



JOHNS EASTERN COMPANY, INC.

Claim Adjusters & Third Party Administrators

WWW.JOHNSEASTERN.COM



CEU SEMINARS

3/29/16:
 “Mild Traumatic Brain Injury/Post-Concussion Syndrome” and “Residual Behaviors Influencing TBI Treatment and Recovery” by Neuro Restorative Florida. 11:30 AM – 2:00 PM, Holiday Inn Lakewood Ranch, 6231 Lake Osprey Drive.

4/19/16:
 “Diabetes and How it Can Adversely Affect Recovery” and “Use of Dental Implants as a Restoration Option” by One Call Care Management. 11:30 AM – 2:00 PM, Holiday Inn Lakewood Ranch.

For more details, contact:
 Rose Rome at rrome@johnseastern.com



A REFRESHER COURSE ON PTD REQUIREMENTS

Factors to Be Mindful of When Determining Permanent Total Disability

Typically, when trying to determine whether or not an injured worker is permanently and totally disabled (PTD), you refer to Chapter 440.15(1)(a) and (b). Subsection (a) sets forth the non-presumptive PTD qualifications: “the employee is engaged in, or is physically capable of engaging in at least sedentary employment.” Subsection (b) provides for the presumptive permanent total listing and adds a 50-mile radius provision.

However, let us not forget the requirements set forth by the First District Court of Appeal (1st DCA) in *Blake v. Merck & Co.*, 43 So. 3d 882 (Fla. 1st DCA 2010). In *Blake*, the Court reversed denial of permanent total disability benefits holding that the Judge of Compensation Claims had not employed the correct legal standard when he denied PTD benefits and consequently reversed the



denial of PTD benefits. The 1st DCA explained that Section 440.15(1)(b), Fla. Stat. (2003) is similar to the pre-1994 statutory requirements for PTD. The Court, therefore, looked to the prior case law for guidance.

In *Blake*, the 1st DCA held “a claimant who does not have a listed injury may prove entitlement to PTD benefits by presenting evidence of (1) permanent medical incapacity to engage in at least sedentary employment, within a 50-mile radius of the employee’s residence, due to physical limitations; (2) permanent work-related physical restrictions coupled with an exhaustive but unsuccessful job search; or

(3) permanent work-related physical restrictions that, while not alone totally disabling, preclude claimant from engaging in at least sedentary employment when combined with vocational factors.” The Court in *Blake* turned the clocks back to the pre-1994 statutory requirements for PTD where an exhaustive but unsuccessful job search; or physical restrictions and vocational factors, even without an exhaustive job search, can establish entitlement to permanent total disability benefits. (An exhaustive job search can be anything from one application per day to only one a week depending on the facts.)

Continued on page 5

Page 2
 Generic Medication Costs on the Rise

Page 4
 OSHA Revises Safety Guidelines

Page 5
 Fl. Senate Expands Scholarship Program

GENERIC MEDICATION PRICES DRIVE UP COSTS

Generics have long provided clinically appropriate, cost-effective alternatives to their more expensive brand-name counterparts. But recent price increases for many generic medications are imposing a negative impact on the overall healthcare industry, as well as within workers' compensation. Increased prices for generics are driving higher overall pharmacy costs for claims.

Impact in Workers' Compensation

Prices for certain generics have been in the news recently, as some have risen as much as 1,000% or more.¹ In general, the rise has not been as dramatic for the majority of products seen in workers' compensation. Even these modest increases, however, have managed to create a notable impact on overall claim costs, especially over the last few years.

Reasons for Price Increases

A number of possible reasons for rising generic prices have been proposed, including decreased availability of generic drugs. The drug approval process (by which the U.S. Food and Drug Administration (FDA) approves generic drugs) has increased in length in recent years. This means that it now takes new generics longer to become available on the market.

Increased regulation by the FDA resulting from manufacturer quality concerns has also resulted in delayed or decreased production, and subsequently, drug shortages on the market.

