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Return to Work

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Charlie Fox, JD
President and CEO, DMEC

The New Basics of IDAM

Integrated disability and absence management (IDAM) will never be a fully automated process. Each step in an individual's recovery and rehabilitation is unique and a function of that person's own disabling event and the family and professional support network that is available to care for and assist that individual. But already, technology is being applied to support most key steps in the very human process of Return to Work (RTW). You might call this parallel technology track "the new basics of IDAM."

RTW was a key concern of professionals who founded DMEC and is the theme of this May issue. The basics are still the same; many of the RTW processes and milestones that were used 20 years ago are still at the core of programs in place today. "The new basics" provide added capabilities to enhance program performance and legal compliance in just about every area.

Boeing Provides Employees a Safe Landing with a First-Class RTW Program describes a Stay at Work/RTW program that provides high-touch services to industrial athletes—highly skilled trades workers whose job functions pose significantly increased risk of musculoskeletal injuries. Technology is utilized to facilitate many aspects of this integrated cluster of programs, and a LEAN/Six Sigma continuous process improvement initiative in 2012 identified tasks for realignment to optimize team skills and technology.

Vendor Integration Opens Early Intervention Opportunities describes a program jointly developed by Unum and UnitedHealth Group that leverages technology and uses short-term disability claims to drive earlier, smarter treatment planning and decisions. IDAM professionals will recognize the disciplined sequencing of processes in the program, and the key role of technologies for protocol adherence and communication.

Return to Work Best Practices: Part II by DMEC Board Chairperson and co-founder Marcia Carruthers includes a flowchart of activities that becomes extremely complicated when RTW involves accommodations, temporary placement in other jobs, or part-time work. Today's IDAM professionals when reading this excellent review will shudder at the thought of having to use manual, paper tools to drive these very complex processes—as early disability managers had to do.

Indeed, technologies bring so much to IDAM that they have become another core area of program development and management. When IDAM professionals congregate at DMEC's 20th Annual Conference Aug. 2 – 5 at the San Francisco Marriott Marquis, in addition to renewing friendships, professional networking, and education, they'll ask each other, "Which technologies and vendors did you use to implement that process?"

Visit DMEC.org for a listing of speakers, Annual Conference announcements, and the packed conference brochure. We'll see you in beautiful San Francisco in a few short months!

Charles M. Fox

"Technology is being applied to support most key steps in the very human process of Return to Work."

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Finding ways to manage employee absences and ensure compliance with the many complex laws governing disability, FML, ADA/ADAAA and workers' compensation can be a challenge. Sedgwick's disability and absence management team can help. We have technology-enabled solutions and a world of expert resources to support and improve the health of your workers and the productivity of your organization in an efficient, compliant, cost-effective manner.

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CM#4: Social Security Disability Insurance Confrontation

John C. Garner, CEBS, CLU, CFCI, CMC
Chief Compliance Officer
Bolton & Co

Without congressional action, the trust fund financing the Social Security Disability Insurance (SSDI) program will be emptied by late 2016, forcing an immediate 19% cut in benefits to nearly 11 million SSDI beneficiaries. Republicans want to avoid this by solving some or all of the underlying SSDI financial problems. Democrats want to avoid it by borrowing funds from the Social Security retirement trust, which will be insolvent by 2034. Watch for more political drama ahead!

Proponents of reform have assembled teams of industry experts and policy wonks to draft proposals. Given the very different political interests of Democrats and Republicans in solving SSDI problems during a presidential election year, it will be a great achievement to pass bipartisan legislation and get a presidential signature.

Failure to solve SSDI problems could generate a financial tsunami in long-term disability (LTD) insurance markets, which rely heavily on SSDI to offset LTD costs. Substantial changes to SSDI might force substantial changes to LTD plans and premiums. An analysis of this issue can be found at www.dmec.org>Resources & Info>Legislative Updates.

CM#5: Confusing Launch: California Paid Sick Leave

Even though California employees will not begin to earn paid sick leave until July 1, 2015, other parts of this new law are in effect already.

As of January 1, 2015, employers should post notices describing the new law, available at www.dir.ca.gov/dlse/Publications/Paid_Sick_Days_Poster_Template_(11_2014).pdf. Written notice of rights should be provided to new hires; a sample is available at http://www.dir.ca.gov/dlse/Publications/LC_2810.5_Notice_(Revised-11_2014).pdf.

An employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the beginning of employment is entitled to paid sick leave. Even part-time and temporary employees will earn at least one hour of paid leave for every 30 hours worked. Accrual begins on the first day of employment or July 1, 2015, whichever is later. Key details can be found at www.dmec.org>Resources & Info>Legislative Updates.

CM#6: Massachusetts Enacts Parental Leave Law

Massachusetts has amended its Maternity Leave Law to include parental leave, effective April 7, 2015. Previously, the Maternity Leave Act required employers to provide up to 8 weeks of job-protected leave to female employees for the birth or adoption of a child. The new law extends the same leave rights to males and also provides leave for placement of a child pursuant to a court order.

If an employer agrees to provide leave for more than 8 weeks, the employee cannot be denied reinstatement to the same or a comparable position unless the employer meets precise notification requirements.

Boeing Provides Employees A Safe Landing with a First-Class Return to Work Program

Author
Denise Fleury, MBA, SPHR
SVP Disability and Absence Management
Sedgwick

Boeing has a long tradition of aerospace leadership and innovation in commercial and military aviation. Founded by William Boeing in 1916, today Boeing employs over 169,000 workers in the United States and 65 countries.

Boeing's leadership and innovation has also been reflected in the development of its Stay at Work/Return to Work program (SAW/RTW) for employees. The overarching premise of the program is taking care of their employees and ensuring they receive best-in-class care and service. The Boeing commitment to a "service culture," as practiced with external customers, is also the standard set for servicing internal employee customers.

Boeing's corporate core values include a strong emphasis on the health, safety, and well-being of all employees, as well as adhering to the important corporate conduct principles of integrity, quality, trust, and respect. The vision for the company's Stay at Work/Return to Work (SAW/RTW) program is anchored in these values. The program emphasizes employee health and well-being and strives to ensure the highest quality employee experience when an actual disability occurs. An essential principle of the program is establishing a caring and compassionate approach that addresses both the employee's and the employer's needs, regardless of the underlying reason for an employee's time away from work.

Mike Tarling, Assistant Treasurer, Risk Management & Insurance, and Scott Buchanan, Director, Benefits Services, manage the workers' compensation program, leading a team of professionals who coordinate with the many stakeholders in the Boeing SAW/RTW program. Boeing and Sedgwick became partners in 2010, continuing the tradition of RTW

"(Boeing's goal is) establishing a caring and compassionate approach that addresses both the employee's and the employer's needs, regardless of the underlying reason for an employee's time away from work."

Denise Fleury, MBA, SPHR
SVP Disability and Absence Management, Sedgwick

innovation. Today 160 Sedgwick clinical and claims personnel from across the country are dedicated to carrying out the Boeing workers' compensation claims management program.

Boeing's program has been highly successful in addressing workforce health and productivity. Five program components will be highlighted here: Boeing Health Services, the Industrial Athlete, Medical Provider Facility Tours, Dedicated Vocational Counselors and Lean/Six Sigma initiatives for continuous process improvement.

