

FEATURE STORY

Back to the Basics

Cost Control and the
Role of Precertification
and Utilization Review in
Workers' Compensation

By Jackie Payne
Vice President, Medical Management
Services | Mitchell Casualty Solutions

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A Message from the CEO

The Latest Technology Trends and Industry Insights

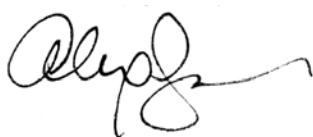
Welcome to the Q2 Casualty edition of the mPower Industry Trends Report.

We are living in a time of unprecedented change, one that is driven by the exponential evolution of technology. Its impact reverberates across the industry. In this quarter's report, Nina Smith, Executive Vice President and General Manager of Casualty Solutions at Mitchell, explores the powerful place and purpose technology has in the claims process as a tool to both simplify complexity and restore people's lives after an injury. Dave Torrence, Executive Vice President and General Manager of Pharmacy Solutions makes a case for how technology can provide visibility into opioid prescribing and potentially combat abuse.

In our feature article, Jackie Payne, Vice President of Medical Management Services, explores how utilization review and precertification can help eliminate unnecessary medical expenses while also providing the best medical options for recovery. In addition, Michael Parker, Senior Director of Product Management for Mitchell's SmartPrice Solutions provides insight into how auditing technology can help prevent paying for costly billing mistakes, while Brian Allen, Vice President of Government Affairs, takes an in-depth look at drug formularies impact on state workers' compensation.

This latest report is also packed full of other useful information and insights, including newly published data from the workers' compensation and auto casualty medical price indexes.

You can find these articles and many more on the [mPower by Mitchell website](#), our latest resource for technology trends and industry insights. I encourage you to check back often.



Alex Sun | President and CEO | Mitchell



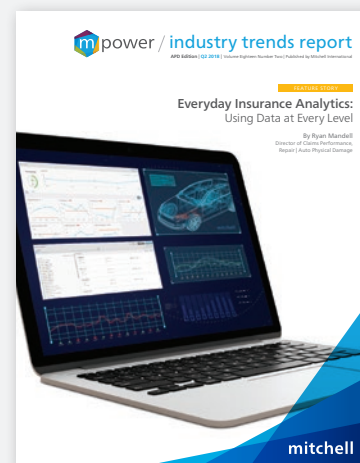
Alex Sun
President and CEO | Mitchell



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Advanced Technologies Reduce Complexity and Restore Lives

The renowned futurist Ray Kurzweil once said, “We won’t experience 100 years of progress in the 21st century—it will be more like 20,000 years of progress.” He is not alone in his thinking. By all accounts, we live in a time of unprecedented change, one that is driven by the exponential evolution of technology. As technology becomes more deeply integrated into the property and casualty and collision repair industries, and with it, casualty, workers’ compensation and collision claims processes, not only is it reducing complexity and improving efficiency, it’s also helping insurers as they go about the business of restoring people’s lives after an accident or injury.

Auto Physical Damage and Collision Repair: Proper and Safe Repairs

By Debbie Day

Executive Vice President and General Manager,
Mitchell Auto Physical Damage

On January 1, 1968, the first United States federal law requiring seatbelts in vehicles took effect. Fifty years later, vehicle safety has advanced considerably. Today's connected cars are outfitted with complex advanced driver-assistance systems (ADAS)—forward collision detection, lane departure warnings, and adaptive cruise control. Central to these systems are sensors that track what's going on both in and around the vehicle. In fact, the average new vehicle has 60 to 100 sensors, and as cars become increasingly connected, that number could rise as high as 200 sensors. These numbers translate to approximately 22 billion sensors in the automotive industry by 2020.

Technology helps make our cars safer, but when an accident does occur, it also makes our cars significantly more complex and difficult to repair. Simply put, the U.S. Department of Labor states that in 1965, an automotive repair technician needed to understand more than 5,000 pages of service manuals to fix any automobile on the road. Today, that same technician must be able to decipher more than 500,000 pages of technical text.

Today, an automotive repair technician must be able to decipher more than **500,000 pages** of service manuals to fix any automobile on the road.

We are no longer just driving cars, we are also operating sophisticated computers.

While technology has given rise to many repair challenges, it also offers solutions to reduce the complexity of repairing those vehicles. In order to ensure a proper and safe vehicle repair, collision repair technicians need to be able to efficiently access the right information when and where they need it. That's where advanced technology like [cloud computing](#) comes in. Now, [with integrated repair procedures](#)—housed securely in the cloud—technicians can access the latest information at the time of the estimate and throughout the duration of the repair. Instead of sorting through those 500,000 pages, they can access only the relevant information for the specific make, model and repair.

From seatbelts to advanced safety systems, technology has made driving and riding in vehicles safer. Now, it's essential to ensure a vehicle that's been damaged is once again safe to put back on the road.



Read more from Debbie Day on [proper and safe repairs](#).





Auto Casualty and Workers' Compensation: Managing Claims and Improving Outcomes

By Nina Smith

Executive Vice President and General Manager, Mitchell Casualty Solutions

According to a [recent study](#), property and casualty insurers are investing heavily in artificial intelligence, with a near-term focus on creating efficiencies in the claims process. This sentiment is echoed in [Mitchell's own survey](#) of workers' compensation insurers. Forty-three percent of respondents believe that advanced technologies will have the greatest impact on claims management processes. Another 30 percent of respondents believe technology will help the most in improving medical outcomes. These results reflect both the industry's persistent need to simplify the claims process and its paramount objective: to restore the lives of people who have been injured in an auto or workplace accident and return them to their normal lives.

