



What's The Big Deal About Return to Work Anyway?



RISK ADMINISTRATION SERVICES, INC.

Objectives

- 1 Understand the Difference Between the Types of Workers' Compensation Claims
- 2 Acknowledge How Return to Work Can Reduce Your Workers' Compensation Costs
- 3 Recognize Light Duty Opportunities in Healthcare



Understanding Work Comp Costs

- Premium base rate is set by the State Division of Insurance based on recommendations from the State Bureau or NCCI (National Council on Compensation Insurance).
- Base rates reflect the hazards associated with the work exposure.
- The employer has **little control** over the base rate or premium discount factors. The State Division of Insurance sets premium base rate.

Medical Only

No lost time wages are paid.

Discounted by **70%** with only **30%** of claim costs reported.

Indemnity

Lost time wages and/or impairment settlement paid
(varies by state).

No discounting – **100%** claim costs reported.

E-MOD OF

1.0

starting point for the
expected losses for
your industry

What impacts an e-mod?

- **Frequency**
of Workers' Comp Claims
- **Severity**
of Workers' Comp Claims
- **Lost Time/
Impairment Ratings**
Indemnity Claims

Experience Modification

Determined by NCCI
based on claim history
(3-year look back).



1.0

Average with the nation for
your type of industry

Simplified Example

<u>Base Price</u>	x	<u>E-Mod</u>	=	<u>E-Mod Impacted Price</u>
\$100,000	x	1.0	=	\$ 100,000
\$100,000	x	0.8	=	\$ 80,000
\$100,000	x	1.5	=	\$ 150,000

Lost Time Injuries and Return to Work

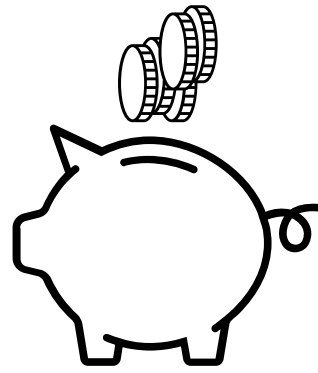




Why Early Return to Work Is Important and Valuable

Impact on the employee when off work:

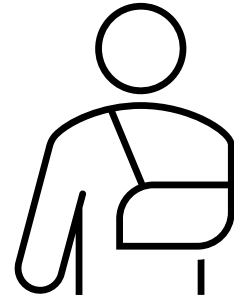
- Loss of strength and endurance
- Loss of self esteem / self worth / identity
- Loss of earning potential
- Loss of work ability
- Anger and/or depression due to sense of loss



Decreased Costs

- No or less time = lower claim costs = lower e-mod and premium costs.
- Injured workers who RTW during their healing period tend to require fewer medical treatments and incur less medical expense.

Benefits of Early Return to Work

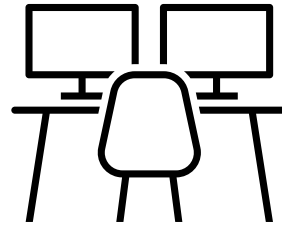


Faster Healing

The Medical Disability Advisor:

“people recover better and faster if they stay active and engaged in life as much as possible during and after their medical episode”

Benefits of Early Return to Work

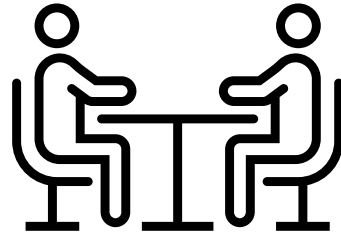


Work Becomes Therapy

- Loss of physical fitness and muscle tone due to inactivity is prevented.
- Modified work assignments become a part of the rehabilitation process providing a “bridge” back to regular work.

Benefits of Early Return to Work

Benefits of Early Return to Work



More Communication

- Keep connections with supervisor and co-workers.
- Tensions or concerns over loss of job are reduced.
- Self-esteem/self-worth/identity loss is prevented.

Building a Return To Work Program

- **CREATE** a Return-To-Work Policy
- **USE** Objective Job Descriptions
- **IDENTIFY** a Return to Work Champion
- **BRAINSTORM** transitional duty tasks



Pre-Injury SAW/Early RTW Strategies

Encourage IMMEDIATE reporting of injuries.

