Workers’ Compensation Overview for Staff

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Office of University Risk Management
Workers’ Compensation Program Manager
Agenda

• What is it?
• University program
• Costs
• Coverage
• Reporting
• Medical Treatment
• Compensation
• Return to Work
• Fraud
• Resources
What is Worker’s Compensation?

- Mandatory insurance

  - Paid by employer

  - Provides medical care

  - Provides cash benefits

Due to WORK-RELATED injury or illness
What is Worker’s Compensation?

History

Before
- Arose out of need for fair & equitable system
- Employees sued employers
- Jury trials - outcome often unfair
- No pain or suffering
What is Worker’s Compensation?

History

After

• Laws = prompt, equitable & guaranteed benefits
• No fault system (few exceptions)
• Coverage is a **MUST**
  – Injuries and illnesses: specific and cumulative
• No pain or suffering – Still in effect
• Insurance purchased for wage loss & medical benefits
• Insurance protects the employer as well as the employee
Workers’ Compensation in California

- **AOE/COE** (Arising out of & occurring in the course & scope of employment)
- Must be caused by & happened on the job
- No fault system (few exceptions)
- Provides benefits to employees
  - Medical
  - Temporary Disability
  - Permanent Disability
  - Vouchers
  - Death
- Protects workers and employers
University Program

• Legally Uninsured (State of California)
  – No bond or certificate of insurance necessary per L.C. 3700
  – In risk pool (CSURMA)
• 2005/06: 92 claims filed
• 2006/07: 71 claims filed
• 2007/08: 75 claims filed
• Currently: 59 open claims
University Costs/Expenses

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<tr>
<th>Year</th>
<th>Expenses</th>
<th>Premium/Risk Pool Contributions</th>
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<td>2004-05</td>
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<td>2008-09</td>
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<td>$1,500,000</td>
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2007/08 University Injuries

- **Sprain/strains**: 21
- **Burn**: 1
- **Contusion**: 9
- **CT**: 4
- **Dermatology**: 1
- **Fracture**: 3
- **Internal**: 7
- **Laceration**: 10
- **Multi Body**: 2
- **Puncture**: 3
- **Respiratory**: 5
- **Stress**: 2
- **Multi Body**: 2
- **Contusion**: 9
Costs
Cost Drivers

- Costs of doing business
- Deadlines
- Late Reporting
- Nature of Injuries/Illnesses
- Lost days
- Litigation
- Return to work
Coverage

Covered:
- Faculty, FERP’s & retired annuitants
- Staff
- Student assistants
- Graduate assistants
- Volunteers – authorized and approved

Questionable Coverage:
- Students working on stipends (per contract)
- Student interns (per contract)
- Visitors

Acceptance of coverage does not equal monetary compensation for all
Reporting

• Managers/ Supervisors Responsibilities
  – **CALL** & report within **24 Hours**
  – Return forms within 48 hours
  – Call for transportation
  – Report hazardous conditions or fraudulent suspicions
  – Secure defective equipment & notify EH&IS & Risk Mgmt
  – Work statuses to Risk Mgmt

*Driving injured/ill employees is prohibited*
Reporting

• Employee Responsibilities
  – CALL & report within **24 Hours**
  – Complete & return forms to mgr/supv
  – If pre-designating, return completed form to Risk Mgmt
  – Work statuses to mgr/supv
  – Report any hazardous conditions or fraudulent suspicions

**Driving injured/ill employees is prohibited**
Reporting Claims

Employee/ Volunteer Injury Report Form

- University Document
- On Risk Mgmt website
- Initiate form & circulate for signatures
- Employee/Volunteer completes part 1
- Mgrs/Supvs completes part 2 & verifies or completes part 1
Reporting Claims

Workers’ Compensation Claim Form (DWC1)

- State document
- Offered to employee within 24 hours of notice of claim
- On Risk Mgmt website
- Employee/Volunteer completes top portion
- Risk Mgmt completes bottom portion
- Do not include Social Security number
Reporting Claims

Medical Service Order Form (Fullerton)

- Complete when medical is needed
- On Risk Mgmt website
- Mgrs/Supvs completes form
- Employee must bring to medical appointment
Reporting Claims

Medical Service Order Form (Irvine)

