

BRIGHT IDEAS

begin with **compmanagement**
health systems

powerful **solutions** | glowing **results**



19 years
outstanding
return-to-work
performance



\$1.8M saved
in prescription
costs for clients¹



13.6% better
return-to-work
success through voc
rehab than the MCO
competitors' average²



\$20.1M saved
for clients
through medical
bill reduction³

“A true partner”

“We can always count
on their expertise”

“An extremely
helpful resource”

“A very strong
support team”



about CHS

CompManagement Health Systems (CHS) has been a consistent and high-performing managed care organization (MCO) for Ohio employers since 1997. Our team is dedicated to providing seamless solutions to help injured employees recover and return to work, and to help our clients control expenses and reduce lost workdays.

We take customer service and the client/employer experience extremely seriously. Our growth and client retention over the past six years have been exceptional. Our customer satisfaction level and overall performance results are driven by our thoughtful focus on medical resolution and return-to-work efforts for our clients and their injured employees. CHS serves more than 30,000 active clients including employers of all sizes operating in various industries across Ohio. We work to bring clarity to the claims process to help employers control costs and achieve lower workers' compensation premiums.

Our clients depend on us to handle the complex medical issues in workers' compensation claims. We are dedicated to simplifying the medical treatment and return-to-work process by ensuring

"Our client services manager works closely with us to find the best quality medical providers and responds swiftly to any problems that we may encounter."

— ALICE ADAMS,
CALLOS RESOURCE

30,000
active clients



"The great thing about working with CHS is that their service is prompt, professional, and the expertise of the support staff is exceptional."

— SHERRY ABBOTT,
CENTRAL OHIO TECHNICAL COLLEGE



about CHS

that the medical aspects of each claim are organized, and a clear plan is established and communicated to all parties involved. The primary characteristics that define CHS' unique approach are having a long-term view of claim resolution and continually engaging medical providers to develop the best possible strategies for a successful outcome.

CHS is headquartered in Dublin, Ohio, and we have offices in Cleveland, Cincinnati and Toledo. We have more than 220 colleagues including a full-time medical director and 58 registered nurses with an average of 25 years of experience. Our presence throughout Ohio ensures that we can help our clients and their employees connect with local medical providers and provide extensive resources for any location.

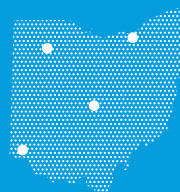
CHS is committed to delivering the best possible service and experience for our clients and their employees – and it shows. We excel in return-to-work outcomes, medical and prescription cost savings, and vocational rehabilitation success rates. The following pages offer additional details about our performance and key services that drive results for our clients.

“They really help us to manage claims and return our employees to work as soon as possible.”

– EMILY M. CHRISTIAN,
CITY OF RIVERSIDE

4

offices



over 220
colleagues

“Their support has helped us to keep our lost time and medical costs under control while getting our injured workers the attention and medical needs that they require.”

