

FALL 2017

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An Injured Employee is Unable to Return to Our Position Permanently – What Next?

By: Amber Woman, *WC Claims Examiner II, MHA, AIC-M, AINS*

Assessing Permanent Wage Loss in a Workers' Compensation Claim

When an injured worker has reached maximum medical improvement and has permanent work restrictions related to the injury, the employer has a decision to make. Can the employer permanently accommodate the injured worker's restrictions? If not, the insurer will make a referral for independent vocational rehabilitation services for the employee.

The Certified Rehabilitation Counselor (CRC) will assist the injured worker to identify reasonable career opportunities within his or her local job market. The CRC completes a job analysis for each position and provides the objective report to the medical provider for review. The medical provider will sign off either approving or disapproving the identified position as within the injured worker's permanent restrictions.

With the provider's response received, the CRC will complete an "Employability and Wage Loss Assessment" using

the hiring wages for the alternative job positions. This assessment provides the insurer with an independent and objective evaluation of whether or not the injured worker is likely to sustain an actual wage loss due to the injury. Actual wage loss means that the wages that a worker earns or is qualified to earn after reaching maximum healing, are less than the actual wages the worker received at the time of the injury. If the employee is likely to sustain an actual wage loss, he or she may be entitled to a permanent partial disability award or a vocational rehabilitation plan.

Permanent Partial Disability Award (MCA 39-71-703)

Permanent partial disability occurs at maximum medical improvement when an injured worker has sustained a permanent impairment rating greater than zero AND sustains actual wage loss (see above). The benefit amount is determined by assessing five criteria:

1. Impairment Rating
2. Age

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Great Achievement with Reference Based Pricing!

By: Alan W. Hulse, CEO, ARM, AIC

Whether you are a community leader, a politician, a business owner, or just a regular Joe paying steep premiums, the rising cost of healthcare is a hot topic. With ever-increasing hospital and insurance costs and uncertainty about how the Federal government wants to handle things, it seems like there is no solution in sight. As CEO of the MMIA, I continue to be amazed at the ingenuity of our staff and the ability of our programs to offer solutions for problems just like these.

It is with great pride that I announce the success of our Reference Based Pricing (RBP) initiative. RBP puts our Employee Benefits Program in control when it comes to our largest cost driver, hospital charges. This new method of paying hospitals and other medical facilities is based on a standard reference point, in this case, Medicare. The new RBP contracts pay more than twice the Medicare rate, which allows our hospitals to thrive. At the same time, it closes the gap in how much different hospitals in Montana charge for the same services.

We began this process nearly a year ago. As of today, all

major Montana hospitals and all but a few smaller hospitals have signed RBP contracts.

These contracts will save our pooled health plan millions of dollars over the coming years and save the employees of your cities and towns money by lowering their out-of-pocket costs on hospital services and keeping health plan rates down.

CEO'S CORNER



RBP puts our Employee Benefits Program in control when it comes to our largest cost driver, hospital charges.

While our staff and our third-party administrator, Allegiance put in hundreds of hours of work to make this dream a reality, much credit for our success goes to the MMIA Board of Directors, city and town leaders, and plan participants who gave us great trust, patience, and support throughout this process. It is your belief in MMIA and its initiatives that allow us to do the work we do to offer stable, affordable, high-quality coverage not just through Employee Benefits, but also our Property, Liability, and Workers' Compensation Programs. ■

The MMCTT/FOA Brief: 2017 Lifetime Achievement Award Recognized

By: Lanie Gospodarek, Lifetime Achievement Committee Chair, MMCT&FOA

To the Membership:

The Montana Municipal Clerk-Treasurers and Finance Officers Association (MMCT&FOA) is pleased to announce the recipient of the Lifetime Achievement Award for 2017, Agnes Fowler, Clerk-Treasurer of Conrad, Montana. The Lifetime Achievement Award is a reflection of significant contribution to the objectives of the Municipal Clerks/Treasurers profession, the improvement of municipal government in Montana and both contributions and improvements in the Clerks/Treasurers own community. Included in the qualities possessed by the recipient of the award are years of service, good relationships with fellow clerks and associations such as the Montana League of Cities and Towns and the Local Government Center, interest in education, and furthering the Association.

Agnes, an 18-year veteran clerk, has been a wonderful role model and resource to all involved in the MMCT & FOA and other agencies that our membership works with. She

is not only revered and loved by the membership, but has served her community in countless capacities to include beautifying and upgrading her town of Conrad. She has raised the bar for all of us and inspires us daily with her commitment to the education of clerks, and what it means to be a citizen

in the local governments we serve in. Congratulations Agnes, your recognition is well-deserved!

