BRIOTIX

PPACA & WORKERS' COMPENSATION

WHAT'S IN STORE FOR PHYSICIANS?

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This white paper is the first in a series intended to fuel a discourse among employers, providers, and payers to explore the major trends facing the workers' compensation industry—and the different strategies each constituency might employ to address costs, improve outcomes, and promote a healthier workforce.

ABSTRACT:

This paper looks at the anticipated impacts of the Patient Protection and Affordable Care Act (PPACA 2011) on state workers' compensation systems, the participating physicians, and service providers. Our review led us to identify a number of trends that are driving a significant shift in the ways physicians interact with their patients, payers, and colleagues. These trends suggest a change to the underlying economics for physician practices that will in turn drive shifts in business models and case management protocols. At the root of these trends is the shift to pay-for-performance by the Centers for Medicare & Medicaid Services (CMS) and the nation's largest health insurers. While this shift was formally started by the implementation of the Health Information Technology for Economic and Clinical Health (HITECH) Act provisions in the American Recovery and Reinvestment Act (ARRA 2009), it is gaining speed in anticipation of the 2014 delivery of the PPACA insurance exchanges and state Medicaid expansions.

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With CMS focused on outcomes and growing standardization in the treatment of illness and injury, physicians will need to find and/or develop new strategies for improving outcomes while maintaining or increasing their profitability. Some of this will come from improvements in practice management and technology. A greater portion of these improvements is anticipated through a concerted effort of doctors and their service networks seeking closer alignment to create a treatment coalition modeled on the Patient-Centered Medical Home (PCMH). Finally, as an outgrowth of pay-for-performance and PCMH models, we anticipate a more proactive approach by physicians in communications and adherence in order to improve the probability of a positive patient outcome. For physicians whose practices focus on the diagnosis and treatment of workers' compensation (WC) claims, there is a unique opportunity to retool their practices to exploit the financial and technological changes driven by healthcare reform—and to see greater returns on their investments.

Technology

With the passage of the American Recovery and Reinvestment Act[1] (ARRA 2009) physicians across the United States have had to weigh the options of investing in electronic health records (EHR) software and how this system will change the way their practice engages their patients and payers. It is anticipated that this technology will improve communication among doctors and other healthcare service providers, enabling care that is well documented, coordinated, and ultimately more effective in its delivery. Acquisition and rollout of an EHR system is an expensive undertaking in both time and money. Reimbursements from the federal government, discounted deployment and training services from state agencies, and anticipated operational efficiencies are expected to help practices defray the costs in both the short and long term. Physicians implementing EHR are expected to see an improvement in coding for reporting and billing purposes. Electronic exchange with payers should speed and simplify payments. Reports generated by EHR systems will help primary treating physicians in meeting the onerous WC reporting requirements by both centralizing the data from secondary providers, as well as by ensuring secure electronic delivery to state agencies, case agents, and insurance payers.[2] EHR system reporting also helps to improve patient-physician communication, allowing the patient to leave each encounter with a written summary of their care plan and current status. For the physician these systems provide a complete

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view of a patient's case, including test results and providers' notes, as well as the ability to share this information, securely, with partners in coordinating and delivering the patient's care plan.

Practice Model

Full implementation of EHR is only the first step in what has been expanded by the PPACA for a move to help control medical costs—tying payments to outcomes rather than procedures. For the WC primary physician this means exercising a greater span of control over how and where patients are evaluated and treated. Primary care physicians in workers' compensation can direct referrals and treatment choices for their patients. Through the adoption of the Patient-Centered Medical Home[3] (PCMH) model for organizing service providers and coordinating care, primary physicians will need to focus their group's efforts on a proactive, population-based approach, especially for injuries and conditions that are either chronic in nature or have a high incidence of re-injury. Further, physicians will need to engage patients as partners in their own care, ensuring that they are taking a lead role in their own recovery.[4] Greater coordination of care, critical focus on best practices in treatment, and providing financial incentives based upon positive outcomes have shown significant reductions in disability days and medical costs.[5] Physician groups willing to make the changes necessary to create and qualify as a CMS-recognized Accountable Care Organization (ACO) may end up in a better position to exploit the PCMH model of care and realize improved outcomes and greater rates of remuneration for their practices. A convincing demonstration of reduced disability days and lower medical costs will put physician groups in a stronger position to negotiate payer contracts with state-run funds, plus commercial and self-insured payers.