Property and casualty insurers are employing technology at the fastest pace ever to reduce complexity in the claims process. There are

solutions that simplify and support virtually every step: [managing medical records](#), triaging claims appropriately, reviewing bills for errors, and even identifying fraud. But increasingly, advanced technology is being put to work to support an injured person's return to normal life. It starts with the claims process: as it becomes increasingly automated, adjusters are able to spend less time on administrative tasks and more time where their focus should be—on the injured party. From there, video chat can connect provider and patient, while wearable sensors and other telemedicine solutions can monitor vital signs in real time. From this perspective, technology is actually enabling greater human interaction at a time when people are extremely vulnerable.

Technology has a powerful place and a purpose within the claims process, making it more efficient, accurate and cost effective. As it becomes more deeply integrated into the claims process, it not only helps insurers deliver the best care, it also helps us connect to each other and to our higher purpose of restoring people's lives after an auto accident or workplace injury.



Read more from Nina Smith on [the impact of technology and human interaction](#).

Pharmacy Solutions: Visibility Supports Return to Work

By Dave Torrence

Executive Vice President and General Manager, Pharmacy Solutions

According to the Center for Disease Control and Prevention, 63,642 people died of drug [overdoses](#) in 2016, and a full two thirds—nearly 42,000—of those deaths were caused by opioids. In fact, the number of opioid deaths in the United States now outpaces the number of [breast cancer](#) deaths. Beyond the devastating loss of life, the opioid epidemic is taking a significant financial toll. A recent [study by Altarum](#) puts the cost associated with the epidemic at \$1 trillion between 2001 and 2017, projecting an additional \$500 billion spend by 2020.

There is no straightforward solution: prevention, intervention, treatment and regulations all play a role. For workers' compensation insurers looking to support an injured worker as he or she returns to pre-injury condition, full visibility into when opioids are being prescribed, in what quantity, and for how long, supports prevention and intervention.

Here's the challenge: the insurance industry and the healthcare system both rely on vast webs of information comprised of different data sets, each representing a milestone in the claims journey. Because these data sets often live in different, unconnected databases, it can be extremely complex to capture a holistic view of the process. For instance, an injured person who goes to the emergency room to be treated may be prescribed opioids. He or she may then be seen by another physician for follow-up treatment, and that doctor may also prescribe opioids. Individually, each of these prescriptions may not be cause for concern, but collectively, they could be problematic, even catastrophic.

Beyond the devastating loss of life, the [opioid epidemic](#) is taking a significant financial toll.



With integrated [pharmacy benefit management](#) and bill review technology solutions that connect in-network and out-of-network pharmacy claim data gathered in the claims process, workers' compensation insurers can uniquely gain a more complete picture of how opioids are being prescribed. Clinical intervention in opioid management is significantly more effective once a payer has full visibility into all aspects of the claim. This benefit is only achieved with the integration of pharmacy benefit management programs and bill review systems, ensuring that the injured worker stays on the road to recovery and does not become another unfortunate opioid statistic.



Read more from Dave Torrence on [artificial intelligence and opioids](#).

How to Stop Paying for Billing Mistakes

Use an Auditing Technology Platform

By Michael Parker

Senior Director, Product Management | Mitchell Casualty Solutions



This article is the second in a three part series about auditing workers' compensation medical bills for billing mistakes and abuses.

[Click here to read the first article, "Are you Paying for Mistakes?"](#)

Medical billing mistakes are occurring at an alarming rate—external sources claim [anywhere from 30 to 80 percent](#) of medical bills could have some type of inaccuracy. Since many payors don't have the most effective systems in place to identify billing issues, these errors are potentially costing them millions of dollars.

Using a technology platform instead of manual reviews can help payors feel more confident in their process to [catch errors and abuses in billing](#), which can help them stop paying for mistakes.

[Why Manual Audits Aren't Enough to Catch Billing Mistakes](#)

Many payors employ nurses to manually review a wide range of bills for mistakes that span from

simple error types to issues that are too complex for even the most advanced bill review platform to catch. In general terms, bills are queued by dollar threshold, specific bill types or problematic codes for nurse review. Nurses are looking for errors related to NCCI edits, diagnosis codes, data entry errors, improper modifier usage, and more.

While these nurses are highly trained professionals, they are limited by the manual review process and can therefore only review a small amount of bills in one day. Relying on a small team of specialized medical experts to validate an endless volume of bills is not scalable, and often leaves payors to pay bills in full that were not audited for errors.

In contrast, an auditing technology platform can quickly scan bills, make corrections where appropriate and pass along a limited number of complex bills for a more detailed review by nurses, which is a much more valuable use of their time. Using a technology platform instead of relying on manual processes can help payors reduce overhead costs, improve efficiency and improve cost containment.

An auditing technology solution can help payors achieve their goal of paying a fair and accurate price for services rendered for their claimants.

How Does an Auditing Technology Platform Work in Correcting Billing Mistakes?

