

# Managing Mental Nervous Claims at American Electric Power

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Washington Business Group on Health

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# Who is AEP

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- **One of the Largest Investor-Owned Utilities in the United States**
- **Largest Generator of Electric in the United States**
- **Serves Customers in 11 States**
- **Approx. 23,000 Employees in 400+ Locations**
- **One of the Largest Inland River Transportation Systems in the US**
- **Headquarters in Columbus, Ohio**



# AEP Demographics

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- **Self-Insured for Sick Pay, Long Term Disability & Workers' Compensation**
- **Rich Benefits**
- **Unionized (UMWA, IEBW, USWA)**
- **Long Term Employees**
- **Aging Workforce**
- **Employees are:**
  - **Exempt or Highly Paid Skilled Laborers**



# AEP Environment

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- **Paternalistic Organization**
- **Unionized (UMWA, IEBW, USWA)**
- **Rich Benefits**
- **Long Term Employees**
- **Aging Workforce**
- **Employees are Exempt or Highly Skilled Laborers**
  - **Highly Trained**
  - **Knowledgeable**



# AEP's Mental Nervous Successes

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- **Case Management Strategy**
  - **Occupational**
  - **Non-Occupational**
- **Adaptable/Flexible Program**
- **Reduced Benefit Expenses**
- **Lower LTD Claims From Mental Nervous Conditions**
- **Win-Win Solutions for:**
  - **Employees, Management, and Shareholders**



# Integrated Disability Components

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- **Absence Management**
- **Employee Advocacy**
- **Consulting Services**
- **Subject Matter Resources**
- **Compliance Management**
- **Development of Policy/ Legislation**
- **Managing Department Relationships**
- **Vendor Management**
- **Cost Containment / Liability Management**



# Case Management Philosophy

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## ● Must Haves:

- **Employee Advocacy**
- **Do the Right Things at the Right Time, Results will Follow**
- **Manage the Disability NOT the Payment Stream**
- **If Not Working Change Strategy**
- **Develop Win-Win Solutions**



# Approach to Managing Mental Nervous

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- **Understand Mental Nervous Conditions**
- **Change in our Strategies**
- **Manage the Symptoms and Findings**
- **Working with Specialists for Treatment and not Generalists**
- **Results (right thing, right time, right benefit)**
- **Most Employees Are Trying to Return or Remain at Work**

# Mental Nervous Process

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- **Policy Support**
- **Intensive Medical Documentation**
- **Strong Case Management**
- **Intensive Outsource Consulting Services**
- **Coaching and Counseling supervisors on how to address performance related to MNC**





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EMPLOYEE NAME: \_\_\_\_\_ EMPLOYEE ID OR SOCIAL SECURITY #: \_\_\_\_\_  
Does the patient's condition qualify under the FMLA Categories described? (documentation provided that has a detailed description of the following)  
\_\_\_ Hospital Care (date \_\_\_\_\_) \_\_\_ Chronic Condition Requiring Treatment \_\_\_ Absence Plus Treatment  
\_\_\_ Permanent/Long-term condition \_\_\_ Pregnancy \_\_\_ Multiple Treatments (non-chronic)

**CONDITION HISTORY**

DSM IV DIAGNOSIS:  
Axis I: \_\_\_\_\_ Axis II: \_\_\_\_\_  
Axis III: \_\_\_\_\_ Axis IV: \_\_\_\_\_  
GAF Score: \_\_\_\_\_  
Patients Present Complaints: \_\_\_\_\_  
Objective observations and physiological tests: \_\_\_\_\_  
Current Medications: \_\_\_\_\_

**CAPABILITIES**

Check appropriate psychosocial and environmental stressors affecting the diagnoses:  
Etiology Of Condition Present barriers to recovery  
\_\_\_ Family \_\_\_ Problems related to: ( Family, Spouse, Other Personal Relationships)  
\_\_\_ Personal Relationships \_\_\_ Educational / training problems  
\_\_\_ Genetic \_\_\_ Occupational problems (discord with manager, supervisor or co-workers)  
\_\_\_ Chemical Dependency \_\_\_ Occupational problems (all others; i.e. job dissatisfaction)  
\_\_\_ Work \_\_\_ Economic problems  
\_\_\_ Physical or Organic

