

# Proven track records create a winning formula for injured workers' recoveries



The coronavirus pandemic has taught us much about disparities in health care. We know, more than ever, that access to robust care carries profound and, indeed, life-altering consequences.

For years now, we've understood the same holds true for helping injured workers get back on the job: quality of care matters. Relying on those providers who have proven track records of success when it comes to addressing the unique needs of injured workers is a winning formula.

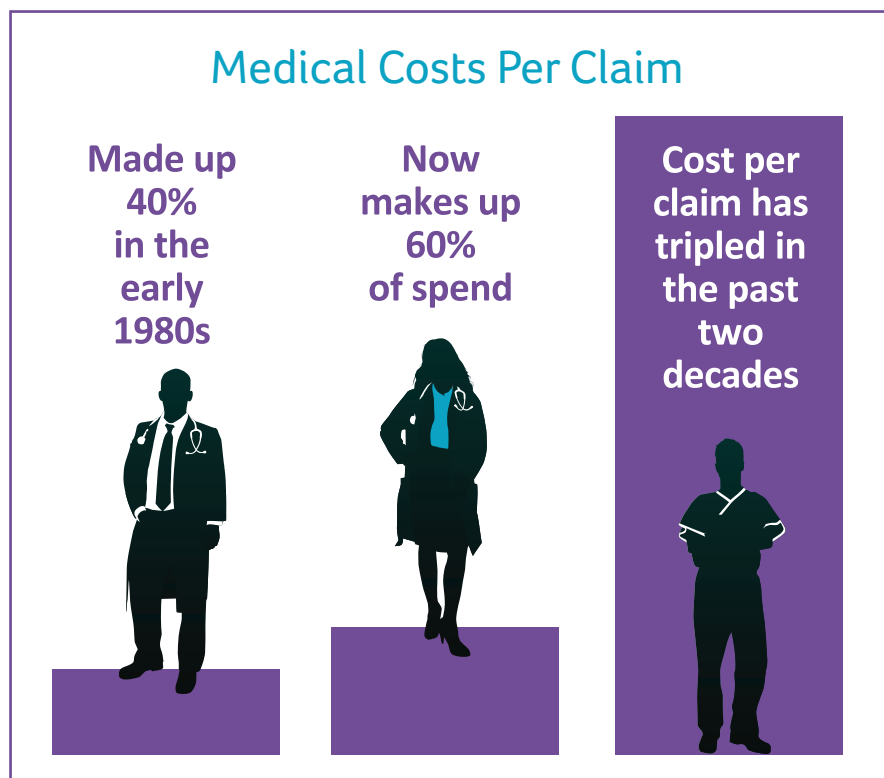
This success-breeds-success ethos emerged alongside recognition that other forces, like comorbidities and mental distress, can also exert enormous influence on the trajectory of workers' recoveries. Yet now, armed with deeper data sets and more robust analytics, we realize with even greater certainty just how important that quality-of-care aspect of a claim is — giving injured workers access to the best clinicians.

Networks, in general, enable injured workers to gain broad access to the care they need. After all, about 80 percent of payments for medical services in workers' comp flow through medical provider networks. There is also evidence that the arrival of networks into new jurisdictions can benefit injured workers and lower costs at the same time.

Such results aren't surprising. To be a part of a network, a provider is likely to have to meet certain criteria. These parameters are good for injured workers. The more we work with those who get hurt on the job and the more we study the best outcomes for what went right, it's clear that effective, high-quality medical care plays an essential role. To pull those best-performing clinicians to the front of the line when it comes to treating injured workers, many turn to outcomes-based networks (OBNs). These networks within networks can offer an injured worker the benefit of proven expertise and perhaps the best shot at a successful recovery.

About  
80 % of  
payments for  
medical services  
in workers' comp  
flow through medical  
provider networks

To continue to achieve success, high-achieving OBNs, like the providers comprising them, aren't static. Robust OBNs will always be evaluating new information. And these networks will always be doing the fine-tuning needed to arrive at the best-possible mix of effective care at a reasonable price so that injured workers can regain their footing as quickly as possible.



In workers' comp, quality pays its own way. Taking steps such as doubling down on injured-worker outcomes and relying on networks that prioritize the most effective clinicians can reduce overall workers' compensation spending, according to McKinsey. The consultancy notes such a focus is all the more important now that medical costs make up about 60 percent of spending on a claim — up from 40 percent in the early 1980s — and as the average medical cost per claim has more than tripled in the past two decades.