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Adherence and Intervention

Even when physicians do everything right, patients can still fail to improve and/or become injured again once they return to work. Care Plan Adherence and Return-to-Work protocols are two areas where WC physicians can obtain improvements in outcome without incurring significant costs for their practice. Adherence to care plans by patients can be improved through low-cost intervention techniques including telephone calls, emails, and text messages.[6] While most studies on these low-cost intervention techniques have focused on medication protocols, we would expect to see similar improvements in patient adherence and outcomes using these low-cost techniques in job-site activity and behavioral modification.

Care Plan Adherence has been aided by the

emergence of secure, electronic communications tools that can be deployed at low cost to the physician. Under workers' compensation regulations, patients are required to comply with treatment plans or seek a change in physician. Gaining patient acceptance of and participation in workers' compensation adherence programs should prove to be easier than among general healthcare patients. Demonstrating adherence to prescribed care plans may enhance outcomes and provide patients and payers with better documentation for case management and resolution. Establishing a comprehensive Care Plan Adherence program may help practices gain more case referrals and higher revenues for their WC cases.

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Workplace interventions for workers' compensation claims have been shown to help speed return-to-work for respondents while, in the short term, minimizing re-injury.[7] Ongoing and comprehensive communication and/or education with the patient afforded by these interventions improves adherence to care plans and behavior modification regimes, leading to a drop in recurrence and a rise in positive patient outcomes. Onsite evaluations/assessments of worksite, station, and behaviors can lead to improvements in ergonomics, work habits, and equipment that will help improve the patient's recovery and avoid re-injury. The knowledge gained by the employer from this process can reduce the risk of injury for other employees working in similar conditions. After evaluation, ongoing education and a set of daily reminders can be used to reinforce best practices while working to extend the benefits of the initial onsite intervention. Physician groups working proactively to avoid re-injury while reducing risk for the employer and payer may not only improve practice statistics for physicians and physician groups (thereby increasing their leverage via PPACA provisions), but will establish more secure referral arrangements leading to greater volume and profit for their WC practice.

Conclusion

Healthcare reform presents a set of challenges and opportunities for physician practices to use technology, practice models, and extended services as leverage to improve outcomes, proactively engage patients and payers, and drive greater profitability. Adopting technologies including EHR and other communication tools should provide greater efficiencies in case management and reporting that will provide physicians with greater control over patient outcomes and revenue growth. Driving greater engagement with patients and secondary providers through adopting the PCMH care model should allow medical teams to better coordinate care and apply best practices across all similar cases, ensuring consistency and quality in care plan development and execution. Extending services beyond the examination room to include Care Plan Adherence and workplace intervention can speed return-to-work and avoid re-injury. Physician groups able to demonstrate these benefits will be in a position to negotiate better rates with payers, drive greater engagement with employers, and deliver higher quality care to their patients.

Endnotes

[1] https://www.federalregister.gov/articles/2010/07/28/2010-17207/medicare-and-medicaid-programs-electronic-health-record-incentive-program

[2] http://www.ama-assn.org/ama/pub/news/news/2012-04-25-medical-billing-workers-compensation-insurance.page

[3] http://pcmh.ahrq.gov/portal/server.pt/community/pcmh__home/1483/PCMH_HTMLConversion_11-M005-EF_v2

[4] http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2682981/

[5] http://www.ncbi.nlm.nih.gov/pubmed/22015667

[6] http://www.dovepress.com/the-effect-of-reminder-systems-on-patients39-adherence-to-treatment-a9238

[7] Renée-Louise Franche; Cullen, K.; Clarke, J.; Irvin, E.; Sinclair S.; & Frank, J. (2005). "Workplace-Based Return-to-Work Interventions: A Systematic Review of the Quantitative Literature." *Journal of Occupational Rehabilitation*, 15(4), 607-31. doi: http://dx.doi.org/10.1007/s10926-005-8038-8

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Briotix is the industry-leading innovator of technology-enabled services, shattering traditional cost/benefit models through the intelligent application of software, hardware and communications solutions. The company's clients enjoy significantly improved service levels at lower costs. Through its commitment to analytics and benchmarking, Briotix delivers actionable intelligence that enables a concrete understanding of risk and opportunity, cost containment strategies and best practice in workforce productivity management.

Briotix' core value-proposition enables clients to engage on three complementary levels: Intervention Services to provide a rapid response to workplace injuries and productivity loss; Prevention Services to deliver a strategic platform for cost control, risk-reduction and education, and; Optimization Services to leverage best-practice and maximize each employee's potential.

Briotix clients include many of the Fortune 500 companies and their global operations, as well as many of the largest insurers and their proxies. The company's solutions are targeted to both the office and industrial workplaces.

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