Identify the severity of the following symptoms with regards Medications Dosage  
Impairment Level None Mild Moderate Severe 1 \_\_\_\_\_  
Delusions/Hallucinations \_\_\_\_\_ 2 \_\_\_\_\_  
Disorganized or Confused \_\_\_\_\_ 3 \_\_\_\_\_  
Concentration Impairment \_\_\_\_\_ 4 \_\_\_\_\_  
Depressed Mood \_\_\_\_\_  
Social Withdrawal/Avoidance \_\_\_\_\_  
Psychomotor Retardation \_\_\_\_\_  
Impaired Energy/Lethargy \_\_\_\_\_  
Impaired Motivation \_\_\_\_\_  
Anxiety/Panic \_\_\_\_\_  
Agitation \_\_\_\_\_  
Irritability \_\_\_\_\_  
Easily Overwhelmed \_\_\_\_\_  
Obsessive/Compulsive Sx \_\_\_\_\_  
Other \_\_\_\_\_

Date of last treatment: \_\_\_\_\_  
Date of next treatment: \_\_\_\_\_  
Date released from care: \_\_\_\_\_  
Restrictions: \_\_\_\_\_  
Other: \_\_\_\_\_

**PROGNOSIS**

HAVE YOU ADVISED PATIENT TO RETURN TO WORK?  
\_\_\_ Yes - Date of Return \_\_\_\_\_ Full Duty \_\_\_ Restricted Duty \_\_\_ Own Occupation \_\_\_ Other Occupation \_\_\_  
\_\_\_ No - If "no", Disability Date From: \_\_\_\_\_ To: \_\_\_\_\_ Expected Full Duty Release Date: \_\_\_\_\_  
Since disability began, has patient \_\_\_ Improved \_\_\_ Not Improved

PROGNOSIS:  Good  Fair  Guarded  Poor  
Recommended treatment plan: \_\_\_\_\_  
Treatment Frequency: Weekly, Monthly, Other (explain) \_\_\_\_\_

PHYSICIAN'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ PHONE: \_\_\_\_\_  
FAX: \_\_\_\_\_

# Mental Nervous COD (Certificates of Disability)

- Multipurpose
- Monitors Symptoms
- Monitor Activities
- Monitor Treatment Plan



# Strong Case Management

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● **80% of Our Employee's will RTW Through Case management.**

➤ **Appropriate Treatment**

➤ **Supportive Environment**

● **17% Will Require More Intervention**

➤ **Outsourced Consulting**

➤ **Not Medical Issue, Identifying Non-Medical Issues**

● **>3% Qualify for Disability Benefit**

# Outsource Consulting - BMI

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- **15% of Our Mental Nervous Claims Get Referred**
  - **66% are Deemed Not Disabled and Able to Work (no restrictions or accommodations needed)**
  - **26% are Supported as Disabled and Unable to Work**
  - **8% are Supported with RTW Recommendation and Accommodations**