Boeing Health Services

Boeing Health Services has developed a comprehensive care system to support and facilitate SAW/RTW.

In the early years, Boeing's onsite clinics focused on the need for immediate treatment and follow-up for on-the-job injuries. Over time, increasing use of the clinics by employees led to program expansion. There are now 14 on-site clinics around the country, which record over 92,000 visits annually. This includes services rendered for some non-occupational conditions such as colds and minor personal injuries.

Boeing believes that these onsite services differentiate it as a premier employer, committed to the health and well-being of its employees. Having nearby clinical resources readily available for employee treatment or questions improves the ability of employees to stay engaged in managing their own health. Ultimately, this helps to reduce unnecessary absence from work and improves quality of life for pursuit of personal activities.

The Industrial Athlete

The Industrial Athlete is another innovative component of Boeing's SAW/RTW. The program has been in operation for nearly 10 years, with participation by almost 33,000 employees to date. The program's mission is to give Boeing employees the resilience to engage in a lifetime of physically demanding work and play.

Under Boeing's Health Services leadership, the Industrial Athlete program brings together both internal and external specialty resources to create a continuum of Boeing-defined services in prevention, treatment, and rehabilitation. The service options are designed to integrate into existing programs at individual Boeing locations. Services are open to employees regardless of whether a work injury has occurred or not, and participation is voluntary.

"We had no idea how flexible Boeing could be with accommodating temporary restrictions for work injuries."

Anonymous Medical Provider

"Employees benefit from a team of experts including wellness coaches, exercise physiologists, athletic trainers, massage therapists, medical assistants, registered nurses, physician assistants, nurse practitioners, physicians, Employee Assistance Program counselors, physical therapists, vocational counselors, disability management specialists, ergonomists, and workers' compensation specialists, all dedicated to employee health, safety and well-being."
Laura Cain, MD, Associate Medical Director, Boeing

Symptom Intervention is designed to identify as early as possible symptoms of mild discomfort that a worker may feel while performing job tasks: 6,500 people annually participate in this program and over 95% remain symptom-free after symptom intervention.

Employees are encouraged to act quickly when discomfort occurs. The Industrial Athlete team is located near the production worksite. When the employee contacts a team member, follow-up often includes a worksite assessment (15 to 30 minutes) by onsite athletic trainers and/or therapists. This onsite observation can quickly identify if better body mechanics, personal protective equipment, or work-site adjustments may be needed. Other common actions to address discomfort include first aid, deep tissue massage, or a personalized plan of stretching and conditioning. With intervention customized to the person and the job, the employee's good health can be maintained, preventing further strain or injury.

Acute Physical Therapy is another intervention tool of the Industrial Athlete program. This occurs onsite in some locations and through local providers in others. Participants will either proceed back to work or progress into work conditioning/work hardening, depending on their functional abilities and the job requirements.

Work Conditioning services include physical conditioning to ensure the right capability and strength for job performance. There are 3,000 program participants annually. Participants report increased strength and flexibility as a result of the job conditioning; up to 90% report making healthy changes to work and exercise habits that were lasting. Studies have shown the work conditioning program reduces the likelihood of injury by as much as 30%.

Work Hardening services are used if an injury has already occurred. Under supervision by athletic trainers and/or therapists, the employee participates in a personalized program of education on body mechanics, work methods, and how to best prevent re-injury. An important component is the Progressive Work Simulationa structured, supervised plan of exercise and tasks to increase stamina and work capabilities over time. This personalized recovery plan creates an effective path from lost

time to temporary modified duty and then on to return to full job duties. There have been over 750 participants to date. In 2014, 85% of participants returned to work at their pre-injury job, with 100% RTW overall.

Medical Outreach: Facility Tours

In 2012, Boeing and its third-party administrator (TPA) claims team noted an increase in employee lost workdays. The problem seemed to be in RTW, just before an employee was released to modified duty. The team felt the lag time was related to the medical provider's lack of timely, reliable information about available modified duty. Boeing felt that its outreach program to local treating providers needed to be strengthened.

As a first step, the Boeing team identified the most frequently used medical providers and emergency departments. Next, team members visited provider locations to discuss Boeing's approach to employee health and well-being and to show a Boeing video detailing the RTW program. However, most interaction was with office staff, not directly with the providers—those who most impact the employee RTW.

The team decided that if they could get the treating providers into the Boeing plant for a first-hand look at the work environment and the modified duty program, SAW/RTW could be more successful.

Medical provider tours began in 2013 at the Everett, Washington plant. The quarterly four-hour tour offers the opportunity for providers who treat Boeing employees to see the work environment, job tasks, and modified duty options, and to discuss the Boeing RTW program overall. The tour also visits onsite health services (e.g., physical therapy, work conditioning, and work hardening) and describes the relationship between the TPA, different Boeing departments, and the provider.

No incentives are needed to interest providers in the tour. The TPA identifies local providers that are most active in serving Boeing employees and reaches out with a phone invitation. After providers express an interest, the TPA provides their contact information to Boeing, and Boeing emails them a tour invitation.

This Boeing initiative is about communicating to medical providers that Boeing has a culture in which RTW and patient care are the focus. The feedback from provider tours has consistently been positive, reflecting one provider's observation that "we had no idea how flexible Boeing could be with accommodating temporary restrictions for work injuries." With this success, there are now tours at most of Boeing's Puget Sound locations, with plans to add similar tours at other facilities across the country.

"The tour allows the opportunity to see common tasks, such as bucking and riveting. By better understanding the

nature of my patients' jobs, the employer's onsite programs and services, I have been able to more effectively coordinate injury management rehabilitation efforts on my patients' behalf."
Dr. Dianna Chamblin, Everett Clinic

Dedicated Vocational Counselors

Vocational specialists are an important resource for more complex RTW situations. The specialist provides the employee and the supervisor with the extra support needed to identify and understand the best options for a successful RTW.

In 2011, the Boeing workers' compensation team determined that the approach of referring injured workers to a wide variety of vocational firms was not providing a consistent experience for Boeing employees. As a result, Boeing moved to a dedicated program with one vendor in order to ensure consistency and quality. Today, one service provider with six dedicated certified vocational counselors works exclusively with Boeing employees.

This new approach has surpassed expectations. Employees needing RTW services now move more quickly through the vocational evaluation, with process time being reduced by up to 20%. The use of a dedicated vocational team leads to process efficiencies making the experience less about administrative activities, and putting the focus on the employee's needs for a successful and safe RTW.

"As dedicated vocational counselors working solely on Return to Work at Boeing, we have been able to assemble and incorporate expert knowledge of the work and the culture."
Julie Busch, MS, CDMS, VP, Strategic Consulting Services

LEAN/Six Sigma and Continuous Process Improvement

Keeping employees healthy, productive, and at work can often be a complex process. An organization as large and diverse as Boeing has many moving parts that must come together for an efficient and consistent process responsive to employee needs. Boeing recognized that getting the process "right" was key to success across all the various SAW/RTW program components.

