

2013 GENEX  
Nursing Scholarship  
Winners

Workers' Comp  
Dental Claims  
Management

Spotlight on  
GENEX  
Employees

FALL 2013

Workers' Compensation and Disability Management News

# PYRAMID

GENEX  
35 Years Strong  
and Growing

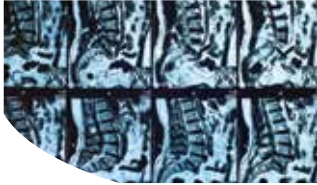
The Managed  
Radiology  
Landscape

Thinking  
Differently About  
Physical Therapy



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GENEX Services, Inc.  
35 Years Strong and Growing

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talk to us!

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GENEX clients

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## A Bright Future

**Welcome to the Fall 2013 edition** of the GENEX *Pyramid* publication.

October 23 marks the date 35 years ago, in 1978, that GENEX was incorporated as a business in the Commonwealth of Pennsylvania. The company was founded as a single-service location business in Philadelphia, providing only field case management services to the workers' compensation market. In the first full year of business, the company had sales of less than \$100,000.

Fast forward to 2013, and it's easy to see the changes that have taken place in the world as well as within GENEX. The ways of communicating and working together have experienced a dramatic evolution. From phone messages written on pink carbon paper to instant messages and voice mail, from postal mail to email to electronic data interfaces, the advances of technology have contributed much to GENEX's growth, our industry, and the economy.

However, at GENEX we have always believed that it takes the skill and drive of people combined with the investments and advances in technology to create a truly successful formula as a business. In this issue, we have invited a number of long-term GENEX employees to share their perspectives about the evolution of our company and the industry. Among those featured are Delphia Frisch (EVP Operations) and Stan Jakubowski (SVP Sales & Marketing), with whom I have had the great pleasure to partner with for over three decades. Also featured are articles on GENEX's Diagnostic and Physical Therapy Networks, our Case Manager Scholarship Program, and much more. And, for pure nostalgia, a few interesting facts and the cost of some common items in 1978.



Today, GENEX is a company that has one of the most complete service suites in our industry, with 2,700 employees, an unrivaled national footprint in our office network, and revenues that will exceed \$400 million. Our success has not been without its challenges. However, I am proud to say that, through the talents and efforts of our workforce, and the support and trust of our clients and business partners, GENEX has risen to meet these challenges more often than not over our 35-year history.

While we celebrate our past to an extent in this issue, we are today thinking about and focusing on our future. We continue to invest in new people, ideas, services, technologies, and relationships. Our potential and opportunities as a company remain without limit.

I extend my deepest appreciation to my GENEX colleagues and to our clients and business partners for their contributions to our success, as well as their continued trust and confidence.

A handwritten signature in black ink that reads "Peter C. Madeja". The signature is fluid and cursive, written in a professional style.

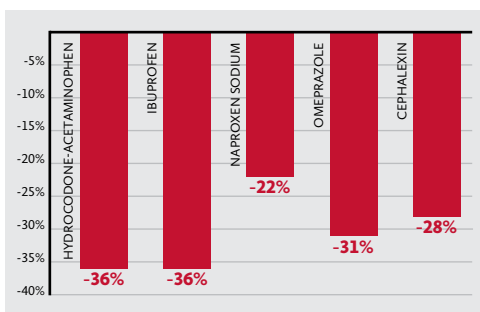
**Peter C. Madeja**  
President and Chief Executive Officer



# PHYSICIAN-DISPENSED MEDICATION

In our Spring 2013 issue, we highlighted how physician-dispensed medications are contributing to the increasing prescription drug cost trend in workers' compensation. A number of states, including Florida and Georgia, have passed reforms to help combat the issue. Here, we show how their efforts have made an impact.

IN GEORGIA, PHARMACY FEE SCHEDULE REFORM **REDUCED PRICES PAID** FOR PHYSICIAN-DISPENSED DRUGS.



IN FLORIDA, REGULATIONS THAT **BANNED** PHYSICIAN DISPENSING OF OPIOIDS **INCREASED** THE USE OF **LESS ADDICTIVE PAIN MEDICATIONS**.

WORKERS RECEIVING STRONGER OPIOIDS:

PRE-BAN: 14.5%  
POST-BAN: 12.4%

WORKERS RECEIVING NONSTEROIDAL ANTI-INFLAMMATORY MEDICATIONS:

PRE-BAN: 23.8%  
POST-BAN: 26.0%

Sources: WCRI Studies, Impact of Reform on Physician Dispensing and Prescription Prices in Georgia, July 2013; Impact of Banning Physician Dispensing of Opioids in Florida, July 2013.

## Groovy Facts About 1978

- Reinhold Messner and Peter Habeler climbed to the top of Mount Everest, the first to do so without supplementary oxygen
- Harriet Tubman was the first black woman honored on a US postage stamp
- Ben and Jerry opened their first ice cream shop in Burlington, Vermont
- The first test tube baby was born
- The New York Yankees won the World Series
- Grease, Saturday Night Fever, and Jaws 2 were popular movies

Bell bottoms, leisure suits, platform shoes...YIKES! So many things have changed since GENEX was founded back in 1978. Here, we take a nostalgic look back at a few things that might make you smile or shake your head. Enjoy!



A GALLON OF GAS COST **63¢**



ONE DOZEN EGGS WAS **48¢**



A FORD MUSTANG WAS **\$8,000**



A MOVIE TICKET COST **\$2.34**



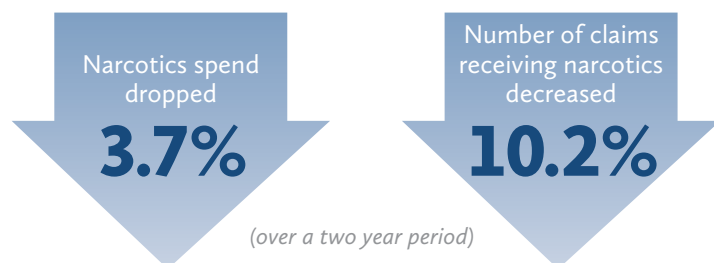
## GENEX's Medication Safety Program Highlights Savings

In our Spring 2013 issue, we featured an article on medication safety and how GENEX's Telephonic and Field Case Managers can recognize potential issues and intervene for the safety of the patient. The article also pointed out that the rising costs of prescription medications are increasingly the biggest part of workers' compensation claims.

