

In 2004, the California State Legislature has passed a comprehensive Workers Compensation bill, SB 899, which addressed many of the major cost drivers that were plaguing the California system. These reforms were intended to reduce claim costs and help injured workers return to work sooner.

What is the workers' compensation reform that took place in 2004?

- Starting in January 2005, employers whose insurers have designated an approved medical provider network (MPN) will have increased control over the costs of medical care provided to injured workers.
- Employers will direct medical care to providers within the MPN.
- Employees have the right to change doctors, but only within the MPN.
- In order to participate in the MPN, employers must provide notice to all of their employees and post certain documents at their worksites. (This information is contained in the policyholder kit mailed after purchasing coverage through Safeco).
- Safeco's MPN has been approved by the State of California and was launched in January of 2005.

Why are these changes in the law important?

- If an employer/insurance carrier do not used an MPN, you only have medical control of a claim for **the first 30 days** after an injury.
- With an MPN, injured workers are required to see a MPN doctor, which means and employer/insurance carrier would maintain **control over the medical portion for the life of the claim**. But for this to work, employers must first be aware of the MPN so they can direct their employees to it.
- The Safeco MPN is comprised of doctors experienced in treating industrial injuries. Studies show that doctors skilled in treating occupational injuries help workers recover faster and at lower costs. Unless directed by their employers, injured workers tend to seek treatment from providers who may not be occupational health specialists.

Does the MPN apply to all of our claims? Or only new claims after the network is launched?

- After the MPN was launched in January 2005, an attempt was made to direct all medical treatment for new injuries to providers within the MPN.
- There are some circumstances where medical treatment on existing claims could not be brought into the MPN.

What is Safeco's medical Provider Network?

- We established our network with the help of Coventry Workers' Comp Services, a leading provider of occupational health care services. This network is made up of over 16,000 physicians and other ancillary providers experienced in managing occupational injuries and illnesses.
- The Safeco MPN has been approved by the State of California.
- The official name of our network is "Safeco Preferred California MPN."

Can changes be made to the network? What if our company is currently using a medical provider not in our network?

- We strongly encourage you to use providers in the network because this will allow for greater medical control of claims. If non-network providers are used, then your company will not realize the benefits under the new law.
- On an ongoing basis, we work closely with Coventry to refine the network and make updates. For example, we can nominate a provider to be added to the network if your preferred facility is not in the network.

Are there any specific things a policyholder must do to participate in the MPN?

- All policyholders will have access to the MPN. **By law, employers are required to notify each covered employee in writing about the use of the Medical Provider Network.** Safeco will provide you with an employee notice called the *MPN Employee Handbook* for you to give to your current employees and new hires. This notification process is extremely important. If not followed, you could lose the ability to direct medical care into the network.
- **Whenever an employee is injured on the job, you MUST direct the injured employee to an MPN provider (unless emergency care is required).** We will provide you with information on medical providers in our Implementation Package.
- Clearly post information on the process in a location accessible to all employees.
- Clearly post the MPN Provider Directory, which includes names of MPN providers and required language about Physician Pre-Designation.
- Report all workers compensation claims to Safeco promptly. This is more important than ever under the new law. Employers/insurers are responsible for up to the first \$10,000 of medical care until the claim is accepted or denied.
- Stay in close contact with the injured employee who is placed off work.

What if an employer does not direct employees to an MPN doctor?

- If you don't send your injured employees to doctors within the medical provider network then you risk losing medical control of the claim. Establish a relationship with a primary medical care provider in your area that is in the network

How do you know where to send an injured employee for medical treatment? Is there a directory of MPN providers? How does our company obtain one?

- In your policy kit, we will give you a directory, listing the closest MPN primary care providers and an acute care hospital.
- Safeco has a website where you can get information about the MPN and download important forms and documents. The website is: <http://www.safeco.com/mpn>
- The Safeco MPN Provider Search website is: <http://www.talispoint.com/srtw/campn>