

## **Medical Only Claims – The Fuse May Be Lit**

Most medical only claims are just that – claims with low dollar values that close within 90 days. They usually do not affect your E-Mod (Ex-Mod) in most situations. There is one area where a simple medical only claim can become your company's worst nightmare. It is a term that I coined know as claims festering.

This is not necessarily a set of claims that can be caught with an E-Mod reduction review. Medical Only claims must be constantly monitored for adverse development. I have a claim that was sent by a self- insured on the desk in front of me right now. The Total Incurred (Paid + Outstanding Reserves) is over \$400,000.

The claim festered in a medical only status for months. From most of our file reviews, medical only claims are not monitored that well. It is the nature of the business. The Risk Management technique for these claims is easy to monitor.

If a medical only clam is open for six months, then the claim needs to be monitored heavily. Insert the clams on a diary and inquire about their status on a monthly basis.

This task will be much more difficult if you do not have online access to your claims. If your insurance carrier or TPA offers this, sign up for it today. Monitoring medical only claims off paper loss runs will usually not result in any savings.