GENEX's Medication Safety Program is a solution to substantially decrease medical spend and improve patient outcomes, especially on cases involving claimants with issues such as catastrophic and other debilitating injuries, as well as chronic pain.

These statistics are from a recent impact study of a current GENEX Medication Safety client. For more information on this program and how it can help you realize more savings, contact your GENEX Account Representative or call 1.888.GO.GENEX.

### MEDICATION SAFETY PROGRAM IMPACT



### COMPREHENSIVE PHARMACY REVIEW IMPACT



# 2013 Case Manager Scholarship Award Winners Announced



UNIVERSITY OF ALABAMA AT BIRMINGHAM



UNIVERSITY OF VIRGINIA SCHOOL OF NURSING

## THE SECOND ANNUAL

ment profession, and to support the next generation of nursing school graduates. The philanthropic program awards \$100,000 in total scholarship funds to nursing schools nominated by GENEX Case Managers who graduated from those institutions. There can be anywhere from two to five schools selected each year.

This year's schools, each receiving a \$20,000 scholarship, are:

- Montgomery County Community College, Blue Bell, PA
- Shepherd University, Shepherdstown, WV
- University of Alabama at Birmingham, Birmingham, AL
- University of Virginia School of Nursing, Charlottesville, VA
- Western Washington University, Everett, WA

GENEX's Case Managers work with treating physicians and related parties to coordinate appropriate quality care, ensure patient satisfaction, improve medical outcomes, facilitate a patient's timely return to work, and decrease overall health care and disability expenses.

### Investing For the Next Generation of Case Managers

"Over the past several years, the demand for nurses has exceeded the available supply of both experienced nurses and new gradu-

ates from nursing programs," said Peter Madeja, CEO of GENEX. "As the industry leader employing 1,500 nurse case managers, we wanted to provide a way for future case managers to pursue their dreams of becoming a nurse and getting the best education possible."

"This year, we received 50 percent more nominations than last year," said Debbi Bromley, Vice President of Human Resources. "The nominations submitted were incredibly well-written. You could tell that these individuals were passionate about their school and how it made a difference in their lives and careers. This made it much more difficult to pick the schools."

### Standing Out From the Rest

GENEX's Case Managers nominated their alma maters based on what set their school apart from others, and why they believed their school was most deserving of the scholarship award.

For Polly McGraw, RN, MS, CCM, Montgomery County Community College deserved this award because it met two critical factors: a quality education and an affordable tuition. "Attending this college altered my life. As a single parent with limited income, I was working three jobs just to support myself and my children," said McGraw. "I chose MCCC for its affordability. Where else could I receive an affordable education that would provide me with a skill set in two years that would enable me to support my family? Not only did this college provide me a quality education in nursing, but it also offered a free counseling center and child daycare program. I needed both of these support systems to help me cope with the rigorous requirements of the MCCC Nursing Program."



WESTERN WASHINGTON UNIVERSITY

*Congratulations!*



MONTGOMERY COUNTY COMMUNITY COLLEGE



SHEPHERD UNIVERSITY

*Individuals' names are listed on the next page.*

Bobbie Doyle, RN, BSN, CCM, noted that the core curriculum required prior to applying to Shepherd University's BSN program in West Virginia was crucial to her success later in life. "Through the core curriculum, you develop real life skills needed to be successful. The program fosters the development of intellectual and practical skills necessary for success," said Doyle. "Those skills include problem solving, establishing relationships with individuals from diverse backgrounds with different ideals, effective communication skills, and a sense of personal and social responsibility."

Western Washington University was nominated by Cheryl McDonald, MA, CRC. McDonald said that what sets the WWU RC Graduate Studies program apart from others is the philosophy of the faculty that is interwoven into their teaching. "Faculty members are unique in how they choose to present their materials, allowing for the students to learn to work with a variety of professional types," she said. "They deeply consider how they can best present their material, fashion their assignments, and interact with their students in a way that will develop that student's knowledge and professionalism."

Lori Aylor, MSN, CCM, CRRN, nominated the University of Virginia's School of Nursing for its focus on interdisciplinary care. "The nurse is a partner in care along with the doctor and ancillary members of the team, which allows respect between professionals while their care decisions remain centered on the patient," said Aylor. "The focus on compassion and empathy for the patient, as well as the nurse, promotes sustainable and satisfactory work as a health care provider. I believe this is a tremendous way to develop excellent, well-rounded, and skilled nurse case managers," she said.

Carol Davenport, RN, BSN, CCM, shared with us her thoughts on the University of Alabama at Birmingham's School of Nursing. "This school shares very deeply in GENEX's mission to provide exceptional disability management solutions," stated Davenport. "UAB's solutions include the exceptional education of tomorrow's best and brightest nurse leaders who will provide exceptional care

**"INDIVIDUALS WERE PASSIONATE ABOUT THEIR SCHOOL AND HOW IT MADE A DIFFERENCE IN THEIR LIVES AND CAREERS."**

*Debbi Bromley*

for their patients, as well as their patients' families." She went on to say that the school serves as a strategically important business partner with health care entities, such as the School of Medicine, and hospitals and clinics at the local, state, and world-wide level. The school seeks to deliver innovative services through exceptional teaching and nationally recognized research faculty, as well as many successful nurse leaders who call UAB their alma mater. Whether it is with faculty, students, alumni, or the school as a whole, their strategic plan embraces the very idea of how each entity directly affects the "creation of a brighter future for those we serve."

Each school held a celebratory lunch and was presented with an honorary check from a GENEX representative. Next year's award program will kick off with a call for nominations in the first quarter of 2014.

