

THE FORWARD  
PATH



**THE CORE OF  
KNOWLEDGE FOR  
NURSES  
WORKERS'  
COMPENSATION**

**The path forward:**

**reducing risks**

**and protecting your *employees***



## Today's Topics

- Overview on Ohio's Bureau of Workers' Compensation System
  - Identifying Workers' Compensation Resources
  - Claim Types/Costs
- The Life of a Claim – "What to expect and do once a claim has occurred"
  - Accident Reporting/Investigation
  - Cost Containment Strategies
- Safety & Occupational Safety and Health Administration (OSHA)
- BWC Programs



## Ohio is a Monopolistic State

- 4 States utilize State Fund System
  - Ohio
  - North Dakota
  - Washington
  - Wyoming
- Ohio has a “no-fault” system
- Benefits provided by statute
  - Medical
  - Rehabilitation
  - Death
  - Disability (lost wages, wage replacement)



3

## Parties Involved

Who are the potential parties involved in the workers' compensation process?

- ✓ Ohio BWC
- ✓ Managed Care Organization (MCO)
- ✓ Third-Party Administrator (TPA such as Sedgwick)
- ✓ Industrial Commission (when applicable)
- ✓ Injured Worker
- ✓ Employer
- ✓ Physician of Record
- ✓ Injured Worker Representative
- ✓ Employer Representative (attorney if obtained)



4



## Workers' Compensation Resources BWC

- Bureau of Workers' Compensation (BWC)
  - Administrator responsible for:
    - Collecting employer premiums
    - Overseeing insurance program
    - Paying out compensation benefits
  - Ohio Workers' Compensation Act passed in 1911
  - Largest exclusive state fund and second largest overall provider of workers compensation insurance in the United States



5



## Workers' Compensation Resources IC

- Ohio Industrial Commission (IC)
  - Established in 1913
  - Neutral party
  - Adjudicator of:
    - Appeals - disputed claims and issues
    - Permanent and **Total** Disability (PTD)
    - Violations of Specific Safety Requirements (VSSR)
  - 2 guaranteed levels of hearing
    - District Hearing Officer (DHO)
    - Staff Hearing Officer (SHO)



6



## Workers' Compensation Resources TPAs

- Third-Party Administrator (TPA)
  - Sedgwick
  - Employer advocate
  - Primary functions:
    - Claims management and risk management services
    - Hearing representation on non-legal matters
    - Settlement of claims
    - Filing for disability relief
    - Rate and underwriting support
    - Education and training



7



## Workers' Compensation Resources MCOs

- Managed Care Organization (MCO)
  - Sedgwick Managed Care Ohio
  - Assumed medical case management in 1997
  - Roles & Responsibilities
    - ✓ Medical treatment disputes
    - ✓ Coordinate prescription drug utilization review (DUR) referrals
    - ✓ Identifies primary care physicians
    - ✓ Monitors quality and outcomes of medical care
    - ✓ Peer review
    - ✓ Alternative dispute resolution process
  - Open Enrollment Period
    - Occurs every 2 years (next enrollment will be in May, 2027)



8

## What is a “No-Fault” System?

- Injuries are compensable regardless of negligence by any party
- 4 general exceptions to Ohio’s “no-fault” system:
  - Horseplay
  - Accident which is direct result of drugs or alcohol
  - Self-inflicted injury
  - Mental-mental



9

## Types of WC Claims



- Medical Only (MO)
  - Injured worker misses 7 or fewer calendar days
  - No BWC wage replacement benefits paid (temporary total-TT)
- Lost Time (LT)
  - Injured worker misses 8 or more calendar days

### *Sedgwick recommendations:*

Initiate early return to work and reporting practices to prevent “lost time”

10



---

## Types of Costs

- Medical
  - Medical treatment paid
  
- Indemnity
  - Lost time claim
  - Wages paid by BWC
    - Temporary Total Compensation
  
- Reserve
  - Money set aside to pay for the claim well into the future
  - Lost time claims only

11



---

## A Claim & Your BWC “Experience”

- Claim maturity takes 2 years
- Claim is “in the experience” for 4 years
- All claim costs impact BWC premium while in the employer’s experience despite:
  - Return to work
  - settlement of claim
  - termination of employment
  - death

12



## The Injury Occurred... Now What?

- Goal #1: Return to Work!
  - Before calendar day 8
- Accident Reporting
- Accident Investigation
- Cost Containment Strategies
- Maintain Communication with Injured Employee!