In 2012, Boeing and the TPA claims team combined forces in a LEAN/Six Sigma process improvement initiative. Over three months, the project team did a deep dive to analyze and systematically address workers' compensation administrative and RTW processes and pain points. Both short-term and long-term (i.e., technology-driven) action items were identified for the TPA and for Boeing. Numerous "quick hits" resulted in improved response times and implementation of ongoing process metrics; other actions included realignment of tasks to optimize team skills and technology. Importantly, program leaders for Boeing and the TPA worked together to ensure the right support for the changes needed in both organizations.

The shared culture of this continuous process improvement technique will continue to be a valuable tool as Boeing's business and program needs grow and change.

Conclusion

Boeing's SAW/RTW program establishes a caring and compassionate approach, addressing both employee and employer needs. This solid vision for enhancing employee health and well-being, led by innovative and talented stakeholders and combined with a mindset for continuous process improvement, has shaped Boeing's SAW/RTW program and laid the foundation for its continued success in the future.

Vendor Integration Opens Early Intervention Opportunities

Unum/UnitedHealthcare Referral Project

Integrated disability and absence management (IDAM) relies on early intervention to reduce medical costs, especially for complex, high-risk claims. Many early intervention systems are helping employers and their employees nationwide, enabling improved health outcomes and shorter disability claims.

"The key is execution of the process. It starts with the intake process.... This is all about capturing the window of early opportunity."

Randy Ford
Partnership Sponsor, Unum National Client Group

For some employers, it remains a challenge to develop an effective model, orchestrate a sequence of steps to achieve consistent success, and calculate savings of early interventions that help drive improved clinical outcomes. Frequently, disability claim vendors must play a key role in delivering early intervention capabilities.

For the UnitedHealthcare-Unum Referral Program, two large industry players created a turnkey integration program aimed at improving early interventions. As of February 2015, the program was used by 28 employers and covered 370,000 people. The program is available exclusively to large employers in business segments of UnitedHealthcare National Accounts and Unum's National Client Group.

The referral program is designed to help businesses get greater value out of their health management programs and clinical services. It is based on an identification and referral process that provides targeted health guidance and coaching to employees with high-impact conditions, which drive a large percentage of health care spending and disability duration.

The Model

The referral program uses short-term disability claims as a starting point, in part because they offer the unique potential to drive early intervention. People frequently file for disability benefits as a first response to a medical event.

"Your first call is to the disability vendor, because you want to be sure you get paid while you're off work," said Rich Fuerstenberg, a Mercer Senior Partner and a consultant serving some of the employers in the referral program. "The disability vendor often hears about this event sooner, and has access to a lot of information faster, before anything triggers predictive bells in the health plan. This high-risk population provides new opportunities for early outreach and participation in the employer's health management programs."

For participating employers, program development starts with establishing referral conditions. UnitedHealthcare and Unum combine employer data (because both serve the same client) to identify those diagnostic conditions driving healthcare spending and disability durations.

> **"The majority of the savings, at least initially, are on the medical side."**
>
> **Rich Fuerstenberg**
> Mercer Senior Partner

"This is not a one-time event; we evaluate data and plan performance annually to ensure referrals represent the most recent cost drivers and to ensure the most appropriate health management programs are in place," said Randy Ford, partnership sponsor for Unum's National Client Group.

Orchestrated Steps

After targeted conditions are identified, the next area of focus is execution, which is a critical issue in building the capability for early intervention. The referral program has an orchestrated sequence of steps, procedures, and supporting tools. The process includes:

Obtaining Employee Authorization: Compliance with HIPAA and other privacy regulations make employee authorization a critical upfront requirement. The program uses voice authorization for people submitting claims by phone and e-signatures for web-based submissions. Leveraging both capabilities during claim intake achieves a real-time authorization rate of more than 95%.

Automated Identification of Eligibility: During intake, an automated process identifies people with eligible conditions and produces direct action items for Unum Disability Benefits Specialists.

Employee Education: The specialists place follow-up calls to people with submitted claims, providing these employees with information about available programs and services. Disability specialists set an expectation about the helpful available services while gathering additional useful information, including how an injury occurred and if surgery is under consideration.

Referral Handoff from Disability to Medical: The system auto-generates a referral that is sent through email directly from Unum to UnitedHealthcare. In compliance with federal and state privacy requirements, all referrals are validated for employee authorization and transferred through secure transmission.

Clinician Resource Support: Within five business days after the original submission, the employee receives a call from a UnitedHealthcare nurse who provides information about options and resources to help the person make informed choices, including treatment decision support services, care management, and longer-term condition management.

Program Results: The system includes comprehensive reporting capa-

bilities that protect privacy and enable employers to track anonymous, aggregated program-wide results.

As a result of these efforts, participating employers are seeing reduced costs, shorter disability lengths, and improved health outcomes.

"Employee engagement rates are improving dramatically for participating employers," said Katie Hart, partnership sponsor for UnitedHealthcare. "One key to our success is setting upfront expectations. Our clinicians view a referral from Unum as a qualified opportunity, because the Unum team has already set an expectation about the value of participating. This leads to direct phone contact and, as a result, enhanced employee engagement."

Said Ford, "The key is execution of the process. It starts with the intake process and is based on the speed of our response. This is all about capturing the window of early opportunity."

Disability Funnel

The referral program relies on several design components for effective operation. Ford used the analogy of a "disability funnel," where people submitting claims move through the program funnel in stages. As the funnel narrows with each stage, some participants are lost; design components are employed to reduce the loss and maximize the level of participation or engagement at each stage.

Program design is critical in selecting referral candidates. UnitedHealthcare and Unum reviewed high-opportunity claims, which feature both excessive medical costs and disability duration. Based on these combined datasets, Unum and UnitedHealthcare developed diagnostics and referral conditions—a proprietary "claim tool"—to target cases with high potential for medical complexity.

The claim tool has selected diagnostic codes that are dispersed through several categories familiar to IDAM professionals: musculoskeletal, asthma/chronic respiratory, behavioral, diabetes, cancer, circulatory, and obesity. Each participating company has a unique claim tool with red-flag diagnostic codes selected based on the health management programs that the employer has chosen to provide to its workforce.

The system uses telephonic or online intake for approximately 95% of claims. Out of this pool of initial candidates, approximately 30% were previously identified or ineligible for referral, often because they are enrolled in their spouse's health plan or eligible for government-provided care.

Those previously identified are offered a new opportunity to participate. Now facing a disabling medical event, they may recognize the value and importance of support from a health management program, said Hart.

Even among the ineligible group, Fuerstenberg notes, many can benefit from the referral program. They can be referred to their company's employee assistance plan (EAP) for behavioral health support, and, in some EAPs, work-life services such as emergency childcare can facilitate a return to work sooner.

"Our clinical team is successful in reaching a very high number of referred employees through a direct phone call," said Hart. This rate of connection is the direct result of employee contact information obtained during claim intake and information provided throughout the process.

"We have an added depth of background information and, most importantly, have set a level of expectation with employees through early intervention" Hart said. "The result is improved engagement for people eligible for employer-sponsored clinical programs."

Employers themselves affect the referral program design, in part because they determine what health management programs are offered and what programs receive referrals from the disability vendor. Also affecting results are whether health management services are carved into the medical plan or carved out, and the number of employees eligible for both health management programs and disability.

Fuerstenberg described two participating employers with very different goals. One employer took a limited approach, focusing on basic health management programs such as catastrophic case management. Because those programs are only expected to capture 1% to 3% of covered medical members, the opportunity for disability referrals is low.

