

## Back to Work

***According to a recent survey, two-thirds of respondents do not have any formal, non-occupational return-to-work program, but some companies are finding they can reduce costs and employee turnover by linking RTW programs with short-term disability programs.***

By Carol Patton



Last year, Jason Denis' employer placed him at the corporate office of a telecommunications company. As a disability absence manager at Excel Managed Care & Disability Services Inc. in Sacramento, Calif., his job was to develop and manage a new return-to-work program for employees on short-term disability at the company's headquarters.

This approach was something new. Traditionally, companies focused on helping employees who were injured at work get back to work early.

But nothing like this had ever been done for employees with non-occupational injuries.

Some employers are now developing RTW programs for all of their disabled workers, not just those who were injured between 9 and 5. By making various accommodations to employees' schedules or work areas, or temporarily changing their job tasks, employers are realizing numerous benefits.

Employee absences decrease. Company savings increase, sometimes climbing into the six-figure range, not to mention employee satisfaction. Disabled employees are grateful for the opportunity to be productive and earn a full paycheck.

Denis says leaders at the telecommunications company were key to driving the design and rollout of the new program, which included educating HR and line supervisors on how to integrate it into the company's daily operations. The company's HR department mainly tracks absence and leave metrics, and exchanges data with its disability carrier to identify opportunities to expand or enhance the program for its 3,500 employees.

The program Denis was sent to introduce, called Workplace Possibilities, was developed two years ago by The Standard, a national provider of group-disability-and-assets management. The Standard partners with Excel to place trained staff on-site as Workplace Possibilities consultants.

"The beauty of having an on-site consultant is that HR spends a very limited amount of time [and] resources on the day-to-day management of the program," Denis says. "HR wasn't aware of the dissatisfaction of employees. They had employees who were in need, reaching out to them ... I [heard] a lot of horror stories . . . ."

Early into the program, although ergonomic evaluations were conducted on employees, none of the recommendations were implemented. Some workers were in physical pain, he says, adding that this breakdown in communications reflected poorly on HR.

"There was a lack of follow-through with the coordination of the [equipment] purchase, delivery and installation," he says, adding that he has since conducted more than 100 ergonomic evaluations.

"By default," he adds, "someone from facilities [management] ended up being the person trying to evaluate the needs of the people. [This person] wasn't trained and didn't have the skill set to make proper recommendations."

Since then, many things have changed. HR developed specific company goals, ensuring that the new program matches the organization's strategy and values as well as employee needs.

It posted communications on the company's intranet, informing managers and supervisors of the program, directing them toward the program's website page for further information. Employees were also offered self-help tools and ergonomic tips, such as how to properly adjust their desk chairs.

Without implementing a formal program, says Denis, too many things can go wrong.

Ultimately, he adds, HR must be a key player in its evolution.

### **Effective Strategies**

According to the Mercer Absence and Disability Management Survey, which polled 470 employers in 2010, two-thirds of respondents do not have any formal, non-occupational RTW program.

Michael Klachefsky, national practice leader for Workplace Possibilities at The Standard in Portland, Ore., believes some employers are not aware of the benefits -- including cost savings -- of such a program or don't realize the difference between direct costs (such as the amount employees are paid to stay home while recuperating) and indirect costs (such as how much overtime is spent as a result of workplace absence).

To make matters worse, the longer employees stay out of work, the greater the chance they won't return, he says, citing the results of multiple studies.

Regardless of diagnosis, he says, the chances employees will return to their jobs after three months is an estimated 75 percent; after one year, it's roughly 50 percent and, after two years, it's practically zero.

Still, creating a RTW program for employees on STD takes effort and resources. For example, Klachefsky says, someone must be designated as the program's manager.

Other suggestions:

- \* Bring employees back to work as fast as possible. "If the employee and supervisor can agree to modified duties, then talk to the doctor about a plan," he says.

- \* Train supervisors on how to develop transitional work assignments or modified duties.

- \* Communicate the program's goals, impact and how it works to the entire workforce. Avoid poorly-worded statements such as, "We're going to investigate your injury ... ." He says those words prompted a local union to publish this response in its newsletter: "It's now a crime to be sick."

- \* Involve unions early in the program's design. "If they see this program as a benefit takeaway, they will resist," he says.

\* Collect, track and analyze data. Develop a baseline of information, such as how many days of STD employees took before and after the program started, so you can justify the program's expense to senior management.

\* Develop policies about the maximum duration employees can be assigned light duty. "You don't want light duties to turn into a permanent job," Klachefsky says.

