

School: Claims
Course: Claim Adjudication Foundations
Faculty: Tim Makowske, Managing Director – Line of Business Leader – Workers' Compensation Claims, FCCI Insurance Group

Summary

The course "Claim Adjudication Foundations," taught by Tim Makowske of FCCI Insurance Group, provides an in-depth exploration of the claim adjudication process in workers' compensation. Tim Makowske, a managing director with 18 years of experience in the insurance and claims industry, outlines the essential components of the process, the role of the adjuster, and various tools and strategies for managing disputes.

Course Overview: The course begins with an introduction to the claim adjudication process, emphasizing the adjuster's critical role in managing claims, communicating effectively with all parties, and resolving disputes. Tim Makowske highlights the importance of proactive and empathetic communication, especially since many injured workers may be unfamiliar with the claims process. He underscores the need for clear and timely communication to set expectations and explain the steps involved.

Types of Workers' Compensation Claims: Makowske describes the two main types of workers' compensation claims: injury by accident and cumulative or repetitive trauma injuries. Injury by accident involves a specific incident, such as lifting a heavy object or a slip and fall. Cumulative trauma injuries develop over time and can be categorized into environmental, physical, and mental nervous injuries. Understanding these distinctions is crucial for adjusters to manage and adjudicate claims effectively.

Initial Claim Filing and Investigation: The process begins with the injured worker reporting the injury, typically to their manager, who then informs the carrier or third-party administrator. Makowske explains the importance of the initial investigation, which includes obtaining statements from the injured worker, employer, and any witnesses, as well as securing medical records. This thorough investigation helps the adjuster determine the compensability of the claim and gather essential information for decision-making.

Types of Disputes: The course identifies four primary types of disputes that adjusters may encounter: coverage, compensability, medical, and indemnity disputes. Coverage disputes involve determining which carrier or TPA is responsible. Compensability disputes require the adjuster to decide whether the injury is work-related and meets statutory definitions. Medical disputes can arise from new diagnoses or body parts

being claimed and require careful review of medical records and consultations with healthcare providers. Indemnity disputes involve disagreements over wage calculations, benefit periods, and other compensation-related issues.

Mitigation Tools: Makowske details several mitigation tools adjusters can use to manage disputes and exposures. These include:

- Independent Medical Evaluations (IMEs): These evaluations involve an independent doctor reviewing the injured worker's medical records and performing a physical examination to provide an unbiased opinion on diagnosis, causation, and work status.
- Surveillance and Social Media Checks: These tools help verify the injured worker's activities and can reveal discrepancies between reported limitations and actual behavior.
- Nurse Case Managers: Both telephonic and field nurse case managers facilitate communication with medical providers and help manage complex cases.
- Utilization Review and Peer Review: These reviews ensure that requested treatments align with established guidelines and are medically necessary.
- Functional Capacity Evaluations (FCE) and Vocational Assessments: These assessments determine the injured worker's physical capabilities and potential for returning to gainful employment.

Alternative Dispute Resolution (ADR): The course also covers alternative dispute resolution methods, such as pretrial conferences, mediation, and arbitration, which offer cost-effective and efficient ways to resolve disputes without formal litigation. These methods allow both parties to discuss their positions and seek mutually acceptable solutions, potentially avoiding the need for a hearing.

Formal Litigation Process: If disputes cannot be resolved through ADR, the claim may enter the formal litigation process. This involves discovery, where both parties gather and present evidence, and a hearing where a judge reviews the case. Makowske emphasizes the importance of working closely with defense attorneys throughout this process to ensure compliance with legal requirements and to prepare for the hearing effectively.

Conclusion: In summary, "Claim Adjudication Foundations" provides a comprehensive guide to the workers' compensation claim adjudication process. By understanding the types of claims, conducting thorough investigations, utilizing mitigation tools, and exploring ADR methods, adjusters can manage disputes effectively and improve outcomes for injured workers and employers.

Learning Objectives

1. Understand the claim adjudication process and the role of the adjuster in workers' compensation claims.
2. Identify different types of workers' compensation claims and the associated disputes.
3. Explore various mitigation tools available to adjusters to manage and resolve disputes.
4. Recognize the importance of proactive communication and empathy in handling workers' compensation claims.
5. Learn about alternative dispute resolution methods and their benefits in the claim adjudication process.

Primary Takeaways

1. The claim adjudication process is essential for resolving disputes that cannot be settled through initial communication.
2. Adjusters play a crucial role in managing claims, conducting thorough investigations, and communicating effectively with all parties.
3. Mitigation tools such as independent medical evaluations, surveillance, and nurse case managers are vital in resolving disputes.
4. Proactive communication, transparency, and empathy can significantly reduce disputes and improve outcomes for injured workers.
5. Alternative dispute resolution methods, such as mediation and arbitration, offer cost-effective and efficient ways to resolve conflicts without formal litigation.

Course Outline

- 1) Introduction to Claim Adjudication
 - a) Overview of the course by Tim Makowske
 - b) Importance of the claim adjudication process
 - c) Role of the adjuster in the claim process
- 2) Types of Workers' Compensation Claims
 - a) Injury by accident
 - b) Cumulative or repetitive trauma injuries
 - i) Environmental
 - ii) Physical
 - iii) Mental nervous
- 3) Initial Claim Filing and Investigation
 - a) Reporting the injury
 - b) Initial investigation
 - i) Employer's role

- ii) Injured worker's statement
 - iii) Medical records and witnesses
- 4) Types of Disputes
- a) Coverage disputes
 - b) Compensability disputes
 - i) Accepting, denying, or partially denying claims
 - c) Medical disputes
 - i) New body parts or diagnoses
 - ii) Preexisting conditions
 - iii) Treatment and medical bill disputes
 - d) Indemnity disputes
 - i) Average weekly wage and compensation rate
 - ii) Starting, changing, or stopping benefits
 - iii) Permanent impairment and total disability
- 5) Mitigation Tools
- a) Independent medical evaluations (IME)
 - b) Surveillance and social media checks
 - c) Nurse case managers
 - d) Utilization review and peer review
 - e) Functional capacity evaluations (FCE) and vocational assessments
- 6) Alternative Dispute Resolution (ADR)
- a) Pretrial conferences
 - b) Mediation and arbitration
 - c) Settlement or stipulation
- 7) Formal Litigation Process
- a) Discovery phase
 - b) Hearings and live testimonies
 - c) Judge's decision and orders
 - d) Appeals process
- 8) Conclusion
- a) Recap of key points
 - b) Importance of communication and empathy
 - c) Encouragement to apply principles in practice

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