Another employer took a more expansive approach to health management, offering a broad array of programs. Because those programs are expected to include 10% to 15% of covered medical members, the percentage of people with disability claims who are eligible for referrals is much higher.

Monetizing Savings

How can the referral program estimate savings from clinical services that didn't occur? This question is more than academic, as it affects customer loyalty and the way the program is funded.

"The majority of the savings, at least initially, are on the medical side," said Fuerstenberg. Early indicators point to favorable trends in disability outcomes as well. "We see a 3% or 4% reduction in duration of disability, when averaged across the entire book of business," said Ford, "but this varies from employer to employer and hasn't become a firm actuarial component of the program yet."

Hart explains that clinical cost savings are estimated on the basis of cohort groups. Each employer's cohort group of people with disability claims in the referral program has a set of variables, including: diagnostic conditions, severity, age, gender, and participation in specific programs. Drawing on data from numerous employers, UnitedHealthcare creates a statistically comparable cohort group to estimate a baseline average cost for groups with those variables. To calculate monetized savings, UnitedHealthcare compares the difference between the baseline and the actual cohort group participating in the referral program.

According to this analysis, savings per person participating in the referral program were $3,000 to $10,000 per case.

Fuerstenberg says customer loyalty could be an important factor for the disability vendor in business partnerships. He noted that in a typical employer contract, a disability vendor begins with a mandate to reduce disability incidence and/or severity. Over time the vendor achieves this goal, eventually reaching a "steady state" of disability claims, when employers may search for other ways to reduce costs.

But in the area of clinical costs, Fuerstenberg said, "health never gets to a steady state; you have an aging employee population, a prevalence of chronic conditions and obesity, and the employer will always need to manage these costs." An employer might consider investigating other disability vendors for lower costs but would think twice about losing its clinical savings through the disability/health plan partnership.

Conclusion

The innovative UnitedHealthcare-Unum referral program has a four-year track record to demonstrate its ability to promote early interventions and reduce clinical costs. This alliance required the creation of a legal and administrative structure to deliver rapid, appropriate referrals to people at high risk of substantial disability and medical events. The program requires extensive administrative alignment, which might make replicating this collaboration challenging using other vendors.

Referral Program Participation

Year	#Employers	#Covered Lives
2011	3	92,000
2012	13	200,000
2013	23	300,000
2014	28	370,000

Return to Work Best Practices

Part II: Basic Framework to Establish and Implement an RTW Program

Author
Marcia Carruthers, MBA, CPDM
DMEC Board Chairperson

This is the second of two articles on Return to Work (RTW) best practices. This article completes the basic framework to consider when establishing and implementing an RTW program: setting roles & responsibilities; defining interventions & triggers; measuring outcomes & success; and formulating considerations for accommodation.

"Regardless of how knowledgeable or helpful vendor partners are, employers cannot completely outsource their RTW program or process—they have to own it...."

Marcia Carruthers, MBA, CPDM
DMEC Board Chairperson

Roles & Responsibilities

Defining detailed roles and responsibilities is arguably the most important step in defining an RTW program and in ensuring its success. Without clearly set roles and responsibilities, the processes and programs established will remain unused. Also, by setting firm roles, an organization can track against those roles to reward employees and supervisors for following appropriate protocols even if the ultimate goal—RTW—is not achieved by every employee.

Most successful programs give each team member an incentive to participate in the program. If a culture of RTW is already established, the incentive can be relatively small. In firms where a culture of RTW does not exist, some team members will need to be motivated through more vigorous means. Some firms use a "carrot" approach of tracking progress and rewarding key team members based on favorable results. Other firms use a "stick" method that penalizes team members for not accommodating employees. This is often managed through financial means where managers or lines of businesses incur an additional cost if employees are not accommodated compared with managers and lines of

business that make accommodations and directly support initiatives toward partial duty RTW.

Because most employers coordinate some portion of their absence program with an insurance company, third-party administrator, or specialty provider, it makes sense to engage vendor partners in RTW initiatives. In some cases, these providers will work with employers to establish, expand, or refine RTW programs on behalf of their employer clients. Collaboration of this kind benefits all stakeholders since it allows employers to leverage subject matter experts within their vendor community.

Regardless of how knowledgeable or helpful vendor partners are, employers cannot completely outsource their RTW program or process—they have to own it and be committed to achieve success. Further, the relationship between the employer and employee can never be substituted by a vendor relationship. This is partially due to potentially conflicting goals, but also due to the unique knowledge that employers (and specifically supervisors) have about the job requirements and the individual employee.

Depending on the relationship, vendor partners may not have the same direct goals as their employer customers. For example, an insurance company will administer the plans and policies based on the contract provisions. This is appropriate, but may or may not foster the best RTW opportunity. Given this potential conflict, employers must be continually engaged in the process.

When considering roles in RTW programs, organizations must think beyond their core stakeholders and consider pivotal resources from the employees' perspective. Although every organization is different and titles and programs vary from company to company, the following groups should be included:

Medical

- Primary care physician
- Specialist(s)
- Employee Assistance Program (EAP)
- Disease Management Program
- Wellness Program

Personal

- Family
- Co-workers
- Legal representative
- Union representative

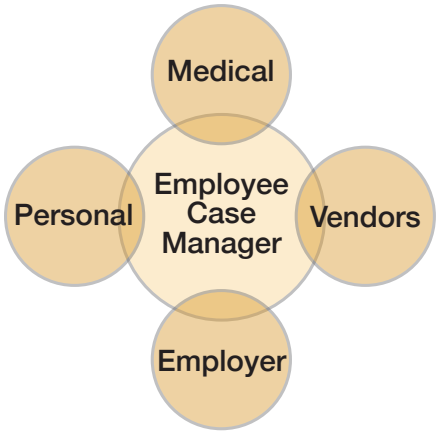
Vendors

- Health insurer/third-party administrator (TPA)
- Workers' compensation insurer/TPA
- Disability carrier/TPA

Employer

- Senior Management
- Human Resources
- Risk Management
- Safety
- Legal
- Manager/Supervisor
- RTW coordinators
- Fellow employees

Figure 1
Key RTW Stakeholders



Intervention or Trigger Points

Although lost time is the typical trigger for RTW initiatives, savvy employers recognize the value of intervention even before an absence begins. For example, an ergonomic assessment for an employee experiencing neck pain may not be a lost time event, but it certainly does pertain to RTW philosophies and best practices. Regardless of the terminology used, proactive processes may be effective in reducing overall spending even though the savings may initially be difficult to implement and track. Documenting all trigger points is important so they can be easily transferred from a plan feature into a process.