Manufacturer consolidation is also a major contributor to price increases, as less product competition discourages competitive pricing. As drug companies combine into larger entities and merge their products under one roof, they increase their market share and corresponding pricing power.

How Can We Offset Rising Costs?

Employers can partner with their claims service organizations or third party administrators to deploy various cost containment strategies that can help offset the increases caused by rising generic prices.

Johns Eastern often works with Healthsystems to put these strategies in place and encourages prescribers to make cost-effective decisions.



A key strategy is drug utilization management, which means making sure that injured workers are getting medications that are both therapeutically appropriate and cost-effective.

Various types of drug utilization management approaches include the use of step therapy programs and a closed formulary. Step therapy requires the use of specific first-line drugs before approval of less clinically appropriate and more costly drugs. A closed formulary is a method that limits use of and requires documentation for prescribing of drugs not listed on the approved formulary. The intent of a closed formulary is to promote appropriate prescribing.

Close communication and collaboration between all key stakeholders in the workers' compensation system –employer, third party administrator, provider and PBM –will result in more accurate treatment decisions, enhanced patient safety, optimal patient outcomes, and cost containment.

¹ Elsevier data as reported in "Why Are Generic Drug Prices Shooting Up?" Forbes Magazine, 27 February 2015. Accessed September 10, 2015. <<http://www.forbes.com/sites/greatspeculations/2015/02/27/why-are-generic-drug-prices-shooting-up>>.

**Vendor Partner: Clinical Services
Team, Healthsystems**

Healthsystems

DRIVING DOWN PT COSTS FOR OUR CLIENTS



Alice Bane
Director of TPA
Operations

As we near the end of the first quarter, we have begun to meet and collaborate with our Managed Care partners to review their results for 2015 and to ensure we can continue to provide meaningful outcomes for 2016. This is an opportunity for us to evaluate the effectiveness our programs and to make any necessary adjustments and enhancements to maximize the value to our clientele.

Through our partnership with SPNet Clinical Solutions, we are able to deliver a unique solution in the area of physical and occupational therapy. We access a clinically focused network of providers, utilizing an evidence based solution designed to provide predictable clinical outcomes. As a result, we are able to reduce your overall costs of physical and occupational therapy by delivering the right care at the right time, but only what is necessary.

In order to manage the costs associated with physical and occupational therapy, our network partner utilizes

three different “gates” for cost containment. Essentially, at these three checkpoints (or gates), we are selecting the right provider at the onset of care (the “front” gate), providing clinical oversight and feedback to the provider during the care (the “middle” gate) and finally delivering discounted services (the “back” gate).

The larger areas of impact are at the front and middle gates, as many networks are discount driven, but provide no real impact relative to utilization of services. By placing your injured worker with the right qualified provider, based upon services offered and geography, they are being ushered through the front gate. Once inside the front gate, we work with our clinically-focused network of providers to achieve predictable clinical outcomes. This enables your injured worker a path back to a safe and timely return to duty.

Network partnerships have little value if we cannot direct services into these networks and benefits go well beyond simple service discounts. Effectiveness is maximized by accessing a network’s benefits. Are you maximizing the value of your partnerships?

RELAX! APRIL IS STRESS AWARENESS MONTH

Stress happens. Sometimes it is unavoidable and at times it can be unbearable. That’s why taking time for yourself is a necessity and this month is a great time to start! Stress does not merely affect your mind. It can also cause headaches, stomach disorders and depression – and can increase the risk of stroke and heart disease. Understanding the mind/stress/health connection can help you better manage stress and improve your health and well-being.

The Fight or Flight Response

The sympathetic stress response is a survival mechanism that is “hard wired” into our nervous systems. When you perceive a threat, stress hormones rush into your bloodstream and can cause increased heart rate, blood pressure, and glucose levels. Danger triggers the stress response, but so can work conflicts, worry over debt, bad memories, or anxiety.