Reported **11-20 days** after DOI

Overall claim costs were **29%** higher than average

Reported **21-30 days** after DOI

Overall claim costs were **39%** higher than average

Reported **>30 days** after DOI

Overall claim costs were **48%** higher than average

Kemper Insurance

Pre-Injury SAW/Early RTW Strategies

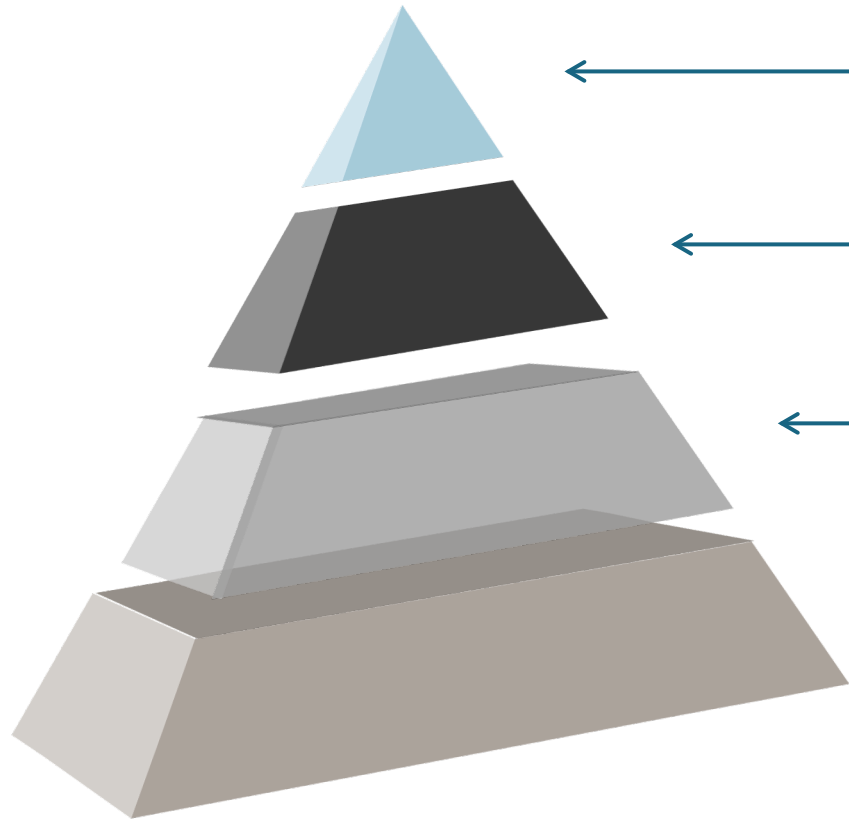
Encourage IMMEDIATE reporting of injuries.

Overall claim costs were **higher** by:



Kemper Insurance

Progression of Return to Work



Same hours, **same** job

Same hours, **different** job

Different hours, **same** job

Different hours, **different** job

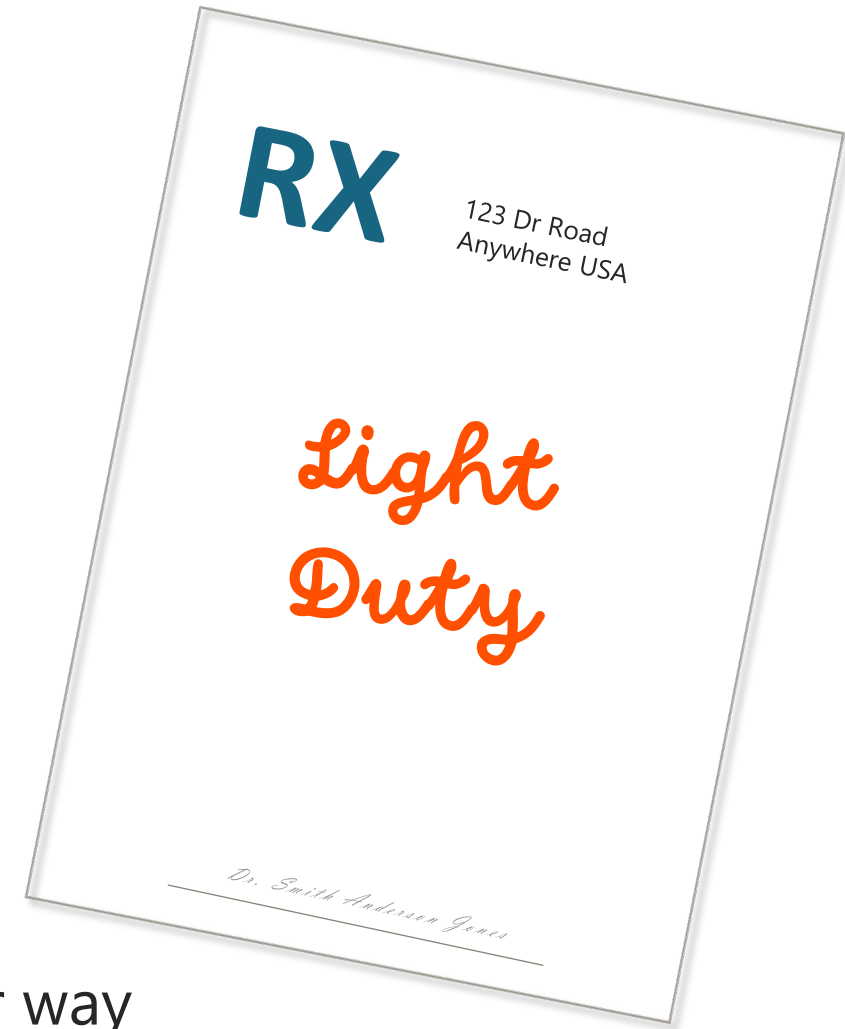
Transitional Duty

- Education
- Development
- Organization
- Shredding
- Stocking
- Deep cleaning
- Assist Patients + Families



