

# Occupational Health Services As a Practice Opportunity

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Occupational health is an excellent practice builder because a single relationship can drive volume and return business. Employers need a provider who will assist them in controlling both their workers' compensation and occupational health costs. Employers have a significant amount of uninsured healthcare costs in the form of occupational physical examinations, health screens and drug/alcohol testing that are required by the Occupational Safety and Health Administration (OSHA), Department of Transportation (DOT) or other governing agencies. These out-of-pocket expenses can be extremely costly for employers which is why they are looking for *partners*, not vendors. The difference is a long-term relationship with directed volume in exchange for discount pricing and injury care management.

The decision to add occupational health services to the practice should take into consideration that the employer wants to broker all her services with a single provider. That means agreeing to take the low-dollar physicals, health screens and drug testing in order to get the higher dollar injury cases. Keep in mind that the physical examinations and health screens are fully reimbursed by the employer since these are not insured services. Most important is the opportunity to cultivate those employee visits into private patient relationships.

Occupational health does require a very different approach. As the "company doctor," your accountability is to the employer as well as the patient. When a company requires drug/alcohol screens, the results go to the employer or Medical Review Officer (MRO), not the employee. In a work-related injury the physician must have ongoing communication with the employer regarding the employee's work status and modified duty capabilities. There are state laws governing work-related injuries specific to the employer compensating the employee's wages based on the number of lost work days. Many states also have workers' compensation fee schedules that determine the level of reimbursement to the medical provider. The good news is there are a variety of organizations, newsletters and seminars for providers of occupational health services that will keep you current and informed.

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Essentially, occupational health is more than a payer mix, it is a practice specialty that requires continuing education.

### **Occupational Services**

Employers believe they shouldn't have to sacrifice quality medical care for cost containment. Medical providers who manage the injury process automatically affect cost savings. Because \$0.35 of every dollar spent on workers' compensation is for medical services, care management helps control the \$0.65 of the employer's indemnity costs. The physician who clearly identifies the employee's physical restrictions allows the employer to find modified duty to match the employee's current capabilities. In the case of a back injury, this means clarifying how many pounds an employee can lift for how long and in what position; floor to waist, waist to overhead, etc.; and any twisting or turning limitations. Many employers are able to provide the physician with the employee's regular job demands and physical functions. This allows the physician to make modifications in job duties based on physical demands and medical restrictions rather than the subjective opinion of the employee.

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Lost time does equal money to the employer. Employers must compensate the employee a percent of his wages if classified as total temporary disabled. The number of days the employee must be off work before collecting compensation varies by state law. Therefore, it is important to return the employee to reasonable modified duty as soon as safely possible. This requires ongoing communication between the physician and the employer.

Providers offering occupational health services must also have an understanding of the regulatory compliance issues employers face. Companies regulated by OSHA have a variety of testing that may be requested; respirator users need chest x-rays and pulmonary function screens while other exposures require blood lead levels and heavy metal testing. Companies with hearing conservation programs need annual hearing tests that require a hearing booth and OSHA certification in administering the test. DOT mandates both urine drug screens and alcohol breath testing post-accident. The breath alcohol technician (BAT) must be certified to administer the test. Both the OSHA audiometric and BAT certification requires three days of training and although a medical background is helpful, it is not required.

Drug testing is a large concern for employers and providers must be able to offer both pre-placement and post-injury/accident collection capabilities. Although urine drug and breath alcohol screen chain-of-custody collection is not hard, it can be time-consuming due to the paperwork. Accurate collection seems to be an ongoing problem for employers resulting in repeat testing and possible violation of DOT compliance. For this reason, any provider who offers timely and accurate drug/alcohol screens are valued by companies and could influence who will get the business.

DOT also requires that all drug screens be reviewed by an MRO. The MRO is responsible for phone interviewing all donors who tested positive. This interview

process was designed to protect the employee's confidentiality if taking prescription medications that could result in positive findings. A physical exam is required for those donors testing positive for opiates. MRO services could add additional revenue to the practice since most MRO/company contracts pay a set fee per test review. Historically, there has been a three to six percent positive rate. Although there are MRO administrative guidelines that must be strictly adhered to concerning confidentiality and results reporting, MRO services are revenue generating.

