



INDUSTRIAL COMMISSION OF ARIZONA  
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## FREQUENTLY ASKED QUESTIONS RE: COMMUNICATION METHODS IN THE NEW CLAIMS SYSTEM (Rev: January 17, 2019)

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The Industrial Commission of Arizona's plan to replace the Claims Division's 27-year-old, COBAL-based mainframe computer system is nearing completion. ***Please be advised that the Commission's prior plan to launch the new Claims System on February 19, 2019, has been delayed.*** Barring any further setbacks, the Commission expects to launch the new Claims System in March 2019. The new Salesforce-based system will feature automated workflow capabilities, enhanced analytics, superior document management, and a dynamic web-based portal for Interested Parties – known as the "ICA Community."

*For ease of reference, carriers and self-insured employers are referenced below as "payers."*

### How will the new Claims System impact the way that the Commission sends workers' compensation communications to Interested Parties?

The new Claims System will require Interested Parties (*i.e.*, carriers, employers, claimants, and attorneys) to select a "preferred communication method" for Claims and/or ALJ communications. Each Interested Party will have access to an ICA Community "administrator account" that contains the party's "preferred communication method." Interested Parties will be able to choose one of three options:

- (1) U.S. Mail (at a single designated mailing address);
- (2) Electronic fax (at a single designated fax number); or
- (3) Secured File Transfer Protocol ("SFTP") (at a designated SFTP destination).

U.S. Mail (at the address on file with the Commission) will be the default option when no alternative communication method is selected. ***Encrypted e-mail (both inbound and outbound) and Phoenix-office pickup will not be available after the new Claims System is launched.*** Please note that TPA's will not have "administrator accounts" and will not be able to select a "preferred communication method."

### What is an "administrator account" and "preferred communication method"?

In the new Claims System, each Interested Party will be provided with an "administrator account" in the ICA Community where an Interested Party can manage their "preferred communication method" and update contact information (U.S. Mail address, fax number, and phone number). A "preferred communication method" is the designated delivery method that an Interested Party selects for communications sent by the Commission. Options include: (1) U.S. Mail; (2) Electronic Fax; and (3) SFTP. Please note that TPA's will not have "administrator accounts" and will not be able to select a "preferred communication method."

Will TPA's have access to "administrator accounts" and will a TPA select a "preferred communication methods?"

No. Only Interested Parties (*i.e.*, carriers, employers, claimants, and attorneys) will have access to "administrator accounts."

How can a user obtain access to an ICA Community Account

**After** launch of the new Claims System, users will be able to easily create ICA Community accounts by visiting the ICA Community webpage. Individuals who have user accounts established in the current ICA Claims Portal will receive an e-mail (at the e-mail address associated with the ICA Claims Portal) with instructions on accessing the new ICA Community and creating a new password. ICA Community user accounts will be available to any authorized individual, including claimants, attorneys, employer representatives/adjusters, carrier representatives/adjusters, and third-party administrator representatives/adjusters.

How will an interested party obtain access to an "administrator account?"

Upon launch of the new Claims System, ICA Community user accounts for claimants and legal representatives will automatically include "administrator" privileges. Carriers and employers, however, will need to choose between having "administrator" privileges attach to a specific individual's user account or creating a unique account to hold "administrator" privileges. For example, a carrier could request that a particular adjuster have "administrator" privileges for the carrier – linked to that adjuster's ICA Community user account. Alternatively, a carrier could choose to create a non-specific ICA Community user account (using a non-specific e-mail address such as AdminUserAccount@carriername.com) – and have "administrator" privileges attach to that account.

Although "administrator" privileges for a specific carrier or employer can be attached to multiple user accounts, a single user account cannot hold "administrator" privileges for multiple distinct carriers or self-insured employers. For example, ABC Mutual Insurance Co. and ABC General Insurance Co. are related companies. Multiple user accounts may be assigned "administrator" privileges for ABC Mutual Insurance Co. and multiple user accounts may be assigned "administrator" privileges for ABC General Insurance Co. However, the same user account may not have access to "administrator" privileges for both ABC Mutual Insurance Co. and ABC General Insurance Co.