## OBNs factor into overall injured worker outcomes

Efforts to continually tweak OBNs are a natural outgrowth of our broader understanding of what makes for a successful recovery. The workers' comp

industry has always rightly focused on getting those who are injured back on the job as soon as possible to minimize the chance of a poor outcome and to save on unnecessary medical spending. But now we know to look well beyond the injury itself for insights into how a recovery might unfold.

To help remove obstacles that could forestall a return to work, we routinely consider factors that once seemed farther afield from the particulars of an injury. We know to take into account:

- An injured worker's mental welfare
- The presence of comorbid conditions
- The possibility of deleterious socioeconomic factors
- Additional considerations

Beneath each of these broad factors, it's intuitive that there are innumerable details. What might be less evident is how many variables should be factored into identifying the best providers. To understand who's best equipped to help injured workers, it's wise to have a balanced measurement design that encompasses multiple claim aspect outcomes such as:

- Medical utilization
- Clinical benchmarks
- Indemnity spend
- Return to work
- Financial performance
- Quality measures

To remove obstacles that could forestall a return to work consider factors that once seemed farther afield from the particulars of an injury

An OBN, which operates as a subset of a traditional broad-based network, gathers those providers who have shown particular success in aspects such as these and therefore in helping injured workers recover in a timely, effective, and efficient manner.

At Coventry, our OBN is a subset of the Coventry Integrated Network®. It includes in-network workers' comp providers who produce effective patient outcomes and who control claims costs. Out-of-network providers who meet OBN criteria are eligible to contract with Coventry to be included in the OBN.

While some outcomes-based networks might only consider medical costs, there are other important factors that shouldn't be overlooked. A recent routine refresh of our OBN provider panel underscores the perhaps surprising complexity revealed by looking under the hood of an OBN. Here are some of the factors we consider:

- Claim acuity
- Evaluation & management (E&M) utilization
- Physical medicine utilization
- Imaging utilization
- Major surgeries performed
- Opioid prescribing patterns
- Overall pharmacy utilization and spend
- Treatment duration
- Claim duration
- Medical spend
- Indemnity spend
- Total spend

Examining all these metrics allows for assembly of an OBN in which providers demonstrate clear depth of experience in treating workers' comp injuries. Reviewing all claim types and comparing providers to their peers will help identify those providers with the best overall claim outcomes. To be included in the OBN, providers must show consistently better measures of clinical outcomes, medical utilization, pharmacy utilization, return to work, and financial outcomes when compared to their peers.

After starting these more robust provider measurements in 2004, we began working toward establishing our OBN. At Coventry, we rely on the industry's largest integrated data warehouse of medical billing, clinical, and pharmacy data, alongside partnered client claim data, when scoring providers using stringent comparative statistical methodologies. We developed and modified our program metrics by gathering client and payer input. We also conducted surveys, relied on in-house physicians, tapped an external panel of doctors, and drew from myriad health care data sets and literature. Since we began piloting our OBN more than a decade ago, we have reviewed more than 9 million claims.



**OBN providers show better measures of clinical outcomes, medical utilization, pharmacy utilization, return to work, and financial outcomes when compared to their peers**

# OBNs enable success by churning through lots of data

For an OBN to reach its peak effectiveness, it's important to identify the providers who play the biggest roles in worker outcomes. One way to start is by determining the primary doctor responsible for the overall management of an injured worker's claim.

## Primary treating providers typically fall under one of the following specialties



OBNs might also include orthopedic surgery facilities even though they likely wouldn't be considered primary treating providers on a workers' comp claim and wouldn't be measured in the same manner as physicians.

An OBN might set certain minimum thresholds for inclusion in a program. After all, treating only the occasional injured worker isn't likely to yield reliable data on a clinician's effectiveness. The best OBNs sift through mounds of data, including the factors listed above, to identify those physicians, physician groups, and even clinics best equipped to help injured workers.

It's also important that the quality metrics for measuring an OBN's effectiveness are specific and well-considered. Otherwise, the comparisons can begin to lose meaning. In some ways, that's a scenario we've seen play out in Medicare, where more than 90 percent of payments are now tied to quality measures as part of the Affordable Care Act's push to disentangle care-giving from the traditional fee-for-service model. However, there are varying definitions of what constitutes "value." Those vagaries risk diluting what it means to pay for quality and not volume.

Looking again at workers' comp, we've noted that a successful OBN targeting the best results is likely to evaluate a range of measures including medical utilization, indemnity payments, and overall financial performance. Here we'll break down some of these considerations.

