

## **Proactive Settlement Letter**

Settlement is a vital and necessary claim management strategy that offers a win, win to all parties in the claim.

Utilizing proactive settlement early in active claims creates substantial cost reductions. Through settlement, these same cost reductions turn into financial incentives for the employer, the injured worker and BWC. BWC's position is to act in the best interest of all the parties by establishing a fair and equitable settlement.

The proactive settlement letter was created to initiate the settlement process early in the claim. The Claims Service Specialist (CSS) will generally send the proactive letter; however, if he/she recognizes a barrier or issue in the claim that would prevent a successful settlement at that time, the letter may not be sent. The CSS will staff any issues that might prevent settlement with his/her Injury Management Supervisor (IMS).

The Customer Care Team (CCT) may initiate the proactive settlement process by sending a proactive settlement letter when an injured worker returns to work from a lost time claim with TT paid.

The Claims Service Specialist (CSS) will review the claim for proactive settlement, upon the injured worker's return to work. **The review for proactive settlement is the responsibility of the assigned CSS in the claim, and not a Lump Sum Settlement (LSS) Team function.**

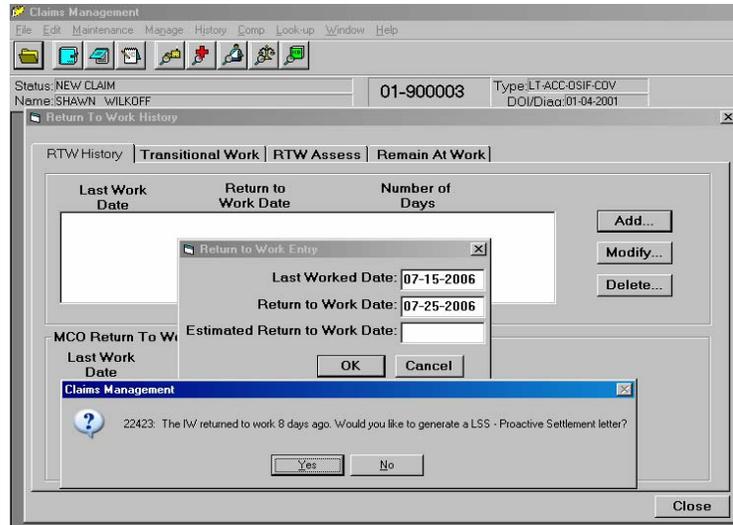
Proactive settlement is supported by the Version 3 (V3) claims system with a diary to notify the assigned CSS of return to work (RTW) and also with user generated correspondence with attached settlement applications.

### ***When the Injured Worker Returns To Work***

When a RTW date is entered in a lost time claim in V3, a pop-up window will display the last day worked, the actual return to work date and will ask the user if he/she would like to send the Proactive LSS Letter.

This will occur only in a lost time (private state fund) claim that is in an allowed status. Note, do not send the letter when the injured worker is on Salary Continuation.

RTW window pop-up



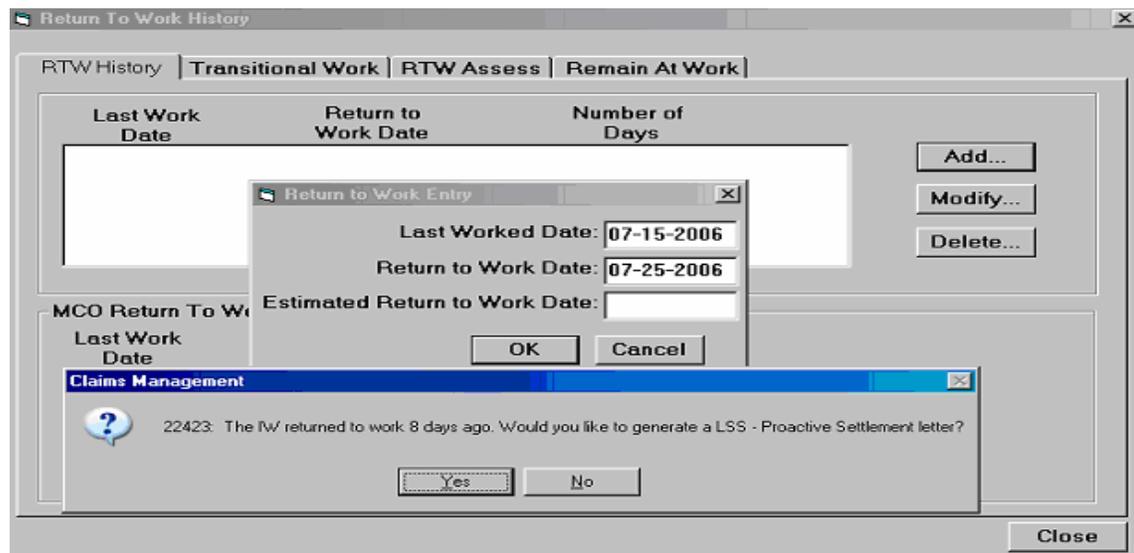
### ***Validating the Authorized Representative***