The Commission has posted an "Administrator Account Request Form" on the Commission's webpage (<http://www.azica.gov/newsystem>) for carrier and employers. Carriers and employers may use the Administrator Account Request Form to designate user accounts to be given "administrator" privileges in the ICA Community. Please note that each distinct carrier and employer will need to complete a separate Administrator Account Request Form.

Will I need an "administrator account" to have access to claims records, ALJ records, priors, and other features in the ICA Community?

No. Authorized individuals (such as adjusters and TPA representatives) will have the ability to create a non-administrator user account, which will offer all of the features of the ICA Community. "Administrator accounts" will only be available for interested parties (*i.e.*, carriers, employers, claimants, and attorneys) to select a "preferred communication method" and updated contact information (address, fax number, phone number).

Will the new Claims System allow Interested Parties to receive Commission communications by e-mail or office pick-up?

No. Encrypted e-mail (both inbound and outbound) and Phoenix-office pickup **will not** be available after the new Claims System is launched.

How can an Interested Party select a “preferred communication method” in advance of the launch of the new Claims System?

The Commission has posted a “[Request and Agreement for Alternative Service and Waiver of A.A.C. R20-5-158\(B\)](#)” (“Request and Agreement”) form on the Commission’s website at the following location:

<https://www.azica.gov/newsystem>

Interested Parties may use the Request and Agreement form to select a preferred communication method and designate a mailing address/fax number in advance of the launch of the new Claims System. Please note that each distinct carrier and self-insured employer will need to complete a separate Request and Agreement form. This means that carriers or employers with multiple subsidiaries will need to complete a Request and Agreement for *each* applicable legal entity. Completion of the Request and Agreement form will allow the Commission to populate ICA Community “administrator accounts” with selected communication methods in advance of system launch. Interested Parties that do not complete this process by February 28, 2019 (date has been extended to account for delay in system launch), will default to service by U.S. Mail until an alternative method of communication is selected in the ICA Community.

Will the new Claims System allow the Commission to address Claims and/or ALJ communications to TPA’s?

After the new Claims System is launched, the Commission will no longer address Claims and/or ALJ communications to TPA’s. See [Substantive Policy Statement: Notification of Parties in Workers’ Compensation Matters](#), effective February 19, 2019, available at <https://www.azica.gov/substantive-policies-directory-other-adosh>. Management of TPA’s will become the responsibility of payers.

Although the Commission will no longer address Claims and/or ALJ communications to TPA’s, payers will be permitted to direct their communications to a TPA by designating the TPA’s mailing address, fax number, or SFTP destination. For example, if a carrier elects to receive communications by U.S. Mail or fax, the carrier will be able to use a TPA’s mailing address or fax number in lieu of the carrier’s mailing address or fax number. Payers, however, will be limited to a single preferred communication method and a single destination address, fax number, or SFTP destination. Payers that utilize multiple TPA’s will be responsible for managing the distribution of communications to TPA’s for claim handling functions. Payers who choose to direct communications to a TPA will be solely responsible for updating the preferred communication method and the designated destination if/when a TPA relationship changes.

Is the Commission obligated to notify or serve communications on TPA’s in workers’ compensation matters?

See [Substantive Policy Statement: Notification of Parties in Workers’ Compensation Matters](#), available at <https://www.azica.gov/substantive-policies-directory-other-adosh>

## **What's wrong with the way the Commission handles TPA's currently?**

One of the most frequent complaints made by injured workers, attorneys, and Commission staff relates to the difficulty of identifying entities responsible for managing workers' compensation claims. For example, the Commission regularly sends new claim notifications to the last-known TPA for a payer without knowing that the payer has changed TPA's. Upon learning of the issue, Commission staff must spend significant time investigating the identity of the current TPA, only to then have to re-notify the claim (which restarts the time period to accept or deny). This process can create significant delays for injured workers. As the Commission currently manages policy relationships with over 700 insurance companies, self-insured employers, and TPA's, the burden of managing TPA communications has become very burdensome for the Commission. Although the Commission receives reliable carrier, employer, and policy coverage information from the National Council on Compensation Insurance (NCCI), information about TPA's is often unreliable and is manually updated by Commission staff on a claim by claim basis.

