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THE BROADSPIRE REVIEW

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I N THE NEWS

RIMS Wrap Up

Product launches, a high-profile presentation and full appointment calendars were just the highlights of a jam packed week at the Annual Risk & Insurance Management Society (RIMS) Conference & Exposition held in Boston last month. The conference is the largest single event for Broadspire, Risk Sciences Group (RSG) and Crawford & Company as well as the entire Risk Management Industry.

At this year's event, Broadspire made the most of the opportunity to share several of our new products with clients, brokers and industry leaders. RSG premiered its Risk Management Information Suite (RMIS): DmitriSM. The new suite includes three levels of web-based data systems that offer real-time claim information and reporting.

We also announced a new partnership with Healthcare Solutions, launching a new durable medical equipment formulary that has already shown cost savings to clients in its initial weeks. Plus, Broadspire's Gary Anderberg moderated a panel that discussed how the recently passed national health care reform legislation might impact the workers compensation industry.



"There was a great deal of client and media interest in our products," said Ken Martino, Broadspire's president and CEO. "We'll make a real difference in our client's risk management programs with the DME formulary, improved RMIS and all of our new initiatives."



Broadspire and RSG received further attention at the conference thanks to the *Business Insurance* annual Risk Manager of the Year awards program: two out of the three honorees in the program are clients. Debbie Rodgers, vice president of global risk management for ARAMARK and longtime RSG client, received the Risk Manager of the Year honor during a Tuesday morning breakfast hosted by *Business Insurance*, which has sponsored the award program since 1977. Scott Borup, director of corporate risk management for Johnson & Johnson, was named to the Risk Management Honor Roll. Broadspire is preparing to celebrate 30 years as Johnson & Johnson's TPA.

Broadspire Launches Customized BOLD PPO Network

This past May, Broadspire launched its custom PPO network strategy. Instead of casting a wide net in hopes of a good outcome, Broadspire's BOLD (Broadspire's Original Landmark Design) network takes a targeted approach of using carefully selected medical networks for each jurisdiction and specialty. This multitiered, multilayered approach allows us to search out the best solution for each cost driver in each individual region.

The strategy includes several different types of networks which increase our penetration and savings. Regional networks are able to maintain close relationships with the best providers in their area. Specialty networks are able to contract with cost drivers such as pharmacy, transportation, physical therapy, durable medical equipment and medical tests. Infrequently, an employee can't find what they need in our regional and specialty networks, so we contract with a secondary network as a way to broaden our reach. If the requested provider is still not included in any of our networks, we contact them individually to negotiate the final payment.

Our approach allows us to custom build a network for every region, industry and even company. Included amongst our networks and partners are: Aetna, Align Networks, Black Diamond, Express Scripts, Healthcare Solutions, HFN, MedFocus, MTI, Next Imaging, Rockport, Signature Networks, Three Rivers, Total Medical Solutions, Universal Smart Comp, and UnitedHealth.

Regional networks provide a better understanding of their area providers and of the regulations for that area. They have an expertise in the state filings and can react quicker to rule changes and new legislation.

"We measure our success by our ability to improve the bottom-line of our clients," said Danielle Lisenbey, chief operating officer of medical services. "Through our new network strategy we're able to deliver better quality, consistency and outcomes."

Putting Clients First

As a client focused organization, we believe it is our obligation to help reduce our clients' total loss costs—even if that means we have fewer claims to manage for you. That's why we are the first TPA to partner with a neutral party for injury triage services.

We have recently joined with Medcor to provide injury triage to our clients. Medcor's proprietary triage service has consistently led the industry since they pioneered the process in 1997. Their experienced staff, innovative systems and national scope are unsurpassed.

Especially attractive to Broadspire is the use of a neutral outside vendor for triage services, Annette Sanchez, Broadspire's chief marketing officer, emphasized, "Medcor has no financial interest in whether a case becomes a claim, and we will not collect a surcharge for their services," she said. "Medcor provides services that can impact medical costs and at the same time help employees get the care they need."