Prior to requesting the proactive settlement letter, the CSS will review the authorized representative information under Maintenance – Injured Worker – IW Rep. If there is more than one “active” primary representative, the CSS will make sure that only the most current primary representative is shown as “active”. If there is more than one primary representative designated by the injured worker, that representative will remain in an “active” status as well. All other representatives will be updated to “inactive” to prevent correspondence from being mailed inappropriately.

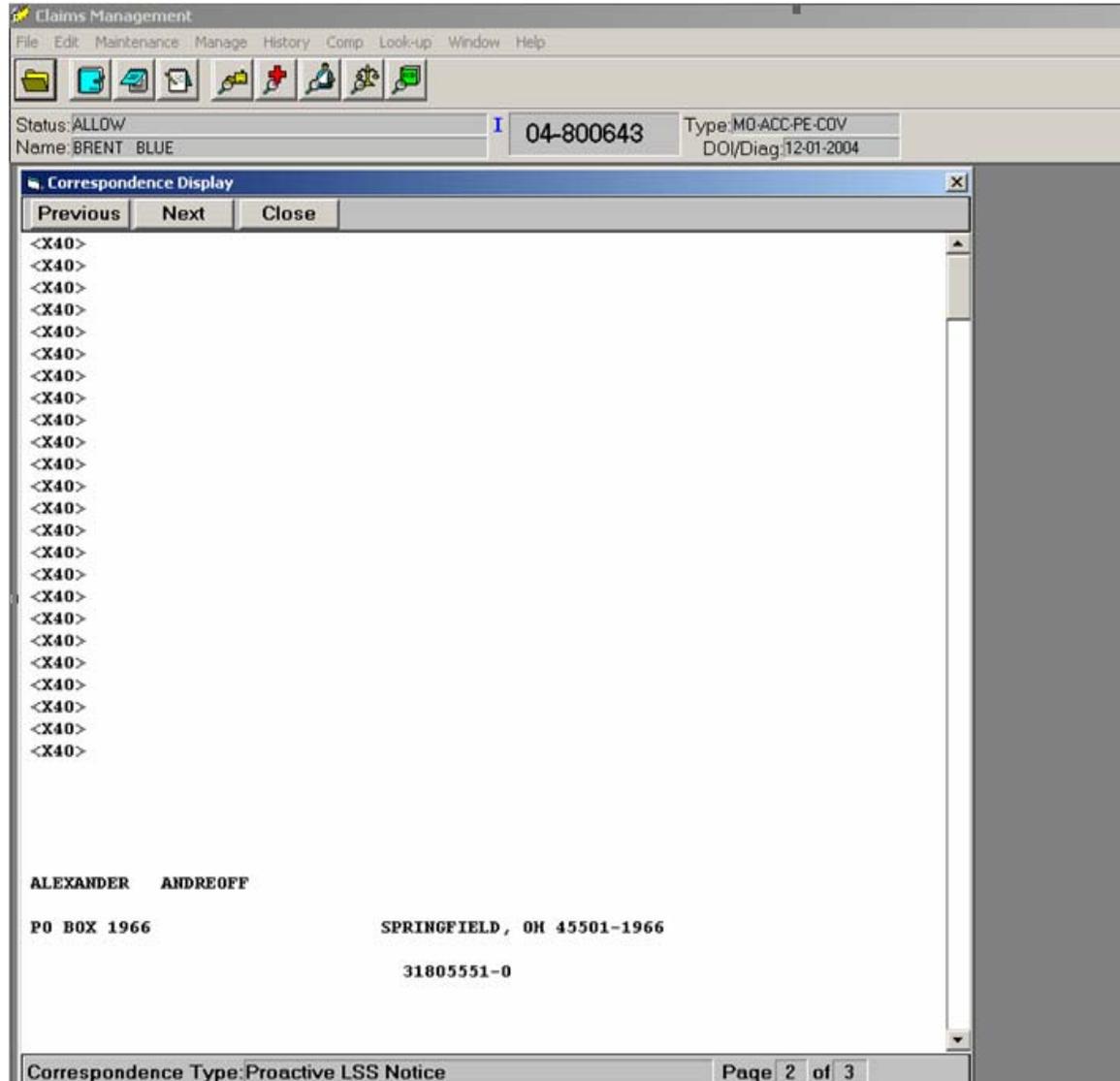
[Click here for more on Auth. Reps.](#)

