

Is a Return-to-work Program Cost Effective?

A Cost-Containment Strategy

Presented by SCF Arizona



President's Message

“Companies with effective return-to-work programs send a clear message that they value their employees.”

*Don Smith
President & CEO
SCF Arizona*



Objectives

- Understand the elements and benefits of this risk-control process
- Discuss methods and systems used to apply the concepts learned
- Provide general program guidelines and resources



General Misconceptions

Employers

- Didn't happen at work
- It is out of my hands
- We don't have any light duty work
- We need our employees to be 100%



General Misconceptions

Employees

- This isn't my fault
- I do as I'm told
- They don't care about me
- My employer doesn't have light-duty work
- I'd like to go back to work, **but**.....



What is RTW/SAW

- A change in the way an employer thinks about injured employees
- A change in the way injured workers perceive their employers
- A proactive process that focuses on early, systematic intervention



Return to Work/Stay at Work

Purpose

- Assist in physical rehabilitation
- Return the injured employee to work as quickly as possible
- Reduce costs of injury and illness



Workers' Compensation Premiums

- Is one of the highest costs of doing business
- Workers' compensation premiums include costs for:
 - Medical costs
 - Wages
 - Exposures
 - Fraud



Impact on Premiums

Cost reductions resulting from RTW/SAW programs can have a direct impact on workers' compensation premiums

- Rating organization discounts 70% of losses without compensation benefits (medical only)
- Losses with compensation benefits are valued at 100%
- Medical costs are lowered



Why Implement a RTW/SAW Policy

- 35% reduction in workers' compensation claims
- 17% reduction in lost workdays
- 45% decrease in costs of workers' compensation premiums



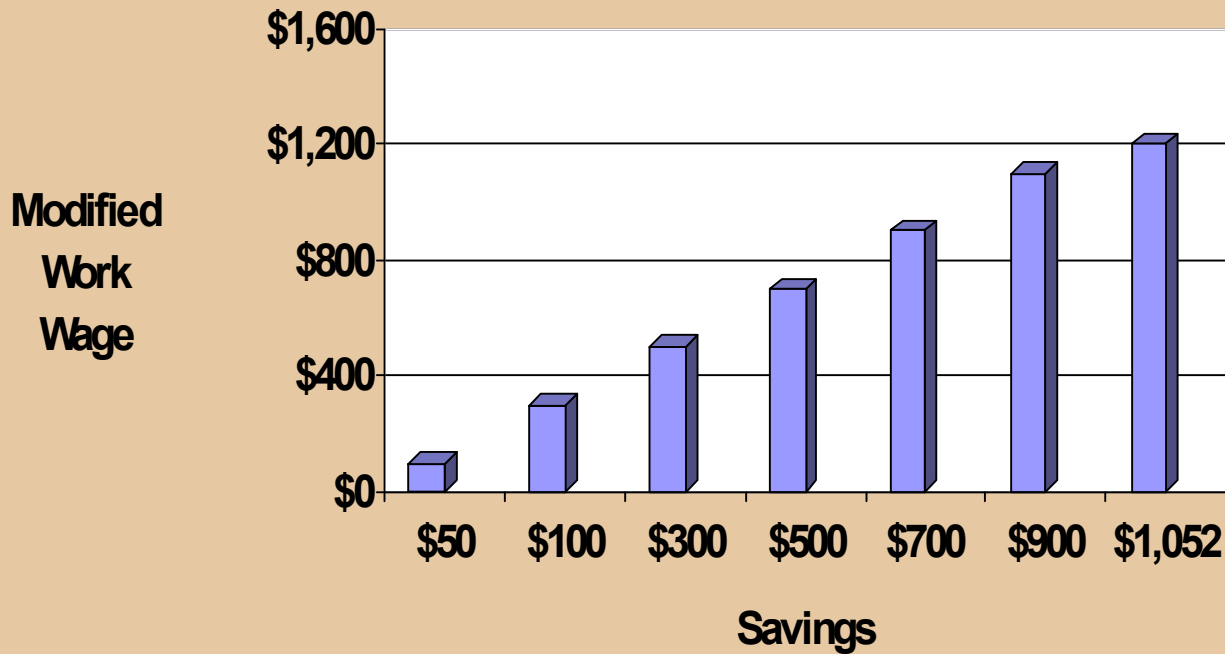
Benefits to Your Business

Integrating RTW/SAW into your work culture

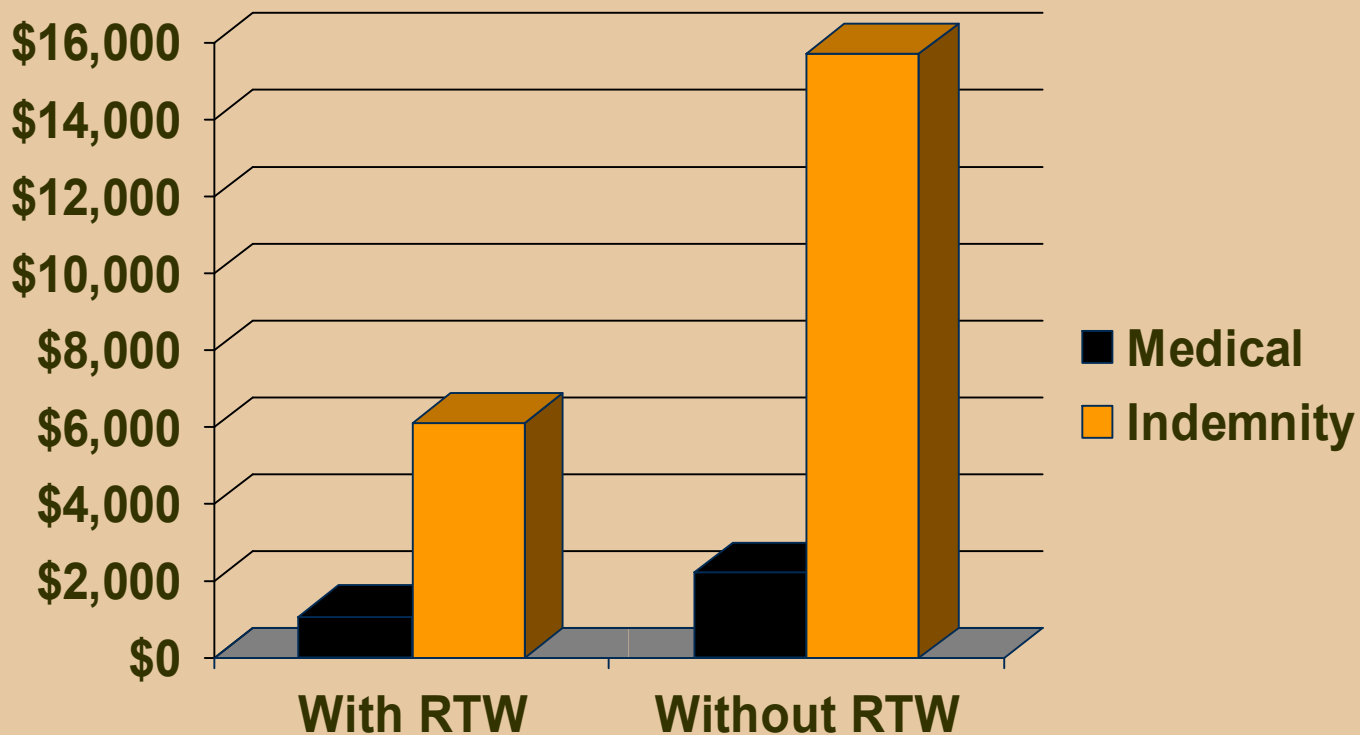
- Improves productivity
- Reduces litigation and potential fraud
- Minimizes direct and indirect costs
- Requires less training
- Results in less turnover



Benefits to Your Business



Benefits to Your Business



Benefits to the Injured Worker

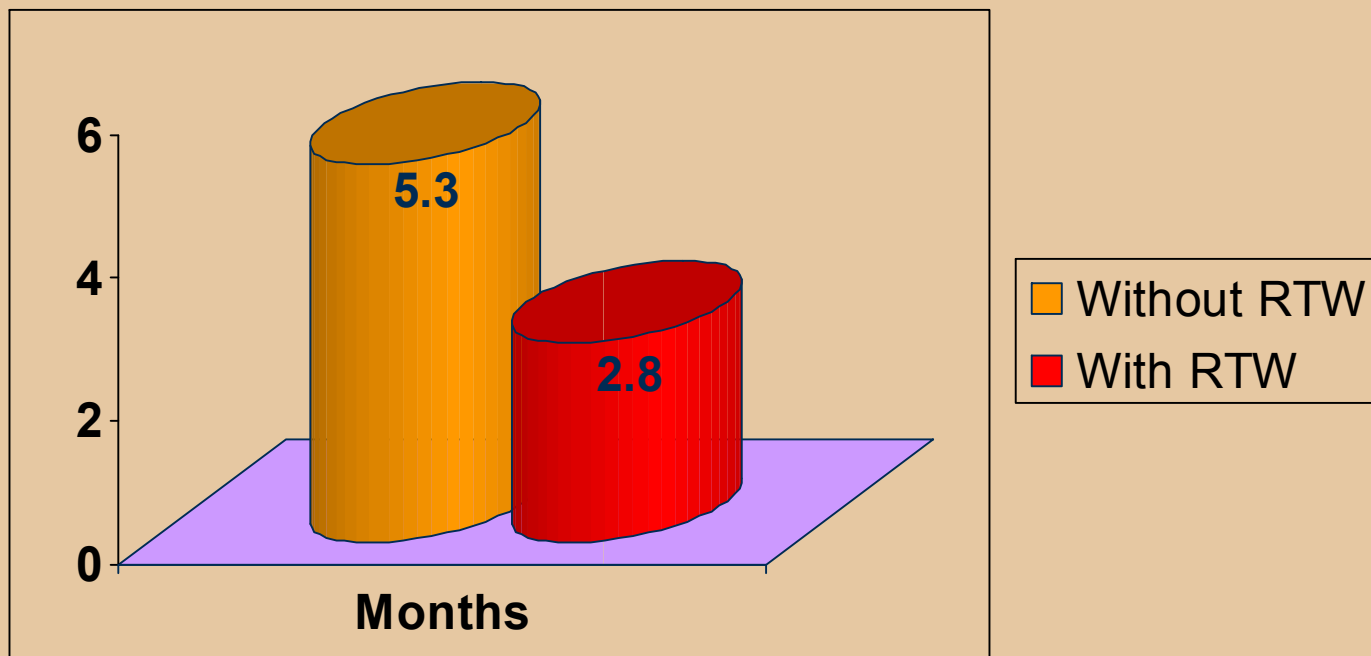
Integrating RTW/SAW into your work culture

- Places injury in back of mind
- Speeds recovery
- Provides income relief
- Improves morale
- Allows injured worker to associate with co-workers



Injured Workers Return 50% Sooner

Average Length of Absence



Time Is the Enemy



- Increases medical and compensation costs
- Decreases potential for returning to gainful employment
- 6 months off work:
 - less than 50% chance of ever returning to work



Prior to Injury

- Educate supervisors and employees
- Create a list of transitional work assignments
- Write job descriptions for transitional assignments
- Establish a relationship with a designated medical facility



Process Flow

- Event (mishap)
- Emergency response if necessary
- Employee reports the accident
 - Accident is investigated
 - Employers Report of Industrial Injury (Form 101) is completed
- Employee sent for medical treatment



Process Flow (Cont.)

- Post-accident communication
 - SCF
 - Treating physician
 - Injured employee
- Review status with injured employee
- Assign to return-to-work position
- Evaluate



Program Elements

- Policy statement
- Roles and responsibilities
- Accommodations and task design
- Job duty assessment and task inventory
- Physical demands worksheet
- Job and RTW/SAW work analysis
- Notification process to employee of RTW/SAW work opportunity



Getting Started

Make it a Policy:

- Outline company's commitment to Return to Work/Stay at Work
- Initial referral for medical treatment
- Assigned roles
- Clearly defined and communicated
- Written and **Posted**



Job Description

Create a detailed list of all positions within the organization and include:

- Essential functions of the position
- Required knowledge, skills and abilities
- Physical demands for the job
- Description of the work environment



RTW/SAW Policy Statement

- A declaration of the company's commitment to provide a safe and healthy workplace.
- If injured, RTW/SAW will be used to assist the employee return to work as soon as medically feasible.
- Goal is to return injured worker to original job.



Initial Medical Treatment

- Use a medical provider listed in SCF's Preferred Connection Network
 - Cost savings
 - Control medical treatment
 - List of PCN providers found at www.scfaz.com
- Company has legal right to designate a provider for the initial medical evaluation



Medical Care

- Healthcare costs are rising dramatically
- The complex roots of healthcare costs
- The cure: Better management of workers' compensation claims



Return to Work – A Team Effort

- Injured worker
- Supervisor
- Employer
- Physician(s)
- Workers' compensation team
 - Claims Adjuster
 - Loss Control Consultant
 - Rehab Counselor



Assigned Roles

Employees' Responsibilities:

- Report injury in a timely manner
- Inform the treating medical provider that a RTW/SAW opportunity is available
- Inform employer of work restrictions
- Keep employer regularly informed of progress and any changes in work status



Assigned Roles (cont.)

Employees' Responsibilities:

- Follow doctor's orders
 - Do not exceed restrictions
- When released to regular work, report on the next available shift



Assigned Roles

Supervisor's Responsibilities:

- Provide program training, direction and support
- Accompany injured worker to medical clinic
- Manage communication channels
- Participate in the accident investigation process
- Assist in measuring RTW/SAW program performance



Assigned Roles

Employer's Responsibilities:

- Allocate appropriate resources
- Assign RTW/SAW coordinator
- Develop and maintain a record-keeping system for all work-related events and injuries
- Implement corrective measures to reduce the potential for a repeat event



Assigned Roles

Healthcare Provider's Responsibilities:

- Offer immediate and appropriate medical care to injured worker
- Evaluate the injured worker's ability to return to work
- Become familiar with the company's operations
- Communicate to the injured worker any limitations and/or restrictions



Assigned Roles

SCF Arizona's Responsibilities:

Reinforce the process

SCF Claims Adjusters:

- Implement early intervention process
- Practice effective claims management to ensure appropriate payments and benefits administration



Assigned Roles

SCF Loss Control and Rehabilitation

Case Managers:

- Provide consultative services to support of continuous program improvement
- Provide risk analysis data for the measurement of program performance and effectiveness
- Conduct and/or provide program training, materials and resources



RTW/SAW Assignment Examples

- Part-time work schedules
- Job sharing
- Tasks in other departments
- Alternative job task/duties



Principles of Task Redesign

- Conduct on a case-by-case basis
- Consider the injured worker's abilities/limitations
- Identify problematic situations
- Practice modeling and testing



Accommodations/Redesign

An accommodation is any change in the work environment or in the manner the work is performed that allows an individual with a disability to perform the essential functions of his or her job.



Accommodations/Redesign

- Benefits of having accommodations
 - Reduces risk
 - Bridges physical abilities to work tasks
- Temporary or permanent
- Reasonable



Types of Accommodations

- Flexible hours
- Workstation adjustments or relocations
- Architectural barriers
- Technology
- Miscellaneous equipment



Cost of Accommodations

- No cost - 46%
- One-time cost - 45%
- Ongoing annual cost to company - 7 %
- One-time and annual cost - 2%

*Source: Workplace Accommodations data: Low Cost, High Impact.
www.jan.wvu.edu*



Workers' Compensation & FMLA

The federal Family Medical Leave Act was enacted in 1993 and revised in 2009.

- All employers with 50 or more employees within a 75-mile radius are covered.
- Covered employers must allow eligible employees to take FMLA leave for serious health conditions.
- Covered employers must allow eligible employees to take FMLA leave to take care of family members with serious health conditions.



Workers' Compensation & FMLA (cont.)

- Generally, most workplace injuries with loss time are considered “serious health condition” under FMLA.
- For answers on how FMLA may interact with your specific workers' compensation claims, consult the FMLA Act or legal counsel.



Communicating with the Doctor

- Inform treating physician of return-to-work process
- Ask the physician if the injured employee is able to:
 - Return to original tasks without changes?
 - Return to original tasks with accommodations?
 - Perform alternative transitional work tasks?



Employee Notification

Upon the medical provider's approval of the RTW/SAW assignment, the employee must be notified of the modified work.

- Send by certified mail with a return-receipt requested
- Forward a copy to the SCF Claims Adjuster



Employee Notification

- Describe the type of work available
- State the wage that will be paid
- Identify the time and date the employee is to report to work
- Indicate the number of hours per day the employee will work



If Injured Worker Refuses

- Communicate in writing to the SCF Claims Adjuster
- State RTW/SAW offer, potential earnings, etc.
- SCF can apply a credit for potential earnings against compensation benefits, which can reduce the company's total in compensation losses



Evaluating the Program

- Monitor employee's progress
- Have physician update return-to-work recommendations, listing restrictions and capabilities
- Modify the work assignment as necessary



Summary

- Return to Work/Stay at Work is a program that involves the employer, employee, medical provider, and SCF in the recovery and rehabilitation of the injured worker.
- Communicating among all parties is important for the program to succeed.
- The program can help speed recovery, reduce claims cost and improves employee morale.
- It is a win – win situation!



Additional Resources

- Return to Work/Stay at Work Manual
- SCF Arizona - www.scfaz.com
- Job Accommodation Network (JAN)
- Americans with Disabilities Act of 1990 (ADA)



Frequently Asked Questions

1. How will providing a transitional return-to-work assignment affect my rates?
2. What if I bring someone back to work and he/she is re-injured or has a new injury?
3. What if an employee returns to a transitional work assignment and earns less than he or she was earning prior to the work-related injury?



Frequently Asked Questions

4. What if the employee refuses the transitional job offer?
5. Why should I bring an injured worker back to a transitional work assignment if SCF Arizona will take a wage credit?
6. What if the injured employee returns to a transitional work assignment and has an increase in pain complaints?



Frequently Asked Questions

7. What if the injury causes permanent impairment and the injured worker cannot return to his or her regular work?
8. Does the transitional work assignment have to be an eight-hour per day schedule or could it be less?
9. How will I know what type of work is appropriate for transitional work?



Frequently Asked Questions

10. Does the transitional work assignment have to be an existing permanent position or can I create a position?
11. What do I need when I put a transitional work assignment offer in writing?



Any Other Questions?

Thank you

Visit www.scfaz.com for more information