Immediately after injuries occur, Medcor's specially trained triage nurses under the supervision of a physician use proprietary triage algorithms to gather information, assess the injury and make recommendations. If the employee needs off-site care the nurse makes a referral to the closest, appropriate in-network or preferred medical provider whenever possible. A detailed report is then sent electronically to Broadspire and to your safety, human resources and risk management departments. A key advantage is just how quickly the Broadspire claim and nurse case managers receive claim details. Together, both companies' technology and processes mesh to respond to workplace accidents and share critical claim information between triage, claim and RMIS systems.

"We have always been committed to helping employers reduce costs and improve outcomes for employees," explains Medcor President and CEO Philip Seeger. "We are thrilled to have a partner who shares that commitment and our dedication to providing services to employers with full transparency and without conflicts of interest in the triage and referral process."

A New Home

Broadspire recently moved our medical management headquarters to a new, environmentally friendly home in Sunrise, Fla.

The 64,000 square-foot structure, located at 1391 N.W. 136th Ave. in the Sawgrass International Corporate Park, offers many engaging features for the 300 employees who will relocate there, and for client meetings, tours and audits at the medical management headquarters. The committee responsible for choosing the new location looked at several comparable spaces, but was drawn to the building's environmental benefits and the work atmosphere it offers.

The location is certified by the Leadership in Energy and Environmental Design (LEED) as a site with a whole-building approach to sustainability. LEED recognizes performance in five areas: sustainable site development, water savings, energy efficiency, indoor environmental quality and materials selection. The building meets the energy-savings goal through a solar energy system, smart light system, fiber optics and water reclamation system.

"One of the key deciding factors on moving to our new location was the fact it provides Broadspire with an opportunity to participate in additional green initiatives in addition to recycling and energy conservation," said Danielle Lisenbey, chief operating officer of medical services. "We will be incorporating many new changes, ranging from a smoke-free campus and additional recycling and energy conservation to further wellness initiatives. Improvements for our work environment, community environment and personal well-being - this is what makes the move exciting."



U P TO DATE

Healthcare Reform and Workers Compensation

By Gary Anderberg, Phd

At the moment, health care reform appears to have a number of positive and negative potential impacts on workers compensation over the next few years. The net results cannot be estimated this early in the game. We can, however, identify a few elements and their possible consequences—

- Insuring the now uninsured: **Positive--** employees who have health insurance tend to file fewer workers compensation claims. They have less incentive to cost shift. Another result will be that chronic medical conditions will be, over time, better controlled and less likely to increase the severity of work related claims.
- Availability of care: **Negative--** with a large number of people having new health coverage, doctors and facilities may be swamped in some areas. The problem will lead to (a) delays in appointments for workers compensation related medical treatments and (b) less willingness by providers to participate in occupational medical networks and offer discounts off fee schedules.
- Removing the pre-existing exclusion: **Unknown--** in 2014 the pre-existing exclusion will disappear in group health. This cuts several ways at once. There will be less incentive for employees to claim long standing "wear and tear" conditions as work related—a positive change. There may also be much greater demand on employers for workplace and job accommodations leading to new exposures and safety issues.
- Medicare reform: **Negative--** the passage of HR 3590 was predicated on massive adjustments in Medicare reimbursement levels, which are marginal for medical providers now. This will pressure providers, especially hospitals and some specialists, to cost shift where possible and workers compensation is a soft target in most states. We could see significant increases in medical costs per claim as the Medicare changes begin to bite in a couple of years. (The recession-driven cutbacks in state Medicaid reimbursements will only amplify this effect in the near term.)
- Libby care: **Unknown--** the "Libby care" clause of HR 3590 (sec 1881A) is not intended to lead to the federalization of industrial diseases absent some very specific catastrophic circumstances comparable to those of the WR Grace disaster in Libby, MT. But we all know that ERISA was intended to address a very narrow set of union pension abuses when it was passed, but the Department of Labor, abetted by the Florida Administrators decision of the Supreme Court in 1977, expanded it greatly. The Libby care provision will bear watching.

Workers compensation was not at the table when Congress hammered out its health care reform solutions. Other than a few glancing mentions, such as the Libby care clause noted above, occupational medicine was overlooked and, by default, left to the states. This is probably a good thing, on balance. Yet, as health care reform changes begin to penetrate the enormous US health care enterprise, they will impact workers compensation in many overt and subtle ways over the next several years. Carriers, third party administrators, and managed care vendors will need to be alert to capture possible advantages and avoid potential nasty surprises.

PRODUCT SPOTLIGHT

Broadspire Care Management

As a mother of three, Joanne Davidson, a lead analyst for a Fortune 500 company, always struggled to maintain a work/life balance. When her mother began to have trouble keeping track of her medications, it fell on her to make sure her mother was safe. She always worried. She had to constantly deal with coordinating doctors appointment, transportation and home services. She felt constantly stressed and her worked suffered.*

More and more, companies are dealing with the problem of Presenteeism. In contrast to absenteeism, presenteeism involves the problems faced when employees come to work in spite of problems or illness, which can have similar negative repercussions on business performance.

It is reported that employees working at diminished capacity cost employers \$250 billion per year.¹ Among the leading causes of lower productivity at work are the stresses of elder or special needs care. According to the [Pew Research Center](#), just over 1 of every 8 Americans aged 40 to 60 is both raising a child and caring for a parent. Between 7 to 10 million adults care for their aging parents from a long distance.

Broadspire Care Management, formerly Crawford Care Management is a service you can use to protect the interest of employees, their family and your company. Broadspire Care Managers assess the needs of elderly, disabled or chronically ill persons to determine what treatment or action is best. They have the skills to locate the highest quality care options from the most cost-effective sources.

We take the roll of a client advocate, medical advisor, and surrogate family member. Some of the services include:

- Crisis stabilization
- Coordination of nursing facility or in-home assistance
- Benefits coordination
- Medical bill auditing
- Evaluation of alternative living arrangements
- Moving assistance
- Long-term planning assistance

All of our care managers are registered nurses, vocational counselors or social workers with extensive backgrounds in long-term and elder care. They understand the intricacies of the healthcare system and the clinical, social and environmental needs of each client.

In addition to elder care, our care managers work to ensure that children and adults with special needs get the best possible care and support they need. We seek to provide the best quality of life while preserving the family's financial assets.

Our care managers are fluent in working within the government benefits bureaucracy. They can anticipate problems and help qualified family members maneuver through the paperwork to receive benefits quickly.

As life-expectancy continues to lengthen, the needs of elderly parents will continue to grow. Broadspire Care Management is uniquely qualified to help with the issues of elder care. It can free your employees to concentrate on their work. It can help bring a smile to your corporate family and their family at home.

*Case study is a representation of several similar cases.

¹Bulletin to Management, 12/5/2002, BNA Professional Information Center

²A Generation Caught Between Two Others, NBC.com, Feb, 13 2007



Answers from Dr. Jacob Lazarovic, Chief Medical Officer

With over 25 years of experience, our Chief Medical Officer, Dr. Jacob Lazarovic, is one of the most respected physicians in the workers compensation medical community. We created an email for our clients, Ask DrJake@choosebroadspire.com, as a way to answer any clinical questions our clients, brokers or community might have.

Recently, there has been a growing concern about the significant misuse, abuse and diversion risk associated with the prescribing of controlled substances. A national study found that 71% of workers compensation claimants on chronic opioid therapy (>3 months) aren't taking their pain medication as prescribed¹. Dr. Jake and our medical management team have worked on creating our urine drug monitoring (UDM) program and Dr. Jake has answered questions on the subject for the Broadspire Review.

Q: How do you identify workers who need urine drug monitoring?

Broadspire is able to mine our data and flag those claims with chronic opioids, excessive pain management/addictive substances, high cost outliers, and several other criteria. Our claims professionals and senior nurse reviewers also might single out appropriate claims for the program. We then confer with the providers to decide whether UDM should be recommended.

Q: What is the process for drug monitoring and who performs the tests?

After Broadspire identifies the claimant for UDM, we send a request to our partner Ameritox and the provider. Only the treating doctor can order the test and the patient must agree to comply. The physician then collects the specimen and ships it to the lab. After the tests are complete, the lab sends a report to both the physician and the Broadspire team. If there are inconsistencies or concerns, our medical management team confers with the provider about resources and interventions available. The provider discusses the tests results and options with the employee.

Q: What Broadspire resources help combat prescription drug abuse or misuse?

We have a gamut of services that can help depending on the case. Our telephonic or field case management may be appropriate to help educate an employee on proper prescription use. We have Chronic Pain Management where a panel of specialists creates full treatment plans to help employees deal with their pain. Our Narcotics Program can help manage opioid usage. Many of these options include psychological services such as behavioral therapy or addiction management available to employees.

EXECUTIVE MESSAGE

By Ken Martino, President And CEO

Dear Friends,

As we come upon the midway mark of the year, I wanted to share with you some of the accomplishments you might not have heard about coming out of Broadspire. Despite unprecedented economic conditions Broadspire has made some significant strides in 2010 to improve quality, consistency and outcomes for our clients.

In Claim operations, our Services Centers continue to earn high marks on their audit scores. At the end of 2009 and into the first part of 2010, we scored above 90% on three separate Carrier audits. Internally, we not only constantly review our quality, but we also back it up. Our quality assurance program, Q-Ops, continues to award quality based bonuses to more and more claim professionals. Our clients also send us positive feedback on the results they are seeing in the quality of our claim handling. This same level of



quality can be seen in our Medical Management Services as well. Our medical case managers pride themselves on the quality of their work and consistently score above the 90% mark. We will continue to be diligent about our quality and consistency throughout 2010 and in the future.

This past month at RIMS, RSG launched the new Dmitri SuiteSM to great excitement and reviews. We had multiple demonstrations running at the same time from morning until late in the afternoon due to all of the interest. The Suite offers a fully web enabled platform that is easy to use, has great functionality and scalable to the needs of the customer. In addition, the implementation of *RiskTech* continues to improve our capabilities as we move into a paperless environment.

We also unveiled our new Durable Medical Equipment program along with our Chronic Pain Management program. Both of these programs leverage our clinical expertise with a significant cost savings approach. These programs were developed based on the analytics our team had done on cost drives of medical expenses. As we continue to refine our analysis, we will be adding additional programs to save on medical expenses.

I'm excited about 2010, the challenges and opportunities. At the beginning of the year, I set five key objectives out for our staff. We will continue to focus on:

- Providing the highest level of service to attract and retain business
- Presenting our clients and staff with top technology
- Aggressively managing claim inventories
- Finding ways to innovate our services and industry
- Maintaining our employee commitment and engagement

I've been constantly keeping a keen eye on all these and have been impressed with what we've accomplished for our clients so far. We continue to rededicate ourselves every day to our goals and our clients.

Regards,
Ken

UPCOMING EVENTS

Broadspire will exhibit at the following conferences and trade shows:

Michigan Self Insurance, Orlando, Florida, June 2-5

Iowa Worker's Compensation Symposium, Des Moines, Iowa, June 3-4

PRIMA, Orlando, Florida, June 6-9

Ohio Self Insurance, Cincinnati, Ohio, June 15-18

Disability Management Employer Coalition (DMEC) Conference, San Diego, California, August 1-4

CPCU Society Annual Meeting, Denver, CO, August 10-12

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