# 2013 Case Manager Scholarship Award Winners

Pictured from  
Left to Right

## UNIVERSITY OF VIRGINIA SCHOOL OF NURSING

*Back Row*

Dorrie Fontaine, Dean

Gwynn Chambers, GENEX

Clay Hysell, Assistant Dean for  
Admissions and Financial Aid

Amy Karr, Assistant VP  
for Development

*Front Row*

Melissa Pritchett

Zuseen Rannigan

Shelly Rush-Evans

Stephen Vastardis

Stephanie Knight

## UNIVERSITY OF ALABAMA AT BIRMINGHAM

Dr. Linda Moneyham,  
UAB School of Nursing Senior  
Associate Dean for Academic  
Affairs

Carol Davenport, RN, BSN,  
CCM, GENEX

Dr. Doreen Harper,  
UAB School of Nursing Dean

Lisaa Ruhl, GENEX

Linda Pickard, GENEX

## MONTGOMERY COUNTY COMMUNITY COLLEGE

Beverly L. Welhan, PhD, RN,  
ANEF, Dean of Health Sciences

Maria H. Toth, RN, APN-BC,  
EdD, Director of Nursing

Polly McGraw, RN, MS, CCM,  
GENEX

Mariellen Blue, RN, CCM,  
CDMS, GENEX

## SHEPHERD UNIVERSITY

Sharon K. Mailey, PhD, RN,  
Director and Chair, Department  
of Nursing Education

Bobbie Doyle, RN, BSN, CCM,  
GENEX

## WESTERN WASHINGTON UNIVERSITY

Ed Goldenberg, WWU Faculty

Erica Johnson, WWU Faculty

Ann Blanchard, WWU Faculty

Francisco Rios, WWU, Dean,  
Woodring College of Education

Cheryl McDonald, MA, CRC,  
GENEX

Beth Boland, WWU Faculty

Tom Sebold, GENEX

Holly Atherton, CM, FCM,  
GENEX

Cameron VanDyck, GENEX

## Did you know that ICD-10-CM codes will **look very different** than the current ICD-9-CM codes?



The format has changed and the length of the ICD-10-CM diagnosis codes will increase, including decimal, to 8 characters. Will any of your application or EDI diagnosis code data fields require modifications to support ICD-10?

The clock is ticking, and GENEX recommends that you submit a request for changes and updated record layouts as soon as possible.

To allow for optimal time to analyze, build, and test prior to the “go live” date, please submit your requests by December 31, 2013.

ICD-9-CM

**812.49**

Fracture of humerus, other

**OLD**

ICD-10-CM

**S42.481G**

Torus fracture of lower end of right humerus,  
subsequent encounter for delayed healing

**NEW**

**For more information** on what these changes mean for you, view our ICD-10 FAQ and ICD-10 Fact Sheet at [genexservices.com](http://genexservices.com).

You may also contact your GENEX IT Account Manager or email [icd10@genexservices.com](mailto:icd10@genexservices.com) for assistance.



# Putting Money Where the Mouth Is!

By James Buscarini, President  
DENTALWORKS USA

As ancillary services go, dental claims management has only been around for a decade or so. However, it accounts for approximately 2% of the total ancillary dollars spent in the workers' compensation space. While that percentage may not seem alarming, when viewed as a percentage of the total workers' compensation industry's medical spend, it's staggering.

Unmanaged dental claims have always run up unusually high costs. Few dentists are set up to treat workers' compensation patients and most lack the incentive to do so. Fifteen states have dental fee schedules, and most are so low that dentists won't accept the reimbursement. At least one state, Texas, requires the dentist to accept the low fee schedule. Finding a workers' compensation dentist becomes so arduous that the injured worker winds up going to his or her own dentist and relying on the payor to reimburse them.

Ultimately, this causes the payors to forfeit their opportunity to manage the claim costs and control the integrity of the causally related treatment. Additionally, the payor omits the vetting process of the treating dentist. Does the dentist have an infraction-free license? Does the provider understand workers' compensation and its reimbursement methods? Will he/she assume they are to repair all pre-existing, non-injury-related dental problems and pass the cost through to the workers' compensation claim?

The goal is to restore the injured worker's condition to what it was, prior to the accident. However, sometimes work needs to be done on teeth and gums that were not directly impacted by the at-work accident so that the injury can heal.

Surprisingly, the location of work-related injuries and the impacted teeth are fairly consistent from claim to claim. While the injuries themselves vary, from teachers getting head-butted by students to general labor accidents, most claims involve teeth numbers 7 through 10, the two upper front teeth and the teeth on both sides of them.

What isn't consistent is the dental coding and pricing. For example, code D2740 is a crown used on the upper anterior. Regardless of whether the procedure was performed in Tampa, FL, or Jacksonville, FL, the UCR is determined by zip code and aggregated data on that same code D2740 by companies such as FAIRPAY and NDAS. A recent file review revealed an identical code in Florida resulting in pricing discrepancies worth thousands of dollars.

## CLINICAL PERSPECTIVE



Many payors get hung up on fee schedules and lose sight of the ultimate goal, which should be treatment of the at-work, compensable injury. Otherwise, they may end up paying under fee schedule for five procedures, but four were not related to the injury. A provider may suggest three procedures to save one tooth, but be unable to guarantee the work because the mouth was already compromised.

It takes dental mastery, competence, and knowledge to ensure the right care is provided. Knowledge-based decisions are made in unique cases, such as when injured teeth should be repaired with a crown and a root canal versus dentures and partials. An implant requiring a sinus lift and a full mouth cleaning could cost \$20,000. That's fine if it works, but if the other teeth are loose and the gums are in poor condition, a set of dentures may be the answer.

In a recent case, a claimant needed an abutment crown and the bill had two \$1,500 charges, one for the crown and one for the abutment. However, an abutment crown is one piece, so this was an accidental \$1,500 overcharge. Appropriate dental claims management and oversight, and a series of fail-safes put in place by your dental ancillary provider will ensure that front-desk billing errors, up-charging, and carelessness do not impact the claims cost.

