

CareWorks

Customer News

CareWorks | 5555 Glendon Court | Dublin, Ohio 43016 | 1-888-627-7586 | www.careworksmco.com

THE POSITIVE IMPACT OF WELLNESS IN A CHALLENGING ECONOMY

As employers continue to face challenges in today's difficult economy, focusing on the health and wellness of your employees can help enhance their productivity.

Healthy Assets

Nearly every business in Ohio and throughout the country is facing challenges during these continually difficult economic times.

Healthcare costs continue to rise significantly and many employers are having to do more with less.

Now more than ever, your employees are your number one asset. It's a good time to think about ways you can protect these important assets. Raising wellness awareness at your company is one way to encourage your employees to take an active role in their health and motivate them to stay committed.

Employees who lead healthier lives are generally more productive. This can help lower your company's health care costs, curb absenteeism and lessen the occurrence of avoidable workplace accidents and injuries.

At CareWorks, wellness is more than just a buzzword. We've conducted internal health and wellness awareness campaigns for each of the last two years. It's just a small way for us to actively provide our associates with information and encourage them to lead healthier lifestyles.

We've developed a comprehensive information guide covering many wellness topics that is available for our customers to

download from our website.

We're always here to help should one of your employees be hurt on the job, but we also want to provide some tools to help you encourage your employees to become as healthy and productive as possible.

URAC Accreditation

CareWorks is extremely pleased to once again be awarded Case Management Re-Accreditation from URAC. We are committed to providing high quality services to you and your valuable employees that meet URAC's national guidelines.

Workers' Comp Changes

It is our intent to keep our customers aware of news and changes impacting workers' compensation in Ohio.

From BWC's new pharmacy benefits initiatives and recent premium discounts, to understanding the relationship between workers' compensation and the federal Family Medical Leave Act (FMLA), this issue covers news and information we hope you find useful.

Email Communication

This fall, CareWorks rolls out a monthly email service to our customers. Our goal is to communicate on a regular basis with our customers, sharing timely news, in-

formation and tools to help you navigate the world of workers' compensation.

Our Commitment to You

Thank you for continuing to support CareWorks as your managed care organization (MCO). Your feedback has helped us create a special company founded on exceptional customer service. If you ever find our services aren't up to your expectations, please let me know. I've never had a problem brought to my attention that couldn't be fixed.

Richard J. Poach
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BWC APPROVES \$65 MILLION RATE REDUCTION FOR PRIVATE EMPLOYERS

BWC's Board of Directors approves Governor Kasich's rate reduction proposal. The four percent overall reduction in premiums does not involve any reduction in benefit levels.

Earlier this summer, Governor John R. Kasich joined BWC Administrator/CEO Stephen Buehrer in proposing a four percent reduction in overall workers' compensation base rates, for a total cut in premiums estimated at \$65 million annually.

BWC's Board of Directors approved the overall rate decrease for private employers, with specific classes receiving maximum increases of 21 percent and maximum decreases of 29 percent, effective July 1, 2011.

BWC Administrator Buehrer

said the proposed rate reduction was possible as a result of strong investment returns and a decline in injury claims.

According to a 2010 state-by-state comparison conducted by BWC that studied only the cost of covering injuries and excluded administrative costs, Ohio's average rate per \$100 of payroll was \$1.83. This was lower than neighboring states Pennsylvania (\$2.03), Kentucky (\$1.98) and Michigan (\$1.93).

The four percent cut is an average for the state's employ-

ment classifications and can be much larger for some employers.

Each employer's actual rates incorporate overall claims cost trends within their specific industry and their own individual performance.

For Ohio business owners, it's nice to hear that rates are going down.

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CAREWORKS EARNS URAC RE-ACCREDITATION

URAC offers the largest array of accreditation programs in the United States, assessing health plan operations, including medical and case management companies like CareWorks.

On August 17, 2011, CareWorks was awarded Case Management Re-Accreditation from URAC, a Washington, DC-based health care accrediting organization that establishes quality standards for the health care industry. CareWorks has been URAC accredited since 2001.

URAC, an independent, non-profit organization, is a well-known leader in promoting health care quality through accreditation programs.