# Results of BMI Outsource Consulting

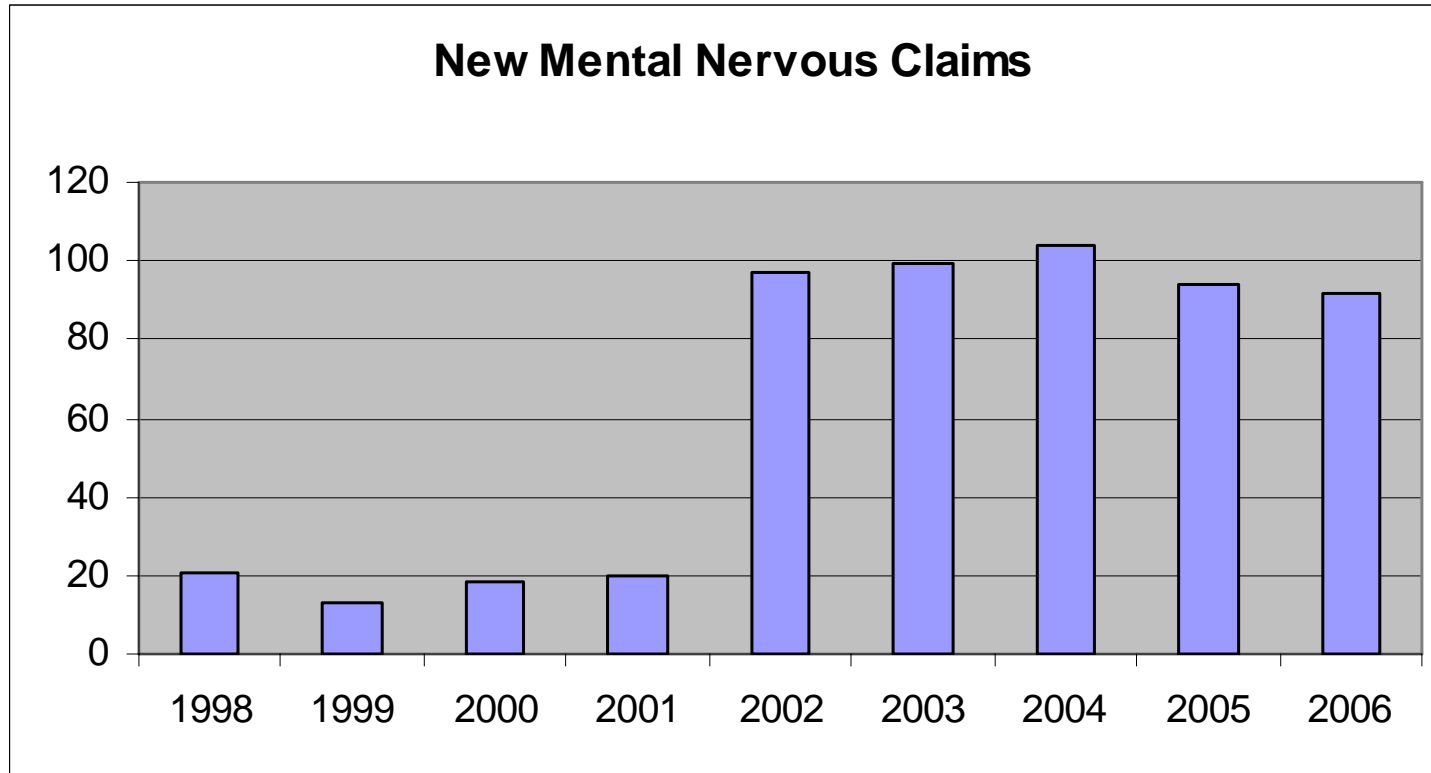
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<b>BMI Referrals</b>	<b>Referrals</b>	<b>Outcomes</b>	<b>% of Outcomes to Referrals</b>
<b>Active Cases (Pending Decision)</b>	<b>2</b>		
Off Work		2	100.0%
<b>Disability Not Supported (Denied)</b>	<b>45</b>		
On Benefit (Other Conditions, Appealed & Overturned)		7	15.6%
Resigned		1	2.2%
Retired		4	8.9%
RTW		30	66.7%
Terminated		3	6.7%
<b>Disability Supported (Approved with Absence)</b>	<b>18</b>		
On Benefit		6	33.3%
RTW		12	66.7%
<b>Disability Supported (Approved without Absence, Restrictions)</b>	<b>6</b>		
On Benefit (Employer Not Able to Accommodate)		2	33.3%
RTW		4	66.7%
<b>Total Referrals</b>	<b>71</b>	<b>71</b>	

# New Mental Nervous Claims

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● Results in a \$800,000 Direct Cost Savings

