

Quick! Report That Injury



Keep Your Costs Down
Report That Injury
When It Happens

The number one strategy for keeping workers' compensation cost down is injury prevention. Obviously, if you have no on-the-job injuries, you have no claims cost. Equally obvious is the fact that accidents do happen and from time to time you may have a claim.

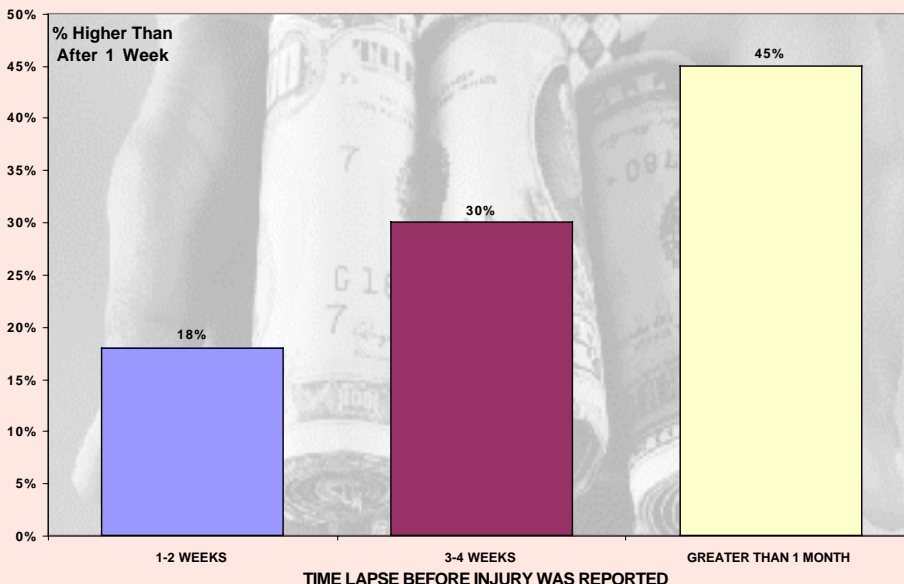
If that happens, then the number two strategy for keeping your workers' compensation cost down is to report the injury as soon as you can after the incident, preferably within 24 hours.

Although reporting an employee injury is probably not tops on most employer's list of "fun things to do," it is a necessary task that's vitally important to a well-managed workers' compensation program.

CompSource Oklahoma's policyholders do a good job reporting their claims quickly. Keep up the good work because it pays off in both direct and indirect ways.

Cost containment is one of the primary benefits to timely claims filing. In fact, timely filing of the Form 2 (*the Employer's First Notice of Injury*) is probably the most effective tactic that a policyholder has at their disposal to reduce claims cost. Why? Because the sooner a claim is reported, the sooner *management of the claim* can begin. A multitude of variables can affect the outcome and ultimately the cost of a claim. That is why getting CompSource involved in the claim as soon as possible is so critical.

COST OF LATE REPORTING



Lag time between when the injury occurred and when the claim was filed has been cited in numerous insurance company studies as a major factor impacting claims cost. For example, a study by The Hartford of more than 53,000 permanent partial disability and temporary total disability claims indicated the following when compared with claims reported within a week of occurrence:

- ▼ 1-2 weeks after occurrence - 18% more expensive
- ▼ 3-4 weeks after occurrence - 30% more expensive
- ▼ More than 1 month after occurrence - 45% more expensive.

Early intervention by the adjuster is a cornerstone of CompSource's claims management procedures. Our adjusters utilize three-point contact. They contact the policyholder, the claimant and the health care provider within 48 hours of notice of the claim. This is the industry standard. Evidence shows that this early intervention, if properly conducted, can lay the groundwork for swift and effective resolution of the claim, which ultimately translates into lower cost.

Three Point Contact

1) The Policyholder - Contacting the policyholder first allows CompSource's adjuster to verify information that the policyholder initially provided on the claim. At this time the policyholder may give the adjuster additional details that could impact the outcome of the claim like evidence of third party liability, information about witnesses to the accident, or suspicion of fraud. Learning the facts early in the claim helps the adjuster determine if the claim is compensable.

2) The Claimant - Early contact with the claimant allows the adjuster to advise the claimant about what to expect on the processing of their claim. It's important for the employee to know there is someone they can call should they have questions. Establishing rapport and trust with that employee goes a long way in getting the claim processed quickly. That is sometimes the most critical element in getting the claim off on the right foot and increasing the opportunity for a final outcome that benefits both the employee and the policyholder.