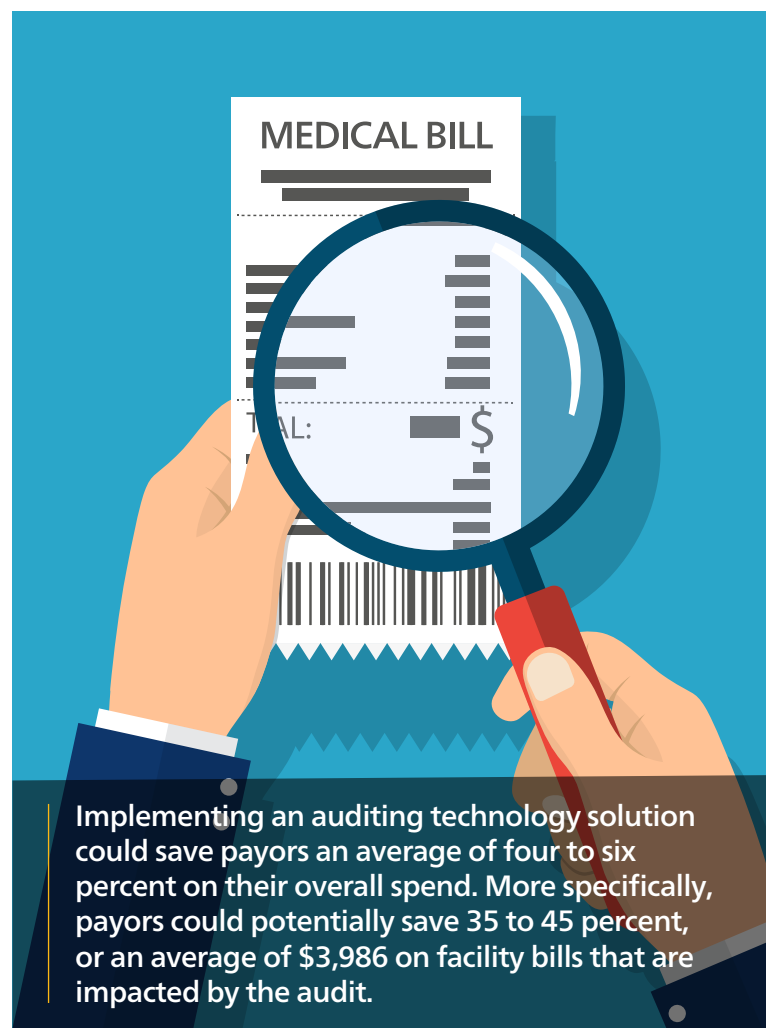
An auditing technology platform is a supplement to the traditional bill review process and not a replacement. The auditing technology platform scans medical bills that would typically require a nurse-level review to help catch billing mistakes and identify abusive billing practices. After this pre-validation step, the platform makes corrections on bills and will send any bill with additional errors that the platform can't rectify for additional investigation by authorized experts.

The auditing technology platform is based on rules and regulations from NCCI, fee schedule, Medicare and so on. Unfortunately, this does not catch all errors and misses bills when billing games are played. To take this a step further, auditing platforms need to consider combining medical domain knowledge with the technology to automate medical intelligence. Machine learning and AI will be the next leap forward in transforming auditing solutions in the industry.

The Impact of Implementing an Auditing Technology Platform

There are many advantages to adding an auditing technology platform to a workers' compensation claims workflow, including improving efficiencies and reducing overhead costs—but cost containment is where the platform will have the biggest impact.

Implementing an auditing technology solution could save payors an average of four to six percent on their overall spend. More specifically, payors could potentially save 35 to 45 percent, or an average of \$3,986 on facility bills that are impacted by the audit. In addition, an auditing solution could potentially help save an average of \$490 per impacted professional surgical bill and an average of \$106 per impacted code review.



Mitchell recently saw these results first hand when we implemented our auditing technology platform into an internal manual nurse audit workflow. In this case, the auditing platform prescreened medical bills, identified errors, applied comprehensible edits and flagged only complex bills for nurse review. This resulted in a significant decrease in the number of bills the nurses received to review each day. The platform still provided savings on the non-complex bills that were not sent to the nurses but still had some type of error. Overall, we were able to increase nurse efficiency by 88 percent and average savings by more than 77 percent.

There are many advantages to adding an auditing technology platform to a workers' compensation claims workflow, including improving efficiencies and reducing overhead costs—but cost containment is where the platform will have the biggest impact.

An auditing technology solution can help payors achieve their goal of paying a fair and accurate price for services rendered for their claimants. A technology platform can help payors to audit a much higher percentage of the medical bills they receive—helping payors identify more errors and feel more confident that they are not paying for billing mistakes.



An auditing technology solution can help payors achieve their goal of paying a fair and accurate price for services rendered for their claimants.

Up Next in the Series: We will address the differences between a bill review platform and an auditing platform—and explain why you need both in your claims workflow.

[Click to read the first article in the series, Are you Paying for Mistakes.](#)

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FEATURE STORY

Back to the Basics

Cost Control and the Role of Precertification and Utilization Review in Workers' Compensation

By Jackie Payne

Vice President, Medical Management Services
Mitchell Casualty Solutions



Medical expenses, now averaging well over 60 percent of average claims costs,¹ represent a significant impact on an employer's workers' compensation total cost of risk. This trend isn't going away soon, as this average is expected to climb even higher in the coming years. Contributing to the climb are expenses incurred for treatment that are unrelated to an injured workers' injury. While unnecessary medical treatment could occur for a number of reasons, there are ways to combat these associated expenditures and ensure patients receive quality care needed to treat their condition. Utilization review, starting with the precertification, presents an effective method in the defense against rising medical costs.

What is Utilization Review?

Utilization review is the process of reviewing medical services for the purpose of monitoring the quality and appropriateness of care. Using nationally recognized treatment guidelines, a utilization review may assess the medical provider's proposed or delivered treatment plan, the duration of care, the scope of services, the specific injury and other claim and patient factors to measure the effectiveness of the medical services. Normally, these reviews are done prior to the service

being performed (prospective review), however utilization review can also be done during the course of treatment or hospital stay (concurrent review), and even after the service has been provided (retrospective review).

What is Precertification within Utilization Review?

One of the most important parts of the medical management utilization review process in a workers' compensation claim is the **precertification process for treatment**. At the most basic level, precertification determines the medical necessity of the medical services. Depending on the outcome of that determination, precertification is the process in which a workers' compensation carrier either pre-approves—or denies—medical procedures or treatments before the procedure or treatment is rendered and paid for.

One of the most important parts of the medical management utilization review process in a workers' compensation claim is the precertification process for treatment.

Both utilization review, and precertification are normally conducted by a clinical professional.

We typically see registered nurses (RN) employed by the carrier performing this duty. If the RN determines that the medical treatment or procedure concurs with the injury, the treating physician is notified of the approval and treatment is rendered.