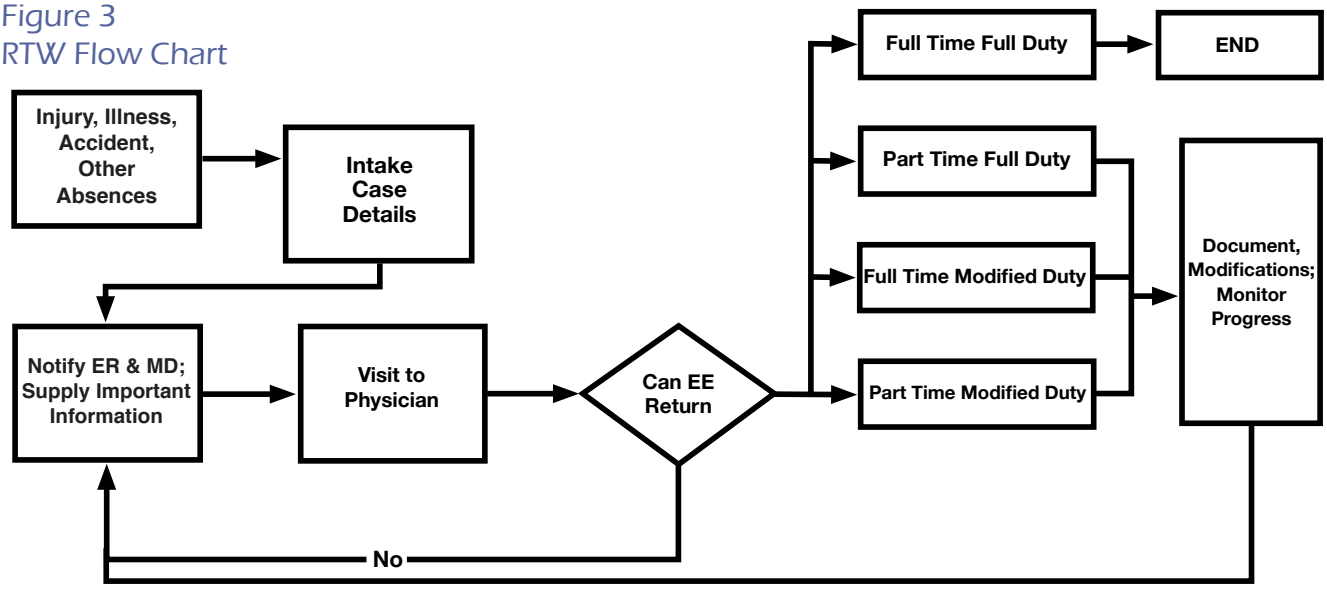
From this perspective, RTW is quite basic, as shown in Figure 2.

Figure 2
Documenting Trigger Points

Complexities expand when employers, employees, and their vendor partners begin to change existing core processes to achieve the best opportunities for RTW even if full time/full duty is not an option. Adjusting existing habits and simple methods will likely translate into a more comprehensive RTW program and more significant gains. Constant program monitoring, analysis, and attention to detail are important. As noted earlier, every RTW process is different, but below is a summary of the core RTW process considerations.

Continued on next page

Figure 3
RTW Flow Chart



The entire process is important. However, when establishing a core plan or revising a current RTW program, consider the following as high priority:

An initial care plan

Documenting the expected treatment protocol and aligning it with employee, supervisor, attending physician, and case manager expectations contribute to the team accountability.

Stakeholder Communications

Clear communication is imperative for success.

Stakeholders will vary, as previously noted; Figure 1 highlights the stakeholder categories.

Protocols addressing acceptable accommodations and variation by business unit and job type

When employees are not able to RTW full time/full duty, all accommodations and modifications should be considered: any that are safe for the employee and supported by the organization. Modifications can vary, but the most common tie to the job itself (e.g., lifting no more than 25 pounds) or the location (e.g., sit at equipment instead of standing). Simple changes can often yield significant results.

Integration with other benefits and employer programs

Consideration of and referral into another employer program such as EAP, disease management, wellness, and so on can have a positive impact on the process and overall level of employee engagement. Underlying comorbidities often impact both recovery and RTW time frames.

Setting standards and tracking

Tracking RTW protocols and results is imperative for success. Having information regarding peer groups or current states assists employers in understanding the need for RTW initiatives. From there, appropriate tracking will demonstrate improvements over time as well as where additional value can be added.

Monitoring

Best-in-class RTW programs are constantly reviewed and modified to keep pace with peer groups, as well as changing best practices and capabilities in the market. Medical and system advances bring additional RTW opportunities. Once implemented, employers must establish a process to monitor their program and prioritize changes that will assist in attaining the program goals.

Where should organizations focus their attention? Should it be on the individual worker, the organization, or society as a whole? According to the National Institute for Occupational Safety and Health, the answer is "all of the above," but in a thoughtful and coordinated fashion. The advocated approach integrates RTW with worker health, safety, and productivity as an overall business strategy.

Outcomes & Success Measures

The purpose of a RTW program is to find ways to get employees back into the workplace, performing within their abilities, and staying at work as productive employees over time. Thus it follows that for a RTW program to be successful, the primary outcome is to return absent workers in a timely and safe manner for both work-related and non-work-related situations.

In order to achieve this over the long term, RTW program effectiveness must be measured with critical resources, understanding the need for measurement and benchmarks at all stages of program development and post-implementation. Data can assist in the evolution of an RTW program tracking the organization as well as the employee experience.

Measurement and benchmarking are tools used by managers in all disciplines to look for trends, identify areas of success, look for problem areas, and document results, savings, and return on investment (ROI) for the organization. Measuring the ability to return employees back to work assists RTW coordinators to support and document their assumptions, theories, and progress. Aligning the measurements to show the effect on important key company values will allow the RTW coordinator to place a more precise value on the RTW program's services and contributions to the organization's success as well.

Some important factors to keep in mind when establishing a set of metrics:

- Collect qualitative as well as quantitative measures.
- Include both direct and indirect costs.
- Compare results to the program goals.
- Analyze data and look at trends and outcomes that will help the organization leverage the positive findings, while making adjustments and changes to improve others.

Key elements of absence metrics include:

- Absence frequency (also called incidence) under all plans (STD, LTD, and WC).
- Average duration of absence.
- Claim severity or plan costs.
- Targeted solutions to improve employee absence, productivity and bottom line.

Further fine-tuning of an existing RTW program can be accomplished through benchmarking. In its simplest form, benchmarking can be defined as a way to find and implement best practices to accomplish the goals of the program or function of interest. Benchmarking compares one program's results, outcomes, or trends to other divisions or time periods. It can be both internal (company) and external (industry), and it is a process not only of measuring results, but also of improving results over time. Benchmarking is important because it identifies needed operational and process improvements, gives statistical means to measure progress, and makes a business case for necessary changes.

Successful programs can be described by a number of measures. Fundamentally, knowing you've achieved your desired results is the most obvious. According to a 2012 report from the Burton Blatt Institute at Syracuse University,[1] major employers reported the following as indicators of program success:

- Persuading management to move to a formal RTW program—utilizing evidence that RTW made a difference; complying with state or federal regulations; empowering an internal champion who motivated others; and changing of senior management priorities.
- Significant positive RTW outcomes, including reduced lost-time duration for STD and worker's compensation, as well as reduced medical costs.
- Achievement of an ROI between 2:1 and 10:1.
- Engagement of the right people with the right solutions.
- Measurable RTW dividend—direct and indirect savings, decreased costs, and increased productivity.

- Program flexibility and simplicity.
- Emphasis on the "big health and productivity picture" by investing in employees' health and well-being.