With the rise of medical costs, wise payors will turn to dental experts for this low-frequency, high-exposure niche claims occurrence.

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*This article was written by one of GENEX's CHOICE Network Providers.*

# The Managed Radiology Landscape

By Frank Raneri, Vice President, Ancillary Services, GENEX

Most Americans have had a diagnostic imaging procedure at some point in their lives. The benefits of these procedures are undeniable. Advanced diagnostic imaging can often lead to early diagnosis, and is clinically linked to reduced mortality and increased patient life expectancy. Furthermore, the economic benefits include a steep reduction in the need for costlier, more invasive studies and unnecessary hospital stays.

Magnetic Resonance Imaging (MRI), Computed Tomography (CT), and nuclear medicine make up the primary modalities classified as advanced diagnostic imaging. Although utilized less frequently than low-tech modalities such as radiography, ultrasound, and mammography, the \$100B advanced diagnostic imaging industry continues to grow and drive up associated health care expenses across the country.

## The Good Old Days

Before the Deficit Reduction Act of 2005 (DRA), outpatient imaging was growing at a rapid and dramatic rate. Medicare Part B imaging expenses more than doubled from 2000 to 2006, rising an average of 17% each year.<sup>1</sup> The more advanced and expensive diagnostic imaging exams accounted for 80% of the increase during that time. Private insurance and workers' comp trends followed suit, and dozens of specialty networks were formed along the way.

MRI technology improved, and open MRI, stand-up units, and less expensive extremity scanners were frequently purchased. Global and technical reimbursements were favorable for independent diagnostic testing facilities, and setting

over-utilization aside, the marketplace saw opportunity for tremendous growth in outpatient imaging. The industry was on fire, and densely populated markets became saturated with facilities.

However, momentum reversed sharply following the enactment of the DRA. Once implemented, reimbursement cuts for contiguous studies and caps on physician fee schedules were, at times, as dramatic as 50%. Radiology Benefit Management (RBM) programs were formed and insurance pre-authorization helped to slow the overall radiology growth pace to a more sustainable rate. By 2010, advanced diagnostic imaging expenses for both private insurers and Medicare normalized and showed a decline from their respective peaks earlier in the decade.

## Long-term Trends

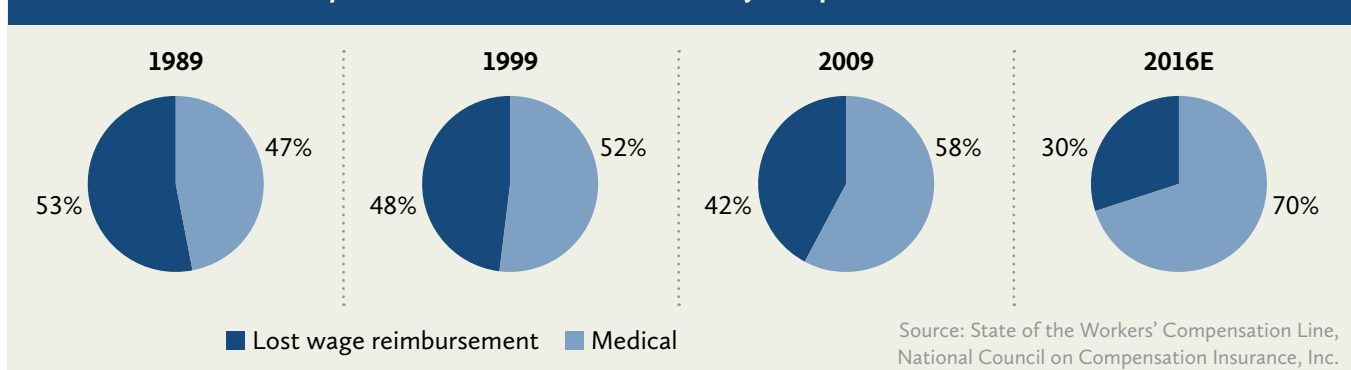
Bubbles always pop, but the underlying trends that support sustained, advanced diagnostic imaging growth forecasts are still very solid. The workers' comp insurance market is approximately \$60B in size, and costs related to medical expenses are approaching 60% versus indemnity losses. Consider the trend and shift in workers' compensation expenses as reported by NCCI (see chart below).

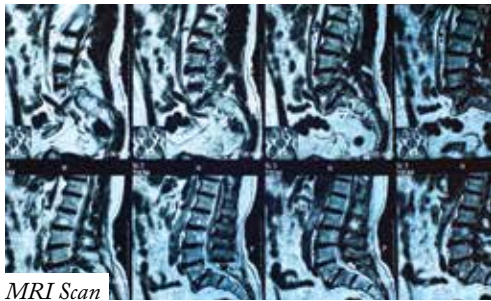
Although workers' comp imaging only accounts for 2–3% of the overall advanced imaging market, diagnostic imaging spend represents 6–8% of the total medical exposure on workers' comp claims. This values the workers' comp imaging market at roughly \$2.5B. Factoring in that workers' comp injuries, soft tissue injuries, or injuries to the musculoskeletal system indicate MRI as the primary modality for diagnosis, the long-term growth trends are still intact. Although the cost of advanced imaging might be characterized as stable, the increased exposure to the medical portion of the claims continues to put pressure on workers' comp payors to leverage cost containment options related to advanced diagnostic imaging.

## Specialty Networks

Specialty networks, like GENEX's Medical Diagnostic Network (MDN), are designed to contain these costs while providing access to the nation's highest quality outpatient imaging providers. Once a customer decides which specialty network is best suited for their needs, penetration becomes

Workers' compensation medical losses currently comprise about 60% of total losses





MRI Scan

DID YOU KNOW  
THAT MORE THAN  
**27 MILLION**  
MRIs WERE ORDERED  
IN THE U.S. IN 2012?<sup>4</sup>



CT Scan

the key driver for optimal outcomes. Consider the size of the industry at roughly \$2.5B. Two-thirds of this expenditure goes unmanaged or unaffected by specialty networks. There are a variety of strategies in which customers can proactively help to reduce this leakage, but ultimately, access to a comprehensive and proprietarily managed network remains the cornerstone for success.