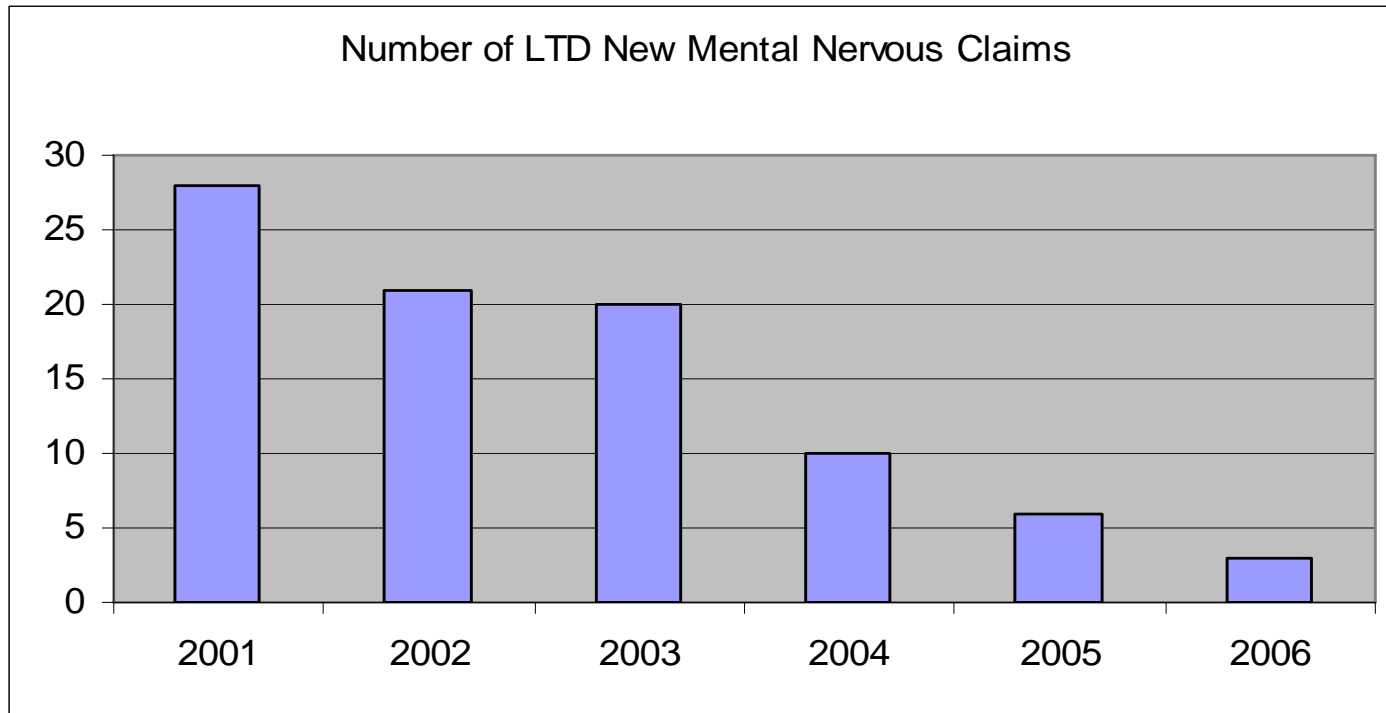


# New Mental Nervous Claims on LTD

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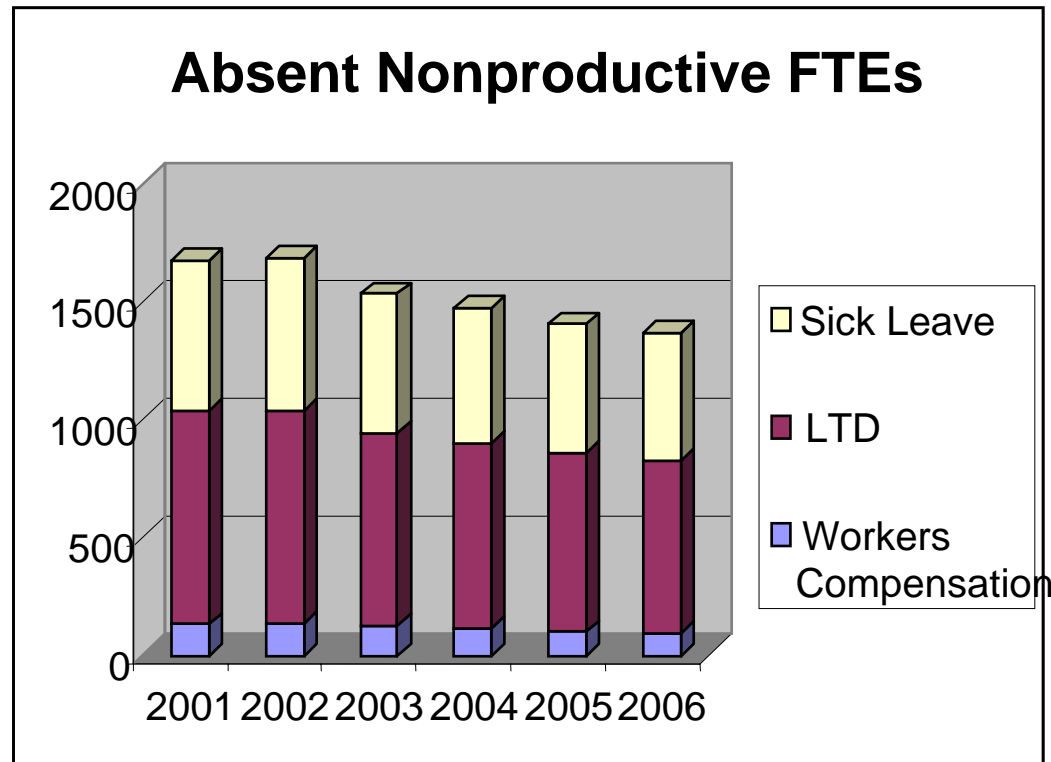
● Results in a \$800,000 Direct Cost Savings

● \$2.4 million Reduction in Reserves



# AEP's Overall Absence Rates Decline

- Largest Declines are in Sick Pay and Long Term Disability



# Net Results and Recommendations

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- **Understand what the organization wants and whom it wants to serve**
- **Exam what needs to change and change it**
- **Identify what you can keep in-house and what needs to be addressed by content experts**
- **Determine what should be measured for communication back and monitoring**
- **Make changes as you go**



# Questions/Comments

