

# THE SDIC ADVISOR

September, 2009

## FROM THE DIRECTOR:

SDIC remains the oldest and largest group self-insured pool in Pennsylvania. Recently we satisfied the commercial mortgage and became the proud owners of the beautiful facility in Lansdale through SDSC, the School Districts Service Corporation. The SDSC is the vehicle through which we can own property and pursue other avenues of business for the sole purpose of benefiting our SDIC members. In light of this, the SDSC and SDIC Boards of Directors have decided to explore additional areas of service to our members through SDSC. We need your input to know your most pressing economic and service needs. You will receive a

survey describing various options SDSC may be able to offer our members if there is member interest. For example, a Prescription Drug Program for all your district employees with the advantage of group-pool savings, administrative services and statistical reports upon request. Another area might be a Legal Forum, also offered at great savings to our members on all current legislative issues and educational law concerns. All districts are subject to the same jurisdiction; why pay for it individually when you can purchase as a group? These are just two of the service areas in which we can provide assistance tailored specifically



cally to your needs.

Please let us know how we can help by emailing your response to the survey below to: Cheryl@sdicwc.org or printing the survey below and faxing it to my attention at 215-393-0531.

Respectfully yours,  
*Cheryl M. LaPotin*

## SAFETY AND MEDICAL:

### THE LIFE OF A CLAIM

There are three types of incidents that need to be reported to SDIC immediately. The **first one** is the hardest one to get the employee to report, that is a "**Record Only**" incident. An incident occurs and the employee may or may not be injured. He/she feels fine and does not intend to seek medical attention. That type of claim is investigated by your safety committee as a "close call" accident

which could have resulted in medical treatment. When reported to SDIC it is created as a "report only" claim and there is a zero dollar amount assigned to it.

The **second type** of claim is the "**medical only**" claim. It involves an incident in which the injured employee seeks outside medical treatment from your posted panel list of medical providers, and there are no complicated legal issues or lost time from work.

The medical only claim will confirm the incident took place, the school nurse assisted, and the panel physician was contacted by the employee and treatment was ordered. The Safety Committee will investigate the incident and determine the cause and develop a plan to prevent similar incidents from occurring. The claim is reported to SDIC by the employee immediately and SDIC will create a

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### Upcoming Events

2010 Pennsafe Training Schedule in Lansdale FREE 9: am-1: pm	April 14, 2010 June 9, 2010 Aug. 4, 2010 Oct. 6, 2010
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SDIC Seminar Lansdale, PA. 9: am-2: pm FREE	November 2009
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### INFORMATION WEBSITES

- [www.sdicwc.org](http://www.sdicwc.org)  
SDIC Website for all services
- [www.dli.state.pa.us](http://www.dli.state.pa.us)  
Dept. of Labor & Industry
- [www.ohsonline.com](http://www.ohsonline.com)  
Occupational Health & Safety (OSHA)
- [www.coastal.com](http://www.coastal.com)  
Coastal Safety Videos
- [www.pachamber.org](http://www.pachamber.org)  
Pa. Chamber of Commerce
- [www.osha-safety-training.net](http://www.osha-safety-training.net)  
National Safety Compliance Safety Training Videos by OSHA

## SCHOOL DISTRICTS INSURANCE CONSORTIUM

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Lansdale, Pa. 19446

P.O.Box 1249  
North Wales, Pa. 19454

Phone: 800-445-6965  
Fax: 215-393-0531  
Email: [krobinson@sdicwc.org](mailto:krobinson@sdicwc.org)



Cheryl LaPotin, Executive Director  
Marie Wallace, Claims Manager  
Kathy Robinson, Safety Coordinator

We're on the web...  
[www.sdicwc.org](http://www.sdicwc.org)

### SAFETY ALERT NOTICE

Over the past month the primary Safety Alert Notification involved:

**LADDER SAFETY** Employee fell from a ladder, over weight for type of ladder, a full time employee of another company, did not report the injury for 20 days COST of this claim approx. \$138,100.

**Safety Solution:** Report all incidents immediately, use proper equipment, provide ladder safety training to all staff.

## LEGAL OR CLAIMS UPDATE



### New Medicare, Medicaid and SCHIP Extension Act

There are two new federal mandates that affect group customers providing commercial health plans. The first mandate reflects mandatory reporting requirements for all group health plans as required by the Centers for Medicare & Medicaid Services (CMS). The second federal mandate is known as "Michelle's Law" and it ensures health care coverage for seriously ill or injured full-time students enrolled in a post-secondary educational institution for up to one year under their parents' policy.

Under this federal mandate (Section 111 of Public Law 110-173), CMS requires all group health plan insurers to submit beneficiary information to CMS for purposes of coordination of benefits for all covered individuals ages 55 or older (45 or older effective

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"medical only" claim with an estimated cost of treatment assigned to it. The claim will be managed completely by SDIC with the goal being to receive a full medical release and full recovery from the treating physician. In most instances, the life of a medical only claim should be short lived about 90 days.

The **third type** of claim is the "**lost time claim**". It involves an incident in which the employee is injured to the extent he can not return to his "normal" job duties. The employee must report the incident to his supervisor and SDIC immediately, if he/she is unable to do so then his supervisor or the school WC coordinator must call SDIC and provide as much information as possible at that time. SDIC will monitor closely the medical condition and progress of the employee. When necessary SDIC will assign a nurse to follow the case for proper medical care and treatment and also family support. The Safety Committee must investigate the cause of this accident and take all steps necessary to correct the condition and prevent any further incidents from occurring. SDIC may ask for a copy of this report to determine the actual cause and look into any third party liability. There are specific time constraints based on the Bureau of Workers' Compensation Rules and Regulations. The SDIC claims adjuster will contact the School District WC Coordinator to confirm data, and secure wage information and any other pertinent facts regarding the injury or employee. During the course of the investigation if issues seem questionable or suspicious, surveillance will be assigned by SDIC. There are usually basic signs of non-compliant behavior or suspicious activity such as; not showing up for medical appointments, ignoring treatment plan, unavailable by phone, medical reports with conflicting complaints unrelated to the injury, no medical evidence to support a disability, symptom magnification, "rumors" by other co-workers. The nurse, adjuster and physician will continually strive to return the employee to his/her normal job duties. SDIC may need the help of the School Districts in providing a job description that complies with the employees restrictions as he is recovering from his accident. The life of a time loss claim can vary greatly and much depends on how you and I respect and listen to the employee.

School Districts should send a clear message "We are caring, yet aggressive" and we will provide a safe work place.

January 1, 2011). CMS will use this information to determine the primary payer, which will help to avoid any claims processing errors.

Requirements under Workers' Compensation is that any injured employee ELIGIBLE for Medicare must be reported to Medicare under penalty of \$1,000 per day per claim on any case that is not reported. Effective date is 10/1/09. In cases where an employee is currently Medicare eligible, there are up to 45 data fields that must be completed and reported to Medicare in a certain timeframe. Information on these particular claims must continue to be updated not less than every quarter. Contested claims or settlements need only be reported once. Medicare will be using this information to recover conditional payments made by WC. It will become

necessary for all WC settlements to identify Medicare eligible claimants, discover and resolve conditional payments allocate some portion of the settlement for Medicare covered expenses, and to accurately report as required.

The User Guide and Alerts document contains detailed information and requirements regarding numerous general and technical reporting aspects. CMS is implementing the Section 111 requirements in phases. Please check the CMS Section 111 Web page for current updates.

[www.cms.hhs.gov/MandatoryInsRep](http://www.cms.hhs.gov/MandatoryInsRep)