

Workers' comp data in a dash

Fast, visualized information can improve claim performance, allowing the most vital data to be easily accessed.

By **Jim Harris**

These days with a plethora of business intelligence tools, it seems as if workers' compensation managers should have all the information they need to improve their program's performance. So why are so many still struggling with data?

Many IT departments are busy with a plethora of projects, leaving managers to fend for data themselves. Above all, managers want a way to get their arms around the most important performance indicators, especially as "big data" continues to grow.

Toward this end, dashboards have risen in popularity. These tools provide a quick glimpse into what's going on in a workers' comp program, giving managers insights into injury statistics, medical costs, and return-to-work (RTW) trends. And using these tools, managers can easily identify large-loss outliers and problem areas and can delve deeper to find out what's driving those developments.

Claims systems and risk management information systems (RMIS) offer dashboards, as do many service providers, but what should program managers expect from these tools?

Powerful dashboard capabilities

In the past, program managers had to cobble together multiple, disconnected sources of data to try to understand how their programs were performing. They ran queries, designed and generated reports, and attempted to share information with stakeholders.

Today, dashboards can do all of this — but in a more streamlined, real-time and automated fashion. The term is borrowed from a car console, which offers a single



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panel from which to monitor all vital measures: speed, fuel, and distance. The dash even provides early warnings, such as the "check engine" light when more serious issues may be occurring under the hood.

A data dashboard operates in a similar manner, providing an at-a-glance view of a workers' comp program. These business intelligence tools visually track, analyze and display key performance indicators (KPIs) and other data points that speak to the health of a program, as well as particular functions, such as case management.

Dashboards are not static reports with graphs added. They're highly flexible and can be customized to provide insights that matter most to specific organizations, whether it's an insurer, third-party administrator or employer. In addition, dashboards serve as interactive interfaces. Users can navigate additional information at the click of a mouse. To get the most from these tools, program managers should assess the quality of these key features.

Visualization

Program managers want to move beyond spreadsheets, which present data in rows and columns that can make it difficult to interpret what's going on in a program.

As the saying goes, a picture is worth a thousand words, and this is what a dashboard provides — a way to visualize what the numbers mean, for example:

- A graph can provide trending data, e.g., a line climbing higher year over year illustrates claims costs are increasing over time.
- A bar chart may display claims costs broken down by body part, which might illustrate a large percentage of claims costs coming from shoulder injuries.
- A heat map may show a concentrated red zone around a worksite, indicating which location has experienced a high incidence of injuries.

In these examples above, the data is presented in a way that's natural for the human mind to comprehend. Users readily see the trends, outliers, and patterns — even when there's a large volume of information. In this way, managers can more easily conclude and come up with an action plan for program improvements.

Drill down

With the benefit of dashboard visualization, troubling trends and outliers stand out, and program managers can easily perform more in-depth analysis by clicking on elements on the dash for more background information. For example, if they're viewing a bar graph, they can drill down to see all claims contributing to a particular rise or fall. Here are some other examples of how the drill-down feature can help:

- Program managers viewing a dashboard on a national workers' comp program can view claims by state or city. They can even zero-in on specific claims.
- Or, if users are looking at claims costs, they could drill down to understand the claims contributing to that sum. They can get to the bottom of the question, "What types of claims are driving my program costs?"

Filters

Dashboards also offer "filters," which enable users to screen data for specific subsets of information. For example, they can apply filters to view claims over a certain dollar value, e.g. \$50,000 by a particular calendar year or with a duration of 90 days or more.

The filter feature selects which records will and won't appear in the visualization.

Color coding

Dashboards utilize colors to draw a manager's attention to particular areas of the dash or to quickly signal the status of an area, for example:

- Green could mean a particular measurement is on track and under control.
- Red might mean an area is in trouble, e.g., high costs.

New views to enable program improvements

Besides allowing users to interact with the data, dashboard creators are also conceiving of new data visualizations that provide managers with new angles from which to assess their programs. Here are three relatively new views that assess costs, outcomes, and performance of key program components.

Medical bills

In workers' comp programs, medical costs are still a significant cost driver. Program managers want to dive deeper into their medical spending; thus, there's a desire for medical bill review dashboards that allow users to see:

- how many medical bills were processed in a given period
- what types of medical procedures were performed
- how many claims had a COVID-19 diagnosis
- what was spent on surgeries and/or hospital stays
- what providers are high-performers in respective fields in terms of costs and outcomes

A program manager can see trending data, such as how their volume of medical bills and costs compared to the same period in previous years. For example, in

2020, a program had its bill volume decrease by 3.4% when compared to 2019, whereas medical costs went up by 2% during that same period.

For states like California, where workers' comp programs can direct care, this dashboard allows managers to view PPO network penetration. One program saw a 75.3% PPO penetration rate — representing significant savings but also an opportunity to further reduce costs.

Independent medical exams

With workers' comp programs facing increasingly complex claims, independent medical examinations (IMEs) can help adjusters make determinations on factors such as causation, appropriate medical treatment, and RTW issues. With IMEs playing such a critical role, program managers need a dashboard to track factors such as the ones below.

- Total number of IMEs ordered, closed versus open referrals, the overall costs of IMEs, and the efficiency in turnaround.
- What types of IMEs are being used? Are psychological IMEs on the rise?
- What types of providers are being used for IMEs? Which ones are doing a better job in terms of getting IME reports turned around?
- What's the IME usage by an adjuster, body part, geographic region, and treating physician?

In addition, program managers can see how IME no-shows are affecting their program. One program realized no-shows had resulted in more than \$1 million in additional claims costs due to delays in return to work, as well as needing to reschedule exams. Needless to say, the program aimed to minimize no-shows going forward.

Case management

Workers' comp programs use case management to make sure injured employees with complex or catastrophic injuries receive the care they need to recover, return to work, or achieve maximum medical improvement (MMI). In relation to case management,

program managers want a dashboard to answer these questions:

- How many claims use case management? How many of these claims are open? What's the average duration of cases?
- Is there a detrimental lag time in claims being referred for case management?
- How are catastrophic cases progressing?
- What claims have been open the longest? Or have the highest costs?

The last data point helps identify outliers. For instance, when program managers perform their quarterly claims review, they can view this dashboard, which quickly prioritizes cases that may require more strategizing and action plans.

This dashboard can also summarize how successful case management has been at getting injured employees back to work or to MMI with an overall percentage of RTW/MMI impact.

A GPS for success

Without dashboards, program managers would have to sift through volumes of unstructured data, which is inefficient and time-consuming. And when problems arise, they would have to shoot in the dark to try to impact costs and outcomes. Today, dashboards provide a GPS that can guide managers toward success. These tools give them both big-picture and claims-level transparency, multi-faceted views into program components, and guidance to make action plans for ongoing program enhancements.

*Jim Harris is vice president of analytics & reporting at **Genex Services**, where he is responsible for expanding the portfolio of reporting, analytic and predictive modeling tools for customers and field operations. With more than 25 years of experience in workers' compensation, he's able to provide organizations with the intelligence they need to continually improve program performance.*

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