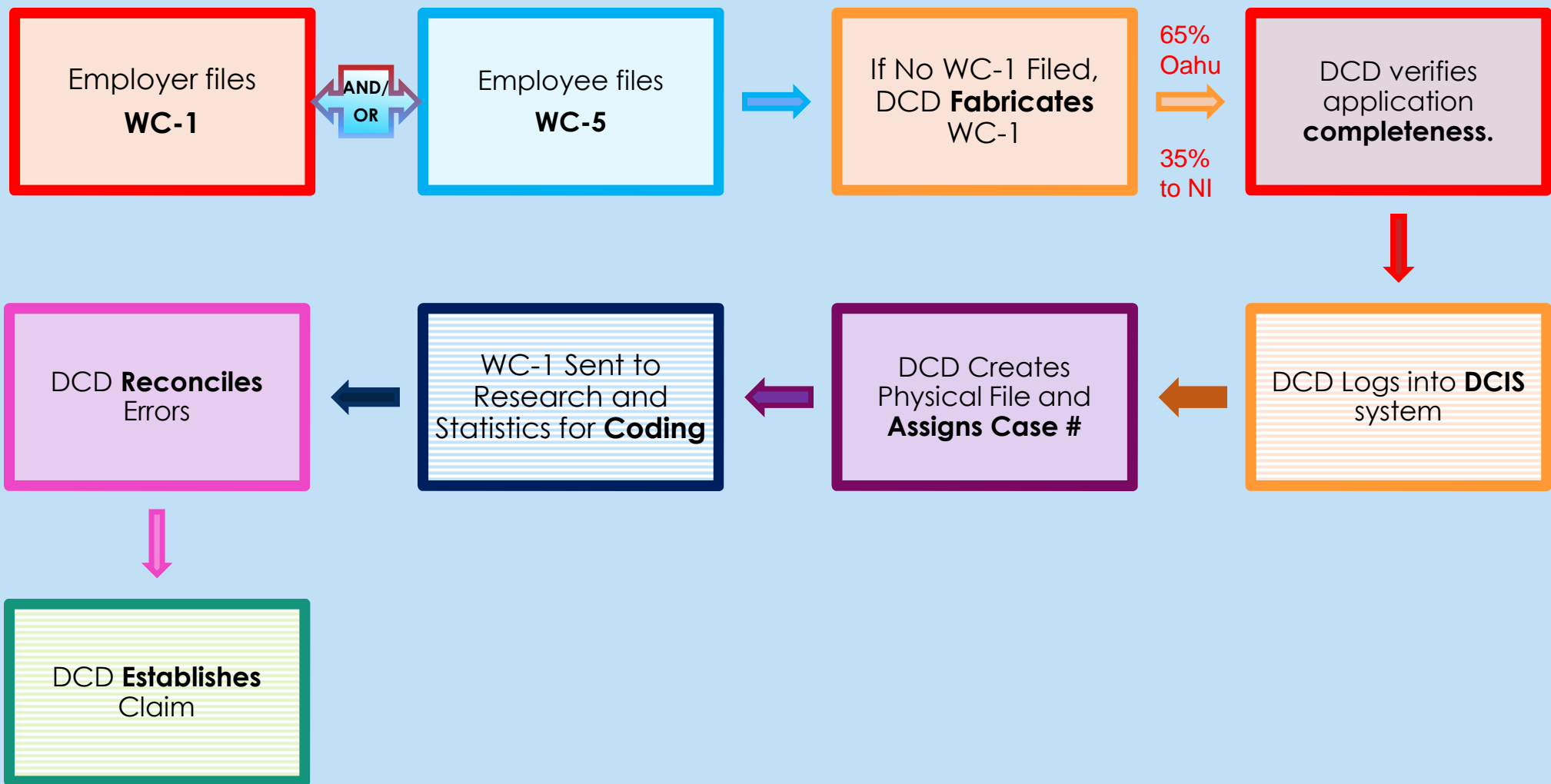


Worker's Compensation Working Group

July 27, 2016

- 1. Reporting and Claim Filing**
- 2. Claim Adjusting**