13



## Accident Reporting

Obtain written Accident Report (*internal document*)

- **Best Practice:** Accident should be reported immediately, by end of shift, no later than 24 hours post injury
- All employees trained on reporting procedures
- Report should be in employee's handwriting with entire form completed
- Encourage reporting of “near miss” situations

The form is titled "Injury Incident Report Form" and includes the following sections:

- Incident Information:** Incident Date, Incident Time, Incident Class, Report/Person Name, Address, Office Address, and Home Address.
- Incident Details:** Date of Incident, Description of Incident, and Whether the injured person is a "New Hire".
- Employee Information:** Employee Name, Department/Division, Address, and Report Person's Name, Title, and Department.
- Incident Details and Instructions:** A large section for describing the incident and providing instructions.
- Reporting Information:** Fields for "Reported By" and "Date".

14

## Accident Investigation and Analysis

Obtain Supervisor's Investigation Report

- **Best Practice:** Supervisor should submit report to workers' comp coordinator 48 hours post-injury
- Supervisor should interview witness(es) & obtain statements
- Take pictures, measurement, video, etc.
- Determine root cause of accident and take actions to prevent future incidents.



15

### SCENARIO 1

## Neck injury

### *Not reported*

- Injury occurs
- Scheduled off work
- Injury worsens
- Calls off and calls doctor
- Written off by doctor
- Employer is notified
- Work injury is appealed



16



## Back injury

### **Reported**

- Injury occurs
- Scheduled off work
- Injury worsens
- Communicates with employer
- Calls doctor
- Returns to work with restrictions
- Claim approved without appeal



17

## Similar Circumstance, Different Outcome



18

## Cost Containment Strategies

- Settlement
- Disability Relief
- Salary Continuation
- Transitional Work



19

## Lump Sum Settlements

- Settlement paid by BWC
- Settlement costs attributed to compensation portion of claim costs
- All parties must agree
- 30 day waiting period
- Full & final settlement of all claim activity
- Advantageous to remove existing reserve or prevent future costs, including reserves
- Application filing deadline-July 15



20



## Lump Sum Settlements

Before Settlement	After Settlement
Medical- \$10,000	Medical- \$10,000
Indemnity-\$10,000	Indemnity-\$10,000
<u>Total Reserve-\$85,000</u>	<u>Settlement- \$15,000</u>
Claim Total- \$105,000	<b>Claim Total- \$35,000</b>



21



## Disability Relief

- Provision to help offset claim costs when pre-existing condition prolongs or delays recovery
- Pre-existing condition must be one of 26 recognized conditions
- Claim must be a true lost time claim
- Reduces costs retro-actively on previous experience(s) and offsets future costs
- Does not apply to:
  - Permanent partial awards
  - Settlements
  - Wage loss compensation



### Application for Disability Relief

Under the Ohio Revised Code Section 4123.343, BWC uses this application to determine the percentage of compensation to properly charge to the Statutory Surplus Fund due to additional claim costs one or more of the existing conditions below:

01 Epilepsy	11 Cerebral vascular accident	21 Thrombo-phlebitis
02 Diabetes	12 Tuberculosis	22 Varicose veins
03 Cardiac disease	13 Sclerosis	23 Cardiovascular and pulmonary disease of a firefighter employed by municipal corporation or township as a regular member of a lawfully constituted fire department of a lawfully constituted fire department
04 Arthritis	14 Psycho-neurotic disability following treatment in a recognized medical or mental institution	24 Coal-miner pneumoconiosis
05 Amputated foot, leg, arm or hand	15 Hemiplegia	25 Disability with respect to which an individual has completed a rehabilitation program for a previous injury or claim (ORC 4121.01-09)
06 Loss of sight of one or both eyes or partial loss of uncorrected vision of more than 25 percent	16 Chronic osteomyelitis	26 Service connected injury
07 Residual disability from poliomyelitis	17 Arkylosis of the joints	
08 Cerebral palsy	18 Hipster tendinitis	
09 Multiple sclerosis	19 Muscular dystrophies	
10 Parkinson's Disease	20 Arterio sclerosis	

22

## Salary Continuation



- What is it? *Continuation of regular, full earnings **in lieu of** BWC payment of temporary total compensation*
- Employer contains claim costs
- Facilitates opportunity for regular communication between employee & employer

### *Sedgwick recommendations:*

For proper implementation, be sure to discuss with your claims team

23

## Transitional Work



- Return to work with **temporary** tasks, duties prior to full duty release to return to work
- Beneficial for employee & employer
- BWC offers transitional work grants

### Benefits:

- Alternative to downtime
- Reduces BWC reserve
- Allows for retention of experienced employee
- In current economy, avoids delay in wages
  - HUGE benefit to employee

24

## Transitional Work Expectations Injured Worker

- Attend all doctor appointments, get better and return to full duty
- Follow all policies and procedures
- Keep supervisor or workers' comp coordinator informed with updated restrictions and doctor appointments
- Maintain communication with supervisor or workers' comp coordinator as to ability to perform duties as assigned



25

## Transitional Work Expectations Employer



- Create a "job bank"
- Assign tasks within restrictions
- Prevent employee from working outside of restrictions
- Are assignments being completed?
  - Easily or with difficulty?
- Maintain communication with employee
  - Report accomplishments, difficulties, attendance issues, etc...

26

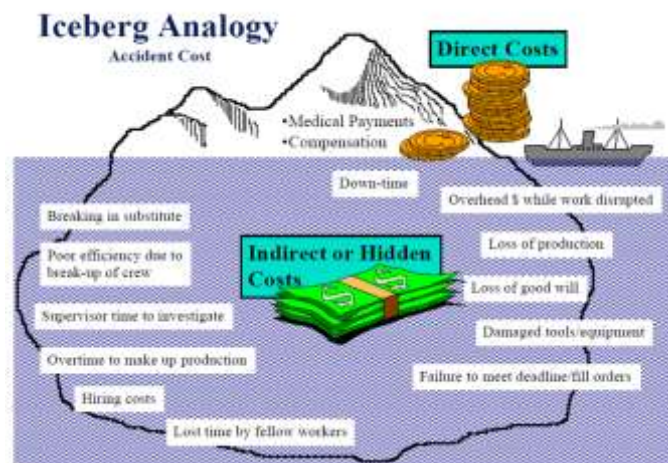
## Transitional Work Expectations Workers' Comp Coordinator

- *Written* offer is a must!
  - USPS & certified mail
- Employee acceptance or refusal must be in writing
- Know your policy & your employee
- Regularly monitor to prevent long-term transitional duty
- Enforce all work rules