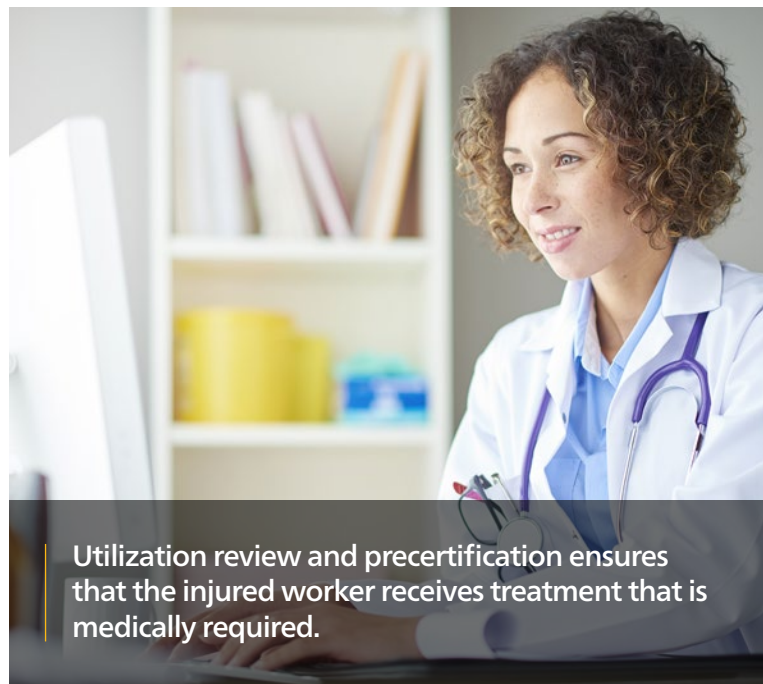
However, if a potential denial is determined, precertification allows the medical providers on the claim to discuss alternative best options for the injured worker. Precertification and utilization review provide an early detection of red flags and treatment issues on a claim, which then helps to define where to navigate the claim next. This ultimately helps drive costs down as it prevents unnecessary medical care that delays the injured worker's recovery.

Now, while utilization review and precertification can help eliminate unnecessary medical expenses, there are other important benefits, including providing injured workers with the best medical options for recovery. What most don't realize, or more correctly, probably realize and don't discuss too often, is the reality that these two methods of utilization review are first, and foremost, more than a means to control costs. The underlying core and purpose of utilization review is making sure that the injured worker on a claim receives quality care, which means the treatment rendered is

- 1) Appropriate, and
- 2) Medically necessary

If we re-focus precertification efforts on the aspects that ensure that **injured workers** are the most important stakeholder, then we will see more successes in the future of utilization review. Utilization review and precertification ensures that the injured worker receives treatment that is medically required. Often, it protects the injured worker from unnecessary medical procedures and it gives the

insurer the opportunity to verify the medical procedures requested by the treating physician meets the accepted treatment guidelines for the injury that will ensure optimal recovery.



ABOUT THE AUTHOR



Jackie Payne

Vice President, Medical Management Services | Mitchell Casualty Solutions

Jackie Payne, Vice President of Medical Management Services for Mitchell Casualty Solutions, provides strategic direction and oversight to the medical management operations and staff; who service clients with utilization review, peer review, telephonic and field case management services. Prior to Mitchell, Jackie held leadership roles in bill review and medical management departments for First Health, CorVel, TriStar Managed Care and AON. Jackie draws on her extensive background of over 25 years in the workers' compensation arena, clinical expertise and experience in claims management to ensure her team is focused on providing high quality outcomes.

Workers' Compensation Medical Price Index

By Ed Olsen

Director, Claims Performance Consulting | Mitchell Casualty Solutions



The National Workers' Compensation MPI increased 2.3 percent and as of February 2018, sits at 113.03.

The National Consumer Price Index, or CPI, for All Services, as reported by the Bureau of Labor Statistics, in May 2018, was 124.14, which reflects a 0.6 percent increase since Q3 2017 and further eliminates the decrease experienced in the Q1 2017 results. For the same period of time, Q3 2017 to Q4 2017, the National Workers' Compensation Medical Price Index (MPI) increased 2.0 percent and was at 115.04 in May 2018. Since Q1 2006, the MPI has increased 15.04 percent while the National CPI for All Services increased 24.14 percent.

- Charges associated with physical medicine services experienced a 1.13 percent increase since Q4 2017 relative to Q2 2017. This increase brings the total unit cost change for physical medicine since Q1 2006 to 9.4 percent—significantly below the National CPI for All Services reported by the Bureau of Labor Statistics. Please recall that the physical medicine MPI is looking strictly at unit charge while holding utilization constant.
- Major radiology services experienced by the workers' compensation industry experienced a 0.64 percent decrease in Q4 2017 when compared to Q3 2017.