REPORTING AND CLAIMS FILING-OPENING CLAIMS

WC-1

“First Report of Injury” –Employer Files

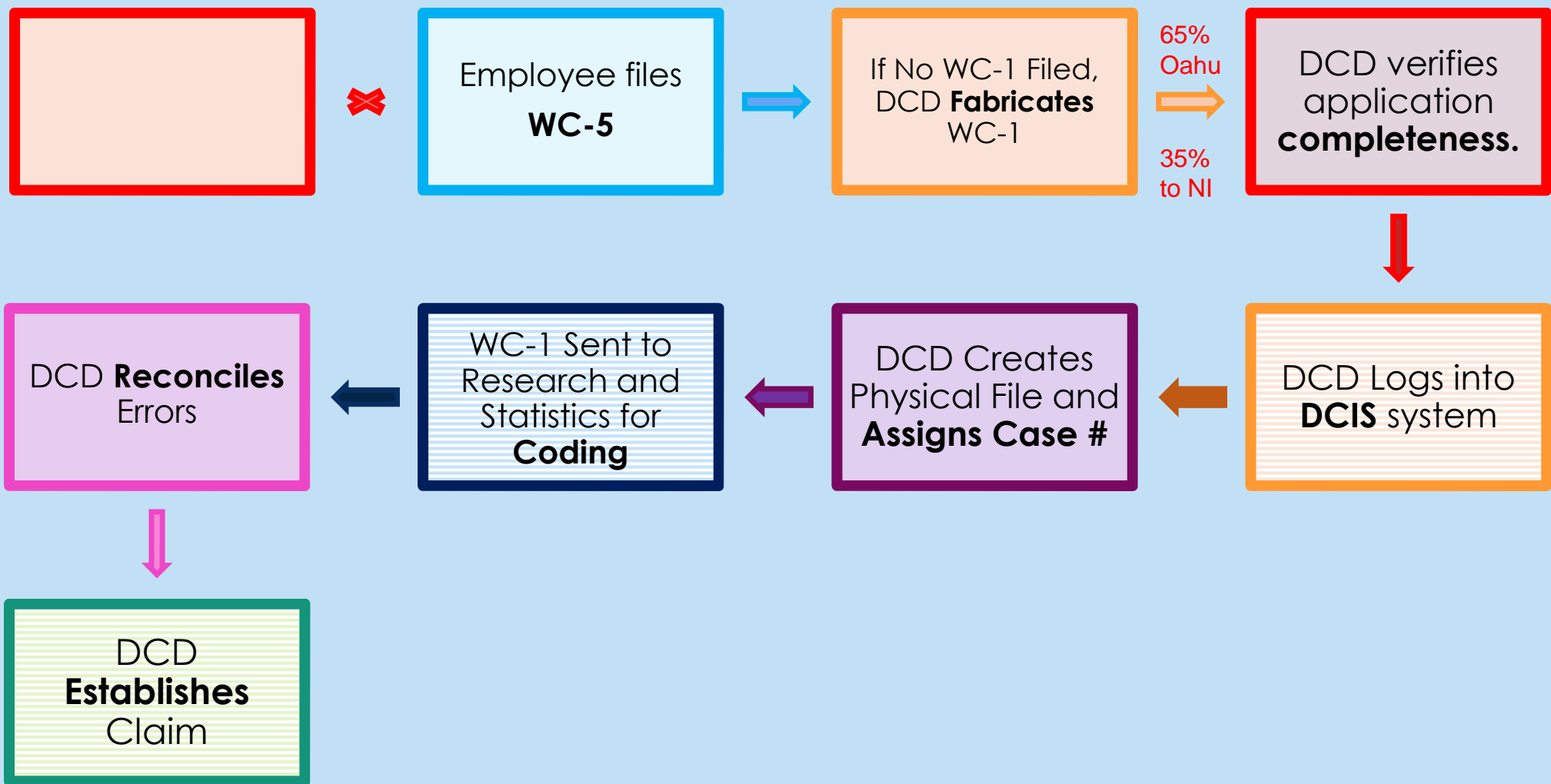
HRS 386-95:

- Within 7 days after employer has knowledge
- Within 48 hours, resulting in death

Employer Accepts or Denies
Compensability

- HAR 12-10-61, File reports in District office;
Multiple copies;
Written in ink or typewritten;
Allows electronic submissions
- Carrier/Adjustors Submit Reports
 - Electronic (3 carriers – manual verification)
 - Hardcopy; paper and amendments
- Lack of quality –incomplete/inaccurate
- Three non-interactive data systems
- Manual tracking process

REPORTING AND CLAIMS FILING-OPENING CLAIMS



REPORTING AND CLAIMS FILING-OPENING CLAIMS

WC-5

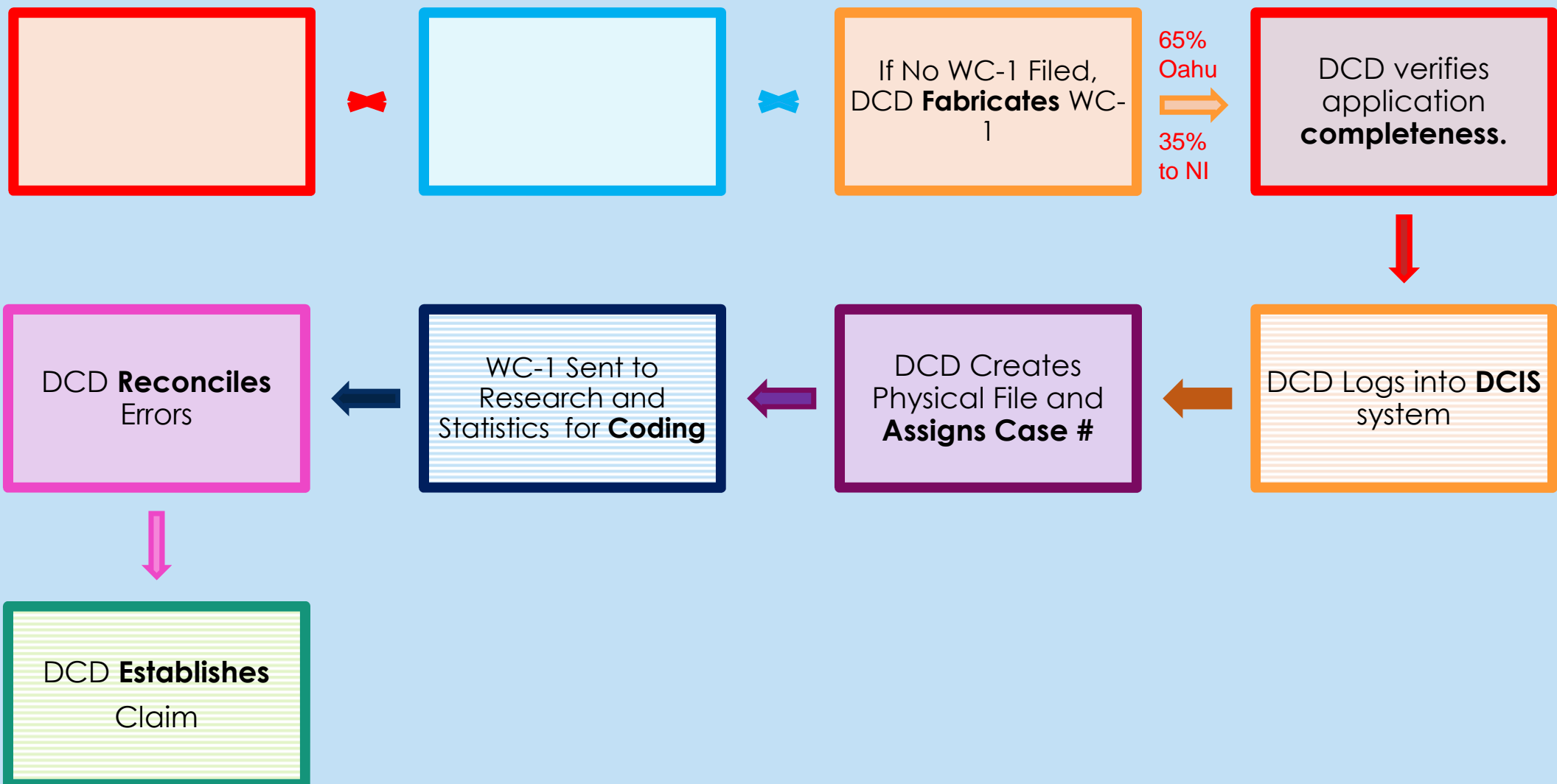
Employee Files

- Employer Fails to File WC-1
- Employer Denies Compensability
- Dependent of deceased Claimant (WC-5A)

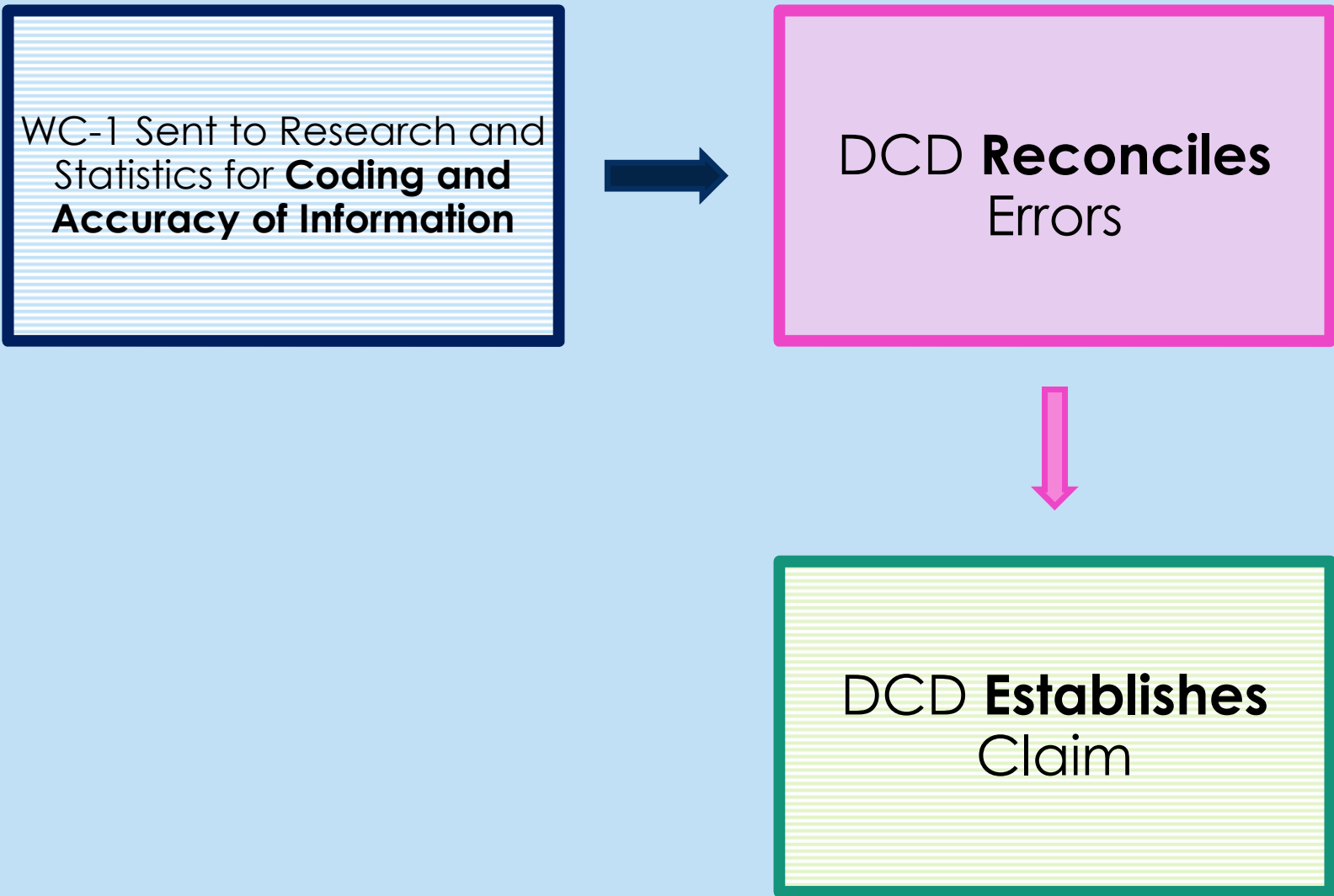
HRS 386-71.6 WC benefit facilitator unit

