

Minimizing Impact on Claims Costs and Outcomes

By Randy Wheeler

When a safety issue occurs, there is a window of opportunity for an organization to manage the inciting event to reduce the likelihood that a claim will be filed. If a claim does result, the information held within an event report can help to minimize the impact in terms of claims costs and outcomes. As a result, reporting and managing safety-related events has now become a growing trend. There are two lines of insurance, medical malpractice and workers' compensation, where event reporting and management have yielded particularly positive outcomes.

Medical Malpractice. Medical professional liability or medical malpractice insurance covers physicians and other medical professions for liability claims arising from patient care. In 1999, the Institute of Medicine released a report stating that medical errors result in 44,000 to 98,000 deaths a year. Since that time, the medical profession experienced a dramatic increase in liability claims related to patient safety. Many hospitals and medical facilities have implemented event reporting systems to track medical errors, near-miss events, and patient incidents in an effort to improve safety and reduce medical malpractice claims.

Workers' Compensation. Within the last few years, workers' compensation programs have experienced tremendous improvements. However, employers are still striving to enhance workplace safety, control the quality and costs of medical care, and oversee return-to-work (RTW) results. In order to achieve these objectives, risk managers are utilizing events management systems to better facilitate medical management and RTW programs. They can track first-aid incidents without incurring claim-handling charges and address safety hazards before future injuries occur.

To help identify and track events in these lines of insurance, Valley Oak Systems offers the iVOS Events Management

module as part of its "one-system" claims management solution. The system offers five key features that enable organizations to increase efficiency and savings:

- ▶ **Intuitive, user-friendly design allows for immediate capture of information.** For medical facilities and busy worksites, the reporting of safety concerns and near-miss events must be supported by a simple system. The iVOS Events Management module has an intuitive, user-friendly design. Staff members can complete an online incident form in a matter of minutes. For critical events, the notepad allows staff members to document a full narrative and a timeline. If the event leads to a claim, the notes enable claims staff to facilitate a thorough investigation. Facts are captured when the event is fresh in the minds of the parties involved, not lost in a retrospective analysis weeks, months, or even years after the event has occurred.
- ▶ **Browser-based platform for online reporting.** In the past, large organizations attempted to implement an event-reporting process, but it was usually paper-based with forms filed at individual sites. For example, if a medical malpractice claim was filed, someone at the medical facility would have to shuffle through paper files to determine if an event was reported. iVOS' browser-based platform enables users to remotely and electronically capture event information in one database. When a claim is filed, the system searches this centralized repository to see if related events were filed and utilizes the information to help determine compensability and defensibility of a claim.
- ▶ **Sophisticated reporting addresses problem areas.** While event reporting is a powerful tool, to truly improve safety, medical facilities, and worksites

require sophisticated data analysis to identify trends and problem areas. With iVOS, analytical tools help supervisors pinpoint specific hazards, so they can respond with appropriate safety measures.

- ▶ **Customizable workflow and communication tools.** Organizations can tailor iVOS to capture specific data with a customized series of questions. By configuring business rules and workflow automation, notification of events can be routed to the appropriate stakeholders for immediate review and response. For example in the health-care setting, medical administrators can automatically receive alerts when a serious patient incident has occurred. The facility can then respond with immediate disclosure and a sincere apology—actions that can help reduce the likelihood of a lawsuit.
- ▶ **An integrated system enables seamless transition from "event" to "claim."** iVOS Events Management and iVOS Claims Management are modules within the same system. With a simple click of the mouse, an event is seamlessly transitioned to the status of a claim, and adjusters can reference the event report through a hyperlink in the claim file.

By leveraging the iVOS "one-system" solution, organizations can report, track, and proactively manage safety-related events before these incidents become claims. This integrated platform offers advanced workflow capabilities, analysis of safety-related incidents, and powerful tools that enhance communication and collaboration for improved program results. ■

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