- Complete when medical is needed
- On Risk Mgmt website
- Mgrs/Supvs completes form
- Employee must bring to medical appointment
Reporting
Claims Administrator

Contact: Megan Warren

Sedgwick CMS
P.O. Box 3170
Rancho Cordova, CA 95740
(916) 851-8057
(866) 766-1115 (toll free)

Sedgwick does NOT handle International claims
Reporting Claims for Employees on International Travel

- **For Employees:**
  - Call and report within 24 hours
  - **Call (800) 766-8206 within USA or Canada or**
    - call collect (202) 659-7777 **outside** of USA or Canada and please follow the instructions
  - Contact Risk Mgmt & manager immediately while still overseas
  - Seek treatment while overseas

- **For Managers:**
  - Call Risk Management immediately for instructions on forms
  - Encourage employee to seek treatment while still overseas

*Questions: Contact Risk Mgmt, extension 7346 or 2824*
Reporting Investigations

- Begins with 1st knowledge
- 90 day discovery period
- Statements
  - In-house
  - Off campus personnel
- Immediately notify EH&IS and Risk Mgmt of hazardous conditions or defective equipment
- Isolate defective equipment
Reporting
Why is first 90 days so crucial?

Non-litigated delayed claim
Reported **LATE**

Date of Injury: 1-15-08
**Decision date:** 4-14-08
Manager DOK: 1-15-08
WC Mgr DOK: 1-22-08
Med requested: 1-30-08
Investigation assignment rcvd: 2-05-08
Investigation completed: 3-05-08
Med appt set for: 3-20-08
Med report rcvd: 4-15-08
Medical Treatment

- No out of pockets costs
- Transportation provided if necessary
- Treatment provided by:
  - Minor First Aid treatment - By Department
  - St. Jude Heritage Medical Group (Occupational Health Svcs)
  - Saddleback Family and Urgent Care
    - Lake Forest, CA
    - Mission Viejo, CA
    or
  - Pre-Designated physician
- Use available leave credits – Appointments & PT
- Follow-up treatment
- Treatment – Internationally
  - Seek treatment as directed unless there is an emergency

Effective July 1, 2008: Student Health Center is no longer providing treatment for work-related injuries or illnesses
St. Jude
2720 N. Harbor Blvd, #130
Fullerton, CA 92835
(714) 449-6200
Hours: 24 hours, 7 days a week
Saddleback Family & Urgent Care
22855 Lake Forest Drive
Lake Forest, CA 92630
(949) 452-7544
Hours: Mon-Fri 8am-8pm
Sat-Sun 8am-4pm

Saddleback Family & Urgent Care/ Mission Viejo Center
23962 Alicia Parkway
Mission Viejo, CA 92691
(949) 452-7699
Hours: Mon-Fri 7am-10pm
Sat-Sun 8am-8pm
Medical Treatment

Pre-Designation Form

- **Must** be on file prior to injury/illness
- On Risk Mgmt website
- Completed by employee & physician
- Physician must sign
Compensation

Accepted claims

- Industrial Disability Leave (IDL) – *Benefit provided by CSUF, Eligibility depends on participation in PERS retirement system*
- Temporary Disability (TD)
- Permanent Disability (PD)
- Supplemental Displacement Vouchers

*WC Benefits may affect FMLA (Family Medical Leave Act)*

*WC & FMLA benefits run concurrently!*
Compensation

Industrial Disability Leave (IDL)

– Benefit meeting
– Must be PERS eligible
– Paid for 52 weeks over a 2 yr period beginning with first date of lost time
– Full pay first 22 days, then 2/3 of salary
– 3 day waiting period (WP)
  • Use available leave credits
  • Holidays = work days
– WP reversed at 14th day off

Not eligible for IDL

– FERP’s, retired annuitants, student workers, volunteers

WC Benefits can affect FMLA (Family Medical Leave Act)
WC & FMLA benefits run concurrently!
Compensation

Lost Time Examples

- Employee injured today
- Leaves work today because of injury/illness

  REMAINDER OF DAY IS PAID AS AN ADMIN DAY IF ELIGIBLE.