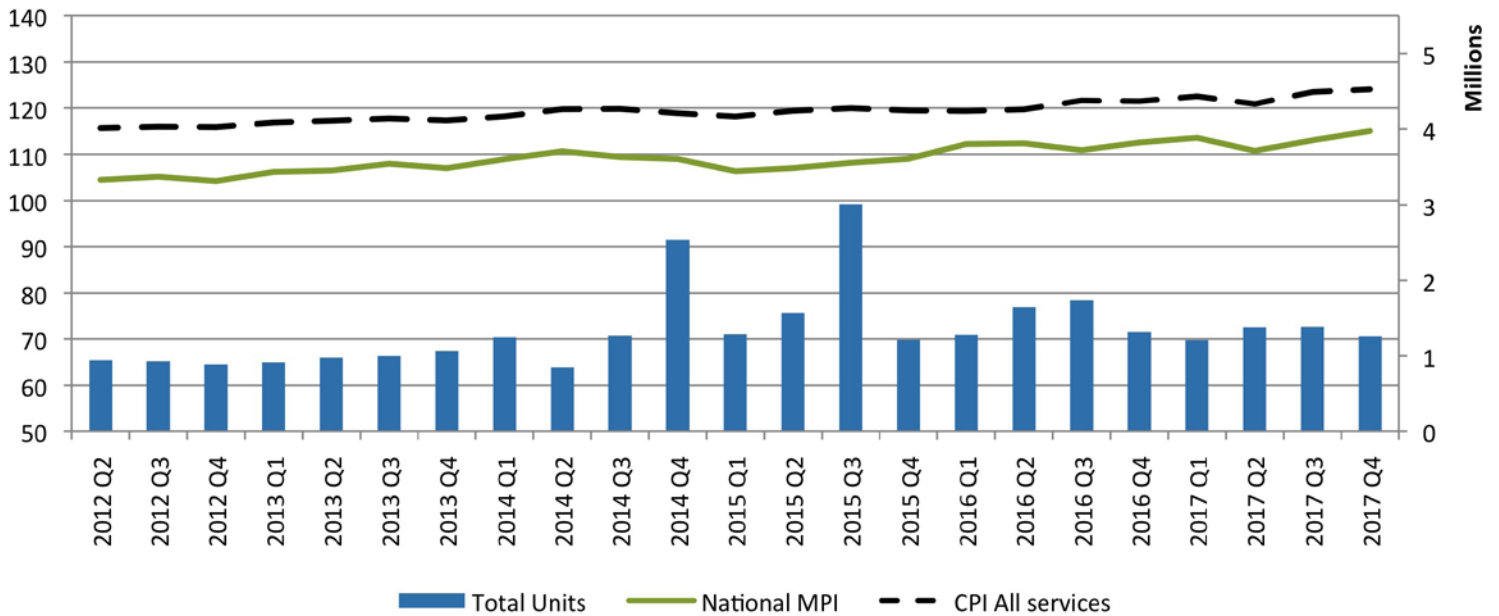
It remains approximately 12 percent below the average unit charge seen by the industry in Q1 2006 for major radiology services.

- The unit cost for evaluation and management services increased 5.57 percent in Q4 2017 when compared with its Q3 2017 result. Over the past four reporting periods, the net change in the MPI for this category has been a 13.4 percent increase. Since Q1 2006, evaluation and management services have seen unit charge increase 45.5 percent as reflected by the index value 145.5.
- The unit charge for professional services in the emergency room experienced a 2.03 percent increase in the medical price index between Q3 2017 and Q4 2017. Since Q1 2006, emergency room evaluation and management services have seen unit charge increase 74.93 percent as reflected by the index value of 174.93. Similar to evaluation and management services described above, over the past four reporting periods, the emergency room medical price index has increased 13.6 percent.

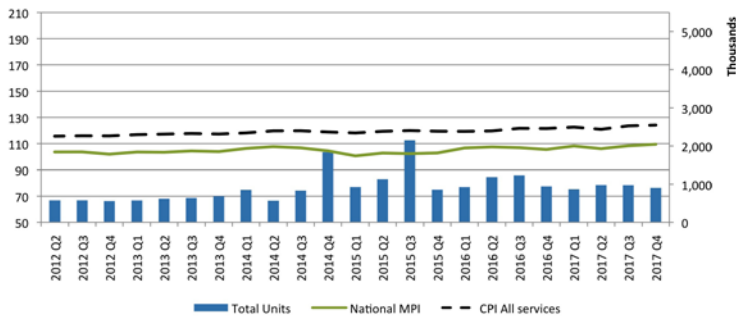
References:

(Source: U.S. Bureau of Labor Statistics, adjusted. Consumer Price Index- All Services- All Urban Consumers, Series CUUR0000SA0. Available at <http://data.bls.gov/cgi-bin/surveymost?cu>)

