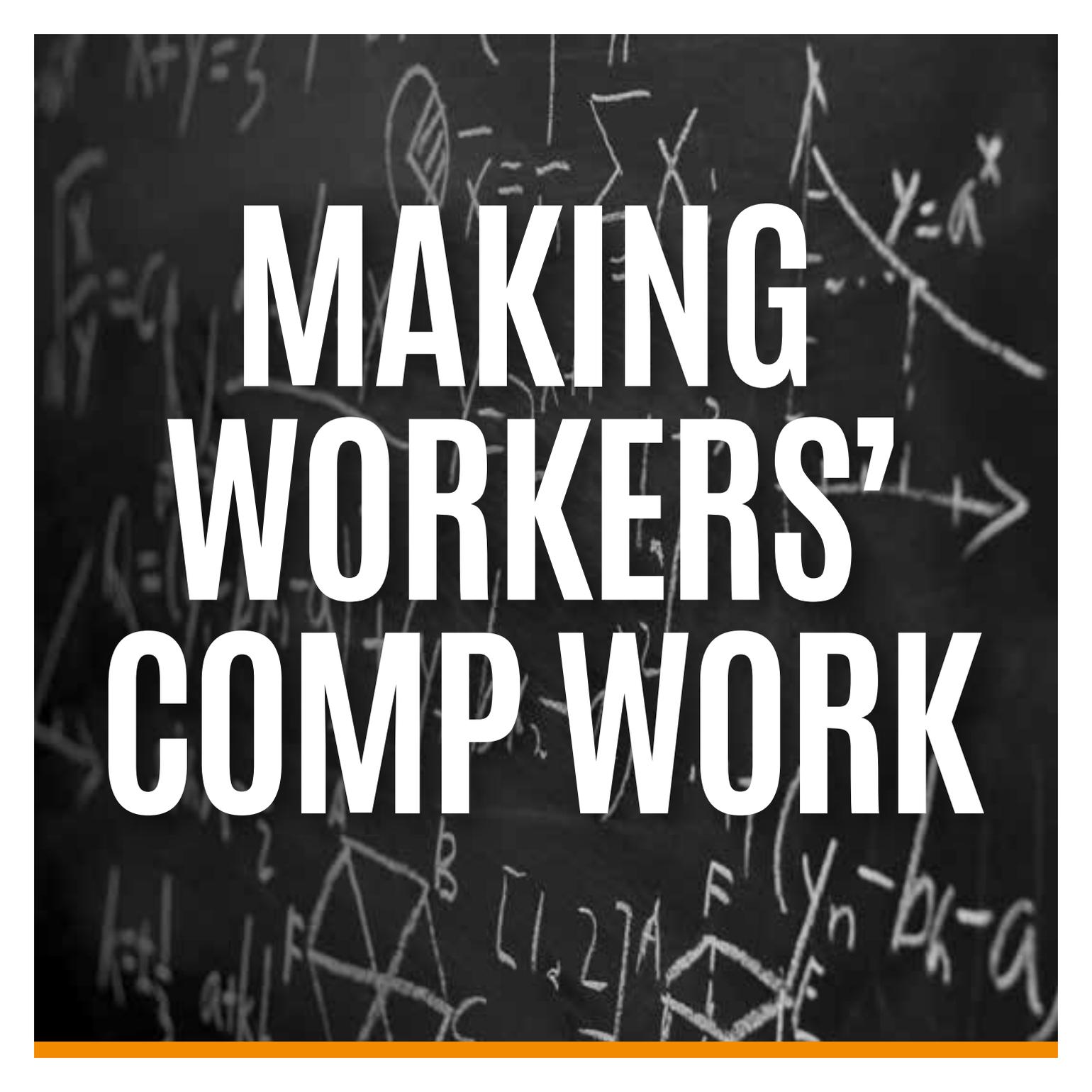


**WORKERS' COMP.
WHAT IF
THE PROBLEM
TURNED OUT TO BE
THE SOLUTION?**



MAKING WORKERS' COMP WORK

1

Right now, it doesn't. Certainly not the way it was supposed to.