Combat Your Stress

If you suffer from chronic stress and can’t influence or

change the situation, then try to change your approach. Be willing to be flexible. Remember, you have the ability to choose your response to stressors, and you may have

to try various options. Recognize when you don’t have control, and let it go. Don’t get anxious about situations that you cannot change. Take control of your own reactions, and focus on what makes you feel calm and in control. This may take some practice, but it pays off in peace of mind. Develop a vision for healthy living, wellness, and personal and professional growth and set realistic goals to help you realize your vision. Decompress by spending time with friends and family.



Relax and Recharge

Be sure to make time for fun and relaxation so you’ll be better able to handle life’s stressors. Carve some time out of your day – even 10 to 15 minutes – to take care of yourself. While you can’t avoid stress, you can minimize it by changing how you choose to respond to it.

U.S. Department of Health & Human Services

OSHA TO RELEASE REVISED SAFETY GUIDELINES

The Occupational Safety & Health Administration (OSHA) is currently seeking public comment on its voluntary Safety and Health Program Management Guidelines. OSHA intends to hold a public meeting in March 2016 for further comments and is projecting to release the revised guidelines in the Spring or Summer of 2016.

According to OSHA, the Guidelines are organized into seven categories, or “core elements,” of a successful Safety and Health Management Program:

1. Management and leadership
2. Worker participation
3. Hazard identification and assessment
4. Hazard prevention and control
5. Education and training
6. Program evaluation
7. Coordination and communication on multi-employer worksites

Multi-employer worksites have been the topic of heavy discussion by participants in recent OSHA meetings. As a result, OSHA expects that the final proposed guidelines will address this issue in depth.



OSHA further expects that the outline and style of the final guidelines will remain the same. Changes will instead come in the form of added examples of effective programs and further explanation of core elements. OSHA is also considering creating industry-specific safety and management guidelines.

The Guidelines were originally published in 1989 and have since been revised, as recently as December 2015, to reflect advances in modern technology and work practices and to incorporate other OSHA programs

and initiatives. Find out more at <https://www.osha.gov/shpmsguidelines/>

Occupational Safety and Health Administration

“OUR LITTLE ANGELS” BENEFITS FROM DONATIONS



At the close of 2015, Johns Eastern employees completed our 4th quarter fundraising efforts for the Manatee County School District’s ESOL/Migrant Department and “Our Little Angels.”

Our goal was to bring joy into the lives of 35 children, but thanks to the overflowing generosity of JE employees we were able to help a total of 53 families! We would also like to thank the Learning Express store in Lakewood Ranch and the Brooke Golf Tournament in Pennsylvania for partnering with us. Pamela Stolz, owner of Learning Express,

donated toys and books for 12 children and the Brooke Golf Tournament in Pennsylvania made a donation of \$500. Their generosity made it possible to purchase more gifts to brighten the holiday season for those children and their families who may not have otherwise enjoyed the holiday season. We greatly appreciate our employees and business partners for their generous support!



On March 5, Johns Eastern will participate in the Walk MS in various cities throughout the United States. In 2015 we raised over \$5,000 for the MS Society and we’re looking forward to surpassing that goal this year. Find out more about how you can participate in the MS Walk at www.nationalmssociety.org.

See you out there!

FL SENATE EXPANDS SCHOLARSHIP OPPORTUNITIES

On January 13, 2016, the Florida Senate passed new legislation codifying the expansion of the Personal Learning Scholarship Account Program (PLSA), renamed the “Gardiner Scholarship” in honor of Senate President Andy Gardiner and his family, and the statewide coordination of Florida Postsecondary Comprehensive Transition Programs for students with intellectual disabilities.

Senate Bill 672 “is a pillar of our cradle-to-career pathway to economic independence for people

EDUCATION UPDATE



with unique abilities,” said President Gardiner. The PLSA Program was created by the Florida legislature in 2014 and provided K-12 Florida resident students with disabilities the option to apply for scholarship funds to be used for specialized services, tuition, instructional

materials, assessment fees, and more. In 2015, the program was temporarily expanded for one year to include students with muscular dystrophy and students on the autism spectrum. With the passing of SB 672, this expansion of the program was permanently codified in state law.