The United States of America still leads the world in imaging access, but the outpatient imaging community has been subject to quite a bit of consolidation since 2008. The winners post-DRA have been the hospital-owned imaging centers, hospital-radiology joint ventures, multi-specialty physician-owned centers, and chains operated by large radiology groups. Believe it or not, there are only about 7,800 MRI scanners available across the country<sup>2</sup>, and a far lower percentage of them today are independent or free-standing diagnostic facilities. Specialty network access now is more important than it has ever been, specifically since the outpatient imaging community represents less than half of all the scanners in America.

There is still a tremendous opportunity to increase penetration by choosing the right specialty network. Data analytics play a critical role in assessing our customers' penetration and leakage. Depending on the customer's mix of managed versus unmanaged exams, statistics and data support that up to 50% of the outpatient imaging scans that were identified as "leaked" could have been otherwise managed through GENEX MDN. Our most successfully implemented programs reverse the managed and unmanaged trends to see penetration results exceeding 65%.

### Penetration Drives Your Outcomes

When making a decision on which specialty network to use, customers often focus on sticker price; whereas, price per scan between competitors can generally be evaluated in a tight range. As a general rule, specialty networks will deliver between 35–40% aggregate savings nationally against the prevailing jurisdictional rates. For example, let's examine the price on the most utilized MRI code in workers' comp imaging, 72148, a lumbar spine MRI without contrast. Generally, across all fee schedule jurisdictions, the average savings outcome per scan is roughly \$350. Customers are strongly urged to consider price against the outcomes of managing even one additional scan in-network. Typically, the successful management of that one additional MRI scan can have up to 14 times the cost containment benefit of what may be a lower advertised price per outpatient study. The cost differ-

ential between an inpatient MRI and an outpatient study is even more pronounced, and finds that hospital-based exams are typically 1.8 times more expensive than their outpatient counterparts.<sup>3</sup>

### Summing It All Up

GENEX MDN has developed an expansive, national network of providers best suited to deliver the highest quality diagnostic imaging and maximum penetration. The GENEX suite of services effectively drives compliance and maximizes your overall managed radiology penetration. By capitalizing on your penetration both prospectively and retrospectively, payors ultimately increase their cost savings and reduce their overall advanced diagnostic imaging spend.

The radiology landscape has surely changed and it will continue to evolve over time. GENEX MDN has positioned itself for these changes and, in turn, has emerged as a market leader in the specialty network segment.

1. (July 2008). Medicare Part B Imaging Services. *GAO-08-452*
2. Data as of 2007. [www.cdc.gov/nchs/data/hus/2011/123.pdf](http://www.cdc.gov/nchs/data/hus/2011/123.pdf)
3. (2010). Hospital-Based Versus Freestanding Outpatient Imaging Services. *Radiology Business Journal*, Volume 4, pages 30-35.
4. Based on data from [www.census.gov](http://www.census.gov)

### Additional Resources

- (July 2008). Ensuring Quality Through Appropriate Use of Diagnostic Imaging. *America's Health Insurance Plans*.  
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(January 21, 2010). Funding Arrangements for Diagnostic Imaging Services, An International Review. *Department of Health and Aging*.



Frank Raneri, Vice President of Ancillary Services, joined GENEX in 2010 and is responsible for both the Medicare Set-Aside and Medical Diagnostic divisions of GENEX. Mr. Raneri has spent the majority of his career in the industry specific to medical diagnostics, diagnostic imaging, and radiology. Mr. Raneri holds a degree in business from Indiana University of Pennsylvania.

Network Synergy Group:

# Thinking Differently About Physical Therapy

By Michele Ritchie, Marketing Communications Manager, GENEX

When it comes to getting injured on the job, many of those injuries involve the musculoskeletal system, with the shoulder and lower back/lumbar areas being the most commonly affected. Typically, the injured worker is evaluated by a doctor and then sent to an orthopedist to further determine the extent of the injury. Many times, the result is a referral to a physical therapist to help heal the injury, or to prevent the injured worker from having to undergo surgery.

But what is involved in physical therapy? And how is the proper care determined for the injured worker so that he or she may return to work promptly and safely?

We recently spent some time with Pat Chavanu, President of Network Synergy Group (NSG), who explained that NSG was integrated with GENEX in 2011, with the goal of expanding both the scope and scale of NSG's physical therapy management capabilities, and to bring further value to the marketplace.

Chavanu noted that there is more involved in physical therapy than what many people think. "Physical therapy is not just writing a script and sending the patient for X amount of sessions," he said. "Our clients seek better control of their claims costs and better quality of care for their injured workers. They choose NSG because of our dedicated team, innovative processes, and proprietary technology, which deliver a superior product for injured workers, clients, and network providers."

## A Recipe for Success

NSG has three distinct service models within their PT Management Program: Prospective PT, Retrospective PT, and Out-of-Network PT. The models are designed to increase network penetration, ensure injured worker compliance and progress with treatment plans, provide clinical oversight for complex cases, and drive improved injured worker and financial outcomes.



NSG's focus is to achieve superior outcomes for their clients, which they are able to do by combining holistic products, high-quality providers, and utilization controls. Their network boasts more than 33,000 PT and OT providers, who are scored daily on quality and therapy outcomes.

## SmartScheduling—Getting the Injured Worker on Track

NSG's scheduling team works quickly to get therapy started, and contacts the injured worker within two hours of receiving the referral. Their proprietary system, SmartScheduling, locates providers within a convenient distance to the injured worker's home or work. The contracted provider is required to conduct the initial appointment within 48 hours of injured worker contact. Once the appointment is scheduled, an NSG Care Coordinator manages the case through to discharge. The care coordinator also ensures that the injured worker is compliant with the therapy plan and progressing with treatment, and acts as a liaison between the provider and the adjuster or nurse case manager. To ensure that adjusters or nurse case managers are kept updated on their injured worker's progress, NSG also offers various reports that help track the progress and success of each referral.

