Workers’ Compensation Claims
Trends & Strategies for 2016 and Beyond

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National Trends Affecting Workers’ Compensation

Things to know

- Viability of Workers’ Compensation
- ACA
- Regulatory
- Increased OSHA involvement
  - Increased reporting and recordkeeping requirements
  - Greater number and amounts of fines
• Physician Dispensing & MSAs
  – More frequent dispensing of higher priced unique drug strengths leading to increased costs
  – MSA’s are 40% of proposed settlement costs
  – Of that 40%, half is for prescription drugs.
  – Higher RX costs drive higher MSA and settlements
What are the Diocesan Challenges?

GB Diocesan Claims Frequency (Calendar Year)
What are the Diocesan Challenges?

GB Diocesan Most Frequent Accident Types (Calendar Year)

% of Claims By Type of Accident
Most Frequent Accidents

- Total Lost Time & Med Only Claims
- 2012: 35%, 2013: 40%, 2014: 37%, 2015: 39%

- Total All Other
- 2012: 22%, 2013: 18%, 2014: 19%, 2015: 17%

- Top Acc Types
- Slip/Fall
- Exertion - Lift/Pull/Push/Jump
- All Other
- Struck by Object
- Assault
- Cut by Sharp Object
- Strike Against fixed/moving object
What are the Diocesan Challenges?

GB Diocesan Average Cost per Type (Calendar Year)
What are the Diocesan Challenges?

GB Diocesan Claims Frequency and Average Cost by Age of IW (Calendar Year)

% of Accidents By Age of Employee
Lost Time & Medical Only

<table>
<thead>
<tr>
<th>Emp Age Categ</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Less Than 20</td>
<td>15%</td>
<td>14%</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>b. 20 to 30</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>c. 31 to 40</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>d. 41 to 50</td>
<td>12%</td>
<td>12%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>e. 51 to 60</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>f. Over 60</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>g. Unknown</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
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</tbody>
</table>

Total Claims/Average Cost

<table>
<thead>
<tr>
<th>Emp Age Categ</th>
<th>Total Claims</th>
<th>Avg LT Inc</th>
<th>Avg MT Inc</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Less Than 20</td>
<td>86</td>
<td>$28,016</td>
<td>$1,334</td>
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<tr>
<td>b. 20 to 30</td>
<td>908</td>
<td>$13,535</td>
<td>$942</td>
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<td>c. 31 to 40</td>
<td>953</td>
<td>$24,365</td>
<td>$1,139</td>
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<tr>
<td>d. 41 to 50</td>
<td>1,546</td>
<td>$38,864</td>
<td>$1,438</td>
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<td>e. 51 to 60</td>
<td>2,029</td>
<td>$45,793</td>
<td>$1,677</td>
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<tr>
<td>f. Over 60</td>
<td>1,336</td>
<td>$37,213</td>
<td>$2,316</td>
</tr>
<tr>
<td>g. Unknown</td>
<td>1</td>
<td>0</td>
<td>$0</td>
</tr>
</tbody>
</table>
What are data analytics & predictive modeling?
- Essential part of claims process as we evolve
- Understanding and identifying claims that will benefit from appropriate clinical intervention is critical for the success of any WC program

Why will they help?
- Helps to identify claims with potential for high exposure (even the little ones)
- Intervene early to lower costs and limit lost time

How do I use it?
- Assign to nurse case manager
- Seek early application of legal advice
- Targeted PBM intervention
- Establish programs to target areas where opportunities exist

Impact: Reduction in claims costs, lower medical and legal utilization, lower claims duration, improved employee satisfaction
Thank You

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