For most companies, it's another expense. For workers who file claims, it's often an exercise in frustration. And for the company's HR people, it's yet another headache.

No wonder most CEOs, when they think of workers' comp at all, think of it as a mandated service. One which, frankly, they'd just as soon do without.

But what if somebody found a way to help clients reduce costs, get workers back to work faster, make the whole process smoother and more efficient with better outcomes for everyone? To offer a workers' comp process that delivered on its promise? To actually make workers' comp work?

And what if that somebody were you?

Would that give you a competitive advantage over all the others in the field? Would it transform the perception of your company from vendor to valued partner? Would that strengthen market relationships and help your share grow?

You bet it would. And that's precisely the reason we created BaseLine.™



BaseLine helps you ensure that the care you negotiated for is the care your client's workers get. Which means fewer out-of-network services, more evidence-based medical referrals, and better claims outcomes. So you can deliver the savings you've promised. And a better experience for every worker – including yours.

It does that by automating what should be automated. That is, the never-ending list of complicated, routine tasks that slow claims processing down to a crawl, create an exodus of experienced personnel, make recruiting new talent harder, and – worst of all – cost you and your clients millions.

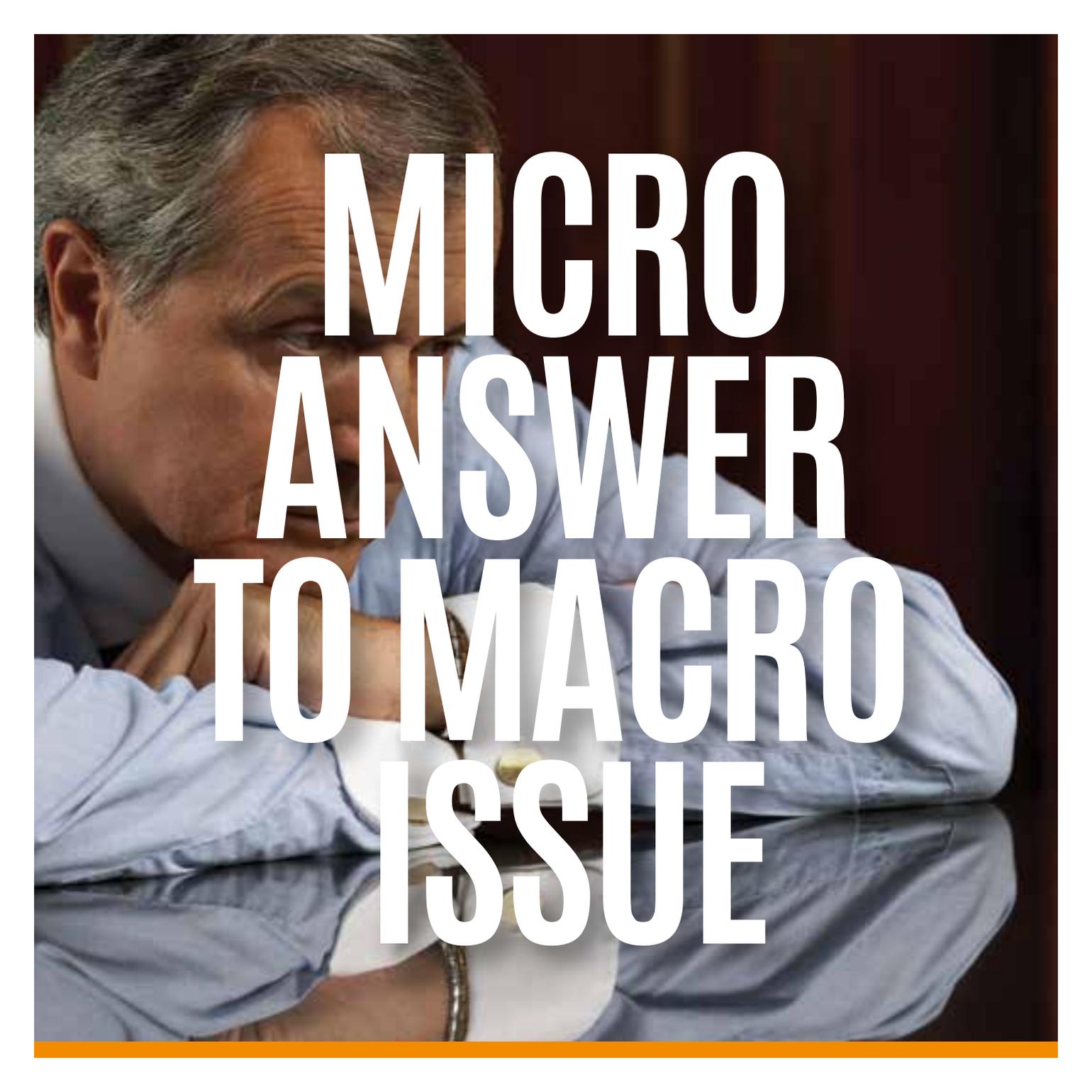
From claims to referrals, BaseLine automates the complicated-but-routine tasks. And it gives your people sophisticated outcomes-based decision support for the complex issues that drive claim costs and actually require their personal touch.