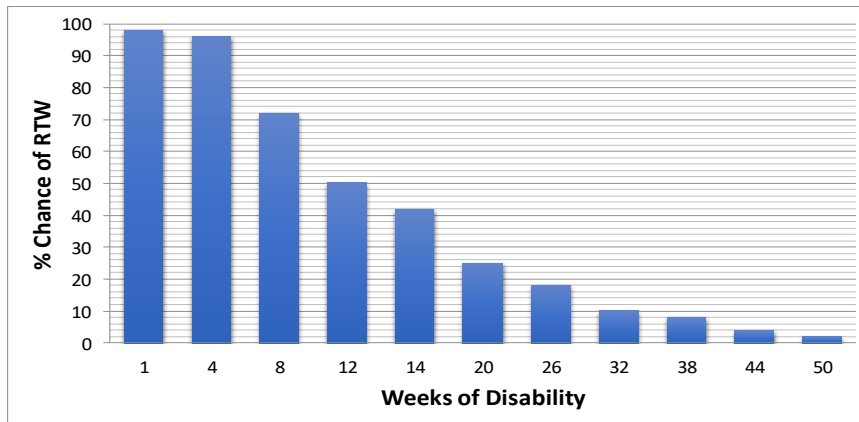
27

## Claim Costs...Every Dollar Counts!



28

## Return to Work Statistics After a Work Related Injury



29

## Safety

- Businesses like yours are faced with multiple departments & exposures
- Executive Management Commitment-top down approach
- Safety Committee
- Most Common Injury Types in your industry
  - Sprains
  - Slips/Trips/Falls



30



## OSHA

### National Emphasis Program

Beginning April 2012, OSHA began NEP for long-term care facilities with DART

rates at or above 5.3, causing potential inspections of following:

- Bloodborne Pathogens
- Violence in the Workplace
- Ergonomic stressors related to resident handling
- Exposure to tuberculosis
- Slips, trips and falls



Focused on establishments with NAICS codes:

- ✓ 623110-Nursing Care Facilities (Skilled Nursing Facilities)
- ✓ 623210-Residential Intellectual and Developmental Disability Facilities
- ✓ 623311-Continuing Care Retirement Communities

31



## Safety Opportunities

- OHCA Webinars
- BWC's Safety Congress
- Safety Councils
- BWC's Division of Safety and Hygiene Courses
- Sedgwick Resources
  - Client Education Program
  - Online Training
- Safety Grants
  - \$15 million available: 3 to 1 match from BWC
  - Safety Intervention Grant (equipment)
- OSHA Training Resources



32





## BWC Wellness: Better You, Better Ohio!

- Designed to reduce health care and workers' compensation costs
- For high-risk companies with 250 or less employees
- Employer cannot have a health & wellness program in place
- Must be in one of the approved industry groups. Healthcare is included.
- Program includes tools for employees such as free health assessment, biometric screening, coaching and webinars
- Employees can enroll online



33



## BWC Rating Programs

- **Group Rating (OHCA offers this)**
  - “Pool” of similar employers receive upfront discount
  - Filing Deadline: Monday before Thanksgiving
- **Group Retrospective Rating (OHCA offers this)**
  - “Pool” of similar employers receive refunds based upon performance
  - Filing Deadline: Last business day in January
- **Individual Programs:**
  - Individual Retro
  - EM Cap
  - Self-Insurance



34



## BWC Bonus & Rebate Incentive Programs

- Drug-Free Safety Program
  - Prevents on the job injuries by integrating drug-free efforts
  - 4% bonus for basic level
  - 7% bonus for advanced level
  
- Safety Council
  - Regular attendance at 10 meetings
  - 3% rebate of premium
  - \$5,000.00 cap on total rebate



## Risk Management Essentials Program

- Must participate in Safety Council Rebate Program
- Must qualify for the Safety Council Rebate
- Must complete 6 additional hours of safety and claims management training
- Once completed, employers may receive 5% of their premium (up to \$25,000)
- This is in addition to the 3% Safety Council Bonus (up to \$5,000)
- Enroll through your TPA by the last business day of May

*\*\*\*as with all programs you must be current on all premium and true-up reports with no cumulative lapses more than 40 days during the 12-month period preceding the application deadline*





## How can I help?

- Identify hazards
- Report injuries or near miss incidents
- Assist with the investigation process
- Coworkers with work restrictions
- Safety best practices



37



## Thank you

Scott Weisend  
Sedgwick  
Sales Operations Director  
[Scott.Weisend@sedgwick.com](mailto:Scott.Weisend@sedgwick.com)  
(614) 376-5764

38