In preparation for the new Claims System, the Commission carefully studied existing processes and system data and found that the TPA data within the current Claims System is largely unreliable due to manual processing. Attempting to migrate TPA data and design a new system capable of addressing and directing communications to TPA's would have significantly increased the time, cost, and scope of the new Claims System and would require the Commission to continue with an unreliable and time-consuming manual process.

Ultimately, the business decision was made to shift the responsibility for managing TPA relationships back to the payers who are ultimately responsible for the claims and who retain TPA's to act on their behalf. The Commission believes that payers are best suited to manage TPA relationships and ensure that Commission communications are directed to appropriate individuals. The Commission believes that asking payers to develop administrative processes to manage their own TPA relationships is a significantly better option than developing regulatory reporting requirements and unnecessary government oversight that would be required to administer the process correctly.

## **Will the Commission continue to communicate with TPA's?**

With a signed TPA agreement, a TPA can have electronic access to the ICA Community, priors, claim records, ALJ records, and all other Community features. The Commission, however, will no longer address or direct Claims and/or ALJ communications to TPA's, unless a payer has elected to direct their communications to a TPA by designating the TPA's mailing address, fax number, or SFTP destination.

## **Does the change impact the ability of a Payer to hire and use a TPA?**

No. The change regarding communication methods will not impact a payer's right to hire and use a TPA.

## **Does the change minimize the value of a TPA to a Payer?**

No. TPA's will continue to provide valuable services for payers, including skilled claims adjusting. For impacted payers, the change regarding communication methods only creates the need for a payer to administratively process and distribute Commission communications. TPA's will continue to be able to send documents to the Commission, communicate with the Commission, communicate with and receive medical documents from medical providers, receive documents and communicate with injured workers, and all other essential functions that occur in the claims management side of a workers' compensation case.

## After the launch of the new Claims System, how can I serve documents on the Commission?

After launch of the new Claims System, interested parties and their authorized representatives (including third-party administrators) will be able to serve documents on the Commission (In-Bound) using any of the following methods:

- 1) Submission of Webforms and Document Upload in the ICA Community (**preferred**);
- 2) Secured File Transfer Protocol (“SFTP”) (**preferred**);
- 3) Electronic Fax;
- 4) U.S. Mail;
- 5) Hand Delivery to the Commission.

The Commission agrees that transmission of documents to the Commission via the first three methods listed above constitutes legally-proper service upon the Commission and shall be the equivalent of other legally-permissible methods of service (including United States mail or personal service). If service is accomplished in one of the manners specified above, the Commission specifically waives the requirement that service of documents be made upon the Commission pursuant to A.A.C. R20-5-158(B).

Please note that the above **does not** affect the duties of parties to comply with service requirements related to other interested parties.

Please note that encrypted e-mail **will not** be an acceptable option for serving the Commission after the new Claims System is launched.

## Which Interested Parties will not be impacted by the change?

Interested parties that have a single point of contact will not be impacted by the change, including an injured worker, attorney, or payer with a single point of contact (such as in-house claims management or a payer with a single TPA). Interested Parties with a single point of contact will be able to simply designate a “preferred communication method” and all Commission communications will be sent to that designated single point of contact (either by U.S. Mail, fax, or SFTP).

## What Interested Parties will be impacted by the change?

Any Interested Party that needs Commission communications to be sent to multiple destinations will be impacted by the change. Examples include: (1) a payer who utilizes multiple TPA’s to manage claims; (2) a payer who manages some claims in-house and has other claims managed by a TPA; or (3) a payer that maintains multiple claims handling offices. Interested Parties that need Commission communication to be distributed to multiple destinations will need to develop administrative procedures to ensure that Commission communications are sorted and distributed to the proper entities in a timely manner.