Consideration for Accommodations

An overview on RTW would not be complete without a word on accommodation. Effective RTW strategies include offering the opportunity to work part time, telecommuting, modifying work duties, and implementing reasonable accommodations to provide employees with the tools and resources they need to carry out their responsibilities. Efforts such as these can help employees return to work sooner, even while still recovering. This allows employees to protect their earning power, while at the same time boosting the organization's productivity. Furthermore, in many instances, the ability to RTW after injury or illness plays an important role in the employee's actual recovery process.

Accommodations for employees returning to work are highly cost effective, with most incurring little or no expense at all. Data collected by the Job Accommodation Network over the years reveals that more than half of accommodations cost employers nothing. Of those that do cost, the typical one-time expenditure is $500.[2] Add to this the fact that 74% of employers who implemented accommodations rated them as either "very effective" or "extremely effective," and you have a strong case for including accommodations in your RTW program.

Conclusion

Whether you are just starting out or intend to upgrade a long-standing program, following proven best practice methods can ensure your success. Characteristics of best-in-class programs include: an integrated approach; operating on a formal basis; defining program goals and elements; matching the goals of the employer with the program; outlining the roles and responsibilities; identifying triggers and key intervention points; defining necessary and achievable outcomes and success measures; and incorporating accommodation opportunities to assist in retaining or returning employees to productive work.

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Where U.S. Mail and Email Won't Work, Should Employers Send FMLA Notices by Carrier Pigeon?

Have you ever considered sending your employee FMLA notices by carrier pigeon? You may be tempted to take this drastic step after a couple of recent court decisions have undermined the manner in which employers typically send their employees FMLA notices.

All of these FMLA-related documents—the Notice of Eligibility, medical certification, or the Designation Notice—typically get sent by good old-fashioned snail mail, delivered by your friendly neighborhood U.S. postal worker. In recent years, employers increasingly have used email to communicate FMLA rights and responsibilities to their employees when the employee has expressed a preference for email. Of course, this is not a giant leap, given our advanced electronic age.

Back in the day, we could rely on those materials arriving safely at their destination—whether in the mailbox or inbox. And on time. We were so sure of the U.S. mail's accuracy and efficiency that the courts recognized the "mailbox rule," under which we presume that a letter that is sent with proper postage reaches its destination in a timely fashion and actually is received by the individual to whom it was addressed.

Not any more, after a few courts had their say.

First came *Lupyan v. Corinthian Colleges*, in which the court held that certified U.S. mail offers a strong presumption that FMLA paperwork actually was received by the intended party. On the other hand, the court criticized notice by first-class U.S. mail, finding that it offers a weak presumption of receipt that is negated whenever the employee denies having received the documents. Then came *Gardner v. Detroit Entertainment*, in which another federal court found that transmitting an email—in the absence of any proof that the email actually had been opened and actually received—can only amount to proof of constructive notice. In other words, if an employee denies having received the email, the FMLA lawsuit cannot be dismissed.

After *Lupyan* and *Gardner*, it appears that courts are gravitating toward a higher threshold for proving employees have received FMLA notices and forms, warning employers that they should implement some form of delivery that includes verifiable receipt. This is bad news for third party administrators (TPAs) and large employers, since certified mail and similar measures are simply cost-prohibitive.

So, how to handle the delivery of FMLA notices moving forward? For small employers, the answer is much clearer: FMLA notices should be delivered by a method that can be tracked, such as certified mail, return receipt requested, email with delivery notification, or personal delivery with acknowledgement of receipt.

For TPAs and larger employers, constant and personal communication is key. Wherever possible, employers should provide notice of FMLA rights in an in-person meeting with the employee so that the employer can offer evidence that notice was personally provided to the employee. Where this is not practical, it is critical that the TPA or employer remain in regular contact with the employee and track notices and acknowledgments to ensure notice is verifiable and confirmed.

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The Changing Landscape of Return to Work

This year marks the 25th anniversary of the Americans with Disabilities Act (ADA)—July 26, 1990. This landmark legislation addresses the civil rights of those with a disability in the areas of employment, education, accommodation, and accessibility.

At first, changes arising from the ADA were most visible in the sidewalks that dipped at every intersection, inclined ramps for building access, and signage pointing the way to elevators and accessible restrooms. At the time, we noticed … yet today these things are a part of our everyday landscape.

The impact of the ADA has continued to evolve in tandem with regulations by the Department of Labor and Equal Employment Opportunity Commission, case law, and the advent of the ADA Amendments Act (2009). This legal evolution has also influenced social and cultural perspectives on the importance of inclusiveness.

The changing legal landscape of work accommodation has emerged in parallel with remarkable technology advances, making Stay at Work and Return to Work (RTW) achievements more attainable than most could imagine in 1990. Similarly, the connectivity and availability of information have spawned enormous creativity. If there isn't "an app for that" today, we will look for it tomorrow.

Computer speech synthesizers, introduced in 1992, thrilled early users despite clumsy interfaces. Today, sophisticated computing devices allow us to speak, hear, and see better, enabling communication with each other and with life-altering medical technology. Virtual video enables us to touch base briefly with a sick child or aging parent—before returning our attention to the work tasks at hand. Or we can work from home, performing work tasks critical to business needs on the other side of town or the world.

Fitness wristbands keep us engaged in our own health—reminders to walk more, eat better, and get some rest. For others, this wearable technology is life saving[1]—monitoring and transmitting glucose levels, blood pressure, or cardiac indicators to the user, watchful parents at work, or clinicians. In the future, implanted insulin pumps will automatically monitor blood levels and dispense insulin—all managed via a smart phone.

Game technologies such as Wii and Kinect make rehabilitation more effective and engaging; at-home sessions transmit data electronically to the therapist to measure technique and adjust goals.[2] Enhanced "industrial athlete" concepts, developed for workers' compensation RTW programs, are now used in hospitals for non-occupational health events (cardiac, stroke).[3] Today, rehabilitation can progress faster and help achieve more functionality than ever before.

Along with the influence of the ADA, technology-driven innovations will enable individuals to have an improved quality of life and health, both at work and at home. This creates opportunities for a safe and satisfying Return to Work for many with disabilities that most of us could not envision only 25 years ago.

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Healthcare Access—

Impact on Absence, Disability, and Workers' Compensation

The Affordable Care Act (ACA) often headlines the discussions about the impacts on employers from changing laws and regulations. Many experts predict an overload on the medical system as a surge of enrollees flood the system. Concerns about a shortage of doctors have been fueled, in part, by the numbers released in 2014.

Enrollment in the health insurance marketplace in 2014 surged to 8 million under the ACA. In addition, over 4.8 million more people have been covered by states through Medicaid and Children's Health Insurance Program (CHIP); around 3 million more Americans under age 26 are covered under their parents' plans, and an estimated 5 million more purchased coverage outside of the marketplace in ACA-compliant plans.

In more than a dozen states, enrollment doubled. For example, Texas (149% growth), Georgia (127% growth), and Florida (123% growth) had some of the largest surges in enrollment in the country over the final weeks of the initial open enrollment period.[1] Forty-two percent of employers believe employee access to physicians for routine care will degrade, while only 21% believe it will improve.[2]

Flooding an already overtaxed medical system is expected to increase wait times for receiving treatment. Treatment delays are expected to drive increased absence incidences and durations. What's the solution to maintain workforce productivity? Control what you can control. By building a robust Return to Work (RTW) program, employers can mitigate the negative productivity and quality impacts occasioned by lost time.