### **Employers Criteria for Selecting a Provider**

The key to success lies in more than expanding your menu of services. There are other providers with the same menu so the real value to the purchaser lies in meeting their expectations. Surprisingly, service holds higher value to the client than quality, only because they assume a physical is a physical.

There are several components that translate into success standards that have remained consistent over the years.

### **Physical Exams:**

- Physicals scheduled within 48 hours of request
- Health screen testing (audio, pulmonary function, Titmus vision, lab and x-ray) available through the physician's office or within the building complex
- Urine drug and breath alcohol screens collected accurately by chain-of-custody protocols
- Results reported within 24 to 48 hours of exam by phone and reports mailed or faxed
- Competitive pricing because the fees are paid directly by the company

### **Injury Care:**

- Walk-in or same day appointment as injury
- Ability to collect urine drug and breath alcohol screens
- Capability to perform laceration repair, radiographic exams and other minor procedures
- Short treatment times, targeting one hour maximum for minor injuries
- Lost time management; assistance with modified duty
- Ongoing communication regarding work status
- Proper documentation of medical restrictions and physical functions
- Typed reports or forms completion with every visit
- Appropriate referrals to medical specialists
- Utilization of rehabilitation services for accelerated resolution
- Reporting no-shows and rescheduled appointments to employer
- After-hours coordination with emergency department
- Administration of paperwork
- Customized billing, preferred pricing

When providing occupational health services it is imperative to coordinate after-hours care with the emergency department. Protocols must be in place to insure that the patient is referred to you for follow-up care. As the "company doctor" you can not control costs if you are not managing the case.

## Delivery Models

Physicians interested in offering occupational health services should consider a variety of delivery models other than that of an individual practitioner. You may want to consider a joint venture partnership with the hospital. One organization shared the development and the marketing costs with several physicians. This model had greater visibility with the hospital's name, offered coordinated after hours care through the emergency department and allowed for the hiring of a marketing representative.

## Care Management Consists Of:

- Return-to-Work Philosophy
- Assist with Identifying Modified Duty
- Ongoing Communication Regarding Employee's Work Status
- Reporting No-Shows and Reschedules to Employer
- Appropriate Use of Specialists
- Utilization of Experts: Rehabilitation Services

The physician network model offers greater opportunity for market penetration. Remember, if you are going to position yourself as a network, you must function as one. There must be consistency in verbal and written communications and standardization of the delivery of services from the client's perspective. The network model often operates as a Medical Service Organization (MSO) or Independent Physicians Association (IPA). An existing Physician/Hospital Organization (PHO) network could be designed as either a physician network occupational health system or a hospital/physician joint effort.

## Marketing Strategies

To get the best return for your marketing efforts and dollars you should start by identifying the target market. Companies are categorized by Standard Industrial Classifications (SIC) and each category has its own injury rate based on the Department of Labor statistics. You should target transportation, manufacturing, wholesale, agriculture, mining and food services companies since these have the highest injury rates and are highly regulated. Companies with 50 or more employees broker their healthcare contracts.

The most successful marketing occurs through direct contact with the employer. This allows you to build rapport and demonstrate credibility. A marketing representative could be a shared or negotiated expense in a network or hospital/physician model. It is not realistic for individual practitioners to hire this position, however, a practice staff with good public relations skills could generate employer interest and qualify leads by phone. The physician would call only on those companies that expressed an interest in developing a relationship.

Marketing costs can be kept to a minimum by developing a strong communication plan. This plan should outline how and when you will communicate with your target audience. An inexpensive communication tool is a one-page Employer's Report sheet that addresses "hot" topics for employers: seasonal injuries, return-to-work protocols, current occupational trends, importance of flu shots for employees, etc. An Employer Report can be faxed to the employer every other month. The development costs are minimal

because there is no postage and no production. The key is to maintain visibility and credibility.

A monthly or bi-monthly phone call to the client carries weight. This responsibility can be provided by a practice staff with good customer service skills. Your optimum clients should have a personal visit quarterly. Simply, good marketing is making the client feel valued while demonstrating your credibility.

### **Summary**

Occupational health services can generate revenues and create private patient opportunities. To do this successfully you must be committed to ongoing education, care management, customer service and relationship building with both the employer and the employee. Such dedicated efforts result in ongoing business and patient volume. Physicians willing to partner with employers in providing occupational health services will be financially and professionally rewarded.



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