He says Mercer surveys have found that, although the cost of healthcare for employers ranges between 13 percent to 15 percent of payroll, 9 percent of payroll is being spent on absences that can be mitigated and reduced.

"For employers who are willing to invest in RTW for STD, the return-on-investment is, for every \$1 they spend, they will save \$2 to \$10," he says. "The ROI for direct costs is [between] 1 percent and 2 percent. The ROI for direct and indirect costs could be as high as 9.4 percent."

### **Forced Choice**

In most cases, employers no longer have the option of separating RTW programs from STD. Once they're made aware of an employee's disability -- whether the injury occurred on or off work -- they are now legally obligated to assess the employee's ability and make possible reasonable accommodations to return the individual to work, says Julie Norville, senior vice president and national absence-management-practice leader at Aon Hewitt in Atlanta.

This past spring, she says, the Equal Employment Opportunity Commission released administrative guidelines that clarified what employers must do under the Americans with Disabilities Act Amendments Act of 2008. Before these clarifications were issued, the guidelines were very confusing and, as a result, were not observed, Norville and others say.

The current guidelines now broaden the ADA's original definition of a disability to include an impairment that "substantially limits" one or more major life activity.

"Under the law, once you're made aware of a disability, regardless of benefit type like workers' comp or STD, you still have to address possible reasonable accommodations for that employee," Norville says, adding that employers who are unaware of these guidelines could wind up in court.

To be ADA-compliant, many decisions need to be made. How can HR reasonably accommodate employees? How can HR determine if the accommodation is reasonable or not? How long should the RTW program be?

"The good news is, if you only have a workers' compensation program, you have some place to start from," she says. "You're simply crossing the aisle into non-occupational disability, making sure you're accommodating everybody and looking at everybody through the same lens."

### **Joint Effort**

Over the past decade, the University of California at San Francisco has been fairly assertive helping employees on STD return to work, especially because the length of their disability tends to be shorter when working, says Larry Hickey, manager of employment and benefits at UCSF, which supports about 18,000 employees.

Hickey suspects some of the reasons may be that employees experience less financial stress because they're earning a full paycheck or feel less isolated because they're socializing with their peers or friends in the workplace, he says. Either way, everyone wins.

Last year, he says, 284 employees filed STD claims. Among the program's key steps is a meeting between employees, their supervisors and a disability-manager analyst to address accommodations, which range from modified work schedules and voice-activated computer systems to sit-stand workstations. While there's no hard data, Hickey suspects the program has saved the school at least six figures.

Perhaps even more important, the majority of employees on STD want to return to work. He says accommodations, which usually cost less than \$500, are only limited by the imagination of people involved in the program.

"[Employees] become very anxious when their ability to do their job is impacted and supervisors become very fearful -- 'How am I gonna get this work done?' " he says. "So having this [program] is very helpful and helps you be compliant with a relatively complicated rule."

Last fall, Tiburon Associates in Alexandria, Va., merged its RTW and STD programs for its 500 employees. Between 3 percent and 5 percent of its workforce are on STD, says Rebecca Storts, HR manager at Tiburon, which places its employees with government contractors.

"It's not easy to go out and just find another employee," she says, adding that the company's STD carrier is Aflac.

"We provide a skilled workforce," she says, "and are maintaining much more of that skill set when we actually get that employee back to work."

She says HR designed simple forms for physicians to clearly state the employee's capabilities, then asked supervisors to brainstorm potential positions for employees on STD.

Because many employees are assigned to work in production-based environments, she says, those on STD can still perform important tasks such as sitting on a stool with a stopwatch to evaluate areas for improvement.

An Aflac representative also conducts employee seminars that explain how the program works and what they need to do.

However, once on STD, employees don't always communicate their health status, so HR has assigned one staff member who stays in touch.

She periodically contacts them, asks about their prognosis and restrictions, when their next doctor's appointment is and how long they will be off work, and requests they provide HR with a doctor's note identifying their disability.

When a position becomes available, she sends an interim offer letter, describing their new job responsibilities and employer expectations.

Employees sign off, also acknowledging awareness of their restrictions and an assurance that they won't exceed their physical ability.

A form letter with a checklist of activities is also sent to their doctor, asking the physician to check off everything they can and can't do.

When employees return to work, the company's safety director meets with their supervisors to review their restrictions and options if they still can't perform the job's tasks. In such cases, employees are requested to return to their physicians for a new list of restrictions.

Although the company is still gathering program data, Storts believes it has saved in the five-figure range since the program was implemented last year.

"You have to show employees that you're invested in them and that this is how, in return, they invest in you," she says. "It's really been a great learning opportunity when we merged these programs together."

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