

CASE STUDY

Commercial HVAC Contractor Partners with Risk Management Team to Cut Costs, Speed Up Claims, and Lower Insurance Stress

CHALLENGE

A worker fractured his left wrist after falling from a ladder, an incident that presented significant concern for this HVAC contractor, who has a history of dealing with workers' compensation claims that have been both prolonged and costly. In the past, claims have often been drawn out due to delays in reporting, slow medical evaluations, or disputes over the severity of injuries. These complications frequently resulted in unnecessary and expensive settlements that could have been avoided with better claims management. Prolonged claims often spiral into lengthy legal battles, driving up costs and leading to inflated settlements that go beyond the actual injury's severity. For the contractor, managing these claims is a challenge because of the complexities of insurance negotiations, the need for thorough documentation, and potential disputes with injured workers over the extent of the injuries. Without a streamlined process for handling claims, the company risks overpaying on settlements and suffering financial strain from repeat incidents. These high costs can hurt profitability and increase insurance premiums, making workers' compensation an ongoing challenge for the business.

SOLUTION

Our risk management team at FCIA took proactive steps to simplify the workers' compensation process and cut costs. By recommending early communication about the Return to Work (RTW) program, we reduced the treating physician's workload and empowered the injured employee to assess their ability to return to work sooner. This strategy not only streamlined the process but also minimized delays.

To ensure the claim stayed on track, our Claims Consultant regularly coordinated with the claims adjuster and nurse case manager. Six months after the injury, the worker was cleared to return with some restrictions, and we helped the contractor offer a modified duty position. When the worker failed to respond, our team successfully guided the contractor in requesting to stop indemnity payments.

Later, when the worker petitioned to reinstate benefits, leading to litigation, our risk management team provided expert advice on handling the worker's attorney. This approach sped up the process, minimized further complications, and significantly reduced the overall settlement costs.

RESULTS

The results our team at FCIA delivered for the contractor were transformative. The final settlement in this case was 50% lower than the contractor's previous similar claims, showcasing the effectiveness of our strategic approach. Additionally, by streamlining the claims process, ensuring early Return to Work (RTW) communication, and proactively managing interactions between all parties involved, we helped the contractor reduce direct insurance costs by over \$50,000.

This significant reduction in costs not only provided immediate financial relief but also prevented the spiraling workers' compensation expenses that had plagued the contractor in the past. Through our partnership, the contractor was able to avoid the extended claims, unnecessary settlements, and inflated insurance premiums that had previously driven up costs, resulting in a much more sustainable and efficient claims management process going forward. By working with FCIA, the contractor regained control over their workers' compensation program, preventing the costly financial impact these claims once had on their business