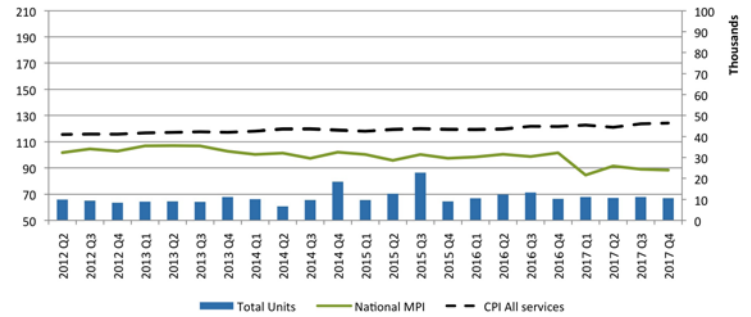
National MPI



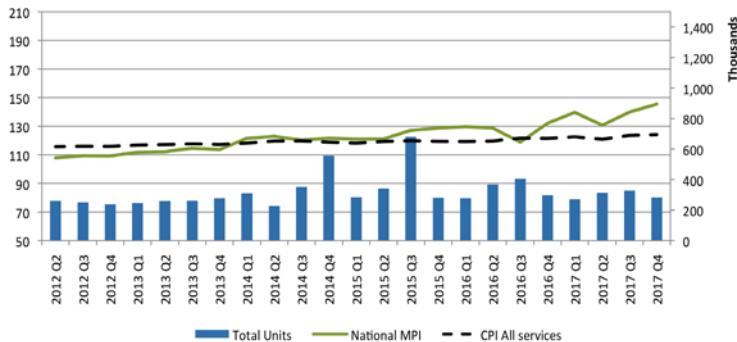
Physical Medicine MPI



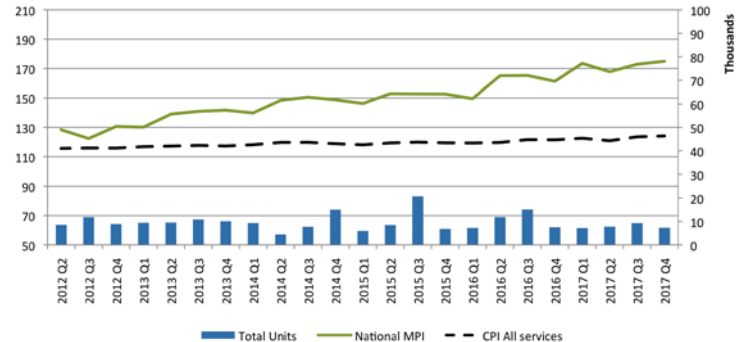
Major Radiology MPI



Evaluation & Management MPI



Emergency Room MPI



Auto Casualty Medical Price Index

By Ed Olsen

Director, Claims Performance Consulting | Mitchell Casualty Solutions



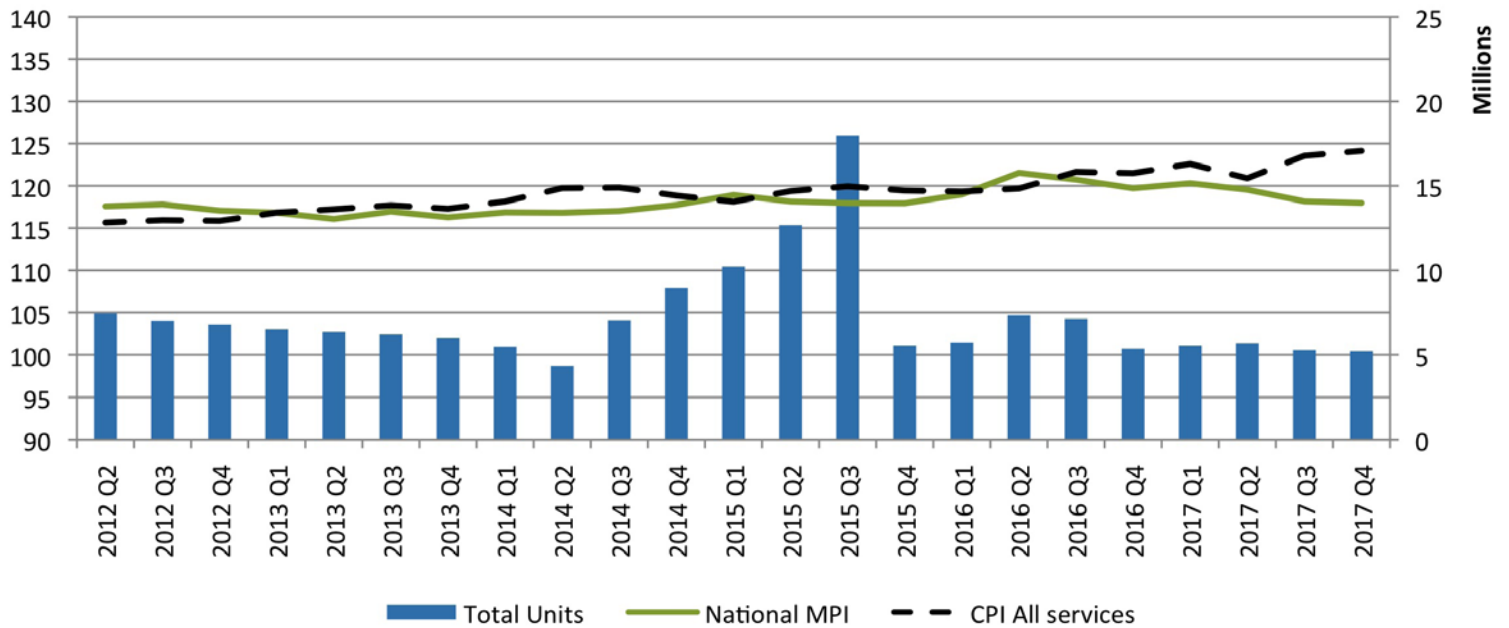
The National Auto Casualty MPI decreased 1.37 percent and as of February 2018, sits at 118.2.

The National Consumer Price Index, or CPI, for All Services, as reported by the Bureau of Labor Statistics in May 2018, was 124.14, which reflects a 0.6 percent increase since Q3 2017 and further eliminates the decrease experience seen in Q1 2017. For the same period of time, Q3 2017 to Q4 2017, the National Auto Casualty Medical Price Index, or MPI, decreased 0.2 percent and presently sits at 117.97. Since Q1 2006, the MPI has increased 17.97 percent while the National CPI for All Services increased 24.1 percent.

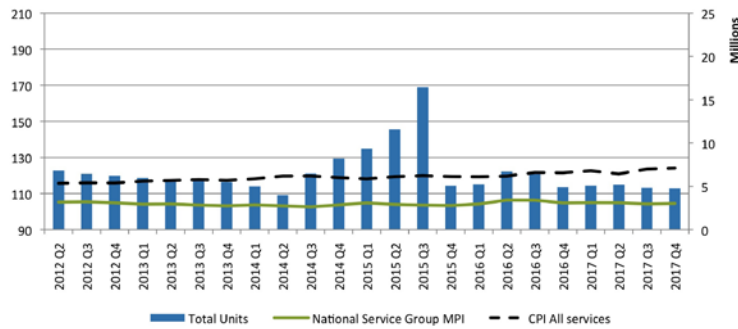
- Charges associated with physical medicine services remained virtually unchanged having experienced increased 0.28 percent from Q3 2017 to Q4 2017. Physical medicine has seen unit charge increase 4.5 percent since Q1 2006. Recall that the physical medicine MPI is looking strictly at unit charge while holding utilization constant.

- The unit cost for major radiology services increased 0.58 percent in Q4 2017 from Q3 2017, and as of May 2018 sits at 121.21. MPI remains 21.2 percent higher than its Q1 2006 benchmark unit charge.
- The unit cost for evaluation and management services experienced a 5.14 percent decrease in Q4 2017 when compared to its Q3 2017 result. The 5.14 percent decrease experienced in Q4 2017 represents the single largest decline in the medical price index for this category since Q1 2006. Since Q1 2006, evaluation and management services have seen unit charge increase 173.59 percent as reflected by the index value 173.59.
- In Q4 2017, professional services in the emergency room experienced a 4.1 percent increase since Q3 2017. This result combined with the preceding three quarters has caused a net gain of 9.37 percent in the emergency room medical price index.