### ***Sending the Proactive LSS Letter***

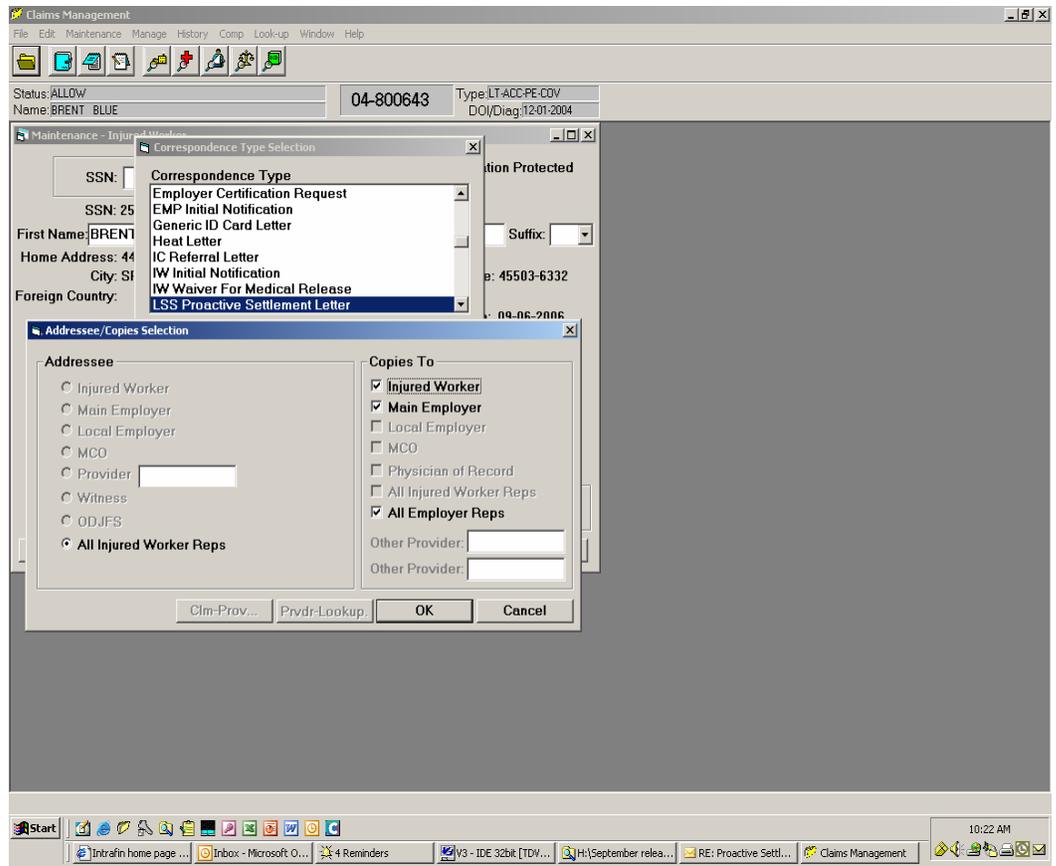
A V3 pop-up window will ask if the user would like to generate the LSS Proactive letter. When the CSS selects the **Yes** button, the add New Corr-window appears.



A systematically populated C240 is attached to the LSS Letter by V3. If displayed on screen, the C240 will look like the picture below. Although it doesn't view like a regular C240, this is still the correct document.



**If there is an authorized representative in the claim, the letter will be addressed to the authorized representative with a copy to the injured worker.** If there is no authorized representative, the letter will be addressed to the injured worker.



### Proactive LSS Letter Not Sent - Setting Diary for follow-up

When the CSS selects the **No** button, V3 will generate a 608 diary for the assigned CSS to follow up.

- The target date will be two weeks from the current date.
- The diary will say **Review for Proactive LSS Letter**.

File Edit Maintenance Manage History Comp Look-up Window Help

Status: ALLOW I 93-26379 Type: LT-ACC-OSIF-CDV  
Name: KRISTIE D WALKEN DO/Diag: 09-23-1993

Diary Title	Creation Date	Target Date	Revised Target Date
608 REVIEW FOR PROACTIVE LSS LETTER	09-05-2006	08-29-2006	

User: 75850  
Pull Claim: No

Complete... Image Close

***After the Proactive LSS Letter is Sent***

The Claims Service Specialist (CSS) will immediately forward all inquiries regarding the settlement to the Lump Sum Settlement CSS for review and follow up with the injured worker and/or the authorized representative.