



SDML Workers' Compensation Fund

Creating A RETURN TO WORK PROGRAM



CREATING A RETURN TO WORK PROGRAM

INTRODUCTION:

An early Return to Work program has proven to be highly effective in containing and reducing the cost of workers' compensation. It has been reported by the Small Business Bureau, "companies with a Return to Work program have seen savings of between 20 and 40% on their workers compensation costs." The cost of workers' compensation is tied directly to claims by means of the experience modifier. The lower the experience modifier the less premium that is paid; the higher the experience modifier the higher the premium.

We are responding to the Members' need for guidelines to establish such a program. The following information details the basics of a "Return to Work Program". It indicates the advantages of such a program and provides guidelines to help the employer develop a plan. These guidelines allow for flexibility in the individual workplace setting.

A Return to Work program is designed to facilitate the earliest possible return of injured workers to the workplace, to perform meaningful, productive work within their physical capabilities. It may be referred to as :Modified Duty, Light Duty, Limited Duty, Alternate Duty, Restricted Duty, or Transitional Work. These terms are used synonymously and refer to duty that is intended to be time-limited and temporary.

In this document, "modified duty" refers to changing parts of the employee's normal duties to accommodate temporary physical limitations. "Alternate Duty" refers to a position that would ordinarily accommodate most common temporary physical limitations.

This guide is designed to provide general information about the creation of a return-to-work program. This guide should not be used as a substitute for professional services.

Why is a Return to Work program an important factor in successfully dealing with the workers' compensation system?

1. Benefits to the Employer

- Reduces the likelihood of malingering and/or fraudulent claims
- Saves indemnity (lost time) expenses in temporary disability payments
- Receives some production for wages paid (When a worker is out drawing lost time benefits there is **no** production derived.)
- Saves the cost of hiring and training replacement employees
- Assists an employer/employee contact, giving the employer more control and direction, leading to a more positive claim/injury resolution.
- May speed recovery, saving medical expenses from a prolonged disability.

2. Benefits to the Employee

- Increases the employee's self-esteem, minimizing feelings of guilt for having been injured.
- Promotes better morale among all workers
- Contributes to faster recovery by keeping the injured worker mentally and physically conditioned to the regular work schedule.
- Maintains social contact with fellow employees, which enhances recovery and encourages a faster return to the job.
- Reduces the negative financial impact many injured workers experience due to lost time.

3. Win-Win for Everyone

- ❖ The employer wins by minimizing workers' compensation costs while retaining the use of valuable trained employees.
- ❖ The employee wins by returning to work and avoiding the negative effects of a long-term absence.

4. Lost Time Increases Costs

Sample Cost Analysis

In the following example, an employee has sustained a soft-tissue injury, such as a back strain or a sprained joint. The employee is released by the doctor for modified duty, **but the employer fails to return the employee to work.** The employee remains off work for six months.

Employee's average weekly wage of \$400

Weekly worker's comp payments =\$ 6,933
(2/3 of \$400 = \$266.67 x 26 weeks)

Estimated medical costs during the six months =\$ 2,000

Temporary Replacement Worker needed:

Salary of \$400/week x 26 weeks =.....\$ 10,400

Estimated training cost for replacement =.....\$ 500

Total cost to employer and work comp provider=.....\$ 19,833

When do you set up a Return to Work Program???

A Return to Work Program should be set up **before it is needed.**

- ✓ The Return to Work policy and procedures should be written and formalized.
- ✓ Training of employees should be completed.

Who should be involved in creating the Return to Work program?

Top management, (Mayors, Councilmembers, Commissioners) must create and support the need for such a program through their total commitment. Supervisors, middle managers, foremen, and front line employees must all be involved in the decision-making process for the program to function successfully.

How to establish a Return to Work Program

Before creating a Return to Work Program, assess the historical loss information

Review a two to three year history of your entity's on-the-job injuries and illnesses to identify types and frequency of injuries that have occurred. The SDML WC Fund will provide this information for you if it is not currently available.

Determine if particular jobs or job functions contribute to most of your work-related injuries.

Advantages:

- This will identify the problem areas that need to be examined for permanent modifications or added safety features
- Determines a baseline to begin formulating the type of alternate duty needed

1. Evaluate the jobs. Create a job description for each job title, including tasks and physical requirements.

(Safety Benefits, Inc. has a CD available with samples of numerous Job Descriptions already created).

- To ensure accuracy, a supervisor, in conjunction with the employees who perform the job, conducts the actual job analysis.
- Determine if any position requires a pre-employment, post-offer physical.

- Short videos of jobs may be made using a standard camcorder. The videos may be offered to the medical providers for review if there are any questions regarding any particular job function.

2. Establish a relationship with the Medical Provider treating the injured employee.

- An employer representative, normally the case manager, should meet with the medical provider to discuss the entity's Return to Work program and inform them the availability of modified and alternate duty.
- Give the provider complete job descriptions identifying essential job functions and physical requirements of positions.
- Verify that the medical provider is in agreement with the entity's philosophy regarding Return to Work policies.

3. Request the Medical Provider to communicate specific physical limitations.

- Request a *physician's evaluation form* for each visit to the medical provider. *(Each physician normally has their own form – if not the SDML WC Fund can provide a sample form).*
- Use the completed evaluation to determine if modified work or alternate duty positions are realistic and appropriate for the injured workers.
- As the injured worker's treatment progresses, the physical limitations will be lifted in a realistic time frame.
- The *physician's evaluation form* should be reviewed with the medical provider, the case manager, and the injured employee to discuss the Return to Work program.
- Make it clear to the medical provider that an updated assessment is needed after each visit.

4. Determine how long YOU as an employer is willing to offer modified light duty.

5. Communication

An essential requirement for a successful Return to Work Program is good communication between the employer, the employee, and the medical care provider.

- Designate a contact person to serve as a liaison between the entity and the SDML WC Fund. The SDML WC Fund will inform the medical provider the availability of the Return to Work program. And pass along any questions the medical provider may have regarding your program.
- Make copies of the job description available to any medical provider treating an injured workers, so that the medical provider may more easily and accurately determine the functions the employee is physically unable to perform.

6. Implement the Return to Work Program.

- Review the physician's evaluation to determine the injured employee's restrictions.
- Modify the employee's usual job to accommodate physical limitations identified by the medical provider, or
- If the employee's pre-injury job cannot be modified to meet his/her physical limitations, determine if there is alternate work this employee could perform temporarily that would meet the company's productivity needs and the employee's physical limitations.

Formulating Alternate Duty

Philosophy

1. From the employer's standpoint

- Alternate duty is meaningful work. Having an injured worker come in to watch television to prevent lost time is not meaningful work.
- Meaningful work provides the employer with productivity. It may not be at the performance level of a non-injured employee, but it is the beginning of a return to full productivity.

- Meaningful work increases the likelihood of compliance with the program by other employees and keeps their anger and frustration to a minimum.
- Middle managers are the essential players in making alternate duty programs work. If middle managers and supervisors don't "buy into the program", employees will pick up their negative attitudes and this will undermine the success of the program.

2. From the employee's standpoint

- Meaningful work provides injured workers with a sense of accomplishment, maintains their self-esteem and decreases any feelings of guilt.

Where and how to start

1. Schedule a meeting

Set a specific date and time to meet with supervisors, foremen, and employee representatives. A small entity may want to include all employees. Allocate 1 ½ hours for the first session.

2. Assign a recorder

Designate one individual to record all suggestions made during the session.

3. Announce the reason for the meeting

Clarify with everyone that the objective is to identify alternate duty jobs which will be used to safely return injured workers to the work place in a timely fashion.

4. Strive for full participation

Give all participants the opportunity to suggest duties or functions that might be included in alternate duty assignments.

- Encourage everyone to come up with as many suggestions as possible, even if initially they may think them unrealistic. The idea is to identify as many options as possible with which to work.

5. List suggestions for all to see

Have the designated recorder list all the suggestions (on a black board, flip chart, or large sheet of paper tacked to the wall) so that everyone can see the results. Be creative and innovative.

- This can be surprisingly stimulating.

- Employers who have used this process have been amazed that, with everyone's input, realistic options are identified. The results can be extremely satisfying for everyone involved in the process.

6. Identify potential Alternate Duty assignments by looking at each individual suggestion

- Group discussions determine what would work, why and how.
- A second meeting may be needed to complete this process.
- When the group determines work activities suitable for modified duty, the descriptions are written and listed as "Alternate Duty Positions".
- Copies are made and shared with employees and medical providers.
- Copies should be kept with the designated contact person in the company, who will give them to the appropriate SDML WC Fund representatives, medical providers, employees, and supervisors, as the need arises.
- Employees and medical providers will all be aware of and be ready to implement them when the need arises.
- Various alternate duty jobs can be grouped together to accommodate one employee.
- Consider alternative departments for alternative duties
- If full time alternate duties is not available, consider part time

7. Alternate Duty Positions may be restructured and expanded.

- Duties may be modified for individual employees to accommodate specific physical limitations. For example, a generic Alternate Duty Position, which may be appropriate for someone with an arm, hand or upper body injury, may not be
- appropriate for someone with a lower back injury. An employee with a lower back injury should not be sitting all day or doing frequent bending or stooping, which would increase strain on the lower back.

Workers' Comp and FMLA and ADA

Consider the interaction of the workers' compensation laws with the provisions of the Family Medical Leave Act (FMLA) and the American with Disabilities Act (ADA).

Employers who are not familiar with the provisions of FMLA and of the ADA should consult with their Human Resource professional or attorney in order to obtain advice regarding how to navigate through the interactions of these laws.

Train Your Employees

Provide training for employees before implementing a Return to Work Program. *Include:*

- ✓ Benefits if implementing this program for both the employee and employer.
- ✓ The date it will become effective
- ✓ Copies of the entity's Return to Work policy
- ✓ The designated contact person in the entity for the employee, employer, and the SDML WC Fund representative.
- ✓ Job analyses for existing jobs and alternate duty jobs that have been identified
- ✓ A sample copy of a physician's evaluation form that may be used
- ✓ Encourage employee cooperation in identifying and reporting other activities that may be incorporated into alternate duty positions
- ✓ Reinforce to employees the company's belief in the program and desire to make it work.

At the time of hire, all new employees should be given copies of your Return to Work policies and procedures, and descriptions of alternate duty positions.

Conclusion

We realize that these guidelines will not solve all employers' problems in returning injured workers to the work place. However, we believe they are a good tool to help employers formulate a successful Return to Work program.

Should you have any further questions, concerns, or need more information, please feel free to contact the SDML Workers' Compensation Fund. We are available to assist you in setting up a successful return to work program for your employees.

For further information, please call:

**Insurance Benefits, Inc.
SDML WC Fund Administrator (800-233-9073)
Or email: info@sdmlwcfund.com**

Alternative (Light Duty) Suggestions:

- First Look at tools/assistive devices to make the regular job more doable i.e. step stool, different keyboard, “reacher”, head set for telephone, sit/stand stools
- Consider Split shifts
- Inventory supplies
- Sort Supplies
- Clean Up
- Weigh Station Work
- Driving – allow more frequent stops to stretch
- Office Work – answering phones, filing, stuffing envelopes

- Flagging at Construction sites
- Checking signs on streets and highways
- Painting