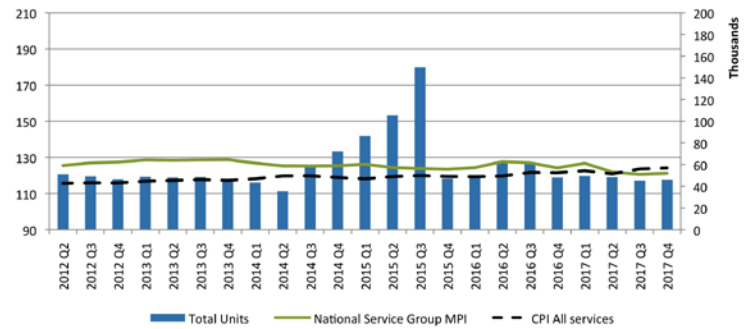
National MPI



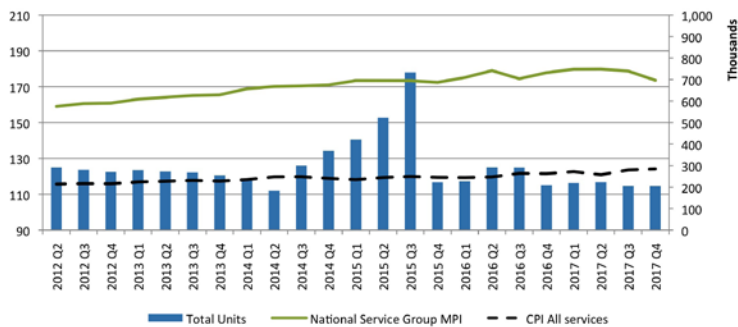
Physical Medicine MPI



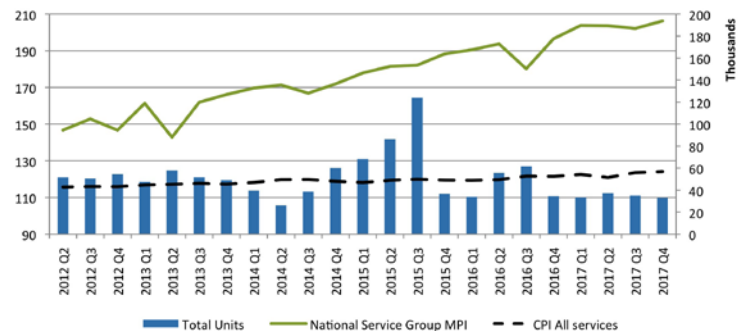
Major Radiology MPI



Evaluation & Management MPI



Emergency Room MPI



Drug Formularies Impact on State Workers' Compensation

By Brian Allen

Vice President of Government Affairs | Mitchell



Learn more about workers' compensation drug formularies and what impact states have seen on their drug utilization rates and costs.

Interest in drug formularies has grown significantly in the past few years, coinciding with a greater concern over the opioid crisis. Texas and Ohio were pioneering states in the creation of drug formularies and several states have followed suit recently. Oklahoma, Washington, Ohio, Tennessee, California, Arizona and Texas all have statewide drug formularies; states including [Massachusetts](#), [Indiana](#) and [New York](#) are currently considering or developing formularies.

Since Texas's formulary was implemented, 85% fewer injured workers were prescribed drugs that required prior authorization and associated costs decreased by 80% (TDI, 2016).

However, the issue is not as cut and dry as it may seem. Though many states have shown the benefits of their respective formularies, some lawmakers are hesitant to implement formularies in their own states. Pennsylvania was the most recent state to question the efficacy of formularies. Some lawmakers were concerned over whether formularies provide a cost-only solution and whether they truly benefit injured workers. Instead of restricting prescribing as a whole, some suggested implementing a formulary that focused solely on opioids.

With this highly debated topic at the forefront of workers' compensation discussions, it is important to understand what a drug formulary is and the role it plays in an injured worker's recovery.

Understanding Drug Formularies: What is a Formulary?

At the most basic level, a formulary aims to ensure that the medications prescribed for an injured worker are appropriate for the injury that the worker sustained. [The California RAND Drug Formulary Report](#) defined a traditional formulary as “a list of covered drugs with rules on how the drugs may be accessed and under what conditions.” This often manifests as restricting the prescription of drugs that may prevent or deter the recovery of an injured worker.

For instance, as the Pennsylvania legislature addressed, opioid over-prescribing is often a major issue addressed by formularies. Many state formularies aim to decrease the utilization of opioids in workers’ compensation. Arizona, for instance, has an opioid-specific workers’ compensation formulary.

At the most basic level, a formulary aims to ensure that the medications prescribed for an injured worker are appropriate for the injury that the worker sustained.

However, formularies address more than just opioids. Drug-to-drug interactions that could be dangerous to an individual, as well as prescriptions that are inappropriate for an injury are just two additional factors covered by formulary legislation.

Ultimately, formularies are a set of rules that outline how and whether certain drugs should be prescribed. There are many facets to these rules.



- Pre-authorization requires that prescribed drugs receive approval from adjusters before being dispensed. Some drugs are not allowed to be prescribed together because of their known risk (e.g. benzodiazepines and opioids).
- Some formularies go beyond limiting drug interactions by creating requirements for injury-specific prescribing.
- These drug rules are typically based off guidelines such as the ODG and CDC opioid guidelines.

Having formularies in place allows all stakeholders to have better control over prescribing and keep injured workers on the right path to recovery.

Understanding Drug Formularies: Is This All a Cost Game?

Cost is a major concern in workers' compensation.

Depending on the state, prescription costs average anywhere from 11% to 17% of the medical portion of a claim.

Because of this, many stakeholders have worked hard to reduce the cost impact that medications have on the system.

One avenue to reduce costs has been formulary development. Many formularies opt for generic rather than brand prescriptions, which can drastically reduce costs. Additionally, states with formularies have shown a reduction in not only non-formulary prescribing, but all prescribing. This indicates that these systems are likely reducing the rate of over-prescribing by encouraging the prescribing of appropriate medications from the start of a claim.

Finally, because formularies focus on getting the right medications for injured workers, they are effective at returning the individual to work faster, which reduces the time and costs associated with longer recoveries.

Formularies are about more than just costs, however. The ultimate goal of formularies is to help injured workers return to their lives and ensuring accountability in the workers' compensation system. Lowered costs are typically a by-product of this broader goal and the strategies put in place by formulary development.

Understanding Drug Formularies: Statistics

Several of the states that implemented formularies in the past decade have seen impressive results. For instance, Texas, which followed ODG Guidelines to create its formulary, has seen a major decrease in both prior authorization prescribing as well as costs associated with those prescriptions. Since Texas's formulary was implemented, 85% fewer injured workers were prescribed drugs that required prior authorization and associated costs decreased by 80% ([TDI, 2016](#)).

Ohio has seen similar statistics since its formulary implementation. Between 2011 and 2015, opioid prescriptions dropped 40% ([CA RAND](#)). Additionally, between 2011 and 2017, the number of injured workers who were clinically dependent on opioids dropped 59%.

These decreases suggest that the drug formulary has helped to stem opioid abuse in this state.

Overall prescribing costs in Ohio decreased \$47 million between 2011 and 2017, with a \$24 million decrease in opioid spending.



We fully expect other states to begin serious consideration of a drug formulary for their workers' compensation systems in 2018

Possibilities for Other States

Finally, a [recent report from WCRI](#) looked at the effect a Texas-like formulary might have in Louisiana. The study found that non-formulary drug utilization in Louisiana could drop to anywhere between 6–17% of all drug prescriptions in the state if a Texas-like formulary was implemented.

Additionally, the cost reductions of overall medication in Louisiana could be as large as 27–28% or around \$2.3 million over the course of 18 months.

How is the Worker Affected?

Ultimately, workers' compensation legislation revolves around protecting the injured worker and ensuring that his or her interests are at the forefront of any policy decisions. Although conversations about formularies often center on opioids and cost-reduction, formularies actually cover a much wider range of issues. If we can focus on developing formularies that ensure the injured workers are the most important stakeholder, then we will hopefully see more successes in the future.



Learn more about trends in workers' compensation in **Brian Allen's latest article** and our **(m)Power Podcast**.

Want to read these articles online?

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Shahin's Quarterly Roundup

Premiums Written: Q2 2018 Casualty Must-Reads

By Shahin Hatamian

Vice President, Product Management | Mitchell Casualty Solutions



Read new articles from Mitchell in PropertyCasualty360, ClaimsJournal and more.

Each quarter, I round up and highlight some of my favorite articles written by Mitchell experts and let you know where we have been published outside of our mPower thought leadership website.

This quarter, Mitchell was featured in PropertyCasualty360, where Senior Director of Product Management Rebecca Morgan partnered with Bill Morgan from [Guidewire Software](#) to discuss the value of systems integration. They also provide some tips for how to get those integrations right from the start to help improve claims processes all around.

On the next page, I've included a list of my favorite articles from this quarter!

Premiums Written: Q1 2018 Casualty Must-Reads

Using Technology to Improve the Claims Process

By Rebecca Morgan and Bill Morgan (Guidewire)

Achieving a seamless and accurate claims process starts with a well-thought-out systems integration design plan. We teamed up with Guidewire to provide insight and advice around building successful integrations.

Appeared on [PropertyCasualty360.com](#)

Read Now

Twitter Chat: #PC360ClaimsChat

By Rebecca Morgan on [@Mitchell Intl Twitter Page](#)

Rebecca joined in on a Twitter chat with PropertyCasualty360 to discuss how technology is shaping the insurance industry and consumer experiences.

Appeared on [PropertyCasualty360](#) and on Twitter.

[Read a recap of her responses.](#)

Read Now

Mitchell: Workers' Comp Billing Errors Could Be Costing Payors

By ClaimsJournal.com

ClaimsJournal wrote an article diving into Mitchell's analysis of billing errors and how an auditing technology platform can help payors catch those mistakes.

Appeared on [ClaimsJournal.com](#)

Read Now

Potential Medical Marijuana Crisis Could Mirror Opioids, Doctors Warn

By Louise Esola, Business Insurance

There may be a few parallels between the opioid epidemic and medical marijuana's popularity for helping to manage pain. Business Insurance sat down with Mitchell Vice President of Governmental Affairs Brian Allen to discuss this trend.

Appeared in [Business Insurance](#)

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About Mitchell



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Mitchell empowers clients to achieve measurably better outcomes. Providing unparalleled breadth of technology, connectivity and information solutions to the Property & Casualty claims and Collision Repair industries, Mitchell is uniquely able to simplify and accelerate the claims management and collision repair processes.

As a leading provider of Property & Casualty claims technology solutions, Mitchell processes over 50 million transactions

annually for over 300 insurance companies/ claims payors and over 30,000 collision repair facilities throughout North America. Founded in 1946, Mitchell is headquartered in San Diego, California, and has approximately 2,000 employees. The company is privately owned primarily by Stone Point Capital LLC, a leading global investment firm.

For more information on Mitchell, visit www.mitchell.com.

power / industry trends report

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The Industry Trends Report is a quarterly snapshot of the auto physical damage collision and casualty industries. Just inside—the economy, industry highlights, plus illuminating statistics and more. Stay informed of ongoing and emerging trends impacting the industry, and you, with the Industry Trends Report!

Questions or comments about the Industry Trends Report may be directed to:

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