Respectfully submitted,

Lanie Gospodarek, Lifetime Achievement Committee Chair, MMCT&FOA ■



MMIA Loss Control Awards

By: Britani Laughery, CSP, ASP, CIC, CWCP, AU, *Internal Operations Manager*

Each year the MMIA analyzes the losses of our members in the Liability Program and the Workers Compensation Program to identify the members with the lowest claim expenditures over the previous five years by population class. Awards are given for both the Liability and Workers Compensation Programs to the members with the lowest claim expenditures/number of employees in the First Class Cities, Second Class Cities, Third Class Cities and Towns.

Members with low incurred expenditures can represent significant cost savings not only to the municipality itself, but also to the entire MMIA pool. The Loss Control Awards recognize members of all classes who have achieved such success.

2016/2017 Loss Control Awards for the Liability Program:

First Class Cities

Havre

Second Class Cities

Miles City

Third Class Cities

Big Timber

Towns

Superior

2016/2017 Loss Control Awards for the Workers Compensation Program:

First Class Cities

Havre

Second Class Cities

Miles City

Third Class Cities

Colstrip

Towns

Belt ■

Injured Employee (cont'd)

3. Education
4. Wage Loss
5. Restrictions (work ability level – sedentary/light/medium/heavy/very heavy)

Using the above five factors and a statutory calculation, the permanent partial disability award amount is paid as a weekly benefit. Similar to temporary total disability benefits, the amount is capped by the state. As an example, the most an injured worker can receive with a date of injury in Fiscal Year 2018 is \$384.00 per week.

Vocational Rehabilitation Benefits (MCA 39-71-1006)

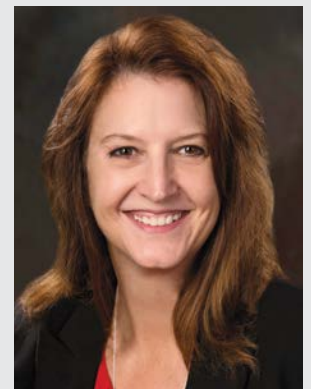
An injured worker may be entitled to vocational rehabilitation benefits in two different ways. First, the injured worker will qualify if he or she has an impairment rating greater than zero and has sustained a permanent wage loss. Second, regardless of wage loss, an injured worker will qualify if he or she has an impairment rating greater than 15%.

The goal of vocational rehabilitation is to help mitigate the permanent wage loss sustained by an employee due to their work related injury and subsequent work restrictions. A CRC may make a recommendation for a vocational rehabilitation plan for an injured worker. Plans can range from a minimum of 8 weeks of job placement assistance up to a two-year job-retraining plan. During an agreed plan, the insurer pays the worker weekly, temporary disability benefits (equal to the temporary total disability rate), retraining costs (e.g. tuition, books), and auxiliary benefits (capped at \$4,000 by statute). ■

Employee Spotlight: Amanda Krissovich

Liability/Property Claims Adjuster I

Amanda Krissovich joins MMIA from Montana State Fund (MSF). Before her employment with MMSE, she graduated with a Bachelors of Science degree in Criminal Justice from California State University Sacramento and then from St. Mary's College with Paralegal certificate. She went on to own a Shell Service Station and an auto repair business with her husband. She also was a Paralegal/Investigator for several Law Firms. Amanda and her family moved to Helena to be near her parents and other family members, she began her employment with MSF as a Senior Paralegal and became a Certified Paralegal through NALA; she went on to become a Claims Examiner III and a Certified Professional Claims Examiner. She enjoys new challenges and continued education. Through the American Educational Institute, Amanda earned the Senior Claims Law Associate. In her free time, she enjoys traveling, camping, and boating with her family and her dog Bailey. Amanda is excited about starting a new chapter of her life as an Adjuster with MMIA. ■





**Montana Municipal
Interlocal Authority**

PO Box 6669
Helena, MT 59604-6669

**MMIA Risk
Management Library!**



We are happy to announce that MMIA will now have a limited, in-house resource library for our members. Currently, we have four DVD's to help with your Harassment Prevention Training. Please contact Angela Simonson, Employment Practices Specialist asimonson@mmia.net or 406-495-7017, for details on the DVDs and the process for checking these items out. ■

Calendar of Events

September

- 27 MMIA Board of Director's Meeting, Great Falls
- 29 MMIA Annual Business Meeting, Great Falls
- 27-29 MLCT 86th Annual Conference, Great Falls

October

- 1-4 Annual AGRIP Fall Education Forum, Baltimore, MD
- 9 Columbus Day
- 9-13 PRIMA Institute, San Antonio, TX
- 31 Halloween

November

- 10 MMIA Board of Director's Meeting, Helena (if needed)
- 11 Veteran's Day, Holiday
- 23 Thanksgiving Day, Holiday

December

- 25 Christmas Day, Holiday