As they produce better outcomes, the quality of their work will increase. So will their job satisfaction. And recruiting top-level talent will become a lot easier.

Faster and more effective processing means injured workers get back at work sooner, productivity is restored, and your company's mission becomes increasingly aligned with that of your client's.



**AUTOMATE
WHAT SHOULD
BE AUTOMATED**

A photograph of a middle-aged man with grey hair, wearing a light blue button-down shirt, leaning forward with his chin resting on his hand. He appears to be in a meeting or office setting. The background is dark and out of focus. Overlaid on the image is large, bold, white text that reads "MICRO ANSWER TO MACRO ISSUE".

MICRO ANSWER TO MACRO ISSUE



BaseLine is innovative business intelligence software that addresses the critical issues facing the workers' compensation industry. It sits atop and integrates the various software systems and technologies you now employ to manage claims. BaseLine is inexpensive, non-disruptive, and quickly deployable.

It was developed to capture data and information as far upstream in the workers' comp workflow as possible and to effectively manage that data through the various stages in the evolution of the claim. Unlike other software, BaseLine functions as a series of microsystems, each capable of interacting with your existing technological and human resources as it manages the workflow from beginning to end.

BaseLine employs a business rules engine to manage transactions proactively according to evidence-based and industry-accepted best practices that can be modified to meet your unique requirements. Further, its analytics engine audits all stakeholder actions to provide management insight and decision assistance in tailoring the best practices for your organization.

Significantly, BaseLine also provides the ability to look within the opaque realms of the workers' compensation system – a system plagued by multiple siloed technologies and non-transparent transactions – to get a clear picture of the issues crippling performance today.

In other words, BaseLine not only enables your people to do what they do best, it makes the system more transparent. And that's a good thing.



Since 2011, the workers' compensation industry has come to rely on BaseLine. A growing list of clients includes leading workers' comp insurers as well as half of the top national third party administrators, the majority of the nation's major utilization review/case management companies, and most national ancillary services providers.

No wonder. BaseLine dramatically increases the effectiveness of critical decisions relating to claim direction and resolution. Below and on the next right-hand page are a few examples of BaseLine's impact.