– MIKE WHITE,
MARYSVILLE EXEMPTED
VILLAGE SCHOOLS

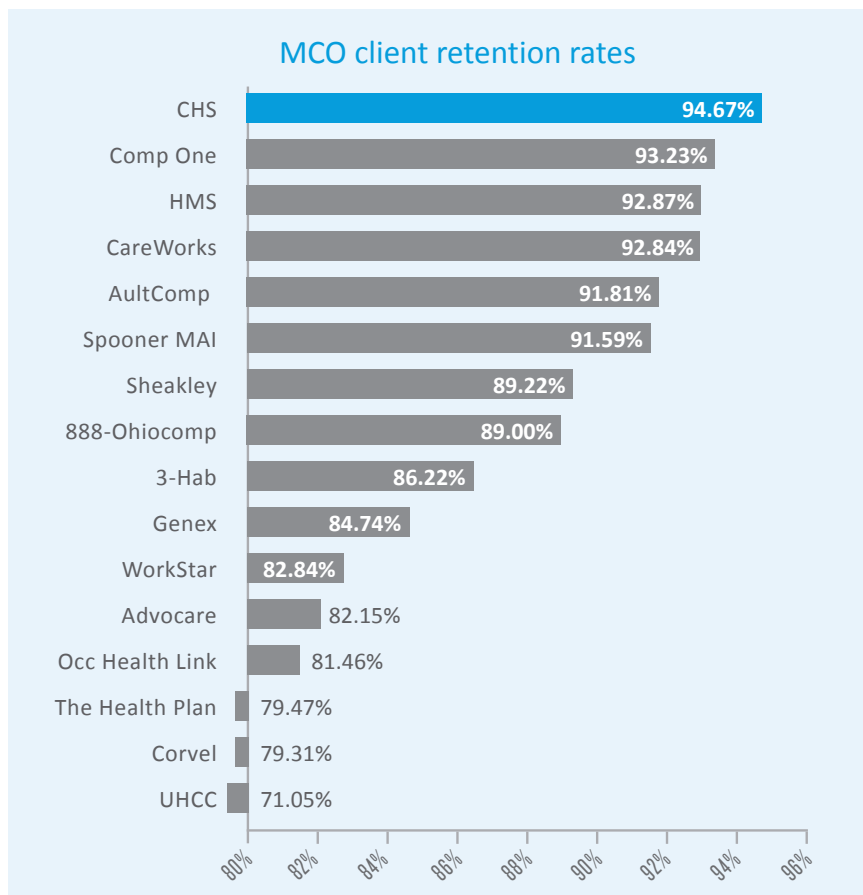


about **CHS**

Retention and growth

Retention and client growth are powerful indicators of the work of any service organization and the MCO open enrollment results, published by the Ohio Bureau of Workers' Compensation (BWC), say a great deal about the credibility an MCO has earned with their client employers.

Our clients recognize the unique value of our services and remain with us at a higher rate than employers working with other MCOs. We retained 94.67% of our clients in 2014 (based on premium), which was the highest retention rate among all MCOs in Ohio.⁴





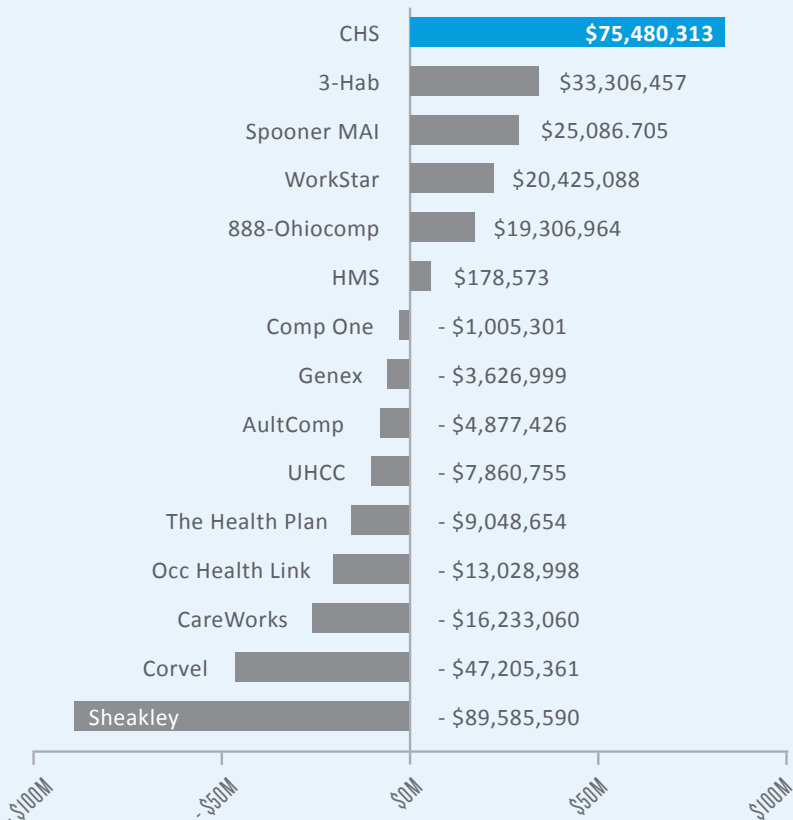
about CHS

Over the past three open enrollment periods, CHS has experienced far greater growth than any other current MCO.⁴ Since 2010, our net growth is 126% higher than the next closest MCO (based on employer premium). More employers continue to choose – and stay with – CHS as their MCO partner.

“My team at CHS is very knowledgeable and their case management is excellent.”

– DONNA BEGLEY,
BUCKINGHAM COAL COMPANY

Open enrollment changes





performance and savings

When employers realize that the handling of workplace injuries today will impact their premium costs for years to come, they look for an MCO that makes a difference. CHS positions employers for success by focusing on the real cost drivers in claims. Medical management with a return-to-work focus, insightful examination of treatment trends and thoughtful scrutiny of every medical expense ensure timely and cost-effective claim resolution.

