Workers' Comp

Pharmacy Management: A Proactive Approach

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What is the total potential impact of Pharmacy Management within a workers' compensation claim lifecycle?

A Proactive Look at a Claim

A workers' compensation claim is often a long and complicated process for the injured worker, generally involving multiple groups focused on the injured workers' recovery. The average duration of a claim can easily exceed 15 months, depending on the severity of the injury, jurisdictional requirements and the overall health of the injured worker. With so many considerations, it can be easy to lump many of the claim components together. However, the way in each individual piece and partner come together is critical to promoting the best outcome for the patient. Additionally, often seemingly small components of a claim, such as pharmacy management, can be overlooked as drivers in successful claim management and a healthy return to work. Yet, these components can have significant impact on the outcome of the claim. A 2016 National Council on Compensation Insurance (NCCI) study estimated that for every $100 spent on medical services for injured workers in 2014, $17 was spent on prescription drugs. As claims age, this expenditure increases rapidly; if a claim is older than 10 years, the prescription drug portion can be as high as $40 to $50. This shows how pharmacy can significantly affect the cost of a claim, but there are several other ways in which pharmacy can have an impact on the outcome of a claim. In this series, we will be exploring the life-cycle of a claim to understand how an employer and their insurers can choose the correct partners to support their employees when an unexpected event occurs. We will also look closely at how managing pharmacy properly can drastically improve the outcome of a claim. Let's first take a look at what proactive steps can be taken to make the entire claim process better.

Before the Claim

On the initial phase of our journey in the claim cycle, we meet Andrew. He works as a customer service associate at a home improvement store. Andrew is married and has two young children, enjoys doing CrossFit workouts, volunteers as a soccer coach for his daughter's team, and is responsible for maintenance around his family's home. When Andrew goes to work tomorrow, he will fall and sustain injuries to his neck and right arm. He will be taken off work while he receives medical treatment and will be paid indemnity benefits. Because of the injury, he won't be able to participate in many of his day-to-day activities, which will affect his family as well.

When Andrew goes to work in the morning, it never crosses his mind that he may sustain an injury as he goes about his normal work duties. He does not consider the many steps he will have to go through to recover, including the injury itself, doctor's visits, consultations and medications, much less lost wages. As Andrew heads to the hospital for an evaluation after the injury, he will be focused on the overwhelming changes he and his family now face and the uncertainty and fear for how he will care for his family when he is unable to provide. While Andrew cannot personally prepare for this injury, his employer and chosen partners can. Before the event even occurs and Andrew's injury begins his path through the claim lifecycle , his insurance provider can take several important steps to ensure that Andrew is well taken care of and the best partners are in place to support him (and any other employee sustaining an injury) through the best possible recovery.

Choosing the Right Partner

Along with selecting how the claim will be handled, another critical aspect of preparing for a claim is pairing with a Pharmacy Benefit Management (PBM) partner. A trusted PBM can provide the insurer provider and the injured worker with the resources and support needed while faced with a work-related injury. These services range from offering comprehensive solutions to ensure the appropriate medications are being used as well as a tailored and custom understanding of the unique needs of your business and your patients. When choosing a partner, you should consider the following:

Full Integration

Full integration between partners encourages a more seamless experience for the injured worker. Allowing all partners to share information and align in the direction of care encourages better recovery in multiple ways. Better visibility to all parties allows everyone to make more informed and therefore more holistic decisions. In the case of Andrew, consider if he was prescribed both a benzodiazepine and an opioid. He is not an expert at drug-to-drug interactions and has no idea that it that could be a significant risk. In 2017, the CDC produced prescribing guidelines, which are publicly available, but it is still incumbent on physicians to both know and check before they prescribe. If the injured worker is still prescribed these two medications, it falls upon the rest of the stakeholders in the claims process to ensure that the injured workers' safety. A strong PBM partner will have the technology to flag dangerous prescribing. Additionally, a company that has both bill review and PBM integrated would be able to quickly flag and notify an adjuster regardless of whether the drug came in as a bill or through a point-of-sale transaction directly from a pharmacy. Having solutions in one place also saves time, money and resources for when interventions are needed. Finally, the patient will have a better experience if he or she does not have the burden of communicating between several different stakeholders, all with different procedures and processes. The claims process should focus on the needs of the injured worker and be as seamless as possible, not place them in a confusing mess of different processes and partners. . Some considerations for your program:

- Does this partner offer solutions for my organization that give me transparency across the claims process?
- How do they integrate with my systems?