URAC offers a wide range of quality benchmarking programs and services that keep pace with rapid changes in the health care system, and provide a symbol of excellence for organizations to validate their commitment to quality and accountability.

The URAC accreditation process demonstrates a commitment to quality services and improving business processes.

"By applying for and receiving URAC Case Management Accreditation, CareWorks has demonstrated a commitment to quality health care," said Alan P. Spielman, URAC president and CEO. "Quality health care is crucial to our nation's welfare and it is important to have organizations willing to undergo rigorous evaluation by an independent accrediting body."

URAC's Case Management standards set expectations to ensure appropriate patient protections are established, such as policies for confidentiality, informed consent, dispute resolution, quality improvement, ethics, complaints and the case management process.

"Being recognized for outstanding case management processes underscores the quality of our work with employers, injured workers and providers by



CareWorks was officially awarded Case Management Re-Accreditation from URAC effective September 1, 2011.

demonstrating compliance with national standards," said Richard J. Poach, president and Chief Operating Officer of CareWorks.

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BWC MAKING CHANGES TO PRESCRIPTION DRUG PROGRAM

The creation of a Pharmacy and Therapeutics Committee, a new formulary limiting medications covered by workers' compensation and new generic equivalent requirements are all changes being implemented.

There are several new changes to the Ohio Bureau of Workers' Compensation's (BWC's) Prescription Drug program for Ohio's injured workers.

Administrative rules have recently been passed that pave the way for these changes.

Rule 4123-6-21.2 creates a Pharmacy and Therapeutics Committee (P&T). This committee is made up of BWC's Pharmacy Program Director, six physicians (MDs or DOs) and six pharmacy providers.

The responsibilities of the committee will include:

- Development, approval and annual review of the formulary of approved medications;
- Development, approval and annual review of a list of non-covered, non-reimbursable medications; and,
- Review and approval of proposed medication treatment guidelines.

Effective September 1, 2011, BWC implemented a medication formulary. This formulary limits the medications covered by BWC under a workers' compensation claim.

The P&T Committee will review medications to determine which new medications should be included in the formulary and which should be excluded.

Also effective September 1, 2011, there will be no reimburse-

ment for a brand name medication when there is a generic equivalent.

If an injured worker wants to get the brand name medication, they will be responsible for the difference in cost between the generic and the brand name.

The only way an injured worker can get coverage for a brand name medication is if a physician has documented a clinical allergy to the generic medication.

This documentation must include physical findings concurrent with an unanticipated allergic reaction as opposed to a known side effect or adverse reaction to the drug.

Effective October 1, 2011, BWC will no longer pay for medications prescribed by physicians that have lost their BWC certification.

BWC will also no longer allow MCOs to pay for any compounded medications. This includes both ordinary compounded products such as an ointment, as well as sterile injections such as pain pumps.

Sterile compounds must be prepared by a facility that meets the compounding guidelines contained in the United States Pharmacopoeia.

Prescriptions for these medications must be processed through SXC Healthcare.

Injured workers affected by

Ohio | Bureau of Workers' Compensation

Generic drugs are defined as duplicates of brand-name drugs made after the patent expires of the company who originally developed the drug. Generic drugs are much less expensive than brand-name drugs while still offering the same levels of safety and effectiveness.

these changes (it applies to all claims, regardless of date of injury) will receive a letter from BWC advising them of the next steps they need to take.

Because this change was made via rule, and not BWC policy, it overrides all previous Industrial Commission (IC) orders.

For example, if an IC order specifically allowed an injured worker to receive Vicodin, this means they now have to get the generic equivalent and not the brand name medication.

For more information, please contact your individually assigned CareWorks Account Executive, toll free, at 1-888-627-7586.

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Interested employers can access news and information from BWC via Twitter and Facebook. BWC's Twitter account (<http://twitter.com/ohiobwc>) will highlight agency activities, news and



information. BWC's Facebook page (facebook.com/ohiobwcfraud) will focus on the bureau's fraud investigation efforts, including a "most wanted" section and a link to report fraud.

WORKERS' COMPENSATION AND THE FAMILY MEDICAL LEAVE ACT (FMLA)

Understanding the relationship between workers' compensation and FMLA can help employers determine when a claim should be considered FMLA.

The Family Medical Leave Act (FMLA) is a mandatory leave law to protect employees who need to take time away from work to care for family or for their own serious health issues.

The law applies to employers with 50 or more employees and can allow an employee to take up to 12 weeks of unpaid job protected leave if they meet certain FMLA eligibility requirements.

Almost every state has a law that guarantees income to employees injured on the job. The indemnity, or lost wages, can come from an insurance carrier, a self-insured employer, or in our case in Ohio, the Ohio Bureau of Workers' Compensation (BWC).

Ohio is one of only a few states that operates with a monopolistic state insurance fund.

This fund provides injured workers who have lost eight or more days of work with compensation for their lost wages as a percentage of their actual wages.

So, how does workers' compensation interact with FMLA, since workers' compensation is not necessarily considered a leave law?

Employers must remember that FMLA does not distinguish between an occupational and non-occupational injury. There-

fore, any on-the-job injury requiring inpatient or ongoing treatment that is determined to be a "serious health condition" should be considered FMLA.

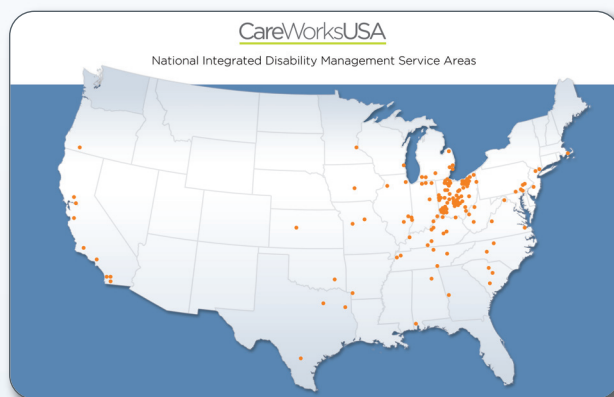
If an injured employee meets the serious health condition definition, it is imperative that the employer determine if the employee is eligible for leave under FMLA.

If an employee is eligible for leave, the employer should notify the employee in writing that the leave is covered under FMLA so the leave may be counted toward the employee's 12-week FMLA entitlement.

A common mistake employers make is failing to run the workers' compensation and FMLA claim concurrently.

Thus, the employee may stack benefits that can further add to the volume of lost work hours accrued each year.

Since most workers' compensation leaves that exceed three lost work days will be covered under FMLA, it is wise to count time away from the work-



In today's workplace, the value of people is critical to driving productivity. CareWorks USA's absence management solutions are providing employers throughout the U.S. with customized Family Medical Leave administration and absence management solutions.

place as FMLA. If not, the employer may lose the opportunity to count the time against the entitled leave resulting in a loss of productivity for the business.

If you have any questions about this article or any of CareWorks USA's absence management services please call us at 1-888-436-1003 or visit us online at www.careworksusa.com.

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Reporting Workplace Injuries to CareWorks

- All customers are reminded to send First Reports of Injury to CareWorks as quickly as possible.
- All reports are imaged into our system, sent to BWC and become immediately accessible to your assigned claims team.

There are four injury reporting options available:

- Toll Free Fax: 1-888-711-9284
- Toll Free Phone: 1-888-627-7586
- Email: cwfroi@careworks.com
- Internet: www.careworksmco.com

THE POSITIVE IMPACT OF WELLNESS AT WORK

CareWorks has conducted internal health awareness campaigns for each of the last two years. Here are tips and information on providing your employees help and encouragement to lead healthier lifestyles.

CareWorks has always strived to create the best work experience possible for our associates.

We'd like to share with our customers some information and ideas on how to promote wellness and healthy habits at your company.

From our experience, the better our associates feel, the better service they can provide to our customers.

Anything you can do to keep your employees healthy and safe is a step in the right direction for maximizing your company's productivity and your bottom line.

In 2010 and 2011, we conducted company-wide wellness campaigns geared toward helping our associates make healthy lifestyle choices.



Spring | 2010

Kicked off our first ever health awareness campaign titled "What's On Your Plate?"

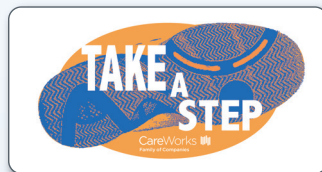
This 12-week program offered a weight loss contest, weekly healthy tasks for our associates to complete and information on becoming more healthy and making healthy choices over the long term.

Prizes were awarded to the three associates achieving the highest percentage of total weight loss over the 12 weeks.

To keep everyone connected to the program, each week there was a healthy task for all associates to complete. Completing the task earned an entry into a weekly gift certificate raffle.

There was a different healthy

theme each week, helping us promote a continual flow of nutrition and wellness information.



Winter | 2011

Our "Take a Step" campaign focused on increased "activity" levels to improve health.

Our on-site Medical Director helped begin this program by sharing with everyone how a lack of activity can affect each of us as we age.

A lot of our associates work continually from their desk eight plus hours a day and 40 plus hours each week. We encouraged everyone to integrate small "activities" into their day that involved constant motion.

This program had four fundamental components. First was selecting a friend at work as an exercise teammate, which helped greatly with maintaining motivation and accountability.

Second was for each team to set an attainable daily goal to complete every day for three months. For example, associates wore a pedometer and set a steps per day goal, walked or stretched for an amount of time or even climbed a certain number of flights of stairs each day.

The third component was recording their daily progress over the three month period by placing a sticker on their assigned "Take A Step" chart at their desk.

Finally was the inclusion of "Secret Squirrels" who were randomly assigned to look for associates actively completing their

daily exercise goal and immediately reward them with an "on the spot" gift card.

The department that had the highest percentage of participants and the best overall sticker results won a gift card to use for a healthy team lunch.

Wellness Information for You!

CareWorks has collected information on a variety of different health and wellness topics into a "Wellness Guide."

CareWorks customers are invited to download a copy of this guide from the "Tools & Resources" in the upper right hand corner of our website at www.careworksmco.com.

Here is a list of some of the topics covered:

- Back Injury Prevention
- Body Mass Index
- Breast Cancer
- Breathing Exercises
- Colon Health
- Diabetes
- Exercise Heart Rate Range
- Exercising With Diabetes
- Flexibility
- Food Labels
- High Blood Pressure
- Proper Lifting Technique
- Skin Cancer
- Stress Management
- Stroke Warning Signs
- Testicular Cancer Self Exam
- Workplace Exercises

I hope we have shared ideas and information to help you promote health and wellness awareness that can make a positive impact at your company.

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Every issue of the CareWorks Customer News is designed and written by in-house CareWorks associates for our customers.

AUTUMN SAFETY TIPS

Fall may be one of the most beautiful seasons in Ohio, yet it can also present a few safety concerns. Here are some common reminders to consider this autumn.

- As leaves begin to fall and cover residential and country roads, they can become a driving hazard. While it may be fun to blast through a pile of leaves, bear in mind that leaves can be slippery. Hard acceleration, braking or sudden turns over a pile of leaves can lead to skidding. Also, there could be a pothole or other unexpected road hazard hiding underneath.
- Check or replace carbon monoxide alarm batteries twice a year when you change your clocks each spring and fall.
- Replace smoke alarm alkaline batteries at least once a year. Test these alarms every month to ensure they work properly.
- Flu season is right around the corner. The single best way to protect against the flu is to get vaccinated each year in the autumn. Cover your nose and mouth with a tissue when you cough or sneeze. Wash your hands often and for at least 30 seconds using warm water. Stay home if you get sick.
- If you have children playing sports this fall, the National Centers for Disease Control and Prevention (CDC) has developed the *Heads Up: Concussion in Youth Sports* initiative to offer important information on preventing, recognizing and responding to a concussion for coaches, parents and athletes. For more information, please visit www.cdc.gov/concussion/HeadsUp/youth.html.
- Check your furnace filter monthly and plan to change it every three months, or every season if you have a combination heating and air conditioning system that runs year round. Even the newest high-efficiency pleated filters can restrict air flow once they become somewhat clogged. This will prevent your furnace from moving as much air as it was designed to, causing it to run longer to heat your house, which in turn can add to your gas or electric bill



Enjoy the change in season this fall while taking into account safety and health concerns.