Employers appreciate the CHS team's service and expertise, and benefit from the savings and results we produce in key areas. CHS has excelled in establishing trust with our clients and our retention level leads the industry. Our colleagues are dedicated to providing high-quality service that leads to outstanding performance results – and employers that select CHS notice the difference.

Group discounts and rebates

Over 66% of CHS' clients qualified for discounts and rebates in 2015 through group programs that emphasize employer performance in minimizing claim costs. This compares to only 42.2% of employers statewide. Opportunities for premium savings are enhanced when lost time and medical costs are contained.

Return-to-work performance

The largest single factor that impacts claim costs and drives employer premiums is lost workdays. Helping injured employees return to work as quickly and safely as possible can lower claim costs and reduce the impact on future premiums. Organizing claim details, taking the time to communicate with injured employees and treating physicians, and facilitating transitional duty opportunities promote clarity and help employees return to work sooner.

CHS performs far above the statewide average in engineering a timely return to work for employees. An earlier return to work leads to lower claim costs and premium rates.

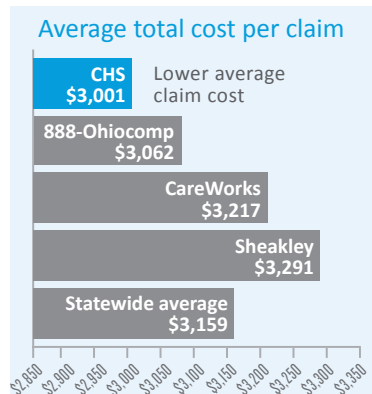
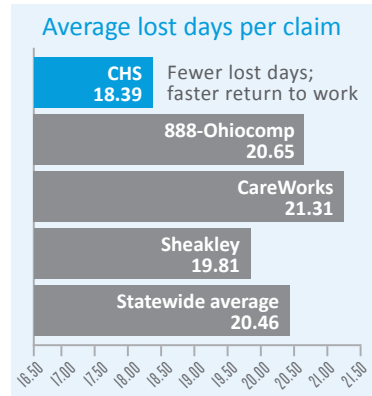
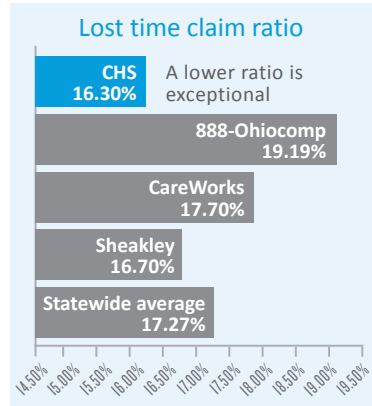


performance and savings

Lost time claim ratio – Lost time claims are among the key premium cost drivers in workers' compensation. Early and aggressive medical management can help minimize each claim's chances of extending into lost time status (eight or more calendar days). With CHS, claims extend into costly lost time status less frequently. CHS outperforms the largest MCOs in the ratio of claims that become lost time and incur additional indemnity and reserve costs.⁵

Average lost work days per claim – Lost days are the most significant cost driver in workers' compensation claims, and one of the best predictors of claim cost and premium impact. An MCO that consistently facilitates a faster return to work for injured employees positions their clients for success. Among Ohio's largest MCOs, CHS averages the fewest lost workdays per claim.⁵

Average total cost per claim – Consistent with excellent return-to-work outcomes and low average lost days per claim, CHS also outperforms the other large MCOs in the average total cost per claim.⁵ Compensation (indemnity) and medical costs tend to be lower when lost time is controlled.





early intervention

The earlier an injury is documented and filed as a new claim, the sooner the resources for managing the claim can become involved. One of the keys to this process is the employer's ability to respond quickly and effectively to a workplace injury. CHS works closely with our clients to develop a sound post-injury management process. We provide resources for documentation and investigation and arrange convenient options for filing injury reports.

Ultimately, our goal is to reduce the time away from work due to an injury. This lowers claim costs, reduces operational challenges, and benefits our clients and their employees. Preparation, organization and early medical intervention are the keys to achieving this objective.

