



DEPARTMENT OF FINANCE

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County Executive

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Director

Statement Regarding Fox 5, Tisha Lewis, WC Story
(Aired February 8 & 16, 2017)

STATEMENT TO MEDIA:

The Montgomery County Self Insurance Program (MCSIP) (which is managed by Montgomery County and covers the County as well as several other governmental entities' employees) provides for medical treatment to the County's and other members' injured workers in partnership with CorVel Corporation, the contracted third-party claims administrator. It is CorVel's responsibility to remove impediments and roadblocks to treatment by ensuring employees who are injured on the job get timely and quality treatment. A major goal of MCSIP's workers' compensation program is to provide prompt and appropriate medical treatment to get injured workers back to work quicker, saving the County and its taxpayers money. MCSIP does not seek to delay or deny treatment to its injured workers, as delaying or denying treatment is not in any way beneficial to the injured workers and it is certainly not a cost-effective way of doing business. The County has no incentive to instruct or encourage CorVel to engage in any such practice. The County contracts with CorVel on a flat-fee basis, and there is no financial incentive for CorVel to delay or deny any treatment to injured workers.

BACKGROUND:

Accusations have been made that CorVel has financial incentive to deny/delay workers' compensation claims for the Montgomery County Self Insurance Program (MCSIP). That is the polar-opposite of the truth. CorVel is the contracted third-party administrator (TPA) and manages claims for MCSIP. MCSIP is a self-insurance program that is funded by taxpayer money and was established, in part, to cover workers' compensation benefits for employees who are injured on the job. Under the contract, CorVel is paid a flat fee to manage the claims for MCSIP, and there is no financial incentive involved. Claims are paid from the MCSIP fund and not from CorVel's money.

Montgomery County's program strives to deliver treatment and remove roadblocks to treatment because the County believes the quicker the employee receives treatment, the better the outcome for the employee and the County. This, in turn, saves money for the program and the taxpayers because employees recover quicker, are not off of work for extended periods, and are more likely to return to full-duty status. If treatment were delayed or denied, the result would be a greater cost to the County and its participating members. Thus, there is no incentive for the County to instruct or encourage CorVel to delay or deny treatment.

MCSIP, in conjunction with CorVel, facilitates approval of treatment through the use of a dedicated fax line for treatment authorization. Doctors fax a medical report which indicates the need for treatment and the type of treatment, and includes any prescriptions for that treatment. This line is regularly monitored and responded to within 48 hours, and usually within 24 hours. CorVel has a pre-certification team which has similar timeframe requirements, but turnarounds are heavily dependent upon the complexity of the medical condition, causal relationship, the completeness of medical documents, and the supporting documentation for prescriptions.

Reimbursements for out-of-pocket expenses (e.g., mileage, prescriptions) are reviewed when submitted. Once the packet is complete, CorVel issues a check within 30 days. In the particular case referenced by Fox news, the check was issued on the 26th day (within the 30-day allowed timeframe), on February 7, 2017, which is the day before Fox TV broadcasted the false story. These expenses must be reviewed by CorVel to ensure they are related to the particular claim for the specific on-the-job injury. When an injured worker has more than one condition, it can be unclear to the injured worker which medications are related to certain injuries. Thus, CorVel needs the medical support to show that a prescription is related to an on-the-job injury. If there is no supporting documentation and none is provided when requested by CorVel, the request for reimbursement will be disallowed.

The County makes it a practice not to discuss medical issues regarding specific individuals. More importantly, medical information relating to an employee is confidential. Additionally, when an employee is represented by an attorney, CorVel must communicate through that attorney and not directly with the employee. CorVel has been working with Mr. Marcus' attorney and was informed

February 15th that Mr. Marcus indicated to his attorney that he received the reimbursement check in question. The attorney is aware of the timeframes and requirements. CorVel continues to work with Mr. Marcus' attorney in the normal claim process to facilitate the progress of this claim.

Further, CorVel became involved as the TPA for the MCSIP program on July 1, 2012. Actions that occurred prior to that date did not involve this particular company. CorVel has performed an excellent service for MCSIP, as is shown by the 95% independent audit rating for the last two audits, which covers a period of four years. Additionally, MCSIP is extremely pleased with the timeliness of the handling of the files and the professionalism that CorVel has brought to the County's program. Managing workers' compensation claims is complex and time driven. However, as a result of the County's approach and philosophy, as handled through CorVel, in striving for the fair and prompt treatment of our injured workers, the County and CorVel have been able to build a proactive team, improve communication and initiate better service for the injured workers. MCSIP is happy to have CorVel as its partner in managing this very large and sensitive program.