

Money-Saving Workers' Compensation Tips

Safety Program Goals

- Seventy-five percent of accidents are preceded by a near miss. Investigate near-miss incidents to prevent future accidents.
- Create a risk control service plan based on your workers' compensation losses. Pay particular attention to frequency and severity of claims to craft an appropriate plan.
- Justify your risk control expenditures strategically to senior management so you receive the budget you need. Be sure they understand the importance of your company's safety program and the money it saves in the long run.
- Based on your experience with prior claims, create a workers' compensation cost allocation program. Budget money by examining what types of claims you've had over the past several years and their cost.
- Benchmark your company's workers' compensation performance against other comparable companies in your industry. This will help you identify areas to improve upon.

General Safety Procedures

- Protect your employees by minimizing any job hazards. You should always be evaluating every aspect of your workplace to ensure the safest environment possible.
- Prepare emergency announcements, and do test runs of emergency response systems to familiarize employees.
- Choose a practical flooring surface, not just one that looks nice. Often the best looking floors can be the most dangerous and will be slippery when wet.
- Customize workspaces to fit each employee's needs through ergonomic adjustments. By ensuring that an employee's workspace is tailored, you create a safer environment less prone to bodily stress or injury, and thus, less prone to workers' compensation claims.
- Educate your employees on the safest way to lift objects. Squatting with bent knees minimizes the stress to the back, regardless of what is being lifted.
- Create a policy on distracted driving. Motor vehicle accidents account for a large percentage of work-related fatalities. Eating and drinking, cell phone use, and music devices are all possible sources of distraction behind the wheel. The use of such devices could also be illegal, as more state and federal agencies crack down on distracted driving. A good policy can help prevent fatalities and limit liability for your company.
- Along the same lines, prohibit texting while driving regardless of whether or not your state specifically prohibits the practice. Texting while driving makes an employee 23 times more likely to have an accident. A federal ban prohibiting drivers of commercial vehicles from texting has also been recently enacted. Create a written policy for both distracted driving and texting, and have all employees sign off on it.
- Establish and enforce disciplinary measures for safety violations. There should be some type of corrective action for any employee who doesn't abide by safety requirements.
- Train your supervisors in-house. They may have previously been trained as supervisors in general, but they need to also be trained in your particular work environment.

Return-to-Work Strategies

- Job offers should always be made in writing and should thoroughly describe the offered position to ensure the hire is fit for all duties.
- When the job is offered, send a formal job offer package along with the offer letter. Make sure it includes all the benefits the potential employee is eligible for, including return-to-work policies and procedures, so there is no confusion later.
- When developing a temporary assignment for someone returning to work, find useful tasks that are not covered by other areas of the company the goal is not to take work away from another employee.

- Create a written job description and job analysis for all transitional duty jobs. These jobs should match physical capabilities with the work that needs to be done so that they are both useful and appropriate.
- Hold employees working on temporary assignments or transitional duty jobs to the same work rules as other employees. This prevents devaluation of the job by employees and sends the message that they are still contributing to the company.
- Develop and maintain a close working relationship with medical providers. Make sure they understand your business so they can help you evaluate return-to-work policies, procedures and cases.
- For all employees assigned to temporary work, monitor their medical health regularly. Make sure they are doing well physically and, if they are making progress, find out from their physician if they can move forward to more demanding tasks.
- Develop and maintain a close working relationship with claims adjusters. Make sure they know your return-to-work program, and ask them for advice and suggestions to improve it.
- Resist the temptation to turn temporary job assignments into indirect punishment. Understand that the work is therapy for the returning employee; make sure to stay positive and keep the work meaningful.
- Consider establishing a transitional duty pay rate. It will be less than what the employee would earn working their normal job, but make sure it is consistent among all employees on transitional duty.
- For return-to-work program employees, stay in frequent touch from the time of the return-to-work offer letter until they return to full working status. You should be accessible for them to be sure their return to work is progressing smoothly.
- Develop a return-to-work plan for every injury that results in lost time. Communicate with the employee's doctor so you understand when and how they can progress to various work tasks.