Return to Work SUCCESS

- Follow your policy consistently
- Educate employees
- Ensure prompt medical care
- Identify medical providers
- Let them know:
 - Your RTW philosophy
 - Availability of transitional duty tasks
 - Your intention to send your injured workers their way



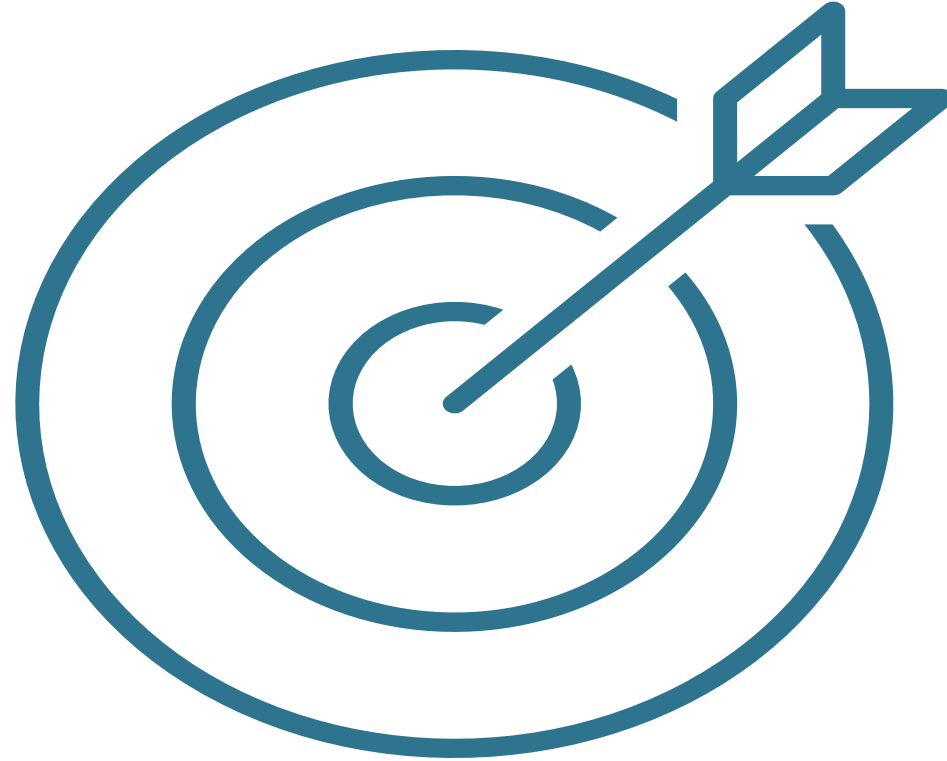
Cost Cutting Strategies

Trending and Tracking

- Know your key **CAUSES** of injury
- Know **WHERE** these injuries are occurring:
 - By location
 - By department
 - By position



Company Goal



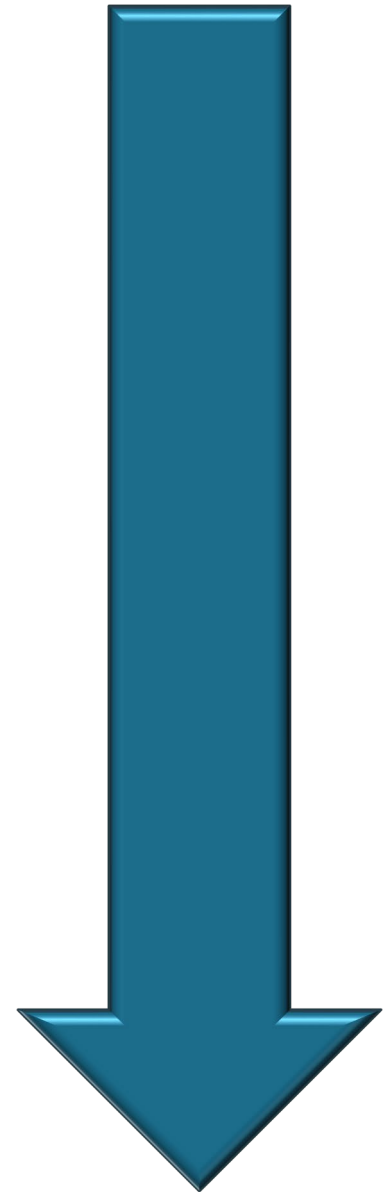
0 Indemnity Claims

How Can You Help?

INJURY PREVENTION!

Proactive Claims Management

Stay-at-Work or Rapid Return-To-Work



Questions?



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RISK ADMINISTRATION SERVICES, INC.

Workers' Compensation.

It's what we do. It's who we are.



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