- Physical hardcopy, multiple copies
- No Electronic filing
- Claimant unsure of the process and benefit rights (HRS 386-71.6 Facilitator role)
- DCD's role in collecting WC-5

REPORTING AND CLAIMS FILING-OPENING CLAIMS



REPORTING AND CLAIMS FILING-OPENING CLAIMS



REPORTING AND CLAIMS FILING-OPENING CLAIMS

**WC-2
Physician Reports**



- 1- Initial Visit Report
- 2- Interim Report
- 3- Final Report

REPORTING AND CLAIMS FILING – PHYSICIANS REPORTS

WC-2 Physician Reports

HRS 386-96

-Within 7 days after the First service

-Interim Reports

-Request For Hearings

-Final Reports, within 7 days of
termination of treatment

-Penalties for late or non-submission of
reports

- HAR 12-15-80 provides reporting requirements
- Paper based; burdensome process
- No Electronic filing
- Limited WC Physicians
- Untimely and/or incomplete reports
- Penalties rarely assessed

REPORTING AND CLAIMS FILING – PHYSICIANS REPORTS

WC-3
-Year-End Report
-Final Reports



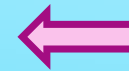
DCD Contacts
Adjuster for **Missing**
WC-3



Reconciles WC-3 with
Amounts Awarded



Contacts Adjuster for
Underpayment



Adjuster Files
Amended WC-3



DCD **enters** Data into
DCIS system
Yearly Reports filed;
Final Files – Purged File
and Store

RECORDS AND CLAIMS FILING – RECONCILE AND CLOSE WC CLAIMS

WC-3

Benefits paid

HRS 386-71, duties and powers of the director in general, ...exercise all powers necessary to facilitate or promote...the prompt and proper payment of compensation.

HRS 386-95

- Year End Reports (Due January 31)
- Final Report (Within 30 days after final payment)

-Failure to Report Penalty

HRS 386-154 Special Assessments, captive insurers and self-insured

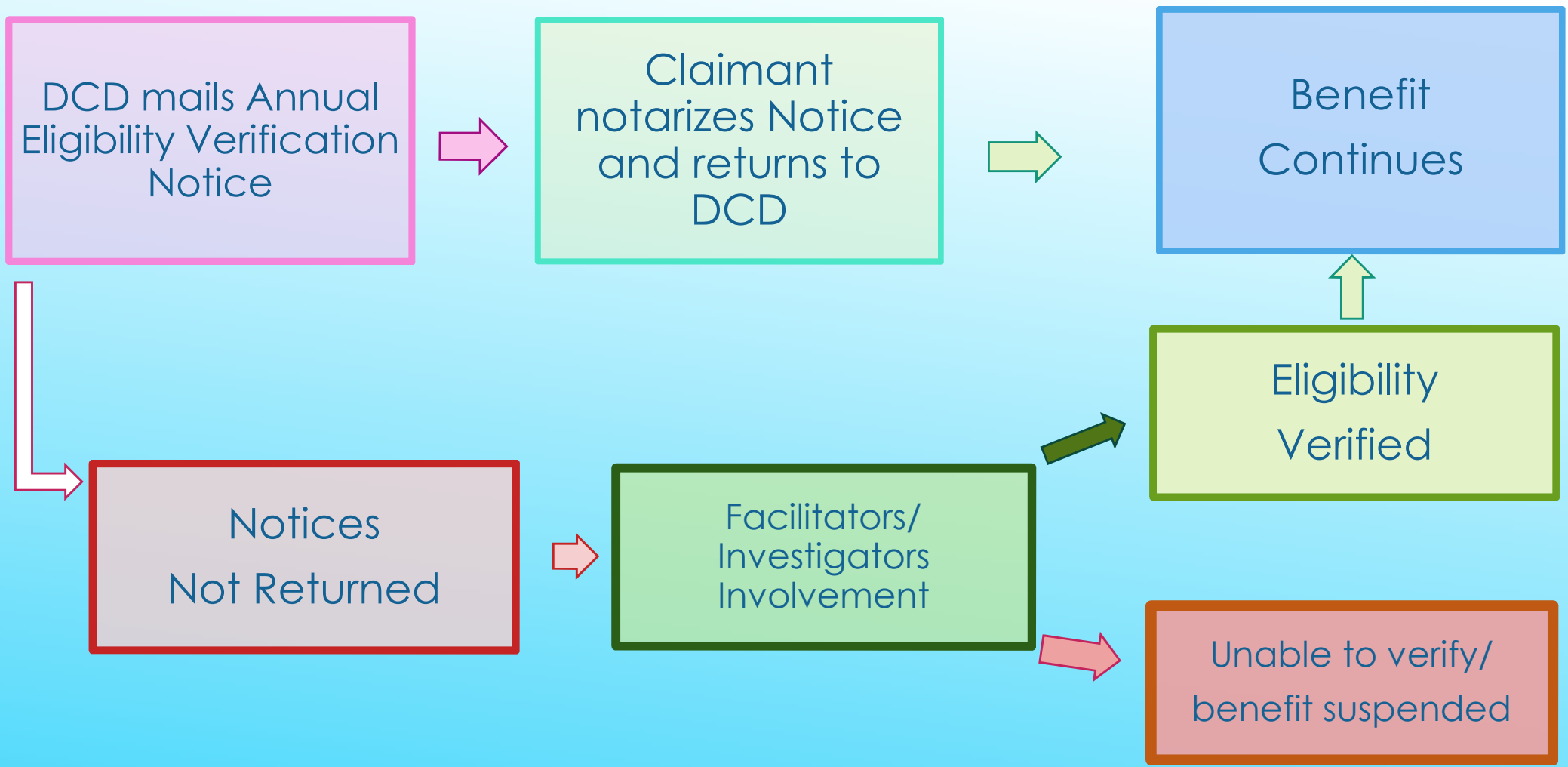
- Paper Based
- No Electronic Filing
- Multiple years; Carrier/Adjuster changes throughout the course of the claim
- Inaccurate accounting
- 25-30% under/over payments
- Claimant not awarded the correct benefits
- \$5,000 fine for non-reporting

RECORDS AND CLAIMS FILING – RECONCILE AND CLOSE WC CLAIMS

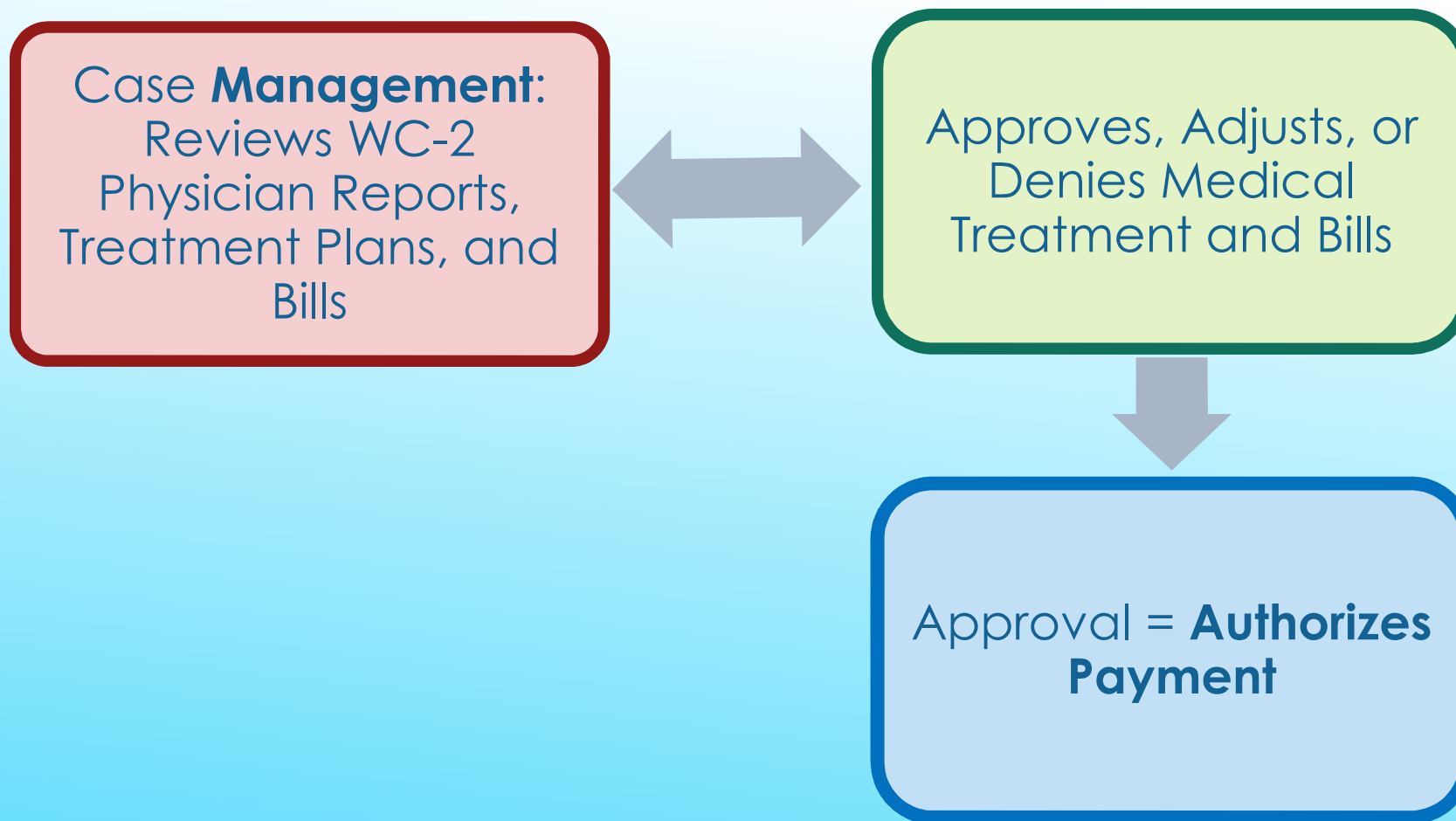
Claims Adjusting

1- Permanent Total Disability

2- Special Compensation Fund



LAIMS ADJUSTING – PERMANENT TOTAL DISABILITY (PTD)



CLAIMS ADJUSTING - SPECIAL COMPENSATION TRUST FUND

HRS 386-56 PAYMENTS FOR AWARDS AND BENEFITS

Overview

Physical hardcopies; files lost/misplaced

Increase electronic filing of forms with required fields

Commitment to higher quality submissions

Mandate electronic filing

Statutory changes (Single form; not handwritten; accurate & timely submittals)

Form updates

Education (Frequently Asked Question, Staff training, Stakeholders)

Utilizing Facilitators as directed by Statute

Monitor / accountability

Enforce penalties

Collection Agency

Expand Electronic Storage Capacity

Modernize/Technology

REPORTING AND CLAIMS FILING/CLAIM ADJUSTING

QUESTIONS