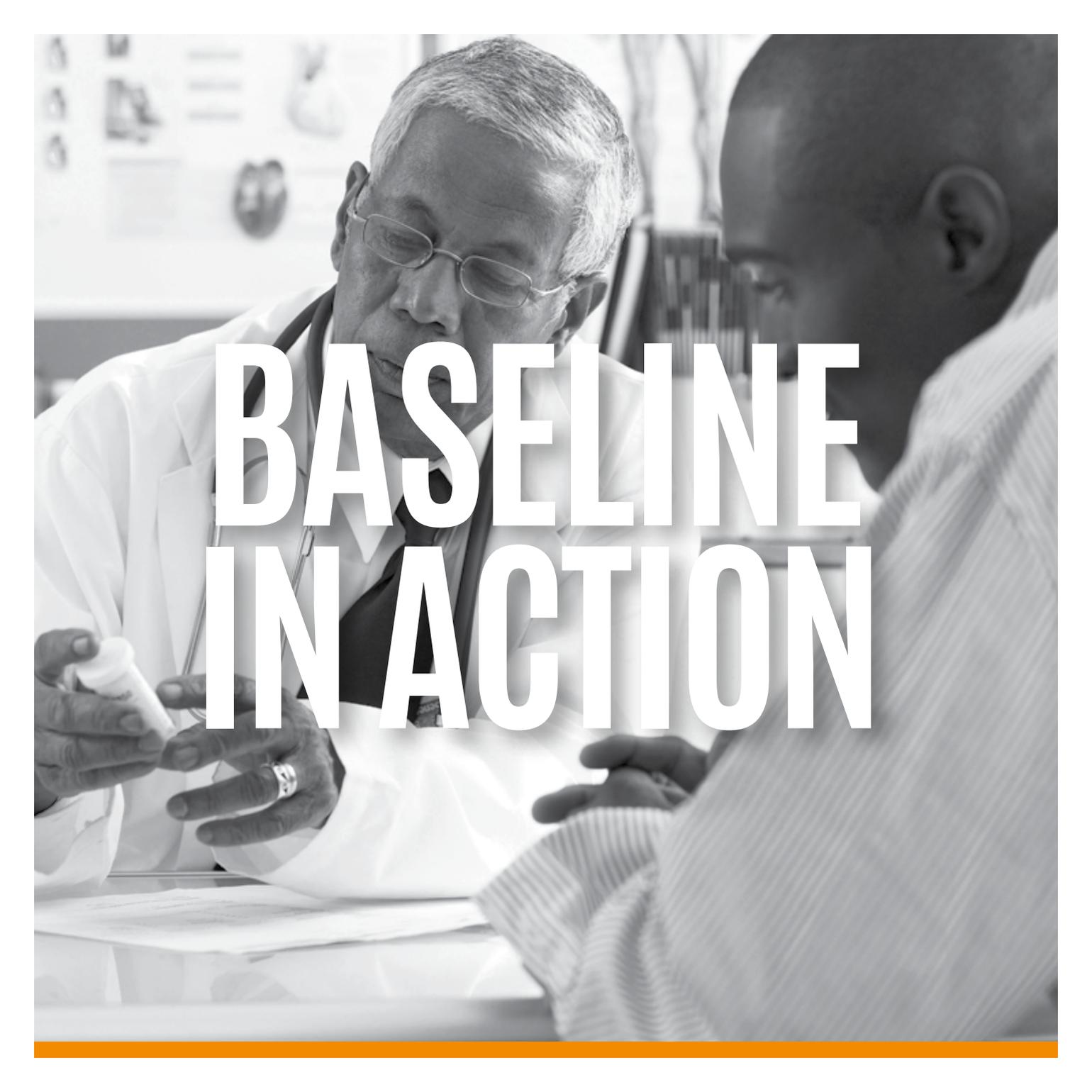
In a study of 6,250 decisions made by seasoned claims managers, their decisions to approve or escalate medical requests were found to be wrong 53% of the time. On average, the adjusters were wrong on 57% of the requests they approved and on 42% of the requests escalated to UR review.¹ BaseLine's automated adjudication changes all that.

The California Workers' Compensation Institute (CWCI) recently conducted a review of 919,370 utilization review organization outcomes and found an average modification/denial rate of 20% on requests submitted² – which means the waste factor is a whopping 80%. When BaseLine technology was applied to the pre-authorization decisions, more than 60% of the submitted requests were modified or denied.³ In other words, BaseLine tripled the payer's ROI.

