Workers' Comp

Navigating Future Medical Costs: Forecast Claims Costs with Precision

July 15, 2024
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In claims management, the necessity of ensuring adequate capital reserves requires a precise prediction of the medical care and services an injured employee will need throughout their lifetime. This strategic foresight is pivotal not only for financial planning but also for delivering compassionate, tailored care to those impacted by workplace injuries.

Medical cost projections (MCPs) and life care plans (LCPs) are two expert tools used to estimate future medical treatment and associated costs on a claim. Medical cost projections are primarily used to assist claims professionals in reserve setting and the projections can be for a for a specific period or over a lifetime. These projections focus primarily on quantifying the expected costs of medical treatments, surgeries, therapies and medications associated with the injury or condition and rely on current medical records, billing information and healthcare provider input to calculate estimated costs based on historical and current healthcare practices.

Particularly complex claims like catastrophic injuries often necessitate a more in-depth analysis and this is where a life care plan can be of benefit. These projections are vital for preparing for long-term needs and ensuring that every aspect of an individual's future medical care is thoroughly accounted for. Life care plans are comprehensive assessments that serve a diverse purpose. LCPs not only estimate medical costs, but also consider the long-term needs and quality of life for individuals with chronic illnesses, disabilities or catastrophic injuries. They encompass medical, therapeutic and support needs, as well as assistive devices, home modifications, vocational rehabilitation, psycho-social issues and more. Creating a life care plan involves a thorough evaluation of the individual's medical history, current condition and anticipated needs. It often includes input from multiple healthcare providers and specialists as well as extensive research.

At the forefront of these services are nurses holding one or more certifications in life care planning or other closely related certifications. In addition to the certification, these individuals maintain continuing education requirements to keep their knowledge (or skills) fresh. These professionals leverage their expertise to craft

precise medical cost projections and life care plans. By analyzing a wealth of medical evidence and assessments, they determine the individuals current and future medical and functional needs.

In cases where financial exposure is significant or the medical complexities are profound, the accuracy of medical cost projections and life care plans becomes crucial. These projections offer a strategic roadmap for managing future care and financial obligations. By anticipating the full spectrum of potential needs, stakeholders can mitigate risks and prepare adequately for future developments. Medical cost projections and life care plans are not merely financial tools; they are an extension of a claims professionals' commitment to the well-being of injured employees over time. By balancing the financial aspects with the critical need for empathetic patient care, these tools ensure that individuals receive the necessary support while preserving a claims professional's ability to manage funds responsibly.



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