## I am an impacted Interested Party, what do I do?

Interested Parties impacted by the change will need to develop an administrative strategy to sort and distribute Commission communications. Strategies could include managing distribution of Commission communications from a centralized claims office, whether in-house or with a designated TPA. Because good faith claims handling standards will continue to apply, efficient management and distribution of Commission communications will be essential.

### **What do you mean by “good faith” claims management?**

It is essential to ensure documents are distributed correctly and timely to maximize the amount of time an adjuster has to investigate and respond. Bad Faith and Unfair Claim Practices outlined in A.R.S. § 23-930 and A.A.C. Rule 20-5-130.

### **What types/volume of communications are issued by the Commission?**

The most common communication issued by the Commission is new claim notification lists. Eighty to ninety percent of all workers’ compensation claims are medical-only claims and a payer likely would not receive further communications if they have issued a 104 form accepting the claim without Commission notification. The Claims Division audits incoming notices and sends solicitations when corrections or further information is required. In addition, Commission communications may relate to a change of doctor, leaving the state, loss of earning capacity, lump sum commutation, petitions to reopen, bad faith communications, etc. The ALJ Division issues notices of hearing, findings and awards, and other hearing-related communications. Although Commission communications are important, they are only a part of the ICA claim record in the majority of cases.

### **I am a payer that has multiple related insurance companies or subsidiary insurance companies. Can I have a single ICA Community “administrator account” to manage communication methods for all my related entities?**

The new Claims System will communicate with NCCI to obtain current insurance coverage information. It will then use the acquired coverage information to find matches for new workers’ compensation claims. Because workers’ compensation insurance policies are reported to NCCI under specific insurance companies, each policy will be attached to a specific payer account. For example, ABC Insurance Companies may include ABC National Union, ABC General, and ABC Preferred. Each of these insurance companies will have a separate “administrator account” to manage communication methods for that particular payer. The new Claims System does not have the ability to roll up communications to a parent company and does not have the ability to combine multiple payer “administrator accounts” into a single account.

### **If an employer moves from Carrier A to Carrier B, will Carrier B receive Commission communications regarding Carrier A’s claims?**

No. The new Claims System will receive policy information from NCCI, which indicates employer, coverage addresses, carrier, policy number, and policy period. If a policy is written by Carrier A for an employer, Commission communication related to claims under Carrier A’s policy will remain with Carrier A and will be sent via Carrier A’s “preferred communication method.” If the employer purchases a new policy from Carrier B, NCCI will report the new policy with Carrier B and Carrier B will receive the communications pertaining to claims under Carrier B’s policy. Carrier A will continue to receive Commission communications for claims that are associated with Carrier A’s policy and Carrier B will receive Commission communications for claims associated with Carrier B’s policy. The employer (as a separate Interested Party) will receive all Commission communications via the employer’s “preferred communication method” for all claims related to the employer, regardless of which carrier is involved.

### **Will the Commission continue to group communications by TPA, as it has in the past?**

No. The new Claims System will not have the ability to address or direct communications to TPA’s. Although the Commission will no longer address or direct Claims and/or ALJ communications to TPA’s,

payers will be permitted to direct their communications to a TPA by designating the TPA's mailing address, fax number, or SFTP destination. For example, if a carrier elects to receive communications by U.S. Mail or fax, the carrier will be able to use a TPA's mailing address or fax number in lieu of the carrier's mailing address or fax number. Payers, however, will be limited to a single preferred communication method and a single destination address, fax number, or SFTP destination.

### **I am a TPA. What are my next steps?**

The Commission strongly encourages TPA's to initiate a dialogue with client payers to help them develop a process to ensure relevant Commission communications are provided to you in a timely manner.

### **I am an attorney in a law firm. How will my communications be impacted?**

In the new Claims System, attorney accounts will be added to a claim manually by the Claims Division after review of retention documents. Commission communications will be sent to the attorney/firm identified on the retention document. If a specific attorney is retained, the claim will be added to that attorney's account. If a law firm is retained, the claim will be added to the law firm's account. Attorneys who elect to use law firm accounts will need to develop administrative processes for ensuring that Commission Communications sent to the law firm are distributed to the appropriate attorney representing an Interested Party.