

RE-BRANDING INTO BLUEFIRE

We are of the opinion that the majority of our clients do not realize what they are actually paying us to do for them or what additional capabilities we have to offer them. They really do not set aside time to read and discuss what we do and analyze for themselves if what we do is cost effective for them. The reasons for that are many but the most prevalent is getting to the right person without eroding relationships. We have prepared for you a road map of the legacy WC claim auditing services as provided by Compcheck, the changes we made under Bluefire, what necessitated these changes and what additional services we are now able to offer to our clients.

A number of our clients have actually learned what we do, have helped us better understand what they do, thus developing a business partnership that is mutually successful and rewarding.

The individuals behind Compcheck and now Bluefire have extensive experience as adjusters, brokers, producers, reinsurance intermediaries and managing general agents in health & life and property & casualty. On the international arena under the British Commonwealth in Bermuda and the Cayman Islands, as captive organizers and managers. Partners in an excess & surplus line agency acting as an MGA and specializing in the non-traditional association programs across all lines utilizing all types of insurance contracts from occurrence to claims-made and specified manuscripted. Our business was built by recognizing needs and developing strategic initiatives which led into requests to develop specialized insurance contracts, front them and reinsure them. Once all of this work was done, these programs were marketed, sold and serviced through the MGA's Retention Groups, captives and traditional carriers.

We have further enhanced our team by the addition of great talent that helped us introduce our IT & Cyber Division into our Total Risk Management Program.

Legacy Claim Auditing Services Previously Provided Under Compcheck.

Compcheck performed review, auditing and evaluation of workers' compensation claims for clients based on claims appearing on loss runs provided by the client or obtained by Compcheck on their behalf and having attained a specific reserve value, usually at the attachment point of between \$10,000 and \$20,000. These services included advising our clients on the compensability and causality of each claim, examining the state's adjudication process and confirming claim maximum exposure levels, all following the agreed upon retention level and after the decisions of compensability and causality had already been made and in most instances unable to be rescinded or modified. Reviewing the reserves was based on the carrier's opinion which was in turn based on the adjuster's interpretation of the medical status of the claim and how that claim had grown to expand into multiple other injuries. This process was creating an adverse and combative situation between the client and the carrier and its adjusters. Based on these processes and interactions, the service provided by Compcheck was successful but always relied on the opinions and interpretation of the carrier and its adjusters and thus not as financially effective.

Legacy Claim Auditing Services Provided under Bluefire.

History, experience and constant communication with our clients taught us we needed to retain things that worked and change things that did not.

First we discovered that a number of carriers did not provide actual medical information to the employer but rather the adjusters' interpretation of the medical reports on file; thus the employer was getting another party's interpretation which was creating an adversary situation. Our immediate reaction was to advocate for the client and attempt to bring in line the current exceptions to HIPAA Privacy Rule in order to obtain all of the medical information in the carrier's file that would help resolve these adverse issues and improve claim management access.

In addition, we started to pick up claims at inception, follow them through their life progress through the system and report to clients.

If the client opted to subscribe to our new and innovative Medical Support package which includes our Nursing Triage and Medical Consultation Divisions, we are now able to provide independent medical evaluation at any time during the life of the claim, subject to claim file medical access, starting with clearly identifying the work related injury at inception and confirm causality and compensability along with initial medical evaluation and treatment. A Medical Consult at any time during the life of the claim, will clearly identify any prior existing medical conditions, control injury escalation and progression into other body parts and has been able to jointly control the claim life cycle and guide same towards its MMI and early RTW or settlement. By incorporating and implementing these new processes into the client's package, we are able to control, review, evaluate and work together with claim management from claim inception.

We established our IT & Cyber, Nursing Triage and Medical Consultation Divisions as additional features of our services to round out our Total Risk Management Program; in the short time that we have implemented these additional services, we have been hugely successful in meeting our clients' intended goals.

By utilizing our Medical Support package and sharing the results with the carriers' claim management, our clients have some control and direction applied to their claims. They are also learning that early medical identification and control of a work related injury, focusing its medical treatment and controlling its life progress, as opposed to debating with the carrier, is the only way to manage and control injury escalation which in turn reduces claim reserving, claim costs and ultimately their next premium renewal. For that to happen, we need complete access to a claim file to include all medical documentation which the client must organize for us concurrently with the execution of our business agreement.

We accomplished all this by being fully compliant with the HIPAA Privacy Rule exceptions under 45 CFR 164.512(l). This document, jointly issued by the US Department of Health & Human Services, the Office of National Coordinator for Health IT and the Office for Civil Rights, clearly addresses these exceptions and clarifies and eliminates the current confusion created by the introduction of the HIPAA Privacy Rule. All WC carriers are conversant with this document, however, most are reluctant to include the employer/insured, who has the same rights as the carrier, in the sharing of medical information; these carriers are reluctant to permit the employer access to the full file including all related medical to the WC claim with a direct result of denying the employer/insured its assistance in its own defense, to provide proper treatment of its employee, while at the same time preventing the employer from combating fraud.

Furthermore, we have enhanced our HIPAA Business Associate Agreement by adding secure online access for us to deliver to our clients our Claim Review & Evaluation reports, which are now in full conformance with the auditing standards promulgated by the Auditing Standards Board (AU Section 150), along with any other document that may contain PHI.

Conclusion

Our thinking, strategies and implementation of our processes remain proprietary. For raw material we rely primarily on full, direct and unencumbered access to the source claim files wherever they may be. The client must arrange this access without which we will not enter into a business agreement; if the client encounters difficulty dealing with the carrier, at the client's request and expense, we will offer the client access to our general counsel who has experience in this issue. Our business model sufficiently described in this memo, is compliant and fully supported by HIPAA, OSHA, Office of Civil Rights and the US Department of Health and Human Services. We do not need a POA from the employer/insured/client, however, if it will expedite relief from confusion or reluctance of a carrier to act, we will provide the specific form for the client to execute as the POA.

These exceptions to HIPAA Privacy Rule are not very well known or publicized by carriers and consequently may be thought of as unconventional or "technically not allowed". Bluefire will work together with the client to eliminate these obstacles and to ensure that the client benefits from maximum access leading to maximum cost containment and ultimate premium reduction, all based and as a result of, controlling the medical exposure.

Suggestion: visit our web site at BFRISK.com

Introduced to clients in February 2019