Network Synergy Group (NSG) vs. Official Disability Guidelines (ODG) Comparison

Diagnosis/Condition	NSG Visits	ODG Visits	NSG Duration Days	ODG Duration Days
Ankle Sprain/Strain	6.66	9	22.39	56
Cervical Sprain/Strain	8.1	9	29.73	56
Elbow Epicondylitis	8	8	30.35	35
Lumbar Sprain/Strain	7.39	10	24.88	56
Knee Arthroscopy	6.8	12	23	84
Knee Sprain/Strain	7	12	22.91	56
Lumbar HNP	10	34.84	56	56
Rotator Cuff Repair	24	24	86.85	98
Shoulder Sprain/Strain	8.1	10	28.38	56
Wrist Sprain/Strain	6.17	9	20.75	56

“ON AVERAGE,  
NSG CLOSES INJURED  
WORKER THERAPY  
FILES WITHIN  
**35 DAYS,**  
WHICH IS  
**10-15 DAYS  
FASTER**  
THAN COMPETING  
MODELS.”

*Pat Chavanu*

NSG 2012 Results				
Top 10 Body Parts Diagnosis/Condition	Prescribed Visits	Visits Attended	Visits Saved	Percent of Visits Saved
Shoulder	70,778	47,252	23,526	33%
Lumbar	57,337	35,747	21,590	38%
Knee	40,089	25,620	14,469	36%
Cervical	16,918	10,950	5,968	35%
Wrist	15,823	9,933	5,890	37%
Ankle	15,505	9,437	6,068	39%
Elbow	13,701	8,459	5,242	38%
Finger	8,118	4,584	3,534	44%
Lumbosacral	4,343	2,554	1,789	41%
Thoracic/Lumbar	4,252	2,508	1,744	41%

### Quality and Clinical Oversight

NSG adheres to the National Committee for Quality Assurance (NCQA) credentialing standards, and the best practices outlined in the American Physical Therapy Association (APTA) guidelines. They also benchmark against Official Disability Guidelines (ODG), the American College of Occupational and Environmental Medicine Guidelines (ACOEM), and state-specific averages reported by the Workers' Compensation Research Institute (WCRI).

For the injured worker, it is very important to receive medically necessary treatment at the appropriate time. “By using proprietary, diagnosis-based outcomes data and a superior clinical oversight model, our results are typically 20–30% better than state and official guidelines, which leads to improved injured worker recovery,” said Chavanu. “On average, NSG closes injured worker therapy files within 35 days, which is 10–15 days faster than competing models. We are also able to reduce the number of prescribed visits by an average of 37%, which is significantly better than our competitors—not to mention that we also maintain injured worker satisfaction scores of 95%.”

The chart on page 12 is an example of NSG's number of visits and days of duration as compared to the Official Disability Guidelines (ODG).

NSG's Physical Therapists ensure quality from a clinical perspective and serve as a resource to the network providers, conducting reviews to monitor the clinical progress of injured workers. They also assist in resolving any type of clinical dispute that may arise. Additionally, the integration into GENEX's Case Management System, used by more than 1,500 of GENEX's Nurse Case Managers, seamlessly manages physical therapy treatment for injured workers, leading to more thorough clinical oversight and effective intervention.

As part of the clinical oversight, when a referral is received, the treating provider is given a plan of care by NSG. Each file is reviewed to ensure that:

- The injured worker is progressing according to the physical therapist's (and physician-endorsed) “plan of care”
- Treatment is appropriate for the referred condition
- The injured worker's discharge is timely and appropriately supported with objective documentation

Any indication that the injured worker is not meeting functional limits is red-flagged and immediately addressed by the clinical team.

The same applies if a new therapy prescription comes in for the same body part and diagnosis for the same injured worker. NSG initiates a review to resolve the issue, asking the physician to indicate whether or not it is medically necessary for the injured worker to continue skilled therapy. If the physician advises that it is medically necessary, then he/she is asked to provide objective documentation and/or clinical findings to support the need to continue skilled therapy. This prevents the client from having to pay for unnecessary care.

### Time Saved + Dollars Saved = Improved Outcomes

In 2012, NSG achieved significant reductions in duration of treatment for frequently prescribed treatment diagnosis.

When you combine their approach to provider scoring, unique contracting models, SmartScheduling, and clinical tools, it is easy to see how NSG consistently improves outcomes for their clients.

For more information about NSG's unique services, contact Tiffany Gay, Vice President Sales & Client Services, at 919.302.9932, or [tgay@network-synergy.com](mailto:tgay@network-synergy.com).

# Spotlight On Our Employees

In the spirit of celebrating 35 years of managed care excellence, we asked several of our long-tenured employees...

## What was the biggest key to GENEX growth in the early years?



**SUE LAWTERS,  
M.Ed., CRC, CDMS,  
CCM, LPC**  
Branch Manager  
*29 years of service*

“When I was hired in 1984, GENEX was an exciting, growing company with outstanding leadership. They continually shared their vision for the company’s growth and success with all staff. Each employee felt they had a personal role in GENEX’s achievements and success. The owners instilled a strong desire in all GENEX staff to always go above and beyond no matter what your position. The field offices had continual support from our home office and recognized their importance in advancing GENEX’s growing positive reputation in each marketplace. Talented staff were hired at all positions and all felt connected to each other through a strong GENEX network. Today, strong, accessible leadership, talented staff, a willingness to go above and beyond, and a positive atmosphere are still key components to GENEX’s success.”



**SUE BROWN**  
Office Support  
*32 years of service*

“I think the key to GENEX’s growth was, and still is, the ability to stay on top of what is happening in the industry and to adjust to those changes. I have always had confidence in GENEX in being able to figure out the best avenue to take. We are a proactive company.”



**LYNETTE BEAVERS,  
CCM, CDMS,  
LRC, BSRC**  
Branch Manager  
*27 years of service*

“There has always been strong support and encouragement from the leaders about going the extra mile for a customer, and that still holds true today. We take pride in being innovative, focusing on the customer’s needs, and providing best-in-class products and services.”