Frequently, RTW programs must apply the "interactive process" of the ADA Amendments Act (ADAAA). Beyond being a compliance mandate, the interactive process also is a useful RTW tool, providing crucial data about the employee's impairment issues and residual capacity.

Parallel with this, employers should have identified essential job functions so that when medical personnel are evaluating whether or not an employee can RTW—and in what capacity—they can make this evaluation objectively and effectively. Employers also need this information to aid them in determining what, if any, accommodations may be needed to facilitate a successful RTW for an employee.

Time will tell whether or not the influx of people into the healthcare system will negatively impact productivity. In the meantime, however, employers should understand the risk factors and take steps now to create RTW programs incorporating the elements of the "interactive process" as defined under the ADAAA.

By building a robust RTW program, employers can help reduce the quality and productivity impacts of lost time. Regardless of whether an absence is due to occupational or non-occupational factors, the RTW program should function the same. Benjamin Franklin once said, "Lost time is never found again." By focusing efforts on measuring lost time and productivity and by facilitating a successful Return to Work for employees, employers can help:

- Minimize their lost time;
- Maximize their productivity, and especially:
- Do the right thing for their employees.

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Behavioral Health and Transitional RTW

How to Successfully Return Employees to Work

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By 2030, the World Health Organization estimates that depression will be the number one cause of lost productivity in economically advanced countries.[1] A major contributor to this epidemic is pressure to do more with less in the workplace. Workplace stress, defined as a lack of work-life balance, high workload, and co-worker conflict, is ever increasing and resulting in presenteeism and disability claims.[2]

In a recent Unum study,[3] the quantitative data found little to no connection between Return to Work (RTW) success and demographic variables. The qualitative piece of the study, however, uncovered a variety of factors that help an employee and an employer achieve RTW success in behavioral health disability cases. These are:

Stay in touch with employees. One of the most important RTW success variables is an employee's connection to the workplace. All too often, employees feel added RTW anxiety due to shame and guilt relative to performance prior to the disability. Managers should reach out to employees with a friendly "how are you?" rather than "when are you coming back?" It is also important for co-workers to offer support. Often simply receiving a card from the work group can significantly reduce RTW anxiety.

Evaluate workload. Being off work on disability has positive and negative consequences, and until the negative consequences outweigh the positive, employees will not RTW.[4] If an employee feels a sense of relief associated with being away from a tremendous workload, he or she will likely experience a symptom increase when considering RTW. Employers should evaluate the workload of returning employees and determine how to reduce the load during a transition to full duty.

Workplace flexibility is a key RTW success component. Employees suffering from a behavioral health diagnosis often lose confidence in their ability to execute their roles. Flexibility for a clearly defined duration—including part-time or full-time work from home, and/or providing a coach or mentor—can create a sense of feeling prepared and a loyal connection to the employer that contributes to RTW success.

Prevalence of anxiety and depression are significant: annually, 18% of Americans experience an anxiety disorder, and 9.5% experience depression.[5] Organizational, technical, and economic changes in U.S. corporate culture have had significant repercussions on mental health.[1] Employees feel significant anxiety about their prospects for successful RTW, and this often extends their time away from work. Employers should consider best practices including remaining connected to the employee, evaluating workload, and workplace flexibility with transitional RTW in order to enhance the Return to Work success of their employees.

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Exceptional Employees Facing Past Traumas

For employers, the prospect of having employees with posttraumatic stress disorder (PTSD) in the workplace can cause angst and uncertainty, with many "what if" questions. Assumptions about the condition can sometimes overpower reality.

For example, while we know that military service veterans have greater incidences of PTSD than the general population (10-18% versus approximately 4%),[1,2] this also means that most veterans do not develop PTSD.

For those who have it, the experience is highly variable. It can be so severe and engrossing for some people that it affects all important areas of daily life. It can also be very circumscribed and limited to specific situations or functional areas. This is a condition that has many individual variables and can be affected by environment, personality style, coping mechanisms, other mental health conditions, support systems, and many more. Workplace accommodations will depend on these factors.

PTSD does fall under the ADA, so most employers are required to make reasonable accommodations for those with the condition. Many veterans will not want to ask for help or disclose having PTSD, so any measures that human resources (HR) can take to increase comfort around the topic or normalize the process will help. This conversation may only occur when a performance issue arises from active symptoms. In that instance, it is important to let the veteran openly discuss the performance issue and be allowed to share thoughts on why they occur. Due to the domains potentially affected by PTSD, issues could vary quite widely. Deficits in cognitive functioning, interpersonal interactions, emotional stability, and task completion (just to name a few) may be present.[2]

Resources such as the Job Accommodation Network's paper on PTSD are excellent starting points for examining domains of function and generating solutions.[3] It is essential that any accommodations be individualized and not general, with HR engaged to address the specific needs of that veteran.

Accommodations that focus on specific difficulties will aid in keeping the veteran as integrated with the workforce as possible, rather than singled out for special attention. This helps minimize any self-consciousness about needing workplace accommodations. Utilize the employee assistance program as a resource for employees who need additional support or assistance obtaining treatment. With appropriate treatment, the employee's symptoms and quality of life will improve, and the need for work accommodations may decrease or be eliminated.

Employers have vital business and human interests in helping the veteran reintegrate into civilian life. Core activities in this shared interest are supporting the veteran to manage PTSD issues at work, helping the veteran access available resources, and making appropriate workplace accommodations.

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Who Owns Your Data?

Five Steps to Successful Data and Vendor Management

Strategies for using "big data" are currently a major subject of conversation in the human resources (HR) realm.

Managing and analyzing employee benefits data is a core tool for early identification and management of benefit cost trends. You may have benefit information siloed with several different providers and internal systems. These siloes can make your data—and analytic insights—inaccessible.

To get the most out of your data, it is best to integrate all benefits data. The cost of building a data warehouse can vary from tens to hundreds of thousands of dollars, depending on the size of your organization and the number of data sources. However, this is worth the investment when compared to the advantages of a data warehouse: time saved from manually compiling information, improved decision making, and faster response times to changing business needs.[1]

Here are a few things to be aware of as you embark on your data integration project:

Outline your data ownership in contracts with benefit providers, and define any fees that could be incurred from migrating your data. During the contracting process, clearly state that your organization has ultimate ownership of its self-insured data, and negotiate for access to insurance plan data. From the outset, establish any fees for sending your organization's data to a third-party vendor.

Select a trusted data warehouse vendor that meets your organization's needs. If your benefits and statutory programs are widely dispersed across several vendors, consider an independent vendor to integrate disparate data. If you work primarily with one or two vendors or carriers, one of these may have an adequate warehouse to meet your needs.

Ensure that your warehouse vendor understands the complexities of technical data associated with disability or absence occurrences, as well as medical data. Also ensure that your other vendors work well with the data warehouse to ensure the integrity of data—from its source in the disability claim record to the metrics in the warehouse's summary reports.

Obtain key stakeholder buy-in. From our experience in serving Optis clients, procuring data from vendors can be greatly streamlined when you have buy-in from the right people in your organization. Leveraging these pre-existing relationships can significantly decrease the time and cost of your warehouse setup. Secure buy-in early in the process of project development.

