

# How CopperPoint Controls Medical Costs



[copperpoint.com](http://copperpoint.com)

At Work for You



## ■ **Controlling claims costs is key to keeping your workers' compensation premiums in check.**

**In Arizona the price of medical services is the major driver of work comp costs at 76¢ per every dollar spent, according to the National Council on Compensation Insurance.**

**This puts Arizona higher than the entire nation, which averages 59¢ per dollar.**

**At CopperPoint Insurance Companies, we have a number of tools to manage medical costs, so if you have a claim, we are at work for you to mitigate those costs, while making sure your injured worker receives all the care necessary to return to work as quickly as possible. These tools include:**

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### **Preferred Network**

We have more than 4,000 healthcare facilities statewide in a network of providers that is experienced in industrial injuries. Preferred network providers offer services at costs often lower than the Industrial Commission of Arizona's Physicians' Fee Schedule.

Under Arizona law, employers are permitted to direct an injured worker to a physician of the employer's choice for the first visit. We encourage policyholders to identify a preferred network healthcare provider, as research confirms that after the initial visit an injured worker is more likely to be seen by the same doctor for follow-up visits.

### **Return to Work Program**

We encourage policyholders to develop and maintain a return-to-work program. Numerous studies show that injured workers who miss more than six months of work have only about a 50% chance of returning to their jobs.

An injured worker who is on light or transitional duty until he or she receives full medical clearance has the best chance of a full recovery. If an injured worker can return to work within eight days and does not receive a permanent impairment as a result of the injury, the insurance industry discounts the loss against the employer's experience rating, which reduces the effect of the loss on future workers' comp premiums.

CopperPoint's Loss Control Consultants can help you implement a return-to-work program at your place of business.

## Pharmacy Benefit Management

The cost of prescription drugs is one reason medical costs continue to rise. Nearly 13% of workers' comp medical costs are due to prescribed drugs.

CopperPoint contracts with a pharmacy benefit manager (PBM) to manage and streamline the claims process for prescription needs and save money for our policyholders. The PBM manages an evidence-based formulary that allows easy access to prescription drugs that are commonly anticipated in workers' compensation claims. Drugs outside of the formulary are reviewed and allowed as appropriate to treat the work injury. We provide our PBM daily updated claims status information, which allows network pharmacies to fill prescriptions for qualified injured workers with no out-of-pocket expense.

Because of our PBM's central database, we are able to identify quickly any possible drug interactions and duplicate therapies. A risk-free, first-fill option is available on the date of injury even before the claim has been formally filed.

An Injured Worker First Fill Prescription Form is available to download at [copperpoint.com](http://copperpoint.com), under the File a Claim tab.

## In-house Medical Consultants

CopperPoint retains an orthopedic doctor, a dentist and a chiropractor, all of whom maintain active practices, to review claims cases with our claims adjusters and in-house nurses. Should they have any questions about medical treatment or surgical procedures, claims adjusters and nurses can meet with these professionals to ensure proper treatments and prescriptions are being used. The consultants also can give adjusters a better understanding of the nature of the injury, which can help when planning for the injured worker's recovery. Evidence-based medicine guidelines are utilized to ensure appropriate care is rendered.

## In-house Nurses

Because injury claims always have a medical aspect to them, our nurses assist the adjusters with deciphering medical records. They also help to determine if the injuries could result from what is being reported as the cause for injury before accepting the claim.

These nurses also identify concerns that may affect recovery, such as other medical conditions that exist already and may be independent of what is listed on the claim. And they will review actions and claims to ensure the medical treatment, medications, surgery and other treatment follow evidence-based guidelines for the injury.

## Medical Billing Review

Our partnership with our medical bill reviewer provides a third-party look at all medical bills. Medical bill review services ensure accurate re-pricing, maximize savings and allows us to make well-informed, equitable payment decisions.



## Fraud

We pursue criminal prosecution of all suspected individuals involved in workers' compensation fraud. According to the National Insurance Crime Bureau, fraud costs the industry an estimated \$7.5 billion a year.

Our claims adjusters are trained to spot red flags in claims management that may indicate one of three types of fraud:

- **Claimant** – Falsified or exaggerated injuries; injuries that didn't happen at work or people who are receiving benefits while working for themselves or another employer "under the table."
- **Premium** – This involves misclassifying employees' job types, such as listing construction workers as clerical; underreporting payroll; manipulating experience rating data or improperly using independent contractors or employee leasing firms.
- **Provider** – Medical service providers, hospitals, clinics, pharmacies and even suppliers overbill for treatment and services never performed or refer the injured worker to other physicians for unnecessary treatment.

CopperPoint's Special Investigation Unit gathers evidence of fraud and turns it over to the Arizona Department of Insurance (DOI). After review, the DOI may submit evidence to the Arizona Attorney General's office, which decides if prosecution should go forward.

**If you suspect fraud, you can report it anonymously by calling our Fraud Hotline: 800.526.5226.**

Great claims management uses all these tools. And our caring adjusters treat each injured worker with respect, giving each the attention he or she deserves for a prompt and just resolution.

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Direct questions to CopperPoint's Policy Contact Center at 602.631.2300 or 800.231.1363  
3030 N 3rd Street | Phoenix AZ 85012-3068 | [copperpoint.com](http://copperpoint.com)

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A.M. Best assigned CopperPoint Mutual and its subsidiaries an A- Excellent XII with a "stable outlook"

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