SB 672 further establishes a process for Florida postsecondary institutions to voluntarily seek approval to offer a transition program for students with intellectual disabilities.

Sniffen & Spellman, P.A.

Continued from page 1

In other words, exclusive reliance upon the statute (if the employee is engaged in or is physically capable of engaging in at least sedentary employment) will result in reversal by the 1st DCA. An injured employee may be found to be permanently and totally disabled based on any one of the criteria outlined by the Court in *Blake*.

Consequently, you must not only look to the statute for guidance, but in order to determine whether or not an injured worker is permanently and totally disabled,

consider whether the injured employee is: (1) unable to do at least sedentary duty within a 50-mile radius of his residence; or (2) permanent restrictions coupled with an exhaustive but unsuccessful job search; or (3) permanent restrictions combined with vocational factors which prevent the employee from returning to work.

Any one of the three factors alone may result in entitlement to PTD benefits.

Nancy Blastie, Esq.
Broussard & Cullen, P.A.

CONFERENCE CONNECTION

Plan now to join us at an upcoming conference:

Georgia PRIMA Educational Series

April 18-20, 2016
Savannah, GA

Public Risk Management Association Annual Conference

June 5-8, 2016
Atlanta, GA

Virginia Self-Insurers Association June 15-16, 2016
Williamsburg, VA

WE'VE GONE SOCIAL!



We invite you to like, share, hashtag and follow Johns Eastern as we create an online community to share news and ideas. And don't forget to check out our blog at <http://johnseasternblog.us!>



JOHNS EASTERN COMPANY, INC.

www.johnseastern.com

PO Box 110259
Lakewood Ranch, FL 34211-0004

Phone: 941-907-3100
Toll Free: 877-326-JECO
Fax: 813-402-7913

JOHNS EASTERN COMPANY
Integrity. Experience. Results.

Publisher Beverly Adkins
Editor-In-Chief Alice Bane
Graphic Designer Deirdre Harris

Contributors:

- Alice Bane, Johns Eastern
- Nancy Blastic, Esq.
Broussard & Cullen, P.A.
- Healthsystems Clinical Services Team
- Occupational Safety and Health Administration
- Rose Rome, Johns Eastern
- Sniffen & Spellman, P.A.
- U.S. Department of Health & Human Services

CONGRATULATIONS TO OUR STAFF!

Johns Eastern recently recognized the following employees for their length of service:

- 5 years:** Bernadette Anthon, David Balades, Jayne Gardner, Diane Harrington, Darlene Igartua, Toni Lamberti, Traci Loftus, Eleana Neglia, John Powers, Suzanna Wilbert
- 10 years:** Carol Aaron, Mike Cicak, Chris Cracchiolo, Dana Denaro, Jean Gustaitis, Rick Honeycutt, Carol Malone, Donna Marotta, Meagan Pfahler
- 15 years:** Ana Avendano, Sabina Mascia, Nick Mullins, Tabetha Pittman, Melissa Roberts, Grant Stevenson
- 20 years:** Nathan Keith
- 25 years:** Blue Shue
- 30 years:** Patricia Lawrence

IN THE SPOTLIGHT



This quarter we're proud to feature Medical Team Assistant **Jamie McWilliams** in our **Staff Spotlight**. Ms. McWilliams joined Johns Eastern in 2014, but since July 2009 she has also served as President/CEO of Parents Encouraging Confident Choices, Inc.

In April 2002, Ms. McWilliams' son, Justin, was struck and killed by a vehicle while at a party near Orlando, FL. The driver of the vehicle was charged, but the charges were eventually dropped due to a loophole in the Florida State Uniform Traffic Control. This loophole spurred Ms. McWilliams to lobby Florida lawmakers to change the statutes. She prevailed and in 2006 then-Florida Governor Jeb Bush signed the Justin McWilliams Justice for Justin Act. Ms. McWilliams now travels to schools throughout the state to educate parents and encourage students to make the right choices in their lives.

If you are interested in having Ms. McWilliams speak at your school or in your area, she can be contacted at 407-929-5864 or jmcwilliams1@aol.com.