

10 Best Practices for Workers' Compensation

Nearly 3 million workers were injured or became ill on the job in 2011, according to the U.S. Department of Labor's Bureau of Labor Statistics (BLS). More than 900,000 of those cases resulted in days away from work.

Dealing with those injuries, managing workers' compensation issues, and getting people back on the job can be complicated, expensive, and time-consuming. That's true even when employers and employees do everything correctly. When matters slip through the cracks, supervisors fail to follow protocol, or employees try to game the system, it becomes even more difficult. In order to manage the expenses, time, and effort involved with the different aspects of workers' comp, here are 10 best practices.

1. Train and Educate

When employees understand their rights and supervisors know how to respond to workers' comp issues, the process will go more smoothly and satisfactorily.

That means ongoing training and education must be a priority for employees, managers, supervisors, and senior-level executives. Training manuals should be regularly updated. Along with handbooks, companies may want to consider more interactive methods such as videos or computer-based training.

Beyond general workplace safety training, companies may want to institute specific safety training for jobs that may be more complicated or potentially dangerous. Supervisors should follow up to make sure new hires have properly absorbed their training, along with company procedures regarding workers' comp. According to the BLS, more new employees with less than a year of service suffered days-away-from-work injuries in 2011.

2. Promptly Investigate Every Accident

Regardless of how minor a workplace accident initially appears; an immediate and thorough investigation should be launched. After the employee has been given medical treatment, if necessary, the next step is to quickly figure out what happened and what may have contributed to the situation. Companies should compile information from the worker and other witnesses. They should also determine if there are any other sources of information, such as video monitoring of work areas. The company should also designate a point person with the authority to decide whether to bring in attorneys or other experts for advice right away.

Paperwork is another consideration. Employers and employees must complete all the relevant forms, including those dictated by the state and the insurance company.

By moving quickly, companies can capture facts before the scene of the injury has changed and witnesses forget what happened. It also allows the company to immediately reach out to injured employees and assure them that their situation is a priority.

3. Report Claims Quickly

Workers' comp claims need to be reported promptly. This ensures that employees will receive the help and benefits they are entitled to and that snarls with insurance matters are minimized. It also decreases the chances that employees will become disgruntled with the way their accident is being handled, one of the primary sources of workplace complaints.

The company should consider designating one person or a group of people to manage all workers' comp claims, in order to ensure the process moves swiftly and all the relevant issues are addressed. Companies that face a large number of workers' comp claims may want to consider having someone available 24/7 to answer questions and begin reporting claims as soon as possible.

4. Develop Internal and External Partners

Workers' comp claims have a ripple effect that can impact many aspects of the employees' lives and the company's operations. Dealing effectively with claims and injuries requires a team approach. Members of the team should include in-house employees, such as human resources, external providers, such as insurers, brokers, adjusters, and, as needed, outside law firms. Medical care providers, including pharmacists, should also be considered part of the team.

5. Prioritize Claim Management

Staying on top of workers' comp claims can quickly fall down the to-do list, especially if the company has built up a network of trusted partners. However, being proactive and organized will pay off when employees return to work faster and paperwork is handled on schedule.

As part of the claims management process, the company should regularly touch base with workers to ensure that all their questions are being answered and they are receiving appropriate care. Getting employees back to work in an appropriate job will minimize the chances of long-term or permanent disability claims and help the employee return to a normal life.

Someone at the company should also regularly review all medical bills to be sure that protocols are being followed, drugs are not being oversubscribed, and that all the charges are accurate.

6. Implement a "Return-to-Work" Program

Getting employees back to work after an injury should be a top priority. Companies should develop return-to-work programs that explicitly describe goals, and then develop standard procedures for how to achieve those goals. Companies should consider including explicit agreements that employees who reject their return-to-work or modified job assignments could be hampering their benefits.

If injured employees return to work in a modified duty, the company should maintain regular contact with them regarding their progress. Supervisors should be trained about enforcing work

restrictions and creating a professional atmosphere while injured employees are on modified duty to help ensure that injuries are not aggravated.

In cases where employees can't return to work, the company may want to consider working with local charities to allow for temporary volunteer work. When employees are amenable to this type of arrangement, they can feel more productive, cared for, and part of an organization. Ultimately, it may allow them to return to work more quickly.

7. Develop a Strategy for Workers' Comp

The fact is, workers will get injured and companies will need to comply with workers' comp laws and regulations. Developing a plan to deal with workers' comp will help both employees and the company. The strategy should encompass cost management, as well as litigation and settlement approaches.

The cost-containment strategy can include regularly reviewing relationships with medical providers and pharmacists. The company should periodically review its contracts with other providers, such as adjusters and brokers.

When it comes to litigation and settlement, the company should review current and past cases to identify trends or changes. Then, this information should be carefully reviewed with counsel. The company may find that some cases that were settled should have been litigated, and vice versa. It may make sense to determine ahead of time if there are winnable cases that should be settled, due to the time, stress, and expense that going to trial entails.

8. Think About Workers' Comp When Hiring

Employers should be thinking about possible injuries and claims before job offers are extended. In order to cut down on the chances of an incident, employers should make sure that job descriptions accurately reflect actual job duties. By clarifying the physical nature of the job, working conditions, the type of tools that will be used, and other factors, it may be easier to weed out unqualified applicants who may be more likely to be injured at work.

9. Focus on Injury Prevention

The best way to manage workers' comp claims is to avoid them completely. To do this, the company should create a culture of safety. This kind of culture starts at the top and extends across the company.

Data can help achieve this goal. That includes regularly reviewing every injury, accident, and potential problem to identify what went wrong and how it could have been prevented. A suggestion box or anonymous tip line can yield valuable ideas and information from employees.

Companies should encourage employees to report near misses and safety concerns, without fear of punishment or retaliation. Companies may want to consider designating a non-supervisor or

third party to receive the concerns, or set up an anonymous system for compiling them, which could range from a toll-free number to a designated email address to a suggestion box.

10. Stay Up-to-Date with Trends and Laws

An aging workforce, growing obesity rates, changes in healthcare laws, and other issues are constantly reworking the workers' comp landscape. State laws, such as efforts in the Oklahoma legislature to privatize the state's nonprofit workers' comp insurer, can also have significant impacts on employers and employees.

Companies need to stay up to date with new workers' comp trends and requirements. Internal and external experts, including human resources and legal advisors, should pay specific attention to new developments. Industry groups, associations, and local chambers of commerce can also be valuable sources of information.

It goes without saying that everyone benefits when employers proactively work to avoid accidents and injuries. Such events do happen, so the next step is to get workers healthy again and ensure that any mistakes that led to the injury are identified and mitigated. Companies need to anticipate issues and stay on top of the paperwork. Taking the right steps will boost worker morale, improve productivity, and minimize the expense of workers' comp claims.

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