# LEGISLATIVE UPDATE



**BARBARA FONDI, RN, CCM**  
General Manager, Northeast Region  
*28 years of service*

“I think a focused management team and strong personnel development were the keys to GENEX’s growth in the early years. GENEX encouraged innovation and flexibility to focus on the customer and their needs. The Service Profit Chain has supported the GENEX workforce in understanding the company vision and become better aligned with our service goals.”



**STEVE WALKER**  
Area Sales Manager  
*32 years of service*

“The biggest key to growth has not changed throughout my 30+ years with GENEX. This has entailed recruiting the best individuals, remaining focused on our core managed care competencies, and our recent aggressive expansion into ancillary services. This has always been a part of our cost/care solution for our valued customers.”

## CMS Technical Alert

On July 11, 2013, the Centers for Medicare and Medicaid Services (CMS) issued a technical alert for liability insurance (including self-insurance), no-fault insurance, and workers’ compensation as it relates to MMSEA reporting. Two new ICD-9-CM Diagnosis Codes have been added to the list of excluded ICD-9-CM Diagnosis Codes: 959.8 (Other specified sites, including multiple injury) and 959.9 (Unspecified site injury). As of October 1, 2013, these codes will not be accepted in the Alleged Cause of Injury, Incident, or Illness (Field 15) or in any ICD Diagnosis Code field. For more information go to:

<http://cms.gov/Medicare/Coordination-of-Benefits-and-Recovery/Mandatory-Insurer-Reporting-For-Non-Group-Health-Plans/Downloads/New-Downloads/Alert---Excluded-ICD-9-CM-and-ICD-10-CM-Diagnosis-Codes.pdf>

## HIPAA Changes

HIPAA Reminder: “The Final Omnibus Rule,” which went into effect March 26, 2013, made changes to HIPAA, extended direct liability for complying with certain HIPAA security, privacy, and breach notification rules to Business Associates (BAs) of covered entities, has a compliance date of September 23, 2013. To view changes, go to the Federal Register:

<http://www.gpo.gov/fdsys/pkg/FR-2013-01-25/pdf/2013-01073.pdf>



# GENEX Services, Inc.

## 35 Years Strong and Growing



**In October 1978**, blocks away from the Liberty Bell and Independence Hall in Philadelphia, the birthplace of the nation, so too began General Rehabilitation Services (GRS). Today, 35 years later, the company has an unrivaled national presence, with 60+ office locations and 2,700 employees, including 1,500 case managers, and offers a full suite of managed care services to the insurance carrier, TPA, and large employer market.

We sat down with Delphia Frisch, Executive Vice President, Operations, and Stanley Jakubowski, Senior Vice President, Sales and Marketing, who each has enjoyed more than 30 years with the company, to get their perspectives on GENEX's history and leadership position within the managed care market.

"We were all very young, in our first or second job out of college, eager, fearless, and competitive," said Delphia. "We were proud of the company and excited to contribute to its growth and success. Being appreciated as an individual contributor was very important in our young careers, and that is a company dynamic we strive to retain today."

The first offices were focused on providing medical and vocational field case management services. The company

expanded its national footprint and capabilities to include telephonic case management and medical bill review services in the early 1990s. In 1994, GRS was rebranded as GENEX Services, Inc. Over the following two decades, market trends supported the further expansion of product offerings to include a broad suite of medical cost containment services and social security representation.

### Model for Success

"From the beginning, there was a lot of hands-on involvement and support from the founders, who would spend the day with us and our customers in the marketplace," said Stan, who started out as an area sales manager in the New Jersey/New York territory. He said that the same philosophy exists today. "We expect our sales leadership to attend customer meetings and functions together with our sales and account managers, so that customers get to know the depth and support structure of our organization."

Stan described a key company sales trait of market visibility and tier marketing at GENEX. Knowing the adjuster, the claims manager, and the vice president, not only at the customer level, but also internally at GENEX, is very important in developing relationships. "We were known in the industry as people who spent time with our customers, who got to know our customers better than our competitors did, and we





are still known for that today.”

“Our company has evolved and expanded throughout our corporate history. We have built a business culture focusing on strong relationships with our employees where people feel a high level of commitment to delivering outstanding service and solutions for our customers,” said Delphia.

Delphia also stated that it is a success model and template that GENEX started a long time ago and believes still has a return on investment. “GENEX has been fortunate to have great tenure of our management over time, and the consistency of our market visibility has yielded loyalty and allegiance from our customer base,” she said.

“The value GENEX places on customer relationships is resident within all levels and functions of GENEX,” Stan said. “The time we invest with customers ultimately results in better service outcomes.”

### **The Workers’ Comp Industry Over the Years**

Thirty-five years ago, case management was a newer service intervention in the workers’ compensation industry. Claims professionals knew intuitively that it made sense to have a nurse or vocational case manager involved with a claim, which facilitated returning an injured worker back to his or her job. Today, there is a greater emphasis on process combined with outcomes, and customers typically have defined expectations

related to the delivery of case management services. Often-times, the case manager is central to the communication among the varied parties involved in a claim. “GENEX has been rewarded with a very strong marketplace regard for the value propositions we bring, due to our case managers consistently creating a clinical and/or vocational turning point or resolution within the claims we service,” said Delphia.

While indemnity is important in workers’ compensation, the industry today is more focused than ever on the medical component of the workers’ compensation spend. Today, more than 60% of the claim cost nationally is related to medical expense, and it is estimated that by the year 2016, that expense may grow to 70%. Accordingly, GENEX has expanded service offerings to intersect more directly with the vast majority of medical spend components.

Stan said that the customers today are more focused on an overall cost containment strategy, and there is more interest within their organizations to show results and return on investment. “When we started, we were selling only medical and vocational case management,” he said. “Now, we have a full suite of products and services, and we have definitely positioned ourselves as an end-to-end managed care solution.” Delphia added that GENEX’s ability to provide multiple service solutions to our customer base is a great market advantage.

