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ECONOMICS OF AN EFFECTIVE RETURN-TO-WORK PROGRAM

As many of us in the construction industry, I was fortunate to learn the business from the ground up. Growing up on a farm in central Virginia, I had been running equipment of some sort since I was twelve years old, so naturally becoming an operator was my calling.

While I was working in Kansas City, MO, in the mid-1980s, I jumped off my 4100 onto a patch of ice, and (you can guess the rest of the story) I ended up with a bulge at the L4-L5 vertebrae. I was lucky enough to work for a contractor who, even in the 1980s, had a strong return-to-work program. During the four weeks I was in therapy, the contractor had me come into the office and do paperwork, help in the bidding process by calling subcontractors and suppliers and perform various other duties.

About three months after I reached a full duty status, the contractor came to me with an opportunity to become the division safety director. I have always been grateful for the chance given me. More importantly, the company as a whole and the division president were committed to the people who worked for them and made every effort to assist their injured employees return to work.

As our industry continues to struggle with finding and retaining qualified and skilled labor, it makes good business sense to understand the best practices of injury management. It is important to understand how you can effectively manage the process for individuals that are on light or modified duty by identifying resources that benefit the employee, the project and the company. Additionally, as our workforce continues to age, the Social Security

Administration estimates that disability costs will increase 37 percent in the next decade as it relates to employees in the forty-five to sixty-four age range.

Absenteeism also continues to be a drain on our industry, whether it be vacation, non-work-related or work-related. According to a Mercer and Marsh study published on February 26, 2003, time-off and disability program costs averaged 15 percent of payroll in 2001. Additionally, according to the same source, the direct and indirect cost of a disability averaged over 21 percent of payroll. This, along with the fact that measurable costs for lost time per employee are in excess of \$5,000 per employee annually (Watson & Wyatt, 2001), indicates clearly that the financial impact is huge. Companies need to develop processes and programs to manage the loss potential. This doesn't even

include the cost of doing business as it relates to your experience modification rate or workers' compensation rates.

To truly understand return-to-work programs, you need to know the history. Return-to-work programs were developed as a result of sports medicine professionals' determination to get athletes back to the playing field. The same basic concepts were put in place in the business world as it relates to work-hardening and assisting the employee to reach their maximum, post-injury, production level.

As with any program within your organization, this is a managed process, and a written program should be developed and customized to fit your specific needs. This should be tied into the development of written job descriptions for your firm. Expectations should be outlined between the employer and the employee. This can be easily accomplished in the opening objective statement. Of course, it does no good to just have the statement stuck on page forty-seven of your employee manual, high on a shelf over the plan desk. When I was in the industry, I would make it part of the hiring packet that the employee would sign off on, as well as posted it on all project bulletin boards.

First Response

The obvious first step to getting an employee back to work is to provide first aid treatment to the employee and provide them quality medical care. Follow your corporate reporting guidelines immediately. The faster they know, the faster they can get people in place to help you manage the claim and care for the employee.

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Get to Know Your Medical Providers

The most important step in this process is establishing a strong working relationship with your medical providers. This is easy when you work in a localized area, but more challenging if your operations are scattered either on a regional, national or global basis. Use your carrier resources to help you identify physicians to work with in new locations. Many carriers offer an online search to help you with this.

Get to know your primary care physician. Extend an invitation to them and/or their staff to come to your office, and, more importantly, jobsites to get an idea of what your organization does and the capabilities you have to offer concerning return to work. At times, they may even identify possible job functions you did not explore or think of. Also, invite them to speak at management meetings. Use them to help educate your key managers, as well as your superintendents and foreman. After all, in most cases, these will be the individuals that have to support and help manage the program at the project level. The more a medical provider knows about your company and what you have to offer, the greater the opportunity exists for them to assist you getting the employee back to work.