¹ Effective Health Systems, proprietary study, 2015

² California Workers' Compensation Institute, "Medical Review and Medical Dispute Resolution in California WC" 2015

³ Effective Health Systems, proprietary study, 2015



BASELINE IN ACTION

A group of business professionals in a meeting, smiling and clapping, with the text "ALL ON THE SAME PAGE" overlaid. The image shows a man in a dark suit on the left, a woman in a grey blazer in the center, and other people in the background, all appearing to be in a positive and collaborative environment. The text is in a large, bold, white, sans-serif font, centered over the image. The background is a blurred office setting with a window.

**ALL ON
THE SAME
PAGE**

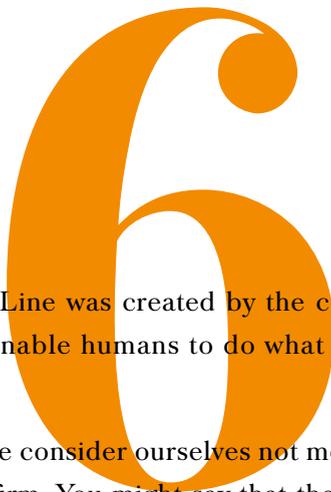
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BaseLine brings virtually everyone involved in a claim together on the same page. That means diagnostic imaging, physical medicine, and others, not just adjusters. The benefit? Fewer out-of-network services. In fact, BaseLine has been shown to improve network penetration to over 95% almost immediately. The impact is felt not only in reduced costs but also in improved patient care and medical outcomes.

Additionally, BaseLine boosts profits by boosting productivity. Organizations with internal nursing departments that conduct UR reviews and use BaseLine's business rules engine have seen the productivity of their nursing staffs almost triple. The average daily number of UR requests processed per nurse typically jumps from 8 – 12 per day to 25 – 30.

Studies have shown that the amount of time required to process routine requests can easily consume up to 60% of a claim manager's day. With BaseLine, all these tasks can be removed from the professional's desktop.

BaseLine brings order to key interactions between various people that a claim touches—from the injured worker to the medical referral to the adjuster. This chain of interactions can be chaotic without a unifying system to determine which ones are best handled by people and which by machine.

