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American Airlines expands workers comp nurse case manager use

Study shows injured workers returned to work more quickly

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After a pilot study proved that automatically assigning workers compensation nurse case managers to all lost-time claims significantly reduced injured workers' time away from the job, American Airlines Inc. is expanding the practice nationwide.

Previously, adjusters managing claims for the Fort Worth, Texas-based airline called on nurse case managers only when they judged that doing so would help a worker's medical condition improve or when client directives instructed them to,

such as when workers needed surgery, suffered multiple injuries to the same body part, or suffered from a co-morbid condition affecting their work-injury recovery, said Misty Hambright, American's workers comp claims manager.

“It was a pretty gray area,” with nurses participating in approximately 30% of cases with injured workers off the job, Ms. Hambright said. “So we significantly increased that.”

Now the adjusters, provided by Sedgwick Claims Management Services Inc., immediately call in nurses to assist as soon as they learn a workplace injury resulted in lost work time.

American, which filed voluntary petitions for Chapter 11 bankruptcy reorganization in November 2011, launched its workers comp nurse case management pilot program in May 2011 and measured its results in August of this year, Ms. Hambright said.

Based on results from the pilot study conducted at two airports in New York and one in New Jersey, American applied the same model on Oct. 1 to all new, lost-time claims filed in Florida and Texas. It expanded the practice to include employees injured in all other locations on Nov. 1.



AP PHOTO

American Airlines launched its workers comp nurse case management pilot program in May 2011.

“We are slowly but surely moving older off-work claims into nurse case management (oversight) in a tiered approach so as not to overwhelm the nurses,” Ms. Hambright said.

Assigning registered nurses to all cases alternatively referred to as indemnity claims, lost-time claims or off-work claims is not an unusual model, said Kimberly George, senior vice president of Sedgwick's managed care practice. But it is most often applied when employers face a shifting environment, such as when they are laying off workers, which can hamper their return-to-work efforts, or when companies downsize internal claims management staff previously dedicated to supporting injured workers, Ms. George said.

American Airlines is expanding the practice based on its pilot results. It saw a 34% reduction in off-work days for injured employees working at Newark Liberty International Airport in New Jersey, a 22% decrease for those at John F. Kennedy International Airport in New York, and an 11% drop for those at LaGuardia Airport in New York.

The percentage reductions are based on calculations using full-time equivalent employee measurements, Ms. Hambright said.

Other employers who have implemented a similar model also have shown reductions in medical and litigation spending, Ms. George said.

American launched its model to provide injured employees better customer service through expedited care and improved management of their medical treatment, Ms. Hambright said. New York was selected as a starting point because the airline felt employees there could use more medical care education and assistance due to state laws prohibiting employers from steering workers to certain medical providers. “You can't even soft channel an employee to a specific provider” in New York, Ms. Hambright said.

Additionally, with New York having recently adopted new medical treatment guidelines, American believed it would be best for nurses familiar with each claim file to conduct an “embedded” review of the guidelines' application, Ms. Hambright said.

Having the nurses familiar with an individual case conduct utilization review is more holistic and therefore more beneficial than a review conducted by someone merely evaluating treatment plan documents, Ms. Hambright said.

Adding nurse services increases claims administration costs, but focusing too narrowly on those expenses sidetracks workers comp managers from looking at the bigger picture, Ms. Hambright said.

Administrative costs “are such a small, small, small percentage ... of what your actual loss costs are,” she said. “Saving a day or two off an injury when someone returns to work safely produces much more of a savings than what it costs you to pay for that program.”

“You can never have too many resources on a workers compensation claim,” agreed Mark Walls, vice president of claims for St. Louis-based Safety National Casualty Corp. “Employers need to invest in lower case loads and consider resources like return-to-work coordinators, telephonic nurse triage and other such resources to get better outcomes.”

While the nurses helping with American claims mainly focus on cases involving workers who are away from the job due to injuries, the airline also provides its operating units a telephone number to reach the nurses. That way, all injured workers, even those without an injury severe enough to warrant time off the job, can call with any questions.