CHS averaged less than one day in first report of injury (FROI) turnaround time (0.86 days) – 21% faster than the statewide average. CHS' clients outperform the statewide average in FROI timing by over 11%.² This is a key indicator of our clients' preparedness for managing the post-injury process and documenting the incident, as well as our efficiency in organizing claim data and transmitting it to BWC.

FROI turnaround time

CHS	0.86 days
Statewide average	1.10 days

FROI timing

CHS	5.91 days
Statewide average	6.59 days

CHS results are 2015 finalized

“Green Hills Community has been pleased to work with CompManagement Health Systems for the last eight years. They are very helpful as we strive to manage our workers' comp costs. They are responsive to our requests and bring resources to the table that have helped us to save significant dollars.”

– MIKE RAY,
GREEN HILLS COMMUNITY



depth of **medical insight**

CHS goes beyond the task-driven requirements for Ohio managed care organizations. Our clinical model for medical management:

- Drives high-quality, efficient care for injured employees
- Removes barriers to recovery
- Facilitates early return-to-work

Medical provider engagement

- Our clinical team routinely contacts treating physicians to negotiate more reasonably related treatments to enhance recovery, reduce delays and mitigate risk
- We help develop preferred provider organization (PPO) networks and partnerships to meet employers' needs
- Our interaction with physicians ensures they have a greater awareness of each employer's policies and return-to-work capabilities, and keeps them focused on the recovery process

The results of our approach are tangible and visible. We provide custom reports that track activity and provide analytical comparisons of key data points, which together serve as the foundation for predictive modeling.

“CompManagement Health Systems has been instrumental in representing Horizons and providing guidance in bringing our employees back to the workforce. This has also provided us with a cost savings in our lost time wages and staffing needs. In addition, I have worked closely with CHS in building and managing our relationships with the care facilities where our injured workers seek treatment.”

— ANETTE MONTGOMERY,
HORIZONS, INC.

“CHS is always immediately involved with our claims.”

— DRAKE PROUTY,
SIDWELL MATERIALS



depth of **medical insight**

What do we mean by negotiating treatment?

BWC recognizes the Official Disability Guidelines (ODG), and MCOs generally approve and deny treatment based on these guidelines. Every case and treatment request is different. CHS thoughtfully reviews the full range of circumstances and explores the best options for recovery and return to work. Simply approving a request because it technically meets ODG allows the physician and injured employee to assume there are no better options available. Simply denying a request because it can be denied typically triggers a lengthy appeals process that involves unnecessary hearings and increased frustrations. CHS' clients see our medical management teams engage providers to discuss alternatives and often agree on better treatment options with shorter durations. This process can reduce medical costs and, more importantly, help all parties stay focused on the return-to-work outcome.



Dr. David Kessler

CHS MEDICAL
DIRECTOR

- Serves as a full-time, on-site resource for medical management
- Provides ongoing insight on clinical matters
- Offers personal involvement in complex cases
- Oversees our clinical oversight and treatment negotiations
- Reviews possible excessive/inappropriate treatments

“They have the most aggressive prescription drug review/monitoring practices I have ever witnessed. A recent prescription review conducted by CHS will save my agency thousands of dollars on claims/premiums.”

– STEPHANIE KELLUM,
TOWARD INDEPENDENCE



prescription **cost control**

Drug utilization review

CHS has been a leader in establishing drug utilization review (DUR) protocols. We have been active in evaluating prescription medications for BWC review since 2009 and we have worked with BWC to develop procedures to institute DUR reviews industry-wide since 2014. Our aggressive approach toward prescription management is focused on improving injured employees' health and recovery while also lowering medical costs. The financial impact of inappropriate medications is well-documented, but lost time resulting from a workplace injury can be extended simply due to the side effects associated with certain drugs.

CHS provides clients with an easy-to-read report that details prescription medications involved in their claims. Our nurse case managers routinely review the pharmacy report to ensure only appropriate medications for allowed claim conditions are being prescribed.