- Employee injured today & continues working
- Comes in next day & leaves early

  MUST USE AVAILABLE LEAVE CREDITS OR COMP TIME
Compensation

Delayed/ Denied claims

– Sedgwick CMS has **90 days** to accept/deny claim

– Medical treatment paid up to $10,000

– May receive non-industrial disability leave benefits

Questions: Please contact Angelica Perez (HR – Benefit Specialist/Leave Coordinator) x 5311

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*WC Benefits may affect FMLA (Family Medical Leave Act)*

*WC & FMLA benefits run concurrently!*
Return to Work

Physician Driven

• Job description

• Physician evaluates ability to return to work

• Physician provides written restrictions

• Employee’s responsibility to bring RTW paperwork to department
Return to Work Process

Transitional return to work
• Temporary Restrictions

Permanent return to work
• Permanent Restrictions

Interactive Process
• Informal Open Discussions
Return to Work Process

Mgrs/Supvs determines if the department can *reasonably accommodate* the restrictions

- **Department *can*** accommodate
  - Meet with employee discuss restrictions
  - Periodic progress meetings

- **Department *cannot*** reasonably accommodate
  - Interactive process. Meetings with department/ employee
  - Findings presented
  - Still no work, Return to Work Committee convenes
  - Work search
  - Nothing available, employee remains off work
Return to Work
Interactive Process

Employer is not legally required to accommodate the employee’s disabilities if:

• Employee is unable to perform essential functions of job; and no reasonable accommodation exists that would enable the employee to perform the essential functions of the job.

• Employee would create an imminent and substantial danger to him/her self or a substantial danger to others by performing the job; and that no reasonable accommodation can be made to remove or reduce the danger.
Return to Work
Transitional

In the Past…
• Maximum 90 days

Going Forward...
• Case by case
• Keep working as long as progress is made towards returning to full duty
Return to Work Committee

• Return to Work Committee convenes
  – Review job description
  – Explore transferable skills
  – Discuss open or pending open positions

• If reasonable accommodation exists, efforts are made to meet the accommodation
  – Temporary: WC Manager meets with the department
  – Permanent: WC Manager & Director of Diversity meets with the head of new potential department
  – If employee’s restrictions meet the essential job functions, attempts are made to facilitate employee into position

• If committee determines a reasonable accommodation does not exist, WC Manager & Director of Diversity meets with employee to discuss the final outcome

• The employee will later meet with an HR Representative to discuss other alternatives
Interactive Process
RTW Committee

- John Beisner
  - Director, University Risk Management & Committee chair (as necessary)
- Alisha Brown
  - Workers’ Compensation Program Manager
- Rosamaria Gomez-Amaro
  - Director of Diversity & Equity
- Medhi Islam
  - Employees with Disabilities Program Coordinator
- Elda Moreno
  - Benefits Manager
- Phenicia Allen
  - Employment Manager
- Angelica Perez
  - Benefit Specialist/Leave Coordinator
- Tom Whitfield
  - Director of Environmental Health & Instructional Safety
- Maria Plimpton
  - Compensation/Classification Manager (as necessary)
- Monique Shay
  - University Counsel (as necessary)
- Various HR Division Coordinators (as necessary)
Return to Work
Permanent

- Permanent restrictions
- Same return to process applies
- Interactive Committee involved
- Goal return employee to work
Fraud

- Reduced
- Penalties increased
- 20-25% of all claims are inappropriate
- Annual cost $5 billion
- Punishable by up to 5 years in prison and/or up to $50,000 in fines
- Results of prosecutions & convictions
  - Community Service
  - Fines
  - Probations
  - Jail
  - Restitution
Recap

WORKERS’ COMPENSATION = $$$$$$

Timely reporting
+ Timely & effective investigations
+ Timely medical treatment
+ Early Return to Work
= lower Workers’ Compensation Costs
Resources

• **Workers’ Compensation Program Manager**
  
  Name: Alisha Brown  
  Phone: (714) 278-2824  
  Loc: CP-700 (HR-Risk Mgmt Dept)

• **All information is available in your department office, on the University’s website under the heading “Risk Mgmt” or by calling extension 7346 or 2824.**

• **Information & Assistance Officer**
  
  (800) 736-7401 - recorded information  
  Anaheim: (714) 414-1800  
  Santa Ana: (714) 558-4597  
  Long Beach: (562) 590-5240  
  Los Angeles: (213) 576-7389  
  Pomona: (909) 623-8568  
  Riverside: (951) 782-4347
Questions?