3) The Health Care Provider - Early consultation with the medical provider on the condition of the injured employee helps the adjuster determine what additional medical care may be needed. Is a specialist needed to provide care more specific to the injury? Guiding a claimant to the best medical care ensures lower cost in the long run.

Additional Benefits of Timely Filing Include:

▼ **Removes "Fear Factor" for the Employee** - Being injured on the job is usually not a routine matter for most employees and neither is filing a workers' compensation claim; consequently, they may not know what to expect. Fear of the unknown can create a negative climate. If an

employee feels like they are having to fight to get their claim handled or if they have no idea about whether their medical bills will be paid that can only create hard feelings. Lack of action on the employer's part may be perceived by the employee as lack of caring and, as a result, may hinder timely resolution of the claim.

▼ **More Reliable Information** - CompSource's adjusters often rely on statements given by witnesses to the incident that caused the injury. Memories fade over time. The sooner CompSource can contact witnesses, the more reliable the information will be.

▼ **Compliance With The Law** - Once CompSource is notified of the injury, we file the Form 2 with the Workers' Compensation Court on behalf of the policyholder. By statute it should be filed within 10 days of the injury, Sec. 24.1, Title 85. If CompSource doesn't receive notice, however, then the Court can't be notified. Complying with the workers' compensation statutes eliminates any court fines due to late filing.

▼ **Evidence for Subrogation, Denial or Fraud** - One of the first questions that an adjuster must answer when processing a claim is - "Is the claim compensable?" The sooner CompSource is notified of the claim, the sooner information can be gathered to determine if the claim is compensable. If it is compensable, is there any third party liability like a piece of equipment that malfunctioned? If so, the chance for preserving evidence for third party subrogation is always better with early claims investigation. (See page 7 for more on subrogation.) Maybe fraud is suspected. Again, early investigation allows CompSource to discover evidence of fraud. Early intervention also allows us to begin establishing a defense for denial of the claim if necessary.

“I knew it was a bogus claim, so I didn’t report it.”

“At the time of the accident I didn’t have all the information I knew that was needed to report the claim, so I thought it would be better to wait until I did.”

Reasons For Not Filing

The reasons employers give for not filing an injury report are many, but the two most common are they didn’t believe it was a legitimate claim or they didn’t have all the information needed to report it.

If you suspect the claim may be fraudulent, report it, but discuss your reservations with the adjuster. Then let CompSource investigate it. If you don’t report it, you have no guarantee that the employee won’t file it anyway via a Form 3. A Form 3 is “the employee’s first notice of accidental injury and claim for compensation”. The Form 3 often will indicate that the claimant has retained an attorney to represent them through the Workers’ Compensation Court. If that happens the Court will require that a Form 2 be submitted anyway.

Under Oklahoma law if an employee is disabled from a job injury and unable to return to work for more than three calendar days, then temporary benefits for time off from work are to begin on the fourth day. The sooner the claim is reported, the sooner CompSource can commence paying time loss benefits or medical benefits.

The best course of action is to report as much information as you have on the claim. You can always follow up with additional details as you get them. A CompSource claims representative will be assigned to the claim and will follow up to ensure all the necessary information is received.

Any questions about reporting an injury can be directed to Jason Clark, Director of Claim Administration at (405) 962-3279.

Reporting An Injury

You have several options for reporting an injury. Obviously, for timeliness of claims processing, your most efficient avenues are the Internet or the telephone.

You can file via the Internet . . .

Use our on-line injury report form by visiting us at www.compsourceok.com. Simply click on “Report an Injury” and complete the form. After you have provided your e-mail address and submitted the form, you will receive an e-mail confirmation from us. We will also send you a confirmation form in the mail. Sign and return the form in the self-addressed, return envelope.

Or via the Telephone . . .

Call our TeleClaim Job Injury Phone Line at 1-800-872-7015. A CompSource representative will take the Form 2 information over the phone, set up a claim in our computer system, and mail you a copy of the claim form to sign and return via a self-addressed, return envelope.

Or via the Mail . . .

Mail your completed and signed Form 2 to CompSource Oklahoma at P.O. Box 53505, Oklahoma City, OK 73152-3505.

Or via Fax . . .

Fax your completed and signed Form 2 to (405) 962-3000. Regardless of which method you choose to file

your claim, remember - prompt reporting saves dollars.