Our DUR services are focused on:

- Ensuring that medications involved in claims are truly appropriate for the injury and address the allowed conditions
- Eliminating unrelated and excessive prescriptions
- Identifying alternative, non-narcotic medications that produce fewer side effects and support an earlier return to work
- Facilitating the best possible outcome by ensuring DUR requests are sound and well-researched – each request is reviewed by our physician panel



DUR results

Our team's expertise and credibility are critical factors that help us achieve results through the DUR process. CHS successfully had medications modified or terminated in **67%** of our DUR referrals, producing approximately **\$800,000** in savings for our clients in a two-year period from 2014 to 2015.¹



medical cost control

All MCOs re-price medical bills to meet BWC fee schedule levels. CHS goes beyond BWC's fee schedule to deliver additional savings to our clients through:

- PPO network reductions
- Clinical edits on specific billed procedures
- Direct negotiations with providers on duration of treatment

Our medical treatment management system is tied directly to our billing system, ensuring that any bills submitted for medical treatment that are not pre-approved for the claim allowances are not paid. It also allows bills to be evaluated in a wider context of treatment, allowing universal billing codes to be utilized for "bundling" and additional savings.

"I always get a response promptly."

– STACEY CANTRELL,
TIRE CENTERS



Bill
review
savings

CHS' bill review and re-pricing software help us to identify and reduce bills that exceed pre-approved treatment costs. Our bill review system and expertise coupled with medical management negotiations typically lower medical costs by about **18.11%** beyond BWC's fee schedule – and we helped clients save **\$20.1 million** in 2015.³

"The immediate response of CHS has been a big reason that almost all of our claims stay medical only."

– SUZANNE FINKEL,
UNI-FACS STEEL WORKS, LLC



vocational rehabilitation

CHS is an industry leader in achieving return-to-work results through vocational rehabilitation (voc rehab). This program helps resolve complicated claims by engaging rehabilitation professionals to develop specific return-to-work plans to help injured employees reach their goals.

Identifying good candidates

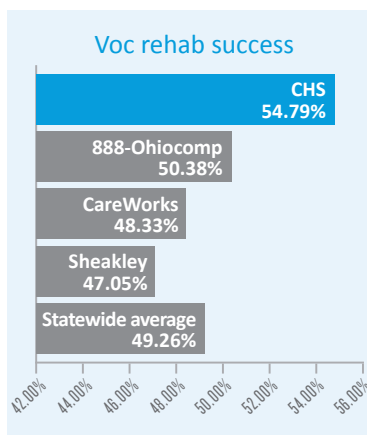
- CHS takes great care when referring injured employees for voc rehab; our clinical team selects those who are truly ready for the rigors of a voc rehab plan and most likely to achieve a successful return to work
- Placing an employee in voc rehab before they are ready can often set the claim back months, and result in additional costs, lost time and frustration

Selecting the best case management resource

- CHS does not own a voc rehab company; we maintain the flexibility to utilize case management companies that are industry leaders in return-to-work results and we are not limited by corporate affiliations
- We track each case manager's outcomes to ensure injured employees are working with the highest quality providers

Voc rehab success

Voc rehab is a key tool used to help resolve complicated claims. It includes identifying injured employees who are good candidates for the program, and developing return-to-work plans that provide additional case management and therapy resources to help them reach their goals. CHS outperforms CareWorks, Sheakley, 888-Ohiocomp and the statewide average in return-to-work success through voc rehab.²





technology and reporting

viaOne®

viaOne is CHS' proprietary cloud-based tool for claims management and reporting. viaOne not only provides clients with real-time updates on all claim activity, but it can also be tailored to specific needs. Clients can access key information such as claim status and events, treatment details, medical payments and providers, and contact information for their CHS team.

Key features and benefits of viaOne:

- Alerts can be set up to notify clients of specified new claim events
- A watch list can be maintained to keep the most relevant claims on each client's radar
- Select reports are available to be downloaded directly at your discretion
- All claim notes and documents are clearly categorized and easily accessible

Employer reporting

CHS collects and catalogs a tremendous volume of data on each client's workers' compensation claim activity. We can develop customized reports to accommodate specific needs and have a wide variety of standard reports that offer a wealth of information to help clients respond to compliance requests and meet business requirements.

Some of our standard reports include:

- Trending
- Claim counts
- Medical savings
- Treatment negotiations
- Stewardship
- Lost days
- Claims activity and status updates
- Prescription utilization
- Top five injury events
- Medical provider activity

“A great MCO
to partner with”

“Saves you
precious time”

“Client services
at CHS are great”

“Better off now
than with our
previous MCO”

compmanagement
health systems

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1 Estimate based on CHS' DUR referral results as of March 2016.

3 CHS Medical Savings Report, 2015 Medical Payments.

5 BWC data for claims incurred in 2014-2015. Public Data Request 1/13/2016.

2 BWC MCO Summary 1/3/2016.

4 Based on BWC post-OE data, July 2014.