Stewardship is defined as the careful and responsible administration and management of something entrusted to one’s care.

In the workers’ compensation context a successful stewardship program must include a comprehensive and on point stewardship strategic report and meeting as well as a collaboration of a community of stakeholders, including the client, insurer, third party administrator (TPA), consultants, broker, attorneys, and other key partners that may influence the claim management process. The stewardship report and meeting serve as the foundation for evaluating existing programs and identifying positive and negative outcomes of the client’s workers’ compensation claims management processes and procedures. Without a robust stewardship initiative, the client’s program cannot be continuously and consistently guided toward optimal results.

The stewardship process provides a structure for these stakeholders to apply an analytical approach to workers’ compensation claims management that will culminate in improved outcomes. The stewardship report and meeting provide to the stakeholders a basis for implementing future analysis, goal setting, and program improvements.

Model stewardship programs give the workers’ compensation stakeholders the ability to establish baselines for comparative analysis. This analysis will assist these stakeholders in identifying strengths and weaknesses in part and whole which will allow for implementation of policies and procedures to leverage their strengths and minimize or eradicate their weaknesses. Stewardship offers the stakeholders the ability to define and address organizational goals, benchmarks, best practices, and deliverables.

**Step One: Commit to the Truth**

Stewardship, by design, involves identification of the positive and negative attributes of the system being examined. Step one is committing to reporting the truth.

The purpose of a stewardship report and meeting is not to inform the stakeholders of what is working well while ignoring the areas that need improvement. A useful stewardship report and meeting will inform the stakeholders what they are doing well, where they could be reaping the benefits of improvement, and quite simply highlight what is going wrong.

A disingenuous or overly optimistic stewardship report is not a useful tool in moving the stakeholder’s position forward.

**Step Two: Identify Content, Format, Deadlines and Attendees**

Step two is the time to have frank conversations concerning expectations of the group.

To create a useful stewardship report, one that goes beyond simple benchmarks, the stakeholders must identify the data that is most useful to their inquiry, and thus, should be included within the report.

Preliminary data sets, perhaps provided by your insurance carrier or TPA, is an appropriate method to get the group focused on what information is readily available and needed. That
data is a useful tool in the stakeholders’ toolbox because it gives the group an easy jumping off point but can be customized as the information needs of the community are recognized.

However, preliminary data should not be the exclusive source of data that the stakeholders rely upon. To make data more meaningful, consider utilizing client specific data such as payroll and revenue. Client specific data can often prevent skewed trending reports that do not reflect what is taking place in the stakeholders’ organization.

The format of the Stewardship Report should be determined by the stakeholders at this stage. The Stewardship report format should be tailored based upon the attendees of the meeting. If members of management are invited to the meeting, consider a high-level executive summary with charts and graphs that will speak succinctly to your targeted audience. The focus should not be on the length of the report but rather the quality of the information you hope to present. Failing to plan the content, format, and tailor-it to the actual attendees will enhance the stewardship process.

It is imperative that the relevant stakeholders come together to define what information is going to be included in the report, the format of the report, and the list of attendees and locale of the meeting. Setting deadlines early on allows the collaborative partners to monitor their own progress and plan their work flow.

Step Three: Identify the Necessary Data and Ask for It

Step three is crucial: identify who has the necessary data and ask for it.

Once the content, format, and attendee list are established, the stakeholders must work together to provide the required data sets to satisfy the content requirements. Collecting the requisite data can often times extend beyond the data acquired by the carrier/TPA and will encompass other members of the community. Safety consultants, insurance brokers/agents, medical advisers, data analyst, and legal counsel may all be vital providers of critically important data.

Keep in mind, you can become paralyzed by data. This is an instance when more is not necessarily better! Aim for the right data to ensure meaning and avoid data overload paralysis. Be sure you understand what the data is trying to tell you. Understand the metric time-frames utilized (i.e., point-in-time, rolling, and year to date) as this can dramatically alter the results if not interpreted correctly. Anticipate the questions that may be raised on the data utilized to maintain credibility.

Step Four: Recommit to the Truth and Create Your Draft Report

Step four is the recommit to the truth of your report.

The aim of stewardship is to identify program strengths and areas for continuous improvement. The leakage identified during the process will often be more insightful than the savings presented. At this juncture, the data has been collected, the trends have been identified, and it is time to draft an accurate, comprehensive stewardship report. Be mindful that factors of influence such as jurisdictional and economic changes, merger and acquisition activities, etc. can dramatically change the appearance of the data year over year. If dramatic changes appear from one year to the next, take pause. Significant variances in the findings should dictate a deeper dive into the data before drawing broad-based conclusions.
For cohesiveness of the finished product, identify the party that will have primary responsibility for drafting the report. Often times, this will be your insurance carrier or TPA. While many stakeholders may be involved in the culmination of the data, too many viewpoints during the writing of the report could lead to a less focused and inconsistent report.

Before finalizing the report, engage the key stakeholders in peer-review to identify and delineate trends. Any unexpected or unexplained trends should be vetted prior presenting the report. Surprises should not be revealed as late as the stewardship meeting.

**Step Five: Present the Findings**

Step five determines who is best equipped to present the stewardship report.

Often this will include representatives from the insurance carrier/TPA with other possible key stakeholders. Circulate your stewardship report and hold a meeting to review the findings. Evaluate the results of the report and discuss the rationale behind the emerging trends. Pro-actively identify services, initiatives, and program enhancements that may impact the trends recognized in the data sets. The stewardship meeting should be collaborative in nature in order for the participants to reap the maximum benefit from the stewardship process.

The workers’ compensation industry is not static. Rather, it is a dynamic industry and without collaborative efforts from the stakeholders, claims, and costs can spin out of control. The stewardship report and meeting are the beginning of an ongoing conversation, and topics addressed in the meeting will be and should be revisited often.

**Step Six: Set Goals**

Step six is to be realistic in the goals set.

After a thorough review of the stewardship report, set program goals and metrics to measure success of strategies implemented. Create a detailed action plan for follow-up based on the stakeholders involved and set target dates for completion. Don’t try to redesign your entire program at one time. Pick those items which will result in the greatest impact on your program. Reassess your information needs to ensure all stakeholders are collecting relevant data for any required follow-up.

**Step Seven: Begin Again**

Step seven begins the change process.

After presenting your stewardship report and conducting your stewardship meeting, do not rest. Your work has just begun. Instead, implement changes, move toward goal, and think ahead to your next stewardship endeavors.

**Conclusion**

Stewardship is a collaborative endeavor from start to finish. A comprehensive and complete Stewardship Report and the Stewardship Meeting will build confidence and keep your client on the path toward success in the management of its Workers’ Compensation Program.

**Timeline**
100 days before due date
- Determine final report delivery date
- Review prior reports (or TPA/insurer canned report if this is your first time) for baseline
- Formulate preliminary concept
- Confirm process and establish expectations

90 days out
- Engage resources
- Conduct preliminary data review
- Discuss initial observations
- Reach preliminary conclusions and identify additional data needs
- Pre-draft report

60 days out
- Peer-review report
- Make needed revisions

30 days out
- Forward draft report to all partners

15 days out
- Finalize report for deliver (incorporating any requested changes)