

Department of Insurance Claims Adjuster Certification

State of California
Division of Workers' Compensation
Educational Conference
Los Angeles, CA
February 24, 2005

Seminar Discussion Topics

David Blakesley, CPCU, CIC, ARM

**Curriculum Director
Insurance Educational Association (IEA)**



IEA Educational Response to the DOI Claims Adjuster Certification:
(Accreditation: American Council on Education (ACE) national accrediting body for education offered outside four-year degree granting colleges/universities: 2 semester hours each WCCA and WCCP course; exception one hour for CA 15)

“Insurers shall submit all documents described in Section 2592.07(b) under penalty of perjury to the commissioner. The commissioner shall publish on the Department of Insurance public web site sufficient information submitted pursuant to this subsection to allow policyholders to choose an insurer that has an adequately trained staff of claims adjusters.”

I.

Claims Adjuster Certification

- **Adjuster (medical and indemnity) 120 hours educational requirement, plus 40 hours on-the-job training.**
- **Medical only adjusters-80 hours instructor led classroom plus 40 hours on-the-job**

WCCA (150 hours, 30 per course-CA 10-13 or CA 16A replacing CA 13 = 120 hrs.)

- CA 10-Workers' Compensation Claims
- CA 11-Workers' Compensation Claims-Advanced
- CA 12-Medical Coordination WC Claims
- CA 13-WC Permanent Disability Rating (1997-2004)
- CA 14-WC Rehabilitation

New PD Rating Course (Post 1-1-05):

- CA 16 A (AMA Guide & PD Rating), OK to substituted for CA 13
- CA 16 B (AMA Guide-Advanced), OK to substituted for CA 15
- CA 16 A-anticipating a March launch date-online format and summer semester for the traditional instructor led courses. CA 16 B anticipates a fall offering date)

WCCP (30 hours each)

- CA 15-Permanent Disability Rating-Advanced (total 22.5 hours)
- CA 17-Labor Code and Current Case Law
- CA 20-Advanced Issues in Workers' Compensation

In-house training programs: John Beach, CLU, ChFC (john@ieatraining.com), Director of Sales. IEA conducts about 40 in-house training program each year. IEA manages a business/government grant to support California jobs from leaving the State. Contact John Beach to see if your organization qualifies for grant support.

II.

Educational Format:

Traditionally led instructor semester programs: 12 weekly sessions 2.5 hours per week: 30 classroom hours and 72 to 96 hours of outside study. Only classroom contact hours are counted toward the 120 hour requirement.

Online Instructor Facilitated: 12 weekly sessions: visit IEA's demo site: <http://ieatraining.ucompass.com>; login name and password: demo (use only lower case letters when logging in). At the time of the preparation of this outline it is not clear if the DOI will permit online educational programs to satisfy the 120 hours for certification.

Accelerated Workers' Compensation Claims: (First offered in 1988 to 1995, joint project between IEA & CWCI); summer 2004 (Sacramento) IEA displaced technology, financial industry, and government workers.

Multiple Two-Day Seminars:

(In-house offerings and public class offerings-to be announced via IEA's e-mail alert system (register for e-mail alerts at www.ieatraining.com))

Total of 8 two-day, seven-hour per day class sessions (112 hours) plus one 8 hour seminar covering the topics listed in the DOI regulation (total 120 hours). These sessions can be used to satisfy the continuing education requirements for the Claims Adjusters certification.

III.

Continuing Education for Claims Adjusters

Total of 30 hours every two year period starting Jan. 1, 2005:

"Post-certification training" means a course of study provided to trained and/or experienced workers' compensation claims adjusters. Post-certification training also includes seminars, workshops, or other informational meetings pertaining to California workers' compensation.

IV.

Department of Insurance Web Address & Current Regulation:

<http://www.insurance.ca.gov/docs/FS-Legal.htm>

(Click on "proposed regulations" and type in "workers' compensation claims" in the search area, you'll click on [TEXT OF REGULATION](#))

Key Definitions (DOI Regulations):

"Claims adjuster" means a person who, on behalf of an insurer, is responsible for determining the validity of a workers' compensation claim, including a "medical only" claim. The adjuster may also establish a case reserve, approve and process indemnity and medical benefits, may hire investigators, attorneys or other professionals and may negotiate settlements of claims. "Claims adjuster" also means a person who is responsible for the immediate supervision of a claims adjuster but does not mean an attorney representing the insurer or a person whose primary function is clerical.

"Classroom" means any space sufficiently designed so that the instructor and students can communicate with a high degree of privacy and relative freedom from outside interference. The instructor may be physically present or may communicate with students by means of an electronic device."

"Instructor" means a person who conveys curriculum content to students on behalf of an insurer, a training entity, or a medical billing entity. An instructor shall have at least eight (8) years of experience in the workers' compensation system in the previous 12

years, including at least four years of experience with California workers' compensation. Persons knowledgeable about specific workers' compensation issues may train students under the supervision of an instructor.

"Insurer" means an insurance company admitted to transact workers' compensation insurance in California, the State Compensation Insurance Fund, an employer that has secured a certificate of consent to self-insure from the Department of Industrial Relations pursuant to Labor Code Section 3700(b) or (c) or a third party administrator that has a secured a certificate of consent pursuant to Labor Code Section 3702.1.