Claims Management

- Contact your injured workers early and often. This will let them know that you care about them, which can help keep morale up and encourage their return to full regular duty.
- Consider unconventional or outside-the-box treatment if it will help an employee recover and return faster.
- If your state allows you to direct or encourage employees to use certain doctors, use doctors who understand your business whenever possible. This will help ensure the best treatment for your employees and hopefully aid in return-to-work scenarios, keeping claims costs down.
- Integrate strategic wellness programs into your company to help reduce injuries. Understand how chronic conditions, like obesity and diabetes, can affect or cause other injuries. Managing such diseases properly can reduce workers' compensation claims costs.
- Explain workers' compensation benefits, programs and expectations during new employee orientation to keep future claims costs down. Make sure employees understand that they will not be punished in any way for making a claim or reporting an injury, and explain the importance of promptly reporting any injury or incident.
- Make return-to-work a priority across your entire organization. Every job should have a return-to-work provision, and every employee should know about it. Return-to-work program awareness should not just be the job of human resources or your claims adjuster.
- Keep up-to-date on laws that impact your workers' compensation claims. Be sure to know your requirements and responsibilities as an employer and how to address any possible or suspected fraud.
- Keep tabs on what your claims administrator is doing; you should always know what is happening with a claim.

Claims Investigation

- Exercise due diligence when investigating a claim. Beyond speaking to the direct supervisor and the injured employee, interview other witnesses or co-workers that could shed light on the situation.
- After an incident or claim, be sure to investigate early and keep all the information organized. Make sure you gather all appropriate evidence and information so it can be verified later.
- Determine whether the employee was actually working on the date that they claim to have been injured. Discrepancies or falsities happen often, particularly with late claims.

Medical Considerations

- Make sure that your occupational medical practitioner does a thorough and proper examination when an employee first goes to see them; this way, you will not be surprised when the Independent Medical Examiner (IME) tells you that you have a problem claimant. This includes performing Waddell's Tests when there is a lower back injury involved.
- A diagnosis should be supported by the conditions of the accident. If the two don't match up, then the diagnosed injury could be a result of something not directly related to work functions. In these situations, be very careful of what you pay for.
- Don't pay a bill for a surgery or procedure without reading the operative report. Sometimes it can contain things that had nothing to do with the incident that should not be your financial responsibility.
- Don't let diagnostic tests dictate your case management; tests only proves that there is an injury, not whether it happened at your workplace.
- For a quick and easy way to save money, refer employees to physicians that you trust to provide legitimate findings and diagnoses.
- Before a surgery takes place, establish whether it was caused by a work-related condition. Doctors may suggest surgery a bit more readily when they know it is a workers' compensation claim.
- Make sure that diagnoses are legitimate and universally accepted before you pay a claim. For instance, don't list "pain" as your work-related diagnosis. Pain is a subjective finding; you cannot qualify it or quantify it.
- Know the basics about common medical terms that you may encounter. For example, fibromyalgia is not a diagnosis; it is a symptom. The word itself means "pain in the fibrous tissue" (the suffix "algia" always indicates a symptom).
- Be wary of paying for surgeries or operations caused by arthritis. Arthritis is not caused by trauma and thus cannot result from an on-the-job injury; therefore, in most cases, it should not be considered a workers' compensation claim. The only exception is arthritis caused by repetitive trauma, found in employees who do a lot of squatting, kneeling or repetitive hand and finger movements.
- Be wary of other common claims that may be masked as workers' compensation injuries. For example, in general, trauma does not affect an existing replaced knee, making it rare for necessary loose knee replacement to be work-related.

Legal Considerations

- Know and understand the interplay between your state workers' compensation laws, the American with Disabilities Act (ADA), and the Family and Medical Leave Act (FMLA).
- Keep your legal counsel in the loop on workplace injuries right from the beginning. The first 24 hours after an incident are crucial, and your lawyer needs to be informed about conditions, investigations and any updates.
- When hiring, provide detailed job descriptions that include an accurate percentage of the amount of work that is physical. This may prevent later legal disputes.
- Document and file everything throughout the workers' compensation and return-to-work process, as it may become relevant information if there is a claim or later dispute.
- After an incident, review the employee's personnel file. This will help you understand the employee better, and it may

offer clues or tendencies for potential fraud or a vendetta against a co-worker or manager.

- After an incident, your legal team or representative should do an on-site inspection where the injury occurred. Be sure that they interview others who do a similar job in addition to any witnesses.
- If there are changes in the diagnosis, the accident needs to be re-evaluated. It may not have happened as reported.
- Keep an organized case chronology, documenting everything from initial claim to the close of a case. This includes previous history of the employee that may be relevant (past disputes with co-workers, claims history, problems at home, etc.).
- Make sure to provide the IME with everything you have, including your chronology.
- Before a trial, make sure your witnesses are prepared. Someone from the company should be present at every hearing; it's important to make sure that everyone is always on the same page.