Under medical utilization, an OBN might consider types of imaging ordered, the rate of major surgeries, the length and type of physical medicine, and the prevalence of E&M visits.

In the clinical realm, considerations can include use of physical medicine compared against Official Disability Guidelines (ODG) benchmarks, high E&M utilization, repeat diagnostic imaging, surgical revision rates, and prescribing behavior.

## OBN Target Measures

### Medical Utilization

- Types of imaging ordered
- Rate of major surgeries
- Physical medicine length
- Physical medicine type
- E&M visits

### Clinical Considerations

- ODG benchmarks
- High E&M visits
- Repeat diagnostic imaging
- Surgical revision rates
- Prescribing behavior

### Return to Work

- Treatment lag
- Lost-time rate
- Medical paid
- Indemnity
- Other expenses

Of course, one of the most important yardsticks for a successful OBN is its ability to help injured workers return to the job in a timely manner. There are numerous factors to consider in this area. They include treatment lag, lost-time rate, indemnity and medical paid per claim, and other expenses.

When evaluating providers, it's sensible to ensure valid comparisons are made. This means benchmarking a claim against a population of similar claims. Doing so allows for a more like-for-like comparison as well as understanding about the variation in the practice patterns among providers. Using this approach, it's easier to identify those providers who show consistency within a particular category. By using factors such as location, claim acuity, comorbidity, and body-part matching, it's possible to compare how well a provider's history stacks up to a benchmark of a similar claim population.

## OBNs help quality rise to the top

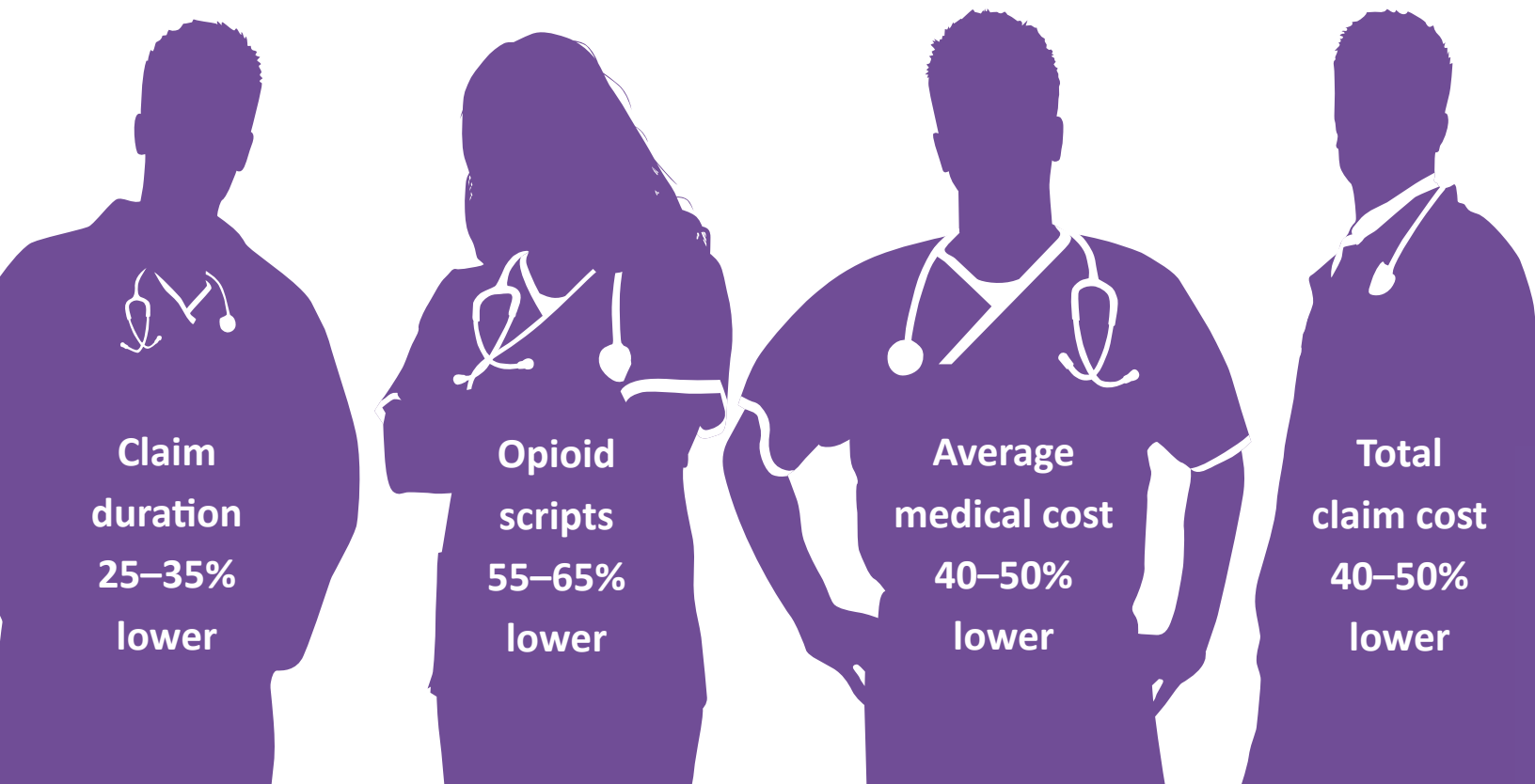
As discussed, quality of care matters. So, it's little surprise that the best providers are more adept at treating injured workers more quickly and with better outcomes. That's good for all involved.

