

## **Decreasing Workers' Compensation Costs: The Case for Return to Work Programs**

**By Phil Ganz, State Compensation Insurance Fund Return to Work and Vocational Rehabilitation Coordinator**

In this current economic climate, as companies wrestle with layoffs and reduced budgets, employers can't afford to incur extra costs and lost productivity when an employee is injured.

Apart from creating a safe workplace and preventing injuries, one of the most effective ways to control workers' compensation costs is to implement a Return to Work (RTW) program. RTW programs help employers identify opportunities to bring their injured employees back to work as soon as possible, until they are able to return to full duty. Without such a program, employers risk spending thousands of additional dollars in claims costs, medical costs, temporary and permanent disability, hiring and re-training costs.

As one of State Compensation Insurance Fund's RTW coordinators, I help State Fund's policyholders establish and maintain RTW programs that get their employees back to work safely and quickly. Recently, one of State Fund's RTW consultants met with a vehicle title processor after the business owner's employee suffered a leg injury on his motorcycle while picking up and delivering titles from dealers. Wanting to get his employee back as soon as possible, the employer agreed to implement a RTW plan by creating modified duties and ultimately helped his injured employee get back to work sooner.

Building a RTW program begins with a commitment to apply the program to each on-the-job injury and illness. While not required, the first step is writing a RTW program that details the early returns process. State Fund's RTW coordinators can help tailor a plan to meet the needs of the employer at no extra cost.

Secondly, it's important that employers communicate openly with their employees about their injury, as well as assess their willingness to return to work. Employees feel good about working at a company that cares about their wellbeing and will be more apt to return to work quicker if there is open dialogue.

The next step in implementing a RTW program, and perhaps one of the most effective ways to increase productivity and reduce costs, is to create transitional jobs to bring employees back to work sooner rather than later. Employers should aim to do this right away. Helping employees rejoin the workforce even before they are able to perform full duties is proven to help their rehabilitation and contributes to their sense of independence. Transitional jobs are typically temporary, short-term positions lasting fewer than three months and requiring little or no additional training.

In the case of the employee injured on his motorcycle, the State Fund RTW coordinator and the employer sat down with the injured employee early on to discuss his condition and physical ability, all the while keeping in touch with his physician. After three months, his physician cleared him to return to work so long as he performed desk work only. State Fund's RTW coordinator explained the restrictions to the employer, who agreed to bring back the employee for three days per week at his normal wage.

Like the employee injured on his motorcycle, an employee with a foot or leg injury may not be able to conduct any activities such as climbing, walking or prolonged standing, but they may be able to help out filling out paperwork or cleaning small tools while sitting down. Again, and throughout the process, working with the treating physician and State Fund will help you determine appropriate transitional jobs that will make your employee feel confident and useful, without risking further injury. State Fund has designated health consultants who assess the appropriateness of the medical treatment to expedite a successful return to work.

Initially, the title processor business owner wasn't able to visualize how his employee could possibly perform any modified or alternative work – even at three days per week. He and the State Fund RTW coordinator came up with a handful of activities that would be appropriate for the employee and still contribute to the company, including filing paperwork and overseeing payroll. Although it wasn't his regular job, the employee agreed to come back. Until he is fully recovered, he is serving as the office manager and overseeing a small clerical staff.

Be aware that some injured or ill employees may never be able to return to regular duty, even when considered fully recovered. In these cases, employers may have to consider other employment within the company including modified work and alternative work. Modified work is regular work that is modified so the employee has the ability to perform all the functions of the job. Alternative work is work

outside the employee's regular position that he or she has the ability to perform. State Fund can help identify these types of jobs and work with the employee to shift their job duties accordingly.

The final step in building a RTW program is to take a hands-on approach toward monitoring the injured employee's progress until he or she is able to resume regular work, maintaining a positive attitude about getting them back to work. Remember that the majority of injured employees do want to get back to their normal lives, but they may need help getting there.

Establishing and maintaining a return to work program is a win-win. For the employer, a RTW program can:

- Reduce claims, retraining, and medical costs.
- Foster communication between businesses, employees, claims adjusters, and medical providers.

For the employee, RTW programs can:

- Help keep life as normal possible, both economically and emotionally.
- Promote safer work environments by increasing the awareness of safe work practices and injury prevention among all employees.

For more information on State Fund's return to work programs or to get assistance in building a program for your business, visit [www.scif.com](http://www.scif.com) or contact your State Fund representative.

<b>Return to Work Case Study</b>		
	<b>Projected Time and Costs Without a Return to Work</b>	<b>Actual Time and Costs with a Return to Work</b>
<b>Amount of time before employee returned to work</b>	56 days	Zero (no lost time)
<b>Temporary Disability*</b>	\$7330.40	Zero
<b>Medical</b>	\$4417.70**	\$868.08
<b>Total</b>	\$11,748.10	\$868.08

**Savings = \$10,880.02**

\*Based on the 2008 maximum temporary disability rate of \$916.30 per week

\*\*Based on the average medical cost for similar incurred injuries

### **Transitional Jobs**

<b>Potential Temporary Transitional Jobs for All Industries</b>	
<ul style="list-style-type: none"> <li>• Answer phones in office</li> <li>• Assistant service writer</li> <li>• Assistant trainer - teaching paperwork, logs</li> <li>• Bench work such as sharpening tools or repairing small tools in shop (good for farming)</li> <li>• Change prices</li> <li>• Check broken seats in stadium</li> <li>• Clean small tools or equipment</li> <li>• Customer service person</li> <li>• Dust or clean with soap and water all counters and furniture</li> <li>• Fill out paperwork on jobsite</li> <li>• Flagman</li> <li>• General errand running</li> <li>• Greeter</li> <li>• Grounds cleanup/orchard or farm cleanup</li> </ul>	<ul style="list-style-type: none"> <li>• Parts runner</li> <li>• Pick up trash around dumpsters</li> <li>• Pull necessary permits with city/county</li> <li>• Quality control</li> <li>• Restack, restock and reorganize</li> <li>• Ride along with drivers to assist in driving or completing logs</li> <li>• Safety monitor</li> <li>• Shampoo carpets</li> <li>• Shredder</li> <li>• Sorter</li> <li>• Sweep and mop the areas with linoleum or crew area flooring</li> <li>• Sweep down any cobwebs that are inside or outside</li> <li>• Sweep the inside of the warehouse or shop</li> </ul>

- Help pull or put away files if there is a need. Any office help that might be needed
- Hose off the outside of the building
- Inventory warehouse
- Night watchman
- Organize any equipment that might be out of place in the warehouse or outside
- Painting, detail work or small touch-up areas

- Volunteer work
- Wash down all office walls with soap and water
- Wash inside and outside of all trucks and company cars, including detailing and equipment
- Equipment includes scaffolding, ladders, trailers, etc.
- Wash windows, inside and out.
- Weed control