Select a data warehouse vendor with a cloud-based platform. Cloud-based solutions are moving from the minority to the majority in HR technology. Ultimately, a cloud-based data warehouse vendor will provide more flexibility and a lower total cost of ownership.

Validate the security procedures of your data warehouse vendor. Select a vendor that performs frequent security audits and has processes that have been tested by an independent third-party verifier.

These are a few aspects to know up front, before you embark on integrating your data. The right vendor expertise can ensure that your integrated data asset is cost effective, allows for your control of the data, and can deliver the information you and your organization need.

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Wellness to Well-Being – How Financial Security Fits

Why Being a Great Place to Work Matters More Than Ever

Is your business a great place to work? Consider the potential benefits of achieving such a coveted reputation. Employees who strongly recommend their companies are twice as likely to say they feel in control of their finances when compared with those who are not "company advocates." Often, this sense of financial wellness can be correlated with financial education.

Improved Financial Wellness Can Mean Improved Productivity

Healthy employees, including those with healthy finances, can mean fewer costly medical interventions, absences, and distractions, which can translate into increased productivity. Fostering employee financial wellness can reduce stress-related illness and the loss of productivity that comes along with absenteeism. One solution is to offer financial education through the workplace. A comprehensive financial education program is one that includes onsite workshops, complemented by access to one-on-one guidance from a financial professional.

Steps to a Successful Financial Education Program

Step One: Commitment from the Top. Senior management endorsement through words and actions can encourage employee involvement. It is important that financial education become ingrained in the culture of the company.

Step Two: Educational Workshops That Meet Employees' Diverse Needs. Group learning has well-documented benefits. One size does not fit all when it comes to financial education, so provide a range of topics in your program. Ensure that the topics offered through a financial education program recognize and address the needs and demographics of your employee population.

Step Three: Provide Post-Workshop Learning. Group workshops provide valuable information, but cannot address individual situations. Nor would employees want to share personal information in a group setting. Providing post-workshop opportunities is important. Whether an employee has a simple question or needs a more comprehensive solution, opportunities to meet with a financial professional to discuss individual circumstances are a valuable follow-up to a group workshop experience.

Step Four: Encourage Participation with a Strong Communications Program & Incentives. To drive participation, employees need help understanding the value of, and how they can benefit from, the program. This requires promoting a financial education program internally in a way that demonstrates the connection between achieving financial control and an individual's long-term objectives. It should also tie in the value and how to take advantage of their employee benefits. To make the program even more attractive, add incentives tied to your employee wellness program, such as points earned for workshops attended.

At a time when a third of employees are reporting they hope to work elsewhere in the next 12 months, loyalty is an increasingly prized quality. Helping employees achieve financial security through a financial education program could be a significant step toward receiving recognition as a great place to work.

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Data Points the Way to Solving LOA Issues

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More employers are using absence data beyond decision making, to also help ensure that applied resources will generate positive outcomes.

Data provides valuable insights around lost work days (LWD); digging deeper into data outliers often points employers in the right strategic direction. Aon Hewitt recently partnered with a mid-sized manufacturing company seeking greater understanding of its absence program outcomes and specifically insight into leave utilization patterns at different sites.

Prior years' data revealed that three locations had significant upswings in LWD, while a fourth location had a significant drop. All four locations were matched on key demographic factors that often drive utilization: gender, age, job demand, and diagnoses. Additionally, all locations were in remote, low-population towns. With all factors being equal, the company wanted to know what made Location D a positive outlier.

In 2014:

- Location A had an unpaid plant shutdown and increase in LWD;
- Location B had a new plant manager and increase in LWD;
- Location C had no business changes and was not aware of the increase in LWD;
- Location D had no business changes and saw a major decrease in LWD.

At Location A and B, management surveyed employees to determine the impact of business changes. The surveys revealed that changes in management, work environment, and overall employee engagement had impacted employee leave utilization. Armed with this insight, in 2015, the company plans to create an employee engagement task force to work with management at Locations A and B.

Location C had a good overall satisfaction rating, so the approach was to look at how the business could better manage LWDs. Data showed the number of accommodations made in 2014 was significantly lower compared to other locations. In 2015, Location C plans to review its ADA accommodation policy and program for opportunities to reduce LWDs through a more interactive program.

Location D, the outlier, had a drop of more than 20% in lost work days. In 2014, to combat ever-increasing LWDs, management surveyed employees on what they liked about coming to work. Management found that engaged employees used the break room as a place to relax, but did not use the break room vending machines, as the only food available was unhealthy. In addition, employees were frustrated by lack of access to fresh foods for lunch, because the nearest grocery store or restaurant was over an hour away.

As a result, in 2014, Location D renovated the break room, adding a new refrigerator and delivering fresh fruits and snacks weekly. By the end of the year, the location saw almost a 50% increase in break room participation and a significant LWD decrease of nearly 20%. In 2015, this program was rolled out companywide.

While data can provide useful information into what populations may be driving overall program utilization, often the contextual insight provided by work sites can more accurately reveal real trend drivers. For this employer, using data to focus on employees who enjoy coming to work provided invaluable insight and a more focused strategy.

Trend-Benders: 2014 Employer Leave Management Survey

The 2014 Employer Leave Management Survey, a joint effort of DMEC and Spring Consulting Group, had its highest-ever participation of 958 respondents, compared to 400 in 2013.

Most of that growth came in smaller employer size categories. As a result, when tracking overall trends (those not broken out by employer size), the survey report weighted responses of larger employers, creating a composition similar to 2013, to allow year-over-year trend comparisons.

Build or Buy?

Employers are constantly assessing their overall program strategy—to build in-house programs or to buy outsourced services?—when faced with the ever-growing complexity of managing Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), state family medical leaves, and military leaves.

In 2012, the annual survey observed that mid-sized organizations (500 – 999 and 1,000 – 4,999) had a noticeable increase in the percentage of outsourcing for every leave type. In 2013, outsourcing across all employer sizes continued, and in 2014, we saw a slight increase for smaller organizations (100 – 499 employees). The most commonly outsourced leaves in 2014 were state family medical leaves, at 34%, and federal FMLA, at 32%.

When employers outsource multiple programs to one vendor, short-term disability (at 89%) and long-term disability (at 86%) are by far the two benefits most outsourced. Both continued to experience increases over the past few years, suggesting continued movement by employers to utilize existing relationships with current vendors to outsource leave management.

Employers that outsource have highest satisfaction about their vendors' ability to manage the program in a compliant manner, at 92%. Lowest satisfaction marks involved how vendors identified opportunities for continual improvement, at 65%, and clustered at 73% were providing legislative updates, reports and metrics, and customer service.

Administrative Complexity

The three most difficult FMLA management activities were: tracking intermittent time during leave (60%), tracking intermittent time previously taken (58%), and interacting with ADA and ADA Amendments Act (ADAAA) (51%). Some employers are finding it easier to obtain second and third medical opinions, a challenge that dropped from 59% in 2013 to 47% in 2014.

Among leave and absence management activities, the three toughest challenges were understanding the impact of ADA and ADAAA on employment practices (51%), interacting with ADA and ADAAA when administering FMLA (51%), and tracking municipal/county leaves (37%). The two top challenges increased substantially from 2013, while the third-ranked challenge dropped from the number one ranking at 55% in 2013.

Internal Partