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Free Safety Seminar

Watch your email for more information coming soon....

Matrix and its safety partner, Ascent Safety Solutions, will present a free seminar titled "Recognizing Safety Trends & Reducing Workplace Injuries: Creating a Safety Culture."

This seminar will take place in October and will satisfy your safety training requirement.

Contact Katie Jones, Program Manager at 1.877.550.7973 or kjones@matrixtpa.com.

To view past eMatrix newsletters, visit our website archive by clicking [here](#).

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New ICD Coding System May Improve Reimbursement Rates

All employers will be impacted by the new system for coding and reporting workplace injuries and illnesses.

Effective October 1, all organizations covered by Health Insurance Portability and Accountability Act (HIPAA) will be required to adopt the International Classification of Diseases (ICD-10) coding system, rather than ICD-9. ICD-10 allows for greater specificity of diagnoses because the codes have five to seven characters, compared to three to five characters in ICD-9. The more specific reporting could help improve claims reimbursement rates.

The BWC will be ready for the ICD-10 national implementation. BWC, along with its managed care organizations, will implement ICD-10 so HIPAA-compliant providers do not need to make special accommodations.

To facilitate a smooth transition to ICD-10, BWC and the MCOs are implementing measures that allow them to continue processing claims and bills using ICD-9 codes, if necessary, for 90 days past the Oct. 1, 2015, effective date.

Injury descriptions

Remember for workers' compensation, claims determinations are based on injury descriptions, not disease codes. Therefore, claims determinations should not be affected by the ICD-10 implementation.

It will be important for employers to ensure that their software and technology is capable of handling the new ICD-10 coding by Oct. 1. It may be a costly investment, but will likely pay off in the long run since the more specific coding should increase the employers' claims reimbursement rates.

Weigh Your Options: Is Group or Group Retro Right For You?

Now is the time to consider your program options for next year. The enrollment deadlines are just around the corner.

- 2016 group deadline – November 23, 2015
- 2016 group retro deadline – January 29, 2016

These are quickly approaching so any required paperwork should be completed and provided back to Matrix so we can ensure your placement in these valuable groups. If you are not a current client of Matrix but you'd like us to review your

business for a group or group retro program, contact Jessica Esterkamp, vice president of corporate development, at 1.877.550.7973.

Matrix group and group retro plans continue to perform very well and are providing significant premium savings to our clients. Not sure which program is right for you? Please contact us and we can guide you through the complete process to align with the program that fits your business needs.

Transition Credit

Aug. 31 is a crucial date for private state fund employers. . . . Don't forget that your payroll reports for the period from Jan. 1 to June 30, 2015 are due.

Upon submission, the BWC will provide you with a transition credit equal to the premium due. Even though no payment is due, your report **MUST** be submitted by Aug. 31 or your policy will be considered lapsed.

The first invoices under the new prospective billing system were issued in late July, and are due Aug. 31. As a reminder, the BWC is providing a transition credit to private employers to avoid double-billing them during this transition.

If you have questions about prospective billing and the transition credit, contact Sandie Anderson, Director of Risk, at 877.550.7973 or sanderson@matrixtpa.com

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Workers' Comp Abuse Caught On Tape

Do you suspect that an injured worker (IW) may be "milking the system?" Surveillance continues to be an effective way to combat a questionable claim. A common misconception is that you must get evidence of the IW working another job or putting a new roof on a house. While that obviously makes for great evidence, it is not the only type of evidence that can help you dispute a questionable claim. Obtaining surveillance video of the IW engaging in activities outside of their restrictions can be a great way to dispute the claim.

For example, Matrix Investigators recently worked a case where the IW was off work for a prolonged period of time with an arm injury, allegedly unable to lift her arms above parallel. Matrix investigators obtained video of the injured worker riding



roller coasters on two consecutive days. The video showed the IW with full use of her arms in direct conflict to her injury/restrictions.

Providing this evidence to the IW's physician, the IW was declared MMI, cutting off her benefits from the BWC. The IW was subsequently terminated.

If you have suspicious claim and would like to conduct surveillance, contact Brian Sweeney, President, Matrix Investigations & Consulting, at 513.351.1222 or by email at bsweeney@matrixinv.com

Heat Illness Prevention Tips

Heat illnesses include heat rash, heat cramps, heat exhaustion, and heat stroke. Heat stroke requires immediate medical attention and can result in death. The body allows itself to cool by sweating. During especially hot weather with high humidity sweating is not enough. Your body temperature can rise to dangerous levels if not taking precautions such as drinking water.

To prevent heat related illness and deaths:

- Drink water every 15 minutes, even if you are not thirsty.
- Rest in the shade to cool down.
- Wear a hat and light-colored clothing.
- Learn the signs of heat illness and what to

do in an emergency.

- Keep an eye on fellow workers.
- "Easy does it" on your first days of work in the heat. You need to get used to it.

A work schedule should be implemented to allow workers to get used to the heat gradually if workers are new to working in the heat, returning from more than a week off, and for all workers on the first day of a sudden heat wave.

Remember these three simple words: Water, Rest, Shade. Taking these precautions can mean the difference between life and death.

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Mergers & Acquisitions

Before You Buy

Did you know that if someone buys an existing business that has a bad claims experience or lapsed coverage issues, the new owner becomes responsible for the financial burden of those circumstances?

For instance, someone purchased an existing restaurant without realizing it previously lapsed coverage for six months. Also during that timeframe, a claim occurred which had to be paid out of pocket. The cost of the claim was upwards of \$100,000 which was still owed to the BWC. At the time of acquisition, this debt transferred to the new owner, and he started his new business \$100,000 in the negative without realizing it.

In another scenario, an employer bought an existing construction company but was completely unaware of its bad claims experience. The BWC combined the policies based on common ownership and like manual codes. The combined claims experience netted a penalty rating for both policies. This had a significant impact on premiums and their ability to bid work for certain general contractors.

It is very important for any Ohio employer that is considering making an acquisition of an existing business to check the workers' comp history of that business. Matrix specializes in reviewing this type of scenario and can provide strategic advice and projections showing the impact. Please make sure to contact us before making any decisions so that you aren't caught off guard.

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Unemployment News

Are You Using SIDES?

State agencies in Kentucky, Indiana and Ohio are offering new ways to report unemployment separation information electronically, for faster, more efficient and more secure UI claims processing. Per the Ohio Department of Jobs and Family Services, employers who respond electronically to requests for separation information experience significant savings of time and money.

The new State Information Data Exchange System (SIDES) offers options for employers to provide nationally standardized worker separation data to state offices of unemployment compensation. By responding through SIDES, the employer will become more compliant to the new Section 252 Unemployment Penalty Rules as opposed to the previous method of responding by fax. This system is provided for free to all employers throughout the country. However, the employer may need their IT department to link into SIDES through their own system which may cost the employer. The employer can also have a third-party administrator, such as Matrix, handle this new electronic response as all TPAs in the unemployment claims management industry should be linked in and processing claims online.

The benefits of SIDES is that it helps keep unemployment rates as low as possible by reducing overpayments which is why the state agencies put the UI penalty and fines

legislation in place. While SIDES is more lengthy and may take more time to complete the UI claim forms properly, doing so keeps you compliant to this new legislation. The overall goal of SIDES is to save time and money for the employer, but also for the state agencies. In the near future, this online electronic UI claims system will help eliminate thousands, if not millions of pieces of mail being sent out by the state agencies or received by employers. We will eventually get to the point where unemployment claims notifications, as well as most of the correspondence from the state unemployment agencies, will be sent electronically. This will mean millions of dollars of savings for each state unemployment department that can be passed onto the employers.

If you have any questions about this information or about how Matrix can keep you compliant, contact Ken Kruse at 513.351.1222 or by email kkruse@matrixtpa.com.



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BWC Program Deadlines For Private Employers

Drug Free Safety Program

DFSP-5 - Safety Action Plan (for Advanced Level) must be completed on line to BWC by 8/31/15.

First year enrollees – Drug Free Safety Policy should be completed by 9/30/15.

Employee Education and Supervisory Training must be completed by 10/30/15.

One Claim Program

First year participants must attend one, half-day, industry-specific classroom style class through BWC's Division of Safety & Hygiene by 6/30/16..

Then during any remaining years of eligibility, you must complete three hours of online classes through BWC's Safety & Hygiene Training Center by 6/30/15.

100% EM Cap

In the first year, agree to complete a one-half day industry-specific safety class through BWC's Division of Safety & Hygiene as outlined in the [Ohio Administrative Code 4123-17-03.2](#)

Note: Employers who want to keep the EM cap for the subsequent year must complete three hours of [online safety classes](#) through this website.

Group Rated Employers

Policy year beginning July 1, 2015 employers who have had a claim in the green year must complete a 2 hour safety class. Send certificate to Sandie Anderson, Director of Risk, at sanderson@matrixtpa.com or fax to 513.336.3361, to receive credit.

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Legal News

US Supreme Court Remands *Young v. UPS* and Creates New Standard for Pregnancy Discrimination Claims

In a 6-3 decision, the U.S. Supreme Court created new standards for deciding pregnancy discrimination claims in the decision of *Young v. UPS*. This case is included in the newsletter because the analysis and ultimate result imply that an employer cannot meet ONLY occupational restrictions.

Background

Young, a part-time package car driver for UPS, had complications related to her pregnancy and was placed on lifting restrictions. At UPS, it is an essential function for package car drivers to be able to lift 70 pounds or more. Because Young was medically restricted from performing the essential functions of her job, she was given medical leave until she could perform the essential functions. Young, however, requested a different "light duty" position until her medical restriction was lifted. Although UPS offered "light duty" work to other employees unable to perform their regular duties because of on-the-job injuries, ADA disabilities, or Department of Transportation (DOT) restrictions, Young was not allowed to work "light duty" because she did not fit into any of the above-listed categories.

UPS had a facially neutral policy that only allowed individuals with on-the-job injuries, ADA disabilities or DOT restrictions to work "light duty. Young was treated the same as all other employees who did not suffer from on-the-job injuries, ADA disabilities or DOT restrictions.

Supreme Court Creates New Analysis for Pregnancy Discrimination Act Claims

The Supreme Court disagreed with both par-

ties' arguments and created a new interpretation of the PDA. The Supreme Court held that an employee can establish a PDA claim by following the familiar three-part *McDonnell Douglas* test. The employer may then rebut the employee's *prima facie* case by relying on a legitimate, nondiscriminatory reason for denying the accommodation. "That reason normally cannot consist simply of a claim that it is more expensive or less convenient to add pregnant women to the category of those whom the employer accommodates."

New Standard Requires Careful Examination of Previous Accommodations for Other Employees

The Supreme Court's new standard creates some new issues for employers, as they can no longer rely upon facially neutral policies to justify the denial of an accommodation to a pregnant employee. This analysis and the outcome will likely also apply to transitional or light duty work policies that only accommodate restrictions related to occupational injuries. The EEOC's goal is to push employers to expand their occupational injuries temporary work programs to include pregnancy related conditions. So having a narrowly tailored policy only for occupational injuries is not enough in the EEOC's view. It may be time to pull out your handbook and look at your policy.

For questions regarding this or any other labor and employment or workers' compensation issue, contact Neal Shah (nshah@fbtlaw.com), Julie Bruns (jbruns@fbtlaw.com) or Joanne Glass (jglass@fbtlaw.com) or any other member of the Frost Brown Todd Labor and Employment Group.

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New Office in Dublin



Thank You!

Many thanks to our clients, partners and friends for helping us to celebrate the relocation of our Dublin service office. An open house was held Aug. 5.

The office is located at 6479 Reflections Dr., Suite 220, Dublin, Ohio 43017. Stop by for a visit!

Let's Get Social



The Matrix Companies



@OhioWorkersComp



Facebook.com/MatrixTPA

Let Matrix guide you to the latest events, news and industry trends. Follow and like us to stay connected to all things related to Ohio workers' comp. We welcome your questions, insights and feedback.

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Welcome To The Matrix Team!

Ron Taylor, Risk Management Consultant



Ron is supporting our safety services division. He has 30+ years of experience in sales and management. He and his wife, Becky, live in Villa Hills and have three children and two grandchildren.

Chris Coggeshall, Intake Specialist



Chris has joined our claims team as an intake specialist. He has 10 years of experience in customer service roles. He is also currently studying business management at Miami University Hamilton.

Erin Cox, Return-To-Work Coordinator



Erin is a graduate of Northern Kentucky University. She joins our Vocational Solutions team and is assisting injured workers in getting back on the job.

Deb Fragel, UI Claims Specialist



Deb comes to us with more than 13 years of experience in managing unemployment claims, most recently for Meijer stores. She recently moved to Cincinnati from Grand Rapids, Mich.

Transitional Work Program Grants: Don't Miss Out

The Ohio BWC continues to have monies available to assist employers in developing a Transitional Work Program (TWP.) TWPs have a proven record for reducing claim costs and assisting injured worker recovery and return to full-time employment. The TWP Program also allows eligible employers to enroll in the BWC's TW Bonus plan with an opportunity to earn up to a 10% premium discount*.

Why a TWP is a must:

- The TWP offers a strategic and formal approach to returning employees back to work
 - BWC is offering a 3-to-1 matching grant (75% of costs reimbursed) for the TWP development costs
 - Removes gray areas of your return to work policies that greatly assists at Industrial Commission hearings
- Once TWP is completed, eligible employers may enroll in the TW Bonus program that could realize up to 10% premium discount*

How can Matrix help?

- Complete the online TWP application found at OhioBWC.com – print out initial acceptance and forward to Matrix
- Once the grant is approved, a Matrix TWP Developer will create the program, provide employee training, and make sure your local medical facility receives a copy
- Matrix's credentialed TWP developers will also visit your facility to perform job analyses and determine job descriptions for transitional work positions
- Matrix and our clients utilize the program to return injured workers to work quickly and safely

Please contact Dora Rice at 1.877.550.7973 or drice@matrixvoc.com for additional information.

*Employers who are enrolled in the deductible program or group retro can receive grant money to develop the program, but are not eligible for the BWC's TW Bonus program.

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