

Lower work comp costs without compromising care

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For years, we have talked about reforming our state workers' compensation system. No doubt the existing system needs a thorough review to find ways to increase efficiency. Given the seriousness of Oklahoma's current budget challenge, any reform that would attract new companies to Oklahoma and potentially curb deep cuts in education, public safety and public health would be beneficial.

The workers' system in Oklahoma is a huge enterprise, \$840 million annually. In 2010, our state ranked fourth-highest in the nation in terms of workers' compensation premiums. Indeed, workers' compensation is one of many costs businesses consider when deciding whether to expand or locate here. Frankly, we cannot create a friendlier business climate to attract new companies if our system isn't cost competitive.

While it is critical our workers' system competes on cost versus other states, it is equally important that it efficiently and effectively takes care of injured employees. The interests of business and workers are best served when working together to ensure an injured worker receives timely, appropriate and quality medical attention. The shared objective of businesses and workers should be helping employees recover and return to work as quickly as possible.

We applaud the governor and Legislature for taking the initiative to streamline Oklahoma state government through workers' comp reform. In that regard, we believe a deliberate approach to reforming our system is the right one.

So, is it realistic to think Oklahoma's workers' compensation system can generate savings for businesses without compromising the quality of medical care available for injured workers?

We believe the answer is a resounding yes. Our company, CompChoice, commissioned a study to quantify the return on investment for companies using a Certified Workplace Medical Plan (CWMP). The study, conducted by SGRisk, a highly respected actuarial consulting firm with experience in Oklahoma, found that using a CWMP clearly delivers a significant return on investment.

Based on SGRisk's findings, we believe Oklahoma businesses could realize savings of 22 percent annually in their workers' compensation costs through increased adoption of CWMPs. The CWMP managed-care model delivers these

savings by providing protocol-driven oversight throughout the injured worker's recovery process, ensuring the best possible medical treatment is available at a discounted rate and that the injured worker returns to work as quickly as possible.

The findings demonstrate that cases managed with CWMP processes and procedures produce real efficiencies translating into substantial savings for businesses and better care for the injured worker. We believe Oklahoma businesses and injured workers stand to be the real winners if state companies are encouraged to use a CWMP to contain costs through efficient oversight and management without compromising care. Quality care and cost management can coexist peacefully with the use of a CWMP.

The value of the CWMP is no longer in question. It works. It saves money. And it ensures injured employees receive quality medical care. The CWMP is a key component of the workers' compensation solution for Oklahoma.

Simmons is president of CompChoice, the largest and oldest Oklahoma-based managed care company for workers' compensation.