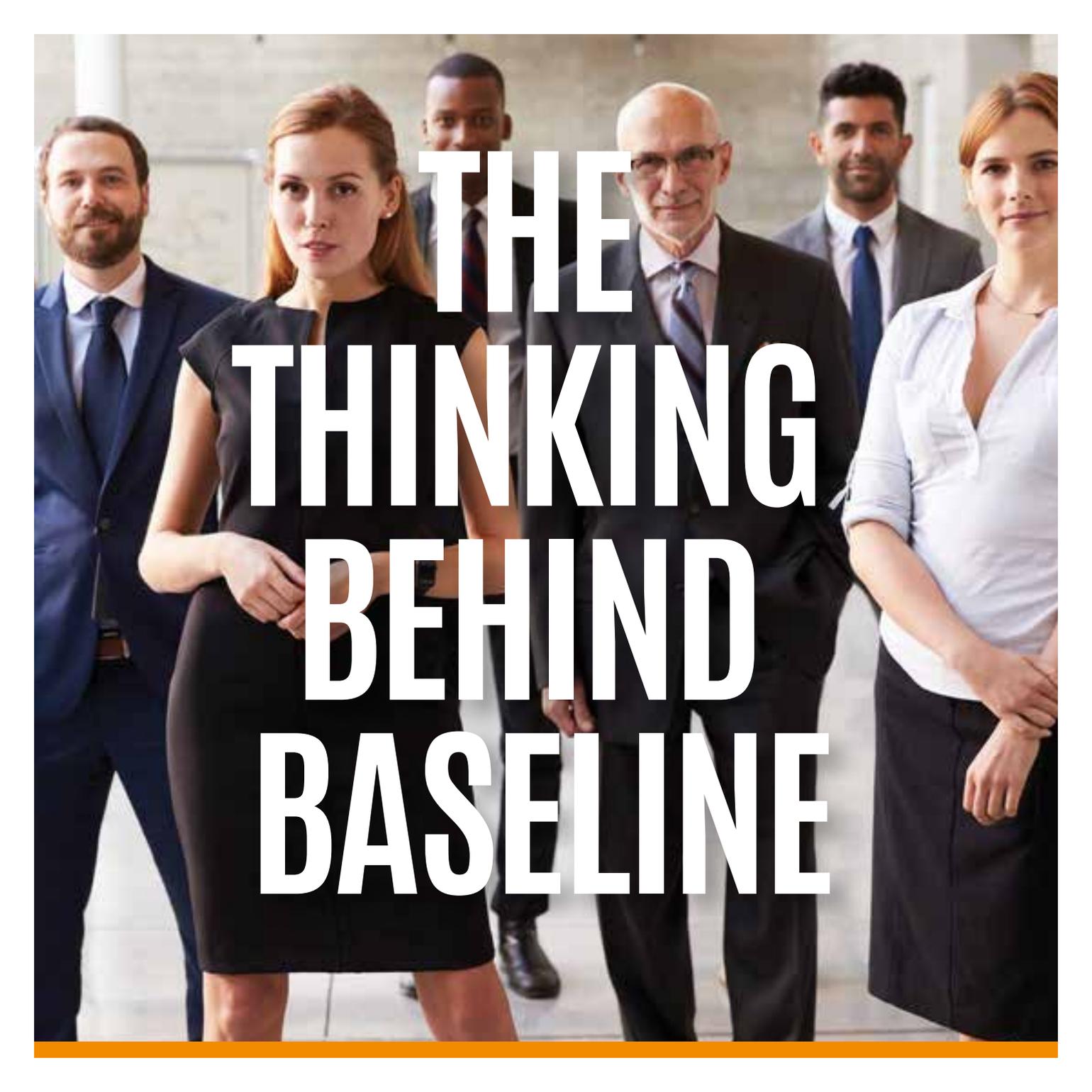


Perhaps not surprisingly, BaseLine was created by the company whose sole focus is on delivering technologies that enable humans to do what they do best. That company is Effective Health Systems.

At Effective Health Systems, we consider ourselves not merely a technology company but a human capital management firm. You might say that the concept of investing in human capital is part of our DNA.

Which means that we believe an investment in our technologies is an investment in your employees. For by empowering them with tools that redefine their roles and enable them to perform at a higher level, you increase their value to your company.

And, consequently, your company's value to its clients.

A diverse group of six business professionals (three men and three women) are standing in a line in an office setting. They are dressed in professional attire, including suits and blouses. The text "THE THINKING BEHIND BASELINE" is overlaid in large, bold, white capital letters across the center of the image. The background is a blurred office environment with a concrete wall and a white pillar.

THE THINKING BEHIND BASELINE

7

Time is not on the side of the workers' compensation industry.

Medical cost, the top expense associated with workers' comp, is steadily growing. The core competencies required to effectively manage claims are increasingly being challenged. The talent pool necessary to effectively manage the complex process of returning injured workers to productive employment is rapidly eroding. At present, there is a deficit of over 85,000 commercial claims adjusters, and workers' comp is not an industry that is attractive to the millennial generation.⁴ Employers, who are paying the bills, are demanding workers' compensation executives meet performance standards they have to meet themselves. For better or worse, change is upon us.

Which is why it is time for the one technology that has demonstrated the ability to reduce costs and to help workers' comp executives make the shift to outcome- and performance-based management. BaseLine.

Moreover, BaseLine helps companies provide a work environment attractive to the millennial generation. With BaseLine, claims professionals find autonomy, mastery, and purpose in their work.

All of which suggests that an investment in BaseLine is one that holds the promise of elevating your role from that of vendor to trusted business partner. The result of transforming a problem into a much-needed solution.

⁴Rising Medical Solutions Inc, Workers Compensation Benchmarking Study, 2015
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A close-up photograph of two business people in dark suits shaking hands. Below their hands, several documents are spread out on a table, featuring various charts and graphs, including a prominent pie chart with multiple colored segments. The background is softly blurred, showing more of the office environment.

**FROM
VENDOR
TO TRUSTED
PARTNER**

DO
WHAT
YOU DO
BEST



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