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Returns to work (RTW) programs represent a vital component of an overall philosophy of injury management. A philosophy that is based on the concept that workers' compensation costs are largely controllable, and that the ultimate outcome of a workplace injury should not be determined based on a sequence of random events, but a series of planned interventions and careful oversight. Injury management controls outcomes through a focus on both containing cost and the delivery of high quality medical care.

The RTW component represents those aspects of injury management that deal specifically with the restoration of employee function by returning the injured worker to the place of employment as soon as it is medically safe to do so. Closed claim studies by the National Council on Compensation Insurance (1996) indicate that indemnity costs can be cut by 20 to 40 percent through the implementation of a return to work program. Even greater savings are cited with medical cost reduction through early intervention, on site work hardening and the reduction in the frequency of visits.

The objective of RTW programs is to return injured workers to the place of employment as soon as it is medically safe to do so following injury. Doing so reduces the chance for long-term or permanent disability and associated higher medical costs. Cost management opportunities come from a number of areas:

- ***The worker stays connected to the place of employment*** - studies show that the longer a worker is away from work, the less likely it is that they will return.
- ***The probability of legal intervention is reduced*** - workers who are kept in the place of employment remain under the nominal control of the employer. Employers who genuinely act in the employee's best interest and show care and concern are the most successful in minimizing attorney representation.
- ***Recovery is more rapid*** - where work hardening occurs in the workplace as part of the transitional duty plan

While these and other benefits of RTW have been recognized by professionals charged with workers' compensation cost management for years, implementation of these programs remain elusive in many organizations. Programs may exist in written form, but results cannot be quantified. Management may indicate that they support the concept, but only a small number of workers ever return to employment before full recovery. RTW policies appear to touch all the bases, but improvements in results have not materialized.

As consultants to management, one of our objectives is to assist our clients in maximizing their ability to control workers' compensation costs. These guidelines are provided to assist the Medical Manager in identifying weaknesses in current RTW practices and developing approaches that work for the client.

RTW Program Structure

Consistent with the injury management approach, RTW programs require a formalized structure that incorporates uniform application, documentation, clear roles and responsibilities, consideration for ADA implications and communication protocols. Lack of formal structure and outcomes measurement generally results in either program failure or the achievement of less than optimal results.

In line with a formalized approach, all injuries need to be addressed promptly and consistently. Employees need to see selected medical providers and receive the message that the focus is on RTW from day one. Throughout the process, the employee needs to feel that the employer cares. Escorting the worker to the medical provider, explaining the process, answering their questions, prompt treatment and quality medical care all reinforce this critical message.

Program Coordination

While Medical Managers play a major role in facilitating injury management and RTW, it is important to remember that the ultimate responsibility for results rests with the employer. Because they bear responsibility for the welfare of workers in the employment environment, and because compensation costs directly impact profitability, the employer has a vested interest in what happens during the injury recovery process.

Due to the growing complexity of the workers' compensation system, many organizations have assigned persons to manage the process. Labeled variously as workers' compensation, injury management or return to work coordinators, duties typically require:

- ⇒ Awareness of the status of each worker who has been injured and has not returned to full duty
- ⇒ Maintenance of a link between the organization and the worker. Periodic checks to verify understanding of what is occurring in their lives, reinforcing that the company is genuinely concerned, reassurance that employment is not in jeopardy, sending get well cards, assisting in transportation for appointments, etc.
- ⇒ Providing a conduit for communications and program effectiveness within the organization. This may involve training of management and employees, providing management with program results and responding to issues that may arise.

An important distinction needs to be made between a processor of paper and a workers' compensation coordinator. The coordinator has overall responsibility for managing the injury treatment and recovery process. The coordinator drives the process and is accountable to management for results. Workers' compensation coordination may be a full or part time position, typically administered by nurses, human relations personnel, safety directors or persons with workers' compensation claim handling experience. Creation of the position and assignment to untrained clerical personnel does not meet the criteria.

Role of the Company Medical Provider

Injured workers need to be directed to physicians who are committed to the concept that RTW is in the best interest of both the employer and the injured worker. The physician should be familiar with operations at the employer's workplace, their position on RTW, positions available and communication requirements. Familiarity with job requirements will ideally occur based on actual observations of the worksite, but more practically through written descriptions, verbal conversations or possibly videotape.

One of the most frequent criticisms of limiting employee choice of physicians is that the employee is forced to deal with someone they do not have a relationship with and who is incentivised to minimize costs. Employees who perceive that the physician is genuinely interested in their welfare and is not driven to save the company money, are much more likely to participate in RTW efforts and less likely to secure legal assistance. Physician familiarity with the workplace, seeing employees promptly and developing a reputation for providing quality medical care are invaluable in getting workers to see selected providers, even in non-directed states. If we are successful in getting physicians who will do these things, word of mouth among employees will help shift the perception from "it's a company doctor/insurance company doctor" to "it's a doctor who has our best interest at heart". The increased credibility goes a long way to achieving the level of cooperation and communication necessary for effective return to work.

Successful integration of the physician with the entire RTW effort is characterized by cooperation between the provider, the employer and CompEndium Services Inc. in the following areas:

- ⇒ Matching medical restrictions with job descriptions or job function analyses that are collected and maintained by the coordinator and available when an injury occurs.
- ⇒ Determining the diagnosis, prognosis, and physical therapy needs, RTW plan or possible vocational rehabilitation as soon as possible after the injury.
- ⇒ Obtaining, in writing - a release to work, appropriate medical restrictions, and approval of the job accommodation or alternate duty assignment. The report should detail what specific work the employee can perform both on and off the job, including routine daily living activities such as driving, carrying groceries, sports and yard work. RTW offers should be provided to the employee in writing to clarify restrictions, responsibilities, and requirements. Wherever possible, avoid assigning jobs that are perceived as punitive or comprised of "come in and sit" tasks.
- ⇒ Developing methods to verify compliance with restrictions - This is a major concern for both medical providers and injured workers. Methods for verification should be developed with participation by the employee's immediate supervisor, the designated workers' compensation coordinator and the employee. On at least a weekly basis, evaluate the alternate work assignment to assess progress to plan.
- ⇒ Training the employee on their new duties - Verify that they understand exactly what they are allowed to do and that they can safely perform the job. Reassure the employee that the physician has reviewed the job requirements and approved the restrictions, and that progress will be monitored on an ongoing basis.
- ⇒ Ensuring that employee can travel to/from workplace.

- ⇒ Ensuring that the employee follows prescribed medical treatment and meets appointments. If the employee cannot drive, make arrangements for transportation.

Statement of Policy

Written statements of policy represent a necessary component of a company's RTW effort. They provide a benchmark or baseline against future performance, reinforce the importance of the effort in controlling operating costs and they provide an opportunity for management to reinforce their commitment to the welfare of their employees. The policy should include:

- ⇒ Clarification about why the program is being initiated or is in place. Explain about who pays for workers' compensation (everyone) and how a RTW program helps.
- ⇒ The inclusion of all injuries, not just job related, wherever possible.
- ⇒ A flexibility statement - "Every effort will be made to assign transitional duty", rather than guaranteeing it in every case.
- ⇒ A statement that all parties - management, supervisors, injured employees and co-workers will adhere to the restrictions or limitations identified by the physician.
- ⇒ Standard non-discriminatory language - reflecting the positive aspects of the program and the benefits to the employees.
- ⇒ Productivity measurements - Specifically, how costs for the program will be charged, particularly in environments where the attitude has historically been "I don't want them back unless they are 100%".
- ⇒ How communications and questions will be handled - Identify the assigned workers' compensation coordinator, explain the role of the claims team and loss control representative and how they are involved in the process.

Transitional Duty

The term "transitional duty" is being increasingly recognized as the preferred terminology for job duties that are held during periods of recovery. Transitional implies a limited duration assignment as health status improves. Light duty has negative connotations, especially in labor-intensive environments such as construction and heavy manufacturing. Modified duty is frequently interpreted as meaning that someone else has to do the difficult parts of the job.

Effectiveness of RTW as a cost management tool has a great deal to do with how well the organization accepts the transitional duty model - that jobs are limited in duration, and that they are for the explicit purpose of moving the injured worker to the highest level of meaningful work possible.

RTW Positions

Finding RTW positions, particularly in small operations or where there is minimal job diversification, can be a challenge. Companies that are successful in driving down costs through RTW programs take the stance that "if they are released, they come back to work".

There are two schools of thought on the provision of transitional duty. The first is to identify a group of jobs up front as limited duration, transitional duty positions. Jobs are typically of sufficiently low physical stress that most restrictions can be readily accommodated. Wherever possible, jobs should be meaningful. Counting cars in the parking lot, or coloring squares in the cafeteria for hour after hour may keep the employee in the workplace, but they don't do much to restore the worker to maximum capability or contribute to operating revenues. In fact, they frequently cause morale problems, not only for the injured worker, but also for other employees who see this taking place.

Mundane but necessary tasks, such as inventory, sorting, completing shipping and receiving documentation and routing mail provide the employee with a sense of contribution and help to offset the loss of full employment in the original position. Temporary assignment to charitable organizations may represent a viable option that provides direct payback in tax deductions. In some jurisdictions, RTW positions must be meaningful work.

The other alternative is to find transitional duty that specifically meets the employee's restrictions, and provides an opportunity for "work hardening" at the place of employment. While typically more effective and true to the RTW philosophy, this approach is more time intensive to implement, monitor and coordinate.

Options for Transitional Duty include:

- ⇒ Regular job - accommodation/modification to the regular assignment
- ⇒ Regular job - with engineering changes - chair, stool, tools, powered equipment, change in height
- ⇒ Temporary duty re-assignments - to a different job classification or department and integrated into mainstream production jobs as much as possible.
- ⇒ Administrative - frequent breaks, fewer hours on the job, rotating jobs

⇒ Other temporary assignments - eliminate jobs that require the same activity, look for jobs that:

- Are vacant due to absenteeism or vacation
- Could be temporarily exchanged with the injured employee
- Need to be done but are not full-time
- Would be nice to have done but currently not justified with full time employees
- Jobs that are currently outsourced
- Transitional work room - Provide focused training and personal development - fitness and conditioning, first aid, weight control and nutrition, emergency procedures, self-care, career development. Organizations such as the National Safety Council, the National Council on Compensation Insurance, the United Way and local colleges or universities can provide self-contained training programs.

Limits on Transitional Duty

One of the most significant barriers to a successful RTW program occurs when transitional duty is viewed as soft, permanent jobs that don't contribute to the organization. In some organizations, jobs developed for RTW turn into preferred positions, are used to ease employees into retirement or are assigned based on seniority. Supervisors resent losing employees for long periods of time, accommodating workers who do not appear to progress, and being charged for the lost production. Employees resent having to do extra work while others get the easy jobs.

Although leading companies vary on how long to make transitional duty last, the consensus is that limitations should be placed on the duration of assignments. The message that management should communicate throughout the organization is that the positions are intended as temporary in nature to allow for a reassessment of recovery potential and achievement of maximum medical improvement. The creation of open-ended positions that do not maintain this focus can be considered as eligible permanent positions under the Americans with Disabilities Act.

Offering RTW Regardless of Work Relatedness

The most enlightened organizations offer transitional duty to employees regardless of where the injury occurred - on or off the job. This issue is at the heart of efforts at "24 hour" coverage or its variants. Being able to offer this arrangement sends a powerful message - which the organization believes that employees are a valuable asset, and that it is in the best interest of both the employee and the organization to keep them healthy and on the job.

The reality is that this scenario may not be possible in many organizations due to job availability limitations; demographics (population mobility, younger or older workers) or administrative staffing required to monitor and manage a program of this size. But it is a goal they can establish and work towards.

Pay Rates

How indemnity is paid, and how workers are compensated during the period of injury recovery, can play key roles in the ultimate case outcome. As a general rule, injured workers should be paid at the same rate they received for the job they performed when they were injured. In some jurisdictions, benefits continue as an offset to any lesser wage for RTW duty, and the employer pays the difference. In any case, the objective is to allow them to continue to be able to meet financial obligations that will continue during the course of recovery.

- ⇒ Paying workers at rates of pay below pre-injury levels signals to the employee that they are of less value to the organization than when uninjured. In addition to the possible psychological impact on the worker, personal financial obligations must still be met. Attorneys promising high awards become an attractive alternative, and as soon as the attorney is involved, the ability of management to control or influence ultimate outcomes decreases considerably. This is particularly true in jurisdictions that prohibit direct employer or insurer contact with a represented employee. Significantly lower compensation is particularly dangerous because it can promote delays in injury reporting, until the employee is represented.

- ⇒ Paying at rates above pre-injury levels provides a definite disincentive to RTW. In addition to normal indemnity pay, typically 66 2/3 tax-free, certain municipalities, educational organizations, unions and other organizations provide wage differentials that when added to indemnity payments, effectively result in a pay increase. Group benefits may also be tapped to augment income, and it is important that management is aware of and monitors situations that could result in payments from both workers' compensation and health benefits.

Cross Training

In some companies, the philosophy is to cross train all workers in order to broaden skills. A side benefit is additional flexibility in assigning transitional duty should an injury occur. Sheet metal workers also trained in documenting shipments, routine maintenance and other ancillary tasks can readily transition into positions that may not have been considered for temporary assignment due to training costs.

Program Management Issues

Management Assessment

As soon as an injury occurs, management needs to begin to forecast the probable ultimate outcome of the case and take measures to limit the severity of loss. Contingency planning and processes that make responses almost automatic can, and do, result in lower costs. Unfortunately, most RTW planning focuses solely on medically related issues.

In reality, many of the most severe workers' compensation cases are not driven by physical disability, but the medical community is asked to solve problems it may not be geared up to address. Secondary gain objectives by workers, disciplinary problems, family and financial difficulties, histories of "gaming" the system, emotional baggage etc. all fall into the workers' compensation system. From a RTW standpoint, the results can be frustrating: the injury/illness doesn't improve, more tests are ordered, more medical opinions are sought, fraud investigations are ordered, attorneys get involved and costs continue to grow. In most cases, the case manager, physician, claims representative or the employer does recognize that the problem is not medically related. Unfortunately, the case may already be so mired in the medical system that it is well down the road to a lost cause.

An effective counter action implemented by more progressive organizations is akin to a medical triage after the injury occurs. In some companies, the extent of this process is to note on the accident report that the injury is "alleged". A more aggressive approach is to expand the management triage to include an active effort to determine if factors not directly related to the injury exist that could result in problems. Red flags - known personal problems, labor/management issues, open disciplinary problems etc. are refereed immediately to management, legal, human resources, or other internal or external experts to address non-medical issues as soon as possible. Wherever possible, protocols and contingency plans are in place to address problems more appropriately handled outside the medical arena. An example would be a litigation assessment - what are our chances of this going to an administrative judge, what are our chances of winning, what kind of documentation do we need to prepare in our defense.

There are no hard and fast rules on how to establish a management assessment approach. Companies that are using this as a component of their RTW and cost management effort generally begin by assembling a team comprised of senior management, human resources, legal, the RTW/injury management coordinator, safety and possibly an outside consultant (TPA, case manager, loss prevention, legal etc.). The process typically begins by examining past large losses with negative results unrelated to the severity of the injury, identifying missed opportunities for early intervention, repairing existing deficiencies and establishing procedures to initiate action on future claims.

Accountability and Financing

The closer organizations get to recognizing workers' compensation costs as a controllable business expense, the more successful the RTW program is. As a general rule, management should be accountable for workers' compensation costs, typically achieved through a charge back system to individual locations, departments and, in some cases, to individual supervisors. To encourage support of RTW efforts, offset accounts can be used to charge at least some of the cost to a central corporate fund.

Education and Training for Employees and Management

RTW programs function best in communication and information rich environments. Everyone needs to understand who ultimately pays for workers' compensation, what these costs are to the organization (fewer jobs, less profit sharing) and the employee (less money for wage increases), the organizations commitment to employee welfare, how the workers' compensation system is structured, what happens when an injury occurs and the extent that the organization has gone to provide quality care and rapid injury recovery.

Communications

Communications are the cornerstone of an effective RTW program. The system will not work if the employee, employer, medical provider and CompEndium Services Inc. are not kept informed and are not focused in the same direction. Communication needs to flow both top down and bottom up in the organization.

Transportation

Getting the injured worker to the medical facility for initial treatment and follow-up visits needs to be planned and incorporated into the RTW program. Ideally, someone from the organization should accompany the injured worker for initial treatment, and the employee should be contacted prior to and after follow-up visits to medical providers by the employer.

Bonus and Incentive Programs

Bonus programs for RTW success are not widespread. If they exist, they are typically tied into overall workers' compensation results. Incentive programs that provide rewards for remaining injury free can be counter productive to both RTW and overall cost management efforts. In environments where cumulative trauma is the cost leader, these "invisible" injuries frequently go unreported until the situation has deteriorated to the point that the worker requires hospitalization. As the rewards and popularity of the incentive program increase, the situation deteriorates as peer pressure to avoid reporting injuries increases. Employees participating in transitional duty can be pressured to request return to full duty before they are ready.

Results Measurement

Effective RTW programs are incorporated into the way the organization controls all costs, and that involves measuring of results. Determining what valid measures of RTW success are can include:

- ⇒ Time to return to full duty
- ⇒ Return to any form of transitional work
- ⇒ Time lapse from the identification of transitional duty capability to the provision of the work e.g., how long does it take the employer to take advantage of the opportunity for RTW?
- ⇒ Recidivism rates (is the employee really ready to RTW?)
- ⇒ Average closed claims costs - indemnity and medical
- ⇒ RTW by period of time (80% within 1 day, 10% within 5 days, 5% within 10 days, 5% over 10 days)
- ⇒ Tied to notification of loss dates

ADA Considerations

The majority of EEOC complaints related to the Americans with Disabilities Act involve current employees, and many are tied to work related injuries and RTW. "Reasonable Accommodation" has become almost synonymous with transitional duty. Aggressive RTW programs with 100% availability, clear delineations of work as transitional for the purpose of RTW and strict time limits on duration are least likely to result in ADA problems.

Unions

Employers as the major stumbling blocks to RTW efforts frequently cite unions. As unions have won wage and benefit concessions, their attention is focusing increasingly on job security, safety, ergonomics and RTW issues. Seniority arguments, allowing members to bid on jobs that might otherwise be ideal for transitional duty and conflicts with collective bargaining agreements can present major barriers, particularly where management/union relations are strained. However, many of these problems can be avoided by:

1. Explaining the cost of workers' compensation to the organization, and that it's not just a problem for the insurance company and the employer, but that it ultimately impacts everything from job availability to wages to benefit packages.
2. Clearly communicating the intent of the program and being willing to address likely concerns - employees will not be fired to make room for transitional duty and that workers will not be crossing over to another trade. The ultimate objective is to keep workers employed at full salary.
3. Having the union participate in the development of the program and the identification of transitional duty positions. In most industries where they exist, unions have been successful in negotiating fair wages, health and other benefit packages for their members.

4. Asking the union to assist in identifying medical providers, with final selection based on specific outcomes measures, support for RTW and willingness to communicate. Where possible, unions should be asked to participate in the design and development of RTW programs. There is a need to get in the same mind set - good quality medical care followed by transitional duty that meets restrictions and keeps employees on full salary.

The bottom line is ultimately management's responsibility. Where workers' compensation costs impact profitability, or even survival, management needs to implement solutions to curb costs. Wherever possible, implementation should have the support of organized labor. Where active support is not possible, management should implement controls, such as RTW, to the maximum extent possible without violating collective bargaining agreements.

How RTW Programs Should Work

The following flowchart illustrates an "optimal" model for the application of RTW when there is, or is a potential for, a lost time injury:

When the injury occurs, four things occur:

- Immediate medical treatment and triage on site. The extent and sophistication varies by employer, but, as a minimum, an assessment is made regarding severity, the need for medical treatment and the urgency of the need.
- The employee is transported to a pre-selected medical provider (as required) with a copy of his/her job function evaluation.
- CompEndium is notified - by the fastest method available, by phone.
- The incident is documented - legally required reports, reports are generated by CompEndium and copied to the employer and carrier, reports provided to the medical provider to assist in diagnosis, loss prevention reports etc.

Where a visit to the physician's office is required: a physician selected for the quality of care and a RTW philosophy provides treatment promptly. The visit should produce a diagnosis, prognosis, treatment and RTW plans. RTW plans are oriented at what the employee is capable of doing, both on and off the job.

The Medical Manager gets involved - communication between the Medical Manager and the physician should begin as soon as possible on the results of the visit and medical restrictions. The Medical Manager identifies transitional duty positions and coordinates patient treatment by primary and specialist providers, rehabilitation and other medically necessary activities.

Management and legal assessment - early in the process, the employer, with the assistance of the CompEndium medical management / claims team, human resources, safety and legal counsel need to review circumstances of the case and any employee specific issues that may indicate non-medical influencers. These influencers can represent significant barriers to RTW, and major cost drivers. Issues that should be considered include:

- Open performance or disciplinary problems
- Personal emotional trauma or financial difficulties
- Rumors of or recent downsizing or re-engineering

- Changes in employee benefit plans
- Regional occurrences (hunting season, cultural events etc.)
- Potential fraud indicators
- Prevention of further occurrences through engineering or administrative action
- Circumstances that could result in additional litigation (employer negligence, 3rd party)

Communication occurs - between the medical management / claims team, the employer and medical providers and the injured worker to drive the recovery process. The employer maintains contact with the injured worker and conveys responsibilities of the department, supervisor and the employee required to make the transition successful.

Monitoring continues - by the CompEndium medical management / claims team, medical providers and the employer until final resolution.

Outcomes are measured - including time to notification, lapse of time prior to RTW and after notification of capability, return to transitional and full duty, employee satisfaction with care provided, classification by injury type and provider performance.