- Am I able to see claims from beginning to end, including first-fills, bill review, etc.?
- How does my team get notified about potential dangerous or out-of-compliance prescribing and what interventions are available?

Smart Setup

There are several additional ways a PBM partner can help an organization set up for success before Andrew (or anyone) is injured and make sure that injured workers are well taken care of and the organizations' needs are being met.

Understanding Your Organization's Needs

It is crucial for any business partner to understand your organization, especially when workers' compensation claims are involved. Depending on the organization, you may have various communications, reporting and regulations to consider. When you are building your program with your partner, you can strategize and set up the program to best suit your needs. What are the program goals? How does escalation happen? What if Andrew needs a prior authorization on the weekend? Some considerations for your program:

- Does this partner understand my business needs and goals?
- Do they provide consistent communication and listen to our feedback?
- Do they offer support when challenges arise and are they proactive in fixing problems?
- Can I customize processing based on my needs?

Clinical Expertise

Clinical requirements in workers' compensation are complicated with every state having different jurisdictional requirements, drug formularies and time-based activities that must be completed. Additionally states may require organizations to comply with strict reporting requirements and set-ups that must be followed in order to abide by the rules set forth by the state agencies. Additionally, the level of customization that is built into the system may help or hinder your program. Your partner should be able to customize the program to the letter of the law as well as to maximize patient safety. Some considerations for your program:

- Does this partner understand clinical requirements?
- Can this partner help us adapt to changing guidelines and legislation?
- What formularies does the partner offer so our patients are getting the most appropriate medication for their injuries?
- What proactive approaches does this partner have in place to ensure timely and proper control of treatment approvals?
- What education can this partner provide about best practices and the changing clinical landscape?

Supporting Employees

Ultimately, your partner should be helping your employees do their jobs better. Their solutions help to streamline, inform decisions and create better outcomes. This is absolutely critical, as a recent McKinsey and Co. report noted that 25 percent of insurance industry professionals will retire by 2018. This means there is both a labor shortage leading to increased case load as well as a loss of years of industry experience. A strong partner should support organizations by helping to provide the right information at the right time so adjusters can make the best decisions efficiently. A new adjuster may not automatically flag Andrew's potential benzodiazepine and

opioid interaction because the prescriptions are both under the limit for daily Morphine Equivalent Dosing (MED). However, if an alert comes to their attention, they may be able to stop a potentially life-threatening situation. Some considerations for your program:

- Does this partner support our adjusters in their work?
- What kinds of reporting and solutions are available for our adjusters to use today?
- What sort of education is available for our employees?

Pharmacy Management Before the Claim

The time before a claim begins is critical to ensure that the claim lifecycle, from beginning to end, is seamless for the injured worker. In the long run, research and proper consideration at the forefront of claim management will improve the entire process and could result in other positive outcomes: higher employee satisfaction, lower litigation rates, improved return to work and decreased claim costs.

worker with family

Proper procedures, knowledge and partnerships need to be in place so all stakeholders can help Andrew return to health. When Andrew falls at work tomorrow, everyone involved in his claim will be prepared to support him and return him to his everyday life as soon as possible. Coordinating partners ahead of time is one of the few aspects of a claim that can be done proactively; after the loss occurs, most subsequent activity will be reactive.

In our next installment, learn more about how good decisions improve Andrew’s experience on the date of injury. It’s more than just providing proper care.

More Content to Explore:

- To understand how PBM's are taking a proactive approach to pharmacy management, read our latest article on Predictive Analytics.
- Read more about the benefits of formularies on the outcomes of workers' compensation claims.
- For timely updates on state compliance legislation, visit mitchell.com.

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