

# COMP CONTROL

The Official KMIT Member Newsletter

## Precept/CorVel...

### KMIT's partner for Worker's Compensation Services

#### Who we are...

Precept is a service started by Insurance Management Associates, of Kansas (IMA) in 1994 in response to their customer's frustration in the workers' compensation arena. Poor communication and understanding from physicians and hospitals, as well as the insurance carriers, made handling workers' comp claims very difficult for employers. This resulted in an increase in claim costs and premiums.

To decrease the cost of the workers' comp claims and premiums, two very distinct concerns needed to be addressed:

- 1) Employers needed cooperation from the medical community to provide workers' comp services which would include quality (number one), communication, and as a bonus, a discount below the state fee schedule.
- 2) Employers needed a local liaison to help understand how the process worked, interpreting the medical information, restrictions, prognosis, the importance of return to work, and making sure the carrier, employee, and providers were kept in the loop of communication.

Precept was IMA's answer to this challenge.

In 2000, Precept was acquired by CorVel Corporation to expand the medical network and resources to a national level. CorVel has about 3,000 employees through 185 offices located in all 50 states. Although national, Precept/CorVel continues to serve with a local presence. We have two nurses in Topeka and three in Wichita who travel throughout the state providing case management services and two analysts in Wichita to provide medical bill review of workers' compensation charges.

#### Services...

Precept/CorVel provides three primary services to KMIT Members:

- 1) Injury Care Line: An injury triage line staffed by nurses 24 hours a day, seven days a week, and holidays. This service is to assist you in directing the injured employee to the appropriate care facility immediately after an injury. The nurses help facilitate communication and transportation to medical providers if life threatening or severe injuries have occurred. They then forward the information to Victoria Vanderhoof,

Carol Eddington - President  
Oswego

Rhonda Schuetz - Vice President  
Hiawatha

Keith DeHaven - Treasurer  
Sedgwick

Gary Hobbie  
Immediate Past President  
Russell

David Alfaro            Nancy Calkins  
Augusta                    Mission

Linda Jones            Cheryl Lanoue  
Osage City                Concordia

Bud Newberry        Howard Partington  
Elkhart                    Great Bend

Ron Pickman  
Goodland

Don Moler  
LKM Executive Director  
Ex Officio

Don Osenbaugh  
Pool Administrator / Agent

Victoria Vanderhoof  
Claims Manager  
Insurance Management Associates

Paul Davis  
Assistant Risk Control Manager  
Insurance Management Associates

Wendy Flowers        Bret Glendening  
Co-Editor                Co-Editor /Agent

CompControl is a publication of the League of Kansas Municipalities and the Kansas Municipal Insurance Trust for the purpose of educating and informing cities about loss control methods and risk management. If you have any questions concerning KMIT workers' compensation or risk management that you would like to see answered in this newsletter, please direct those inquiries to:

Kansas Municipal Insurance Trust  
300 SW 8th Avenue  
Topeka, KS 66603  
Phone: (785) 354-9565  
Fax: (785) 354-4186  
[wflowers@lkm.org](mailto:wflowers@lkm.org)

Copyright 2004 by the League of Kansas Municipalities. Contents herein are not intended to provide specific legal or medical advice. Readers should seek advice on specific concerns from a qualified professional.

## Letter from the Pool Administrator

**Dear KMIT Members and Others,**

Happy Spring!

Since the last *CompControl*, **FIVE** more cities have become **KMIT** pool members (all effective April 1)...bringing the total **KMIT** membership up to **119**. The new members, in order of their admission to **KMIT**, are: **Atlanta, Girard, Belleville, Palco, and Grandview Plaza**. Welcome to KMIT!

In this edition, **Marcia Payne** describes the various services which are provided to our **KMIT** members by **Precept/CorVel**. Read this piece over very carefully; there are some really important services and savings offered through Precept—all at **NO** cost to the members of the pool.

Also in this edition, members are reminded, once again, of the importance of **“Return to Work”**. This subject is a repeating topic in virtually every national publication which mentions work comp. And, it is one which is certainly stressed, with great vigor, at all of our **KMIT Supervisor Training** sessions. **PLEASE** consider adopting, and **ENFORCING**, a Return to Work policy in your city. Though safety is always our number one priority, there is no one policy that can save more costs and get folks recovered quicker than simply getting them back to work, in *some* capacity, in *some* city department. Our **KMIT** model policy is an insert in this newsletter, and is available on our website ([www.kmit.net](http://www.kmit.net)).

Your **KMIT Board of Trustees** last met in **Augusta** on February 27. Upcoming Board meetings are scheduled for **Osage City** (April), **Goodland** (June) and **Hiawatha** (August). Be sure to make plans to attend the **KMIT Annual Meeting**, which will be on the afternoon of Monday, October 5, as a part of the LKM Annual Conference, in Overland Park.

Lastly, we were very encouraged by the number of supervisors who attended one or more of the supervisor training sessions held in **Hutchinson, Newton and Winfield** in February. A total of 162 supervisors, 89 of whom represented **KMIT** cities participated. Thanks to our host cities, and to all cities who sent supervisors to these important seminars.



Pool Administrator



**Atlanta  
Belleville  
Girard  
Grandview Plaza  
Palco**

## KMIT Posters

We suggest each KMIT city post KMIT's two posters in every city worksite (city hall, wastewater plant, public works shop, etc.). You may download copies from the KMIT website, [www.kmit.net](http://www.kmit.net), or contact Wendy Flowers at [wflowers@lkm.org](mailto:wflowers@lkm.org).

Would you like to receive CompControl, City Safe, and Special Notices by e-mail?

It's simple! Send your request and e-mail address to Wendy Flowers at [wflowers@lkm.org](mailto:wflowers@lkm.org).



## Safe Cities as of February 27, 2004

If you would like assistance returning an injured employee to work, or need ideas for modified duty, please contact Victoria Vanderhoof, 1-877-502-9897 or [victoria.vanderhoof@imacorp.com](mailto:victoria.vanderhoof@imacorp.com).

Allen	Council Grove	Grenola	Marysville	Rose Hill
Altamont	Cullison	Hays	McFarland	Russell
Andale	Derby	Haysville	Medicine Lodge	Satanta
Andover	De Soto	Hesston	Melvorn	Sedgwick
Atchison	Dodge City	Hiawatha	Minneapolis	Spearville
Augusta	Douglass	Hill City	Mission	Spring Hill
Baldwin City	Edgerton	Hillsboro	Montezuma	Stafford
Basehor	Elkhart	Hoisington	Mound City	Stockton
Baxter Springs	Esbon	Holcomb	Neodesha	Tescott
Bel Aire	Eudora	Horton	Oberlin	Tipton
Beverly	Ford	Hoxie	Ogden	Tonganoxie
Bird City	Fort Scott	Independence	Olpe	Treece
Bonner Springs	Fowler	Jetmore	Osage City	Turon
Brewster	Frankfort	Johnson City	Oskaloosa	Ulysses
Caldwell	Fredonia	Kingman	Oswego	Valley Center
Centralia	Galena	Kinsley	Ozawkie	WaKeeney
Chautauqua	Glasco	Lenora	Paola	Wakefield
Cheney	Glen Elder	Leoti	Park City	Walton
Cherryvale	Goodland	Lincoln Center	Peabody	Wamego
Columbus	Grainfield	LKM	Princeton	Wellington
Concordia	Great Bend	Lucas	Ransom	Wellsville
Conway Springs	Greeley	Maize	Roeland Park	

KMIT's dedicated claims adjuster. **This does not replace the first report of injury form required by the State of Kansas. Please continue to call or fax those reports to Victoria.**

- 2) CorVel's PPO network of medical providers across the State of Kansas: These providers are chosen for their quality, outcomes, ability to communicate, and their understanding of workers' compensation. Most provide their services at a fee negotiated below the accepted Kansas Workers' Compensation Fee Schedule. These qualities are all great benefits to the municipalities, as it decreases the amount of dollars spent on claims that occur. The CorVel Medcheck unit reviews the bills for appropriate charges, reduces the charges to Kansas fee schedule, and then applies any further negotiated discounts.
- 3) Nurse Case Management: The role of a case manager is to evaluate an injury and treatment, attend medical appointments, and coordinate further medical care and return to work issues. The nurses communicate to the physicians about work requirements and light duty availability based on your job descriptions, as well as keeping you and the adjuster informed of prognosis, progress, and potential issues.

## How we get involved...

When Victoria feels a nurse is needed to evaluate an injury and/or treatment plan, attend medical appointments, or coordinate future medical care and return to work issues, she will contact the Precept/CorVel office. A nurse is assigned and will follow the claim until the claim is closed, or Victoria feels we have completed our goals.

If you have questions concerning medical providers in your area, providers for workers' compensation, or physicals, please feel free to contact the Wichita CorVel office at 316-264-2900 or 1-800-626-0149 and ask for **Marcia Payne** ([marcia\\_payne@corvel.com](mailto:marcia_payne@corvel.com)).

## Video Library

IMA has added 7 new training videos to their Video Library. Here are the new titles:

- Back Care & Safety
- Defensive Driving & Road Rage
- New Defensive Driving Techniques
- Emergency Evacuation Procedures
- Lockout/Tagout for Affected & Authorized Employees
- Slips, Trips, & Falls
- Working With Stress



KMIT member cities can borrow up to 5 videos at one time at NO COST. To obtain a complete list of videos and ordering information, go to [www.kmit.net](http://www.kmit.net), on the left hand side, click on IMA Safety Video Library. KMIT encourages cities to take advantage of these training videos to use as tools for training current employees along with new employees.

## “Return To Work”

Returning injured employees to a *doctor-approved* (“modified-duty”, if necessary) function with the city *as quickly as possible* is an essential part of KMIT's philosophy, and is clearly a key element in reducing overall work comp costs. . . to the KMIT pool *and* to each member city. Work comp rates are greatly affected by lost-wage payments to injured workers (approximately 1/2 of all claim costs are thus attributable). Getting those employees back to work as quickly as possible is something *every KMIT city is expected to do*. Many studies have shown that injured workers who return to work as soon as possible, even if in a different capacity or in a different department on a temporary basis, have fewer long-term difficulties in achieving full recovery. KMIT *strongly urges* all its member cities to adopt a “Return To Work” policy . . . via an official city mechanism, such as a resolution passed by the governing body. KMIT's model “Return To Work” policy is included in this edition, and can also be found at: [www.kmit.net](http://www.kmit.net).

---

# Claims

## Top 5 Frequency and Cost Analysis

January 1, 2004 through February 27, 2004

<u>By Job Classification</u>	<u>Frequency</u>	<u>Claims Cost</u>
Police Officers & Drivers	24	\$ 17,697
Firefighters & Drivers	20	6,755
Municipal	14	13,050
Garbage, Refuse Collection	10	366,963
Waterworks	7	3,403

<u>By Accident Type</u>	<u>Frequency</u>	<u>Claims Cost</u>
Fall or slip injury	24	\$ 10,216
Strain or injury by lifting, pushing, carrying, etc.	21	18,308
Occupational hazards	15	6,258
Miscellaneous cause	12	4,874
Struck or injured by falling object, hand tool, etc.	11	2,400

<u>By Body Part</u>	<u>Frequency</u>	<u>Claims Cost</u>
Low back area	16	\$ 9,179
Internal organs	9	3,948
Finger(s)	7	3,900
Knee	7	3,120
Shoulder	6	3,094

---

## KMIT Q & A

**Question:** Isn't the city establishing a "bad precedent" by bringing back injured employees before they are able to return to "full duty"?

**Answer:** No. In fact, *the reverse is true*. By *NOT* bringing back injured employees quickly, even in a different job in a different department if necessary, *the city is clearly establishing a precedent*—of not really wanting employees to come back to work until they can resume their old job in a complete way...something KMIT, along with most other work comp carriers, believes is a *very* bad precedent. (See story on "Return To Work" in this issue).

Do you have a question about work comp you would like answered? If so, e-mail it to Wendy Flowers at [wflowers@lkm.org](mailto:wflowers@lkm.org).

## KMIT Calendar

April	30	KMIT Board of Trustees Meeting, <i>Osage City</i>
June	25	KMIT Board of Trustees Meeting, <i>Goodland</i>
August	20	KMIT Board of Trustees Meeting, <i>Hiawatha</i>
October	5	KMIT Annual Meeting, <i>Overland Park</i>



### Revenues & Expenses February 29, 2004

#### Combined Assets

Cash In Bank	1,028,885
Premiums Outstanding	
Investments	<u>4,406,426</u>
<b>Total Assets</b>	<b>5,435,311</b>

#### Combined Liabilities & Equity

Claims and Accrued Expenses Outstanding	2,580,650
Reserved for Losses	893,157
Incurred But Not Reported (IBNR)	<u>1,065,322</u>
<b>Total Liabilities</b>	<b><u>4,539,129</u></b>
KMIT Statutory Fund Balance	<u>896,182</u>
<b>Total Liabilities and Equity</b>	<b>5,435,311</b>

## Kansas Municipal Insurance Trust

300 SW 8th Avenue  
Topeka, KS 66603





## “Model”\* Return to Work Policy

Workers Comp claims costs continue to rise and are a major expense to our city. There are several methods of controlling claims costs, but **one of the most effective methods is returning employees to work as soon as possible.**

The responsibility of the physician is to determine what, if any, restrictions apply to employees who are injured. **It is NOT the physician’s responsibility to determine whether or not an injured employee is able to work.**

It is the policy of the City of \_\_\_\_\_ to aggressively return employees to work, within the restrictions provided by the physician. Department heads, managers, and/or supervisors will be responsible for finding productive work for each injured employee. Assistance for this effort is available through our work comp carrier, KMIT, and its contracted representatives, Insurance Management Associates (IMA) and Precept CorVel.

Temporary restricted duty work reassignment need not be confined to the current department in which the employee is ordinarily employed. Pay grade for injured employees will be based upon temporary work assignments.

Returning injured employees to work as soon as possible benefits both the employee and the City of \_\_\_\_\_, therefore, this policy will be enforced. Any questions concerning this policy should be addressed to \_\_\_\_\_.

The City of \_\_\_\_\_ has identified and created alternative or modified work-duty tasks, and matching a worker’s impaired physical capability from an injury to these tasks can control accidents costs, improve employee morale and productivity, and enhance our “bottom line”.

\* all KMIT cities are strongly encouraged to adopt this or a very similar policy regarding Return to Work. This model policy is available in digital format (Word) by contacting KMIT.