Authorization for Treatment

When an employee gets injured, provide the physician with an authorization to treat letter, complete with employee name, social security

number and billing information. If you require a drug test, include that verbiage as well as the requirements [Department of Transportation (DOT) vs. non-DOT]. Also, include a paragraph that reflects the company's commitment concerning a return-to-work program. In the past, I have included a generalized statement: "The company will provide a job based on the treating physician's restrictions." While this is a blanket statement, it does show the medical provider that you are committed to a return-to-work program. This, coupled with your job descriptions, should make the process flow easier for you.

Communication and Documentation

Another key aspect in the post-injury environment is communication. Unfortunately, in many cases, once the employee gets hurt, he/she is handed off to the company or project safety director, claims manager or the insurance company. While these individuals are well meaning and want to ensure the best care available for the employee, they (in most cases) have had minimal contact with the employee prior to the injury. Most return-to-work programs fail when the superintendent or foreman does not keep communicating with the employee. The attitude is—the injured employee is now someone else's responsibility, not his/hers. This is a critical failure, as the employee needs to hear from his/her local contacts and individuals he/

■■■ Managing People

she works with, not just some “company man.”

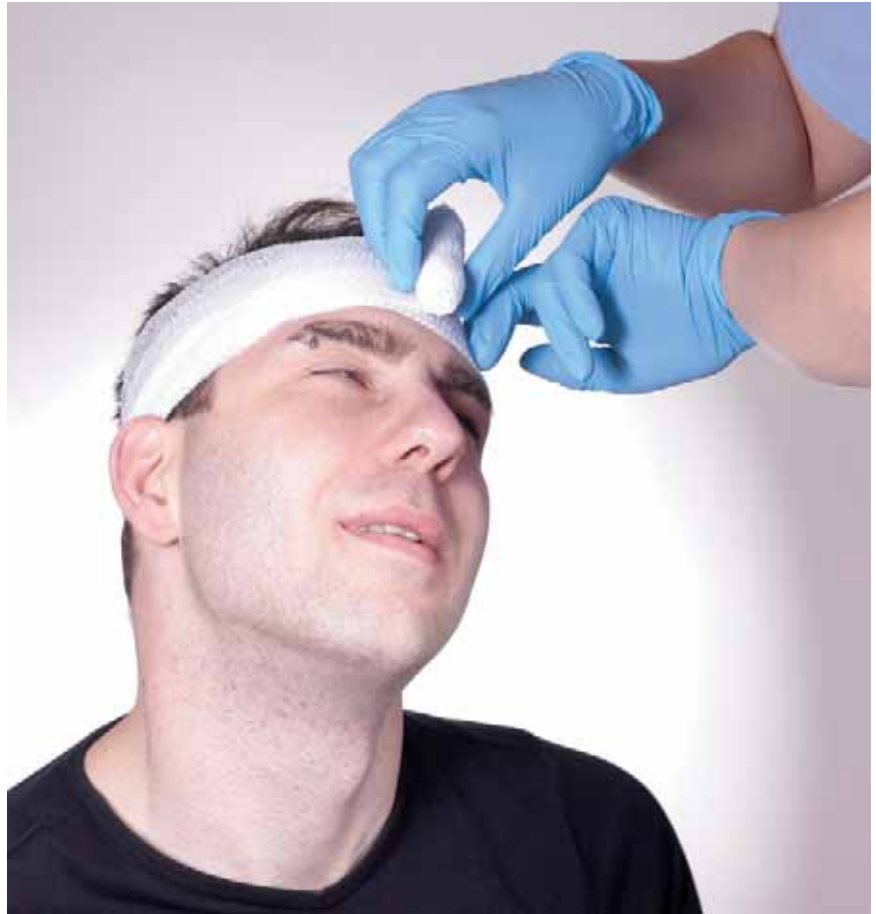
Of course, if there is attorney involvement, then the game changes and the conversations should be limited to non-litigious conversations. Keep in mind the employer can contact the employee, unless specifically asked not to do so by the claimant’s attorney. A phone call log is a good idea to document phone call attempts and a basic outline of the call.

