

# THE WORKER'S COMPENSATION OBSTACLE COURSE

The current processes imposed on health care providers in the worker's compensation system are like an obstacle course. When it comes to worker's comp, providers find they need to:

**JUMP** through the hoops requested of them by investigators,

**BALANCE** the views of the independent medical examiner with their own expertise,

**SWIM** against the tide of multiple requests for lost records,

**CLIMB** over the mounds of paperwork that are embedded in the system, and

**PROVE THEIR ENDURANCE** by pursuing delayed payments for a year or more.

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Proponents of a fee schedule created this obstacle course for providers but when system reforms are on the table, at best they ignore it and at worst, they protect it. They seek the reimbursement rates that health insurers in the group market have negotiated with providers, but offer none of the efficiencies that enable the lower rates.

There are many great features of the current system:

- Premiums have come down by more than 11% in the past two years.
- High quality health care helps employees return to work and productivity quickly.
- Injured employees are satisfied with their access to health care services and very satisfied with the care they receive
- Low litigation reduces costs for employers
- Providers and employers work together to reduce workplace injuries

If the goal is to reduce costs in the system, fee schedule proponents should work to remove costs to the system: get rid of the mounds of paperwork by adopting the federally-mandated electronic data interchange (EDI) used by providers and group health insurers; ensure timely payment; and reduce the number of middlemen taking a piece of the pie while adding little or no value.

**It's time to start talking about the real costs of and the real obstacles to improving the worker's compensation system.**



# The Worker's Compensation Obstacle Course

Over the past two years worker's comp premiums have declined by over 11%

But an individual employer's Worker's Comp premium can increase due to utilization

Insurer Charges Premium

Employer Pays Premium

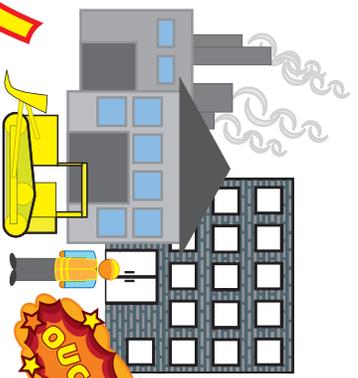
Insurer Mails Payment

Employer Verifies Accident

Insurer Investigates Fraud

Health Care Provider Verifies Injury

Insurer Investigates Fraud



**Ouch!**

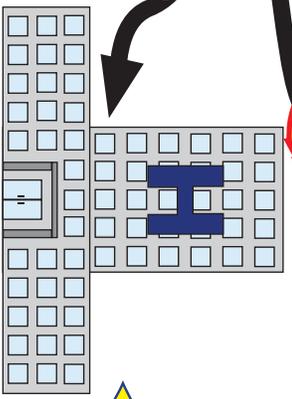
Accidents happen. In fact, Wisconsin has 20% more injuries than the national average

WI satisfied patients *sue less* than those in other states

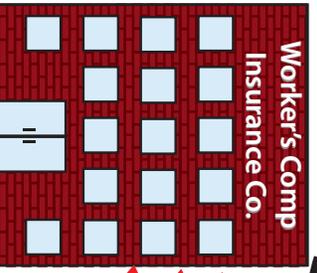
WI workers return to work *3 weeks faster* than the national average

High Quality Health Care results in *fewer visits*, and *fewer services/visits* than the national average

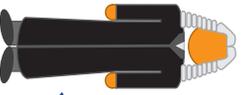
Efficient Care and Fewer Visits/Services result in a *lower than average total cost* compared to national average



Payments are *delayed* by up to a year (or more), or come as partial payment



Insurer Files or Responds to Appeal



Health Care Provider Sends Bill

Health Care Provider Provides Testimony and Forms

Employee Returns to Work

Employee Receives Care

Independent Medical Examination

Investigators

Reprinters

Claims Adjusters

Nurse Consultants