



## HOW TO ESTABLISH A PREFERRED PROVIDER PROGRAM TO CONTROL WORK COMP COSTS?

### ESTABLISHING A PREFERRED PROVIDER PROGRAM

In Idaho, the workers compensation law has given employers the option of selecting a preferred medical provider ("company doctor", "designated doctor", etc.) to treat employees' on-the-job injuries.

In recent years, a number of "occupational health" programs have been developed and marketed by hospitals and physician associations. Similar to a preferred provider, the occupational health programs are offered to businesses as a way to better manage on-the-job injuries by providing improved communication between the employer, medical provider, insurance company, and employee. Services may include immediate reporting of medical diagnosis and return to work to the employer and surety by FAX, attention to the employer's individual job requirements in order to coordinate early return-to-work opportunities, 24 hour medical access, multiple facility locations, and educational services. These programs are usually established as simply an agreement between the business and the medical group, and should not require a signed contract. If such a situation arises, you may want to contact the Claims Department of your Insurance provider before entering into a contract situation.

Selecting an individual doctor or an occupational health program does not give an employer LESS responsibility. On the contrary, the employer may find they are MORE involved in the work comp process than before. However, this greater involvement can result in a better understanding of how the system works, and what management can do to not only control costs, but prevent injuries.

There are some steps that should be followed when setting up your preferred provider program:

A preferred provider program should apply to ALL employees at ALL times. However, some businesses have a "voluntary" preferred provider program, and find that most employees participate. Other exceptions might be necessary as discussed below.

Be sure that EVERY employee is notified of the new procedure. Hold meetings. Prepare a policy regarding what to do in the event of an on-the-job injury and have it posted and included in the employee handbook or procedures manual. Have employees sign an acknowledgment that they have been advised of and understand the procedure and keep the acknowledgment on file.

A preferred provider program should not simply be "mandatory." It must be perceived as beneficial for everyone involved for it to be successful. Employees may feel the program is simply "management control"; they may not feel comfortable going to a "company doctor" (especially if they have a family physician); or they may not remember where the designated doctor is located. The following suggestions may help avoid some of these roadblocks:

Be willing to discuss exceptions: If an employee has an established family physician or has a pre-existing condition being treated by another physician, see if the preferred provider will forward medical reports to that physician to be included in their personal medical file. In some instances, an employee might be allowed to see their personal physician instead of the preferred provider. These issues and other options could be discussed with your provider, employee, and insurance company. Be reasonable, but strive for consistency. NOTE: Before allowing an employee to see their family doctor in addition to the preferred provider, check with the claims examiner of your Insurance provider.

Post a map of the location(s) of the preferred provider and their hours of operation, phone numbers, etc. Make it easy for employees to know where and when they can find needed medical attention.

Periodically ask employees if they are satisfied with the care received from the preferred provider. If there are complaints, discuss them with the provider and employees.

Although some preferred provider groups offer medical services in cities throughout a region, if a business has work locations statewide, it may be necessary to select more than one provider in order to have services available for all employees. If a preferred provider is selected, please let the Claims Department of your Insurance provider know, either by calling them or sending a note or letter. This information will help the claims examiner know who to expect bills and medical reports from.

A preferred provider can be more than just a partnership between the employer and doctor. Handled correctly, the employer, employee, medical provider, and insurance company will all come out ahead by making medical care more immediately available when an employee is injured, improving communication between all parties, speeding decisions regarding medical treatment, and promoting a spirit of teamwork.