Medical-only claims adjuster who has completed **120** hours of training pursuant this section may be certified as a claims adjuster upon completion of **40** additional hours of workers' compensation claims training, provided that such training is completed within six months of the claims adjuster beginning to adjust claims that include indemnity benefits.

Training:

“The insurer may provide the training directly or by sending its employees to be trained by another entity. A workers' compensation insurance company or self-insured employer shall certify that the course of instruction provided to its own staff or which is provided to the claims adjusters who work for a third party administrator which adjusts claims for the insurance company or self-insured employer meets all the requirements set forth in this Article and that all of the claims adjusters who adjust claims on behalf of the insurance company or self-insured employer have actually attended the training for the required number of hours ... An adjuster who has been certified by an insurer as having completed the training required by this subchapter shall not be required to be re-trained and re-certified in order to adjust claims for a different insurer.”

“Insurers shall submit all documents described in Section 2592.07(b) under penalty of perjury to the commissioner. The commissioner shall publish on the Department of Insurance public web site sufficient information submitted pursuant to this subsection to allow **policyholders to choose an insurer that has an adequately trained staff of claims adjusters.**”

“Beginning January 1, 2005, every insurer shall require a minimum of **30** hours of post-certification training every two years for all experienced claims adjusters and experienced medical only claims adjusters. Such post-certification training may include seminars, workshops, or other informational meetings pertaining to California workers' compensation.”

"Post-certification training" means a course of study provided to trained and/or experienced workers' compensation claims adjusters. Post-certification training also includes seminars, workshops, or other informational meetings pertaining to California workers' compensation.

Section 2592.03 Curriculum

(a) The course of study required by Section 2592.02 for claims adjusters who handle claims that include both medical and indemnity benefits shall include but not be limited to the following topics:

1. Historical overview of the workers' compensation system.
2. Organizational structure of the system.
3. The workers' compensation insurance policy, its forms and endorsements, insurance principles of compensation.
4. Concepts and terminology.
5. Benefit provisions.
6. Compensability.
7. Notice requirements.
8. Temporary disability.
9. Permanent disability, including evaluation and rating.
10. Death benefits.
11. Return to work and vocational rehabilitation.
12. Cumulative trauma.
13. Serious and willful misconduct.
14. WCAB procedures, forms, hearings, and penalties.
15. Investigation.
16. Fraud.
17. Medical terminology.
18. Knowledge and use of utilization guidelines (American College of Occupational and Environmental Medicine or other guidelines approved by the Administrative Director of the Division of Workers' Compensation.)
19. Medical evidence.
20. Fee schedules.
21. Liens.
22. Apportionment.
23. Subrogation.
24. Reserving.
25. Ethical issues.

(b) The course of study required for the training of claims adjusters who adjust only claims where medical benefits and not indemnity benefits are provided or at issue, shall include, at a minimum, topics relevant to workers' compensation medical care and benefits.

(c) The course of study required by Section 2592.02(d) shall include changes in the law that affect workers' compensation claims and other topics relevant to the work of a trained and/or experienced claims adjuster.

Section 2592.04 Training Required for Medical Bill Reviewers

Entities that review medical bills on behalf of an insurer shall require all personnel employed as bill reviewers to be trained. The medical bill review entity shall require at least 40 hours of training for medical bill reviewers, at least **30 hours** of which shall be conducted in a **classroom by an instructor**. No more than **10 hours** of training may be **on-the-job training**.

Beginning January 1, 2005, every entity that reviews medical bills on behalf of an insurer shall require a minimum of **16 hours** every year of post-certification training for all medical bill reviewers, including those who have been trained and certified pursuant to this chapter.

The topics for the training of **medical bill reviewers** shall include but not be limited to the following topics:

- (1) the correct use of billing codes and detection of improper use of billing codes.
- (2) All fee schedules applicable to workers' compensation medical care.
- (3) Workers' compensation benefit provisions.
- (4) Cumulative trauma.
- (5) WCAB procedures, forms, hearings, and penalties.
- (6) Fraud.
- (7) Medical terminology.
- (8) Utilization guidelines (ACOEM or other AD-approved guidelines.)
- (9) Medical evidence.
- (10) Liens.
- (11) Ethical issues.

Storage of Records:

IEA records are maintained in our data base dating back to about 1983 during our conversion to the new data base system. Note the following regarding record storage in the DOI Regulations:

“All insurers shall maintain a record of all courses given to comply with this chapter. The record shall include:

- (1) The name and business address of all students, along with the beginning and ending date of the training of the student and a statement stating whether or not the student has completed the training in all topic areas required to be covered.
- (2) A complete description of the curriculum, including all topics covered with a detailed statement of how much time was spent training students in each topic.
- (c) All records maintained pursuant to this Article shall be made available to the Insurance Commissioner and to the Administrative Director of the Division of Workers' Compensation.”

David Blakesley, CPCU, CIC, ARM
Curriculum Director
Insurance Educational Association (IEA)
www.ieatraining.com
david@ieatraining.com
(415) 445-7187

