

Strategies to Help Contain Worker's Compensation Costs

Practical advice on how to manage on both the front (before) and back (after) end of a Worker's Comp claim.

Yes, we know you have a great Safety Program!

- But the law of unintended consequences can sneak up and catch your organization unaware. Those are called accidents/incidents that may result in an injury to one of your employees.
- Don't think that planning to mitigate injury outcomes is an admission of failure or a lack of confidence in the ability of your team to manage safety in the workplace. It is actually a very proactive move on the part of your management team.
- Some of these strategies will also help you manage your operations better as well as leave a great path forward for organizational success.

Job Descriptions with Physical Function Requirements

This is an excellent tool to help your organization with workforce management. When job descriptions are produced by HR; include physical function requirements such as amount of time spent standing, walking, sitting, weight (maximum and average) lifted and how often as well as from starting and ending level. Include bending motions, not just at the waist, but wrist, elbow and fingers as well. Think about ability to see (visual acuity), hear and feel. Include an analysis of the physical work environment; lighting, background noise, heat, cold, work at height, etc.

If you get stakeholders to provide input, that's great. By analyzing the functional requirements of a job, you can also find and specify ergonomic improvements that reduce injuries and improve efficiency (productivity).

When an employee is injured, providing a job description with functional capacity requirements to a WC Claims adjuster can help the WC Carrier's medical team determine when and how you can return the employee to work; and how to structure transitional duty.



**Share the job descriptions with your
WC Carrier.**

What is the value of doing this?

- Knowing what functional capacity an employee must possess from a physical (increasingly today, cognitive) perspective helps drive realistic job descriptions for hiring. *The labor pool is not as deep as some managers like to believe it is.*
- Maximizing employee efficiency and reducing injury potential is one of the reasons for performing ergonomic evaluations of jobs and work environments. *Both goals will add to the profit margin of any organization.*
- By providing a job description with functional capacity requirements to a WC claims adjuster, you help them make decisions when injured employee medical evaluations are performed on how and when an employee can return to the workforce. *Reducing indemnity payments reduces overall claim cost.*
- These descriptions can also form the basis of a pre-employment medical evaluation to determine fitness for duty!

Transitional or Modified Duty; how it helps you manage Workplace Injuries

- One outsized element of WC Claim costs is indemnity; the “lost wages” payments made when an employee is out of work for more than 7 days in NY.
- By knowing what the job they were doing requires; we can structure a “what CAN the employee do as they heal” vs. a “let them stay home until fully healed” claim management strategy. When possible, transitional or modified duty tasks brings the employee back to the workplace (social aspect), allows you to monitor what they do (including make scheduled medical appointments) and reduces indemnity payments (resulting in lower claim cost).
- Finding transitional or modified duty for an injured employee should be a goal when managing a WC Claim and is on the employer to initiate.

Strategies for Early Reporting and Medical Management

There are 2 strategies here that can benefit any organization.

One is telephonic workplace injury reporting using a third party administrator that can provide medical triage and assistance in sending an injured employee to the proper medical service provider if necessary. These services are available 24/7/365 if you need that capability.

In conjunction with the above, or as a separate service, the third party administrator can recommend conservative early medical intervention that avoids higher medical costs and potential OSHA recordability. This strategy is best used with sprain/strain types of ergonomic injuries.



Let's Investigate these 2 strategies!

I know, your injury reporting and recording system works great!

- And that's why you get phone calls, texts or emails on Monday about an injury that allegedly occurred on Thursday or Friday of last week. Especially if you rely on line supervisors to provide first notice of injury to Safety or HR.
- Cut out the middleman with a telephonic injury reporting system.
- The employee phones a third party administrator (TPA) when they get hurt at the time of injury or very shortly thereafter. The intake person at the TPA will typically have emergency medical experience; they listen to the employee's description of the injury and begin triage. They may send them immediately to an occupational health provider (the one you want used), to an emergency department (if necessary) or give advice on first aid that can be performed in the field. *They should call 911 EMS for serious injury.*

What's in it for Us? (Return on Investment)

- Immediately reporting an injury to a third party administrator vs. a supervisor or other manager in a company is easier for some employees; especially if they fear disciplinary action for “doing something stupid and getting hurt”.
- A program where employees can report injuries at any time may provide for treatment and relief that will lessen severity. Think of the employee who “felt something snap in my back” and “did not think anything of it at the time” but “I could not sleep because of the pain last night”.
- Early injury intervention with proper medical treatment can lessen the amount of intervention necessary, speed up injury recovery and lessen cost.
- You (Safety & HR) will get an incident report very quickly after the triage service hangs up with the injured employee. You can begin an almost immediate incident investigation. No late reporting!



Your organization may also experience improved employee satisfaction as the employees think the Company is actually doing something for them!

If sprains and strains are leading WC Claims across Industries; what is your Organization doing to reduce the frequency of occurrence?

- Unfair question; we know you are making ergonomic improvements. Really.
- What do you do for a Workforce Wellness program that includes physical conditioning like stretching to limber up and get your muscles ready to go to work?
- The same program can not only prevent sprain/strain injuries; but if one occurs, it can also mitigate the severity in terms of pain and suffering.
- It's called Interventional Physical Therapy.

Let's see how that works!

Interventional Physical Therapy

- Here's the truth about medical treatment of sprain/strain injuries.
- Injured employee goes to medical provider; gets OTC or prescription pain reliever and told to "go home and take it easy, come back in 3 days". At the return visit, the medical providers send them to physical therapy for evaluation and a week or so of treatment and evaluation. Then they go back to the medical provider and are released to modified duty.
- So, why not send them to a Physical Therapist as a triage procedure for an evaluation? A competent Physical Therapist will evaluate the sprain/strain injury and either send the employee to a clinical provider or recommend a course of stretching and exercise to provide relief. They may also recommend stretches and exercises for "work hardening" the employee.
- Some interventional Physical Therapists will also assist you in performing ergonomic evaluations and customized stretching and exercise programs to help work harden your employees to avoid the sprain/strain injury in the first place!



Cutting out the middleman cuts the cost. Conservative treatment; hot/cold therapy and stretching/exercise is not considered OSHA recordable.

Our Workforce is Aging!

And that's not a bad issue!

Current HR regulations, economic conditions, improving health outcomes for older people and the desire to stay mentally and physically active are enabling “people of age” to stay active in the workforce for a longer time.

This has many advantages if you think about it:

- Experience with work tasks leads to productivity and quality of output due to finding the efficiencies in performing tasks
- Older workers tend to have a strong work ethic and serve as role models for younger employees
- Older workers can facilitate mentoring younger employees by transferring skills and knowledge of the job
- Older workers may also be more safety oriented; after all, they don't want to get hurt on the job



But it's going to require us to imagine a somewhat different work environment to reap the benefits of having older workers in our workplaces. Let's look at what some of these accommodations will require.

Accommodating the Older Worker to avoid injuries - Physical Environment

- Learn how the aging process impacts people from a physical perspective
 - Increase lighting to assist in their ability to see work and workplaces clearly
 - Pay attention to ergonomics from a range of motion when designing workstations or defining tasks
 - Evaluate weight of materials that need to be lifted and carried; try to reduce both weight and frequency of lifts
 - Small ergonomic improvements that enhance worker comfort at workstations will yield great benefits
 - Clearly define walkways and transitions to avoid trip injuries
 - Keep walkways clear of slip hazards; this includes exterior areas
 - Look at temperature and ventilation issues with the work environment for both worker comfort and safety

Accommodating the Older Worker - Administrative Strategies

- Learn how the aging process impacts operations from an administrative perspective
 - Aging may slow people down physically; set production quotas to accommodate a wide range of age groups
 - Evaluate worker performance accordingly; it may be necessary to have conversations with employees no longer able to meet the physical demands of a job
 - Be able to recommend or modify positions that may be appropriate for older workers
 - Allow for increased use of outside healthcare resources; older workers may need additional medical attention to maintain life quality
 - Some of the above strategies may require your organization to involve a lawyer familiar with current labor laws to advise on how to accomplish the goal of accommodation and transition without getting in to legal trouble