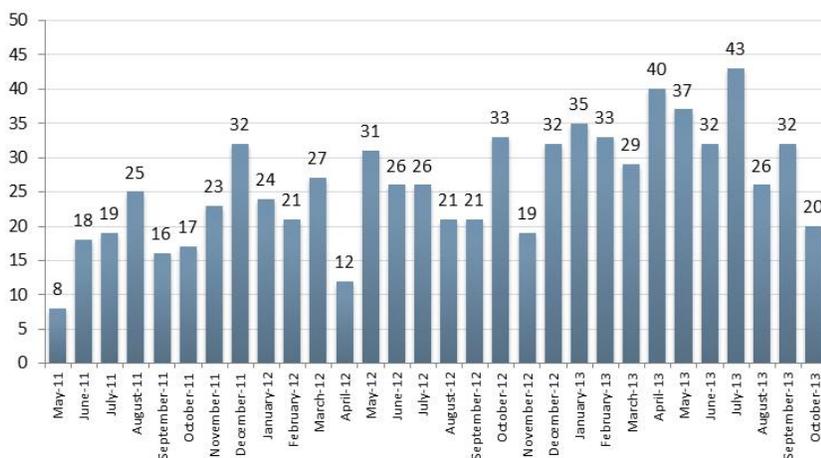
- Requires doctors to use the 6th Edition of the AMA Guides to Evaluation of Permanent Impairment for determining an impairment rating. Retroactive to 1/1/2008.
- According to a July 2012 study by NCCI, in Montana the average impairment decreased by approximately 28%, likely due to the adoption of the 6th edition
 - https://www.ncci.com/documents/Impact_of_AMA_Guides.pdf

Settlement for Future Medical

- Provides for mutual agreement to settle future medical benefits on accepted claims.
- Retroactive to claims for Injuries/ODs not yet settled.
- **Total** Count = 780 Medical Paid = \$16.8 million
 - (as of October 15, 2013)

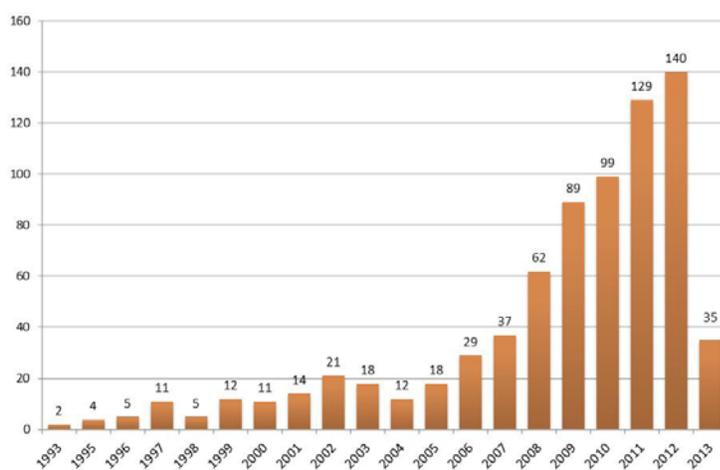
Settlement for Future Medical

Number of Settlements by Date of Settlement



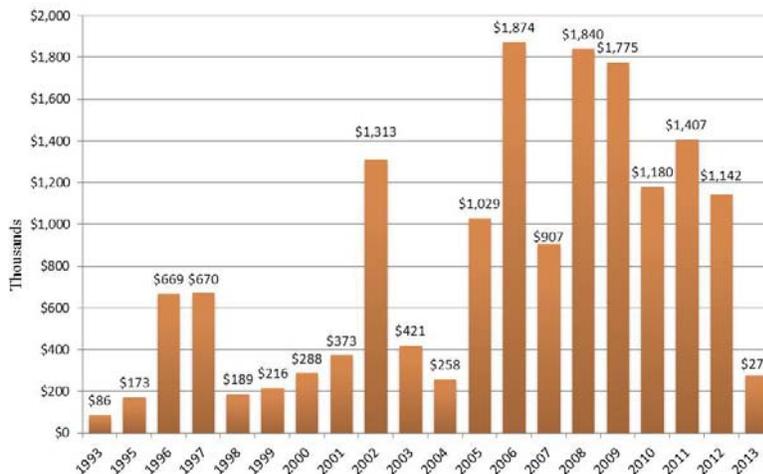
Settlement for Future Medical

Number of Settlements by FY of Injury



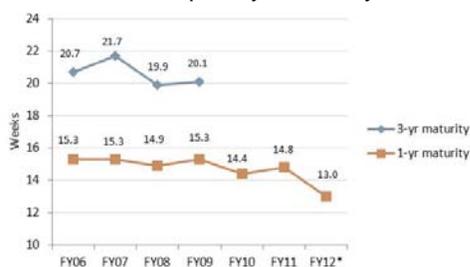
Settlement for Future Medical

\$'s Paid by FY of Injury



Utilization and Treatment Guidelines

- NCCI Medical Data Report to track treatment patterns
- NCCI tracks Temporary Total Disability
 - https://www.ncci.com/documents/TTD_Duration_final.pdf
- ERD – Paid Temporary Disability Duration (weeks)



Stay-at-Work/Return-to-Work

Program became effective 7/1/2012

Effective 7/1/2012

- Department Coordinating Assistance when Requested
- Percent of Carriers with SAW/RTW Policy
 - Plan 1 – 88%
 - Plan 2 – 30%
 - Plan 3 – 100%
- Are Carriers Reporting Outcomes
- Is the Communication to Injured Workers Successful

Stay-at-Work/Return-to-Work

Are Insured Workers Returning to Work?

- Paid Temporary Disability Duration
 - ERD
 - NCCI
- Survey
 - OHIP
 - Follow-up to 2008 Surveys
 - Injured Worker
 - Employer
 - Provider
 - Vocational Rehabilitation

Thank you / Questions?

Workers' Compensation Claims Assistance Bureau
Data Management Unit
1805 Prospect Avenue
Helena, Montana 59604