“Our staff has decades of industry experience and knowledge that ultimately is GENEX’s single most valuable resource. Our clients benefit from the talents and experience of our staff and the strong service culture we have built and seek to enhance every day.”

*Delphia Frisch*



### Employee Longevity

Delphia and Stan both started their GENEX careers as area sales managers, and both are testimonies to GENEX’s long-standing comfort level with hiring unique individuals with varied backgrounds and personalities, but similarly bonded around the same success principles.

“I think that one of the great legacies of the company is embracing the individuality of the person, as opposed to re-working them into a cookie-cutter mold,” said Delphia. GENEX’s record of success has been built upon having enormous confidence in the individual person, and how they interact with and relate to people, Stan said. “It’s our culture, and we’ve been very successful in retaining employees for a long time.”

### The Role of Technology

Stan and Delphia noted that GENEX’s technology has become a game-changer. “While we have always highlighted our industry-leading human capital and expertise, GENEX also has an incredibly robust technological capability,” Delphia said. “Customers, particularly on a national basis, expect state-of-the-art platforms, customization, and expediency from GENEX.”

GENEX has developed a highly integrated technology infrastructure to support our vast service offerings. As a

result, our IT team has grown exponentially as product offerings have continued to expand. GENEX is fully committed to IT investment, as continued service innovation requires us to be on the forefront of technology solutions.

### The Keys to Growth—Past, Present, and Future

Stan said that the key to GENEX’s growth has been its people. “The people that we hired, the competitive philosophy of the people within the organization, and the desire to succeed are the keys,” he said. “I would agree with you...people, first and foremost,” said Delphia. “Having the right people dominoes into outstanding customer relations, service excellence, and customer retention,” she said. “These business elements tie foundationally to the Service Profit Chain\* principle that has served as a cornerstone of our operating philosophy.”

According to Delphia, the GENEX legacy has always been built upon very dedicated and highly capable colleagues and employees. These core competencies are critical to our unique corporate culture and have always been strong considerations in the eight acquisitions occurring throughout GENEX’s history. These factors have created an impressive industry reputation that reciprocally, have created very loyal customers.

“The GENEX leaders through the years were confident business risk takers who repeatedly took a chance on hiring eager, capable, smart people who invested their careers in



## EVENTS CALENDAR

GENEX will be attending these upcoming industry events. We look forward to seeing you!

**South Carolina's Workers' Compensation Educational Association**  
October 20-23, 2013  
Myrtle Beach, SC

**Illinois Chamber of Commerce Workers' Compensation Conference**  
October 29, 2013  
Oakbrook, IL

**National Workers' Compensation and Disability Conference**  
November 20-22, 2013  
Las Vegas, NV

GENEX, the service we provided, and the people we worked with along the way. Delphia concluded by saying, "Stan, I, and countless others were consistently supported in our career growth over the years. As a result, we both believe our founders' business and hiring approach will always remain as a key foundational component of our ongoing company success."

According to Delphia, the company will remain focused on employee and client relationships. "We realize it is important to evolve as a company and continue to be able to meet the needs of your key constituents and the market in general. We want to remain an employer of choice in the marketplace, where employees remain energized about the work we do and the service and benefit we bring to injured workers and our customers."

*\*For more information on the Service Profit Chain, visit <http://bbr.org/2008/07/putting-the-service-profit-chain-to-work>.*

talk to us!

Online:  
[www.genexservices.com/contact-us](http://www.genexservices.com/contact-us)



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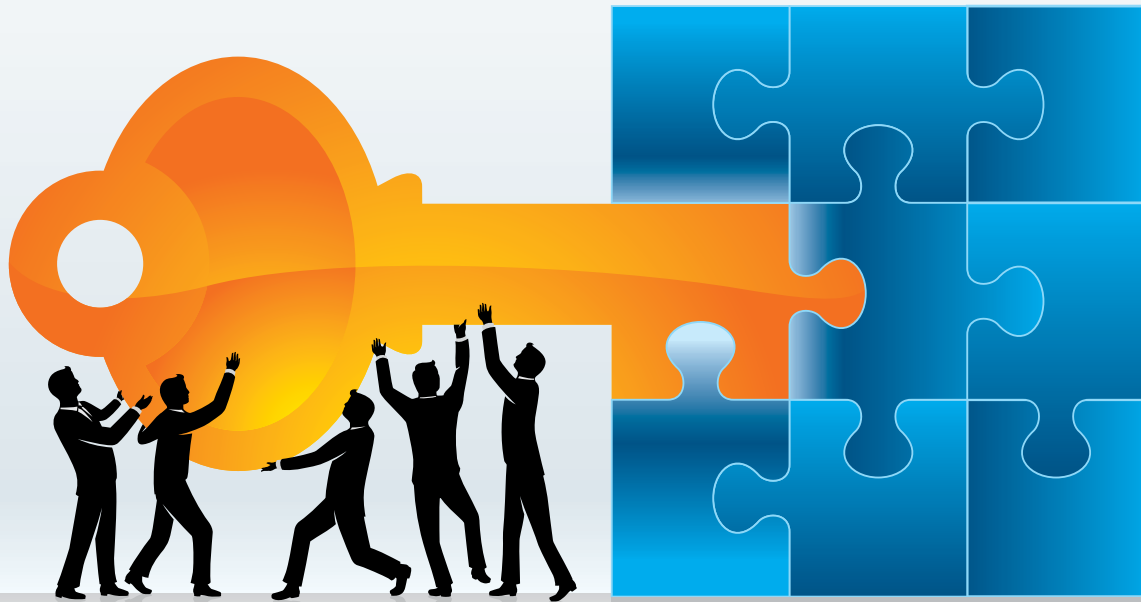
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# SOLVING

the cost/care equation  
for our customers



GENEX is the nation's leading provider of integrated managed care services, focused on controlling health care costs and reducing disability expenses. Only GENEX offers the market experience, proven products, customized solutions, unique service integration, and technical expertise to solve your cost/care equation.

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**Workers' Compensation & Disability Management**

**Medical Cost Containment**

**Social Security Representation**

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