Identify Employee’s Capabilities

Working with your medical provider and providing them with a job description will help you identify the employee’s capabilities in their efforts to return to work. Look at a typical work shift for the employee and how long they will be able to sit, stand and walk around. How much bending, stooping, reaching or climbing will they be required to do? Will they have to lift or carry anything, and is it within their restrictions? Will the individual be required to do any type of repetitive type motion, or pushing and pulling? Look at the environmental conditions that are involved. Construction can be a harsh environment at times with the cold, heat, ice and snow. While it is rare, I have had to manage claims in the past based on extreme weather conditions. Finally, does the employee have any transferable skills?

Identify the Job

In many cases, the contractor knows his company well enough to manage this process. However, when an injury is significant enough, don’t be afraid to use the medical provider resources that your carrier or outside resources may have available to you. If you work in a union environment, there may be issues you have to work through from a contractual standpoint.



Don’t just sit the employee at a desk to read a safety manual, book or answer a telephone that isn’t plugged in, (yes, I’ve seen it done). Again, with the shortage of manpower in our industry at this time, getting the employee back to work in some capacity just makes good economic sense. Someone has to clean and oil those overhead bracket bolts and nuts, or oil those forms. Why not someone on restricted duty (as long as they are working within their restrictions)?

Sometimes the project just cannot bring the individual back with the restrictions imposed. Take a look at your organization from a corporate wide perspective. Can another job use these individual’s skills? Keep in mind, though, many states have mileage guidelines (typically about fifty miles) that allow the employee some wiggle room to turn down a job offer.

Employee Lending

In some cases, the company just cannot support the transitional-duty restrictions imposed by the treating physician(s). In these cases, look toward external resources that may help you with employing the individual on a short- or long-term transitional-duty basis. I recently proposed a permanent placement idea for an employee that has permanent restrictions the employer may not be able to accommodate.

This concept is known as “employee lending” and it is in increasing use throughout the United States—the contractor “lends” the employee to a charitable organization while he/she is in the transitional duty stage. The contractor continues to pay the employee’s wages and benefits, while the charitable organization agrees to work the employee within their

restrictions, getting a volunteer to provide much needed services to their organization.

Organizations that typically support this endeavor are United Way, American Red Cross and Habitat for Humanity, as well as many other social and volunteer organizations. The contractor may get an additional benefit with a possible tax write-off to a charitable organization, as well as shows that they are a good community partner and leader. Most states accept this concept as a bona fide job offer. Check your state statues to ensure compliance.

Bona Fide Job Offer

In most jurisdictions, as well as being a best practice, a bona fide job offer should be presented in writing to the employee and executed by both parties. This should outline the job, the duties and the expectations of the employee to actively participate in the process. In most cases, all parties working together can achieve a successful resolution in bringing the employee back to a full duty status.

An effectively managed return-to-work program is a win-win situation for both the employee and the contractor. It will help keep the employee from being focused on the claim. As we all know, studies routinely show the longer a person is out of work, the less likely that person will ever return to employment.

The employer still receives some benefit from the employee working, even in a transitional-duty position. The production that they achieve in a transitional duty status will benefit the organization, and temporary disability benefits may be greatly reduced, if not eliminated. By limiting temporary disability benefits, the perception of the permanent disability claim may be diminished and it may eliminate the need for vocational rehabilitation benefits as well.

Remember, the first line of defense is a strong, proactive safety and health program. However, when a lost-time injury occurs, the development and effective management of a "we care" program (another term for a transitional, light or modified duty program) will help you reduce costs and limit your financial exposure,

but most importantly, help you to retain your most important asset—your employee. ■

Mark Beisecker of CM-Services, Inc., is a leader in the risk management profession with over twenty-five years of experience. Beisecker may be reached at mark.beisecker@cm-services.com.

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