

Workers' Comp

# Workers' Compensation Glossary of Terms and Definitions

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Are you new to the workers' compensation industry or want a refresher on common industry terms? Download our Workers' Compensation Glossary of Terms to learn the definitions of terms such as prior authorization and pharmacy benefit management.

Learn more about workers' compensation with our Workers' Compensation Glossary of Terms:

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## **Workers' Compensation Glossary**

Here is a preview of some of the main terms you'll learn about in this workers' compensation glossary:

#### American College of Occupational and Environmental Medicine (ACOEM) Guidelines

According to ACOEM's website, "ACOEM's Occupational Medicine Practice Guidelines define best practices for key areas of occupational medical care and disability management. They are intended to improve the efficiency and accuracy of the diagnostic process as well as identify the effectiveness and risks of individual treatments in resolving an illness or injury—helping workers return to normal activities as quickly and safely as possible."

#### **Claim Adjudication**

End-to-end processing or settling of a claim after a patient's benefits have been verified.

#### **Drug Utilization Review (DUR)**

Process to ensure that the claimant is receiving appropriate medications for his or her injury. Issues that may be evaluated include drugs that may be harmful or inappropriate for the treatment of the injury.

### **Formulary**

A list of preferred medications that physicians can prescribe without prior authorization. When medications are not listed on a drug formulary, they will need additional authorization before they can be prescribed or dispensed. A client may have multiple formularies depending upon the type of injury, jurisdiction state, etc.

#### **Official Disability Guidelines (ODG)**

ODG provides independent, evidence-based treatment guidelines designed to "improve and benchmark return-to-work performance, facilitate quality care while limiting inappropriate utilization, assess claim risk for interventional triage..." These guidelines are published by the Work Loss Data Institute (WLDI).

#### **Pharmacy Benefit Manager (PBM)**

A PBM is a third-party administrator of prescription drug programs. They are primarily responsible for processing and paying prescription drug claims on behalf of their clients. They also are responsible for developing and maintaining the formulary, contracting with pharmacies and negotiating discounts and rebates with drug manufacturers. Want to learn more? Visit our article about <a href="key concepts of pharmacy benefit">key concepts of pharmacy benefit</a> management.



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