Here's just one example: In 2020, Coventry reviewed approximately 3.1 million closed claims over a five-year period across nearly 50 jurisdictions. The results for claims treating with an OBN provider compared with claims treating with a non-OBN provider show a clear advantage for the OBN:

- Claim duration was 25–35 percent lower
- Opioid prescriptions were 55–65 percent lower
- Average medical cost was 40–50 percent lower
- Total claim cost was 40–50 percent lower

Of course, there are always variations across states, claim types, and patient populations yet the results make clear that turning to the most accomplished providers can be a shared win for the injured worker, the employer, and the payer.

### Claims treated by OBN providers



It's important that any program promoting the most successful clinicians is taking steps to be sure those accomplishments continue. This entails constantly reviewing, and potentially revising, the methodology to ensure the program is measuring what it purports to measure. It also means periodically reviewing the participating providers to ensure they continue to meet the participation criteria.

The focus on overall claim outcomes rather than each unit of care isn't something we're only seeing in workers' comp. Beyond the previous example around Medicare, there are other efforts to prioritize quality over quantity in group health. For years, there's been stepped-up examination of outcomes in health care broadly. In some cases, such efforts involve deploying value-based care models, which reimburse for care at bundled rates rather than through the fee-for-service model. In other instances, capitated payments fund providers' efforts to keep a population of patients in good health under the axiom an ounce of prevention is worth a pound of cure.

Part of the way health care in general, and workers' comp specifically, is getting better about quantifying outcomes and trying to better define value is through use of powerful data analytics. Even a few years ago, the rigor of analysis we see today simply wasn't possible. But improved technology is opening new possibilities.

Tools such as predictive analytics are now helping providers by recommending the best course of treatment for patients given their histories and how they relate to a cohort of patients

Part of what's so exciting is that it's not just the networks that are deploying these robust tools. It's happening all around, including among providers. Tools such as predictive analytics are now helping providers by recommending the best course of treatment for patients given their histories and how they relate to a cohort of patients. The group health examples underscore that using data to evaluate outcomes and reward successful providers is only likely to grow in importance as the nation seeks new ways to rein in the high cost of health care.

As providers get better at what they do thanks in part to technology, the OBNs in which these clinicians participate will also see further gains in quality. Granted, not all of the promise analytic technology holds for improving outcomes will emerge overnight. There will continue to be more work to do yet the promise of what's to come is exhilarating.

## Examining outcomes keeps the focus on workers

Networks focused on outcomes are doing just that — looking at results. That means the attention is on how injured workers recover and get back to living life and not solely on each procedure or on each unit cost. The goal is to consider the big picture.

This approach makes sense because of what we know about the importance of treating the whole person — not just the injury itself. Addressing the biopsychosocial aspects of a claim works alongside and is indeed an important component of quality care provided to an injured worker. Understanding the stresses and obstacles that a worker might face makes it more likely that these challenges can be overcome.

By tapping the most capable providers, it's more likely that measures such as claim duration, medical utilization, indemnity spending, and overall claim costs will show improvement. Just as important, injured workers are likely to have a better experience and get back on the job that much sooner. This is critical not just for quality of life but also because we know the longer workers are away, the less likely they are to return. Those are the outcomes everyone wants to avoid.

The data-gathering, the evaluating, and the tweaking that are central to how a robust OBN operates are, at their heart, good for workers. That's because these efforts are in service of increasing the likelihood of a strong recovery. And behind each of the metrics and data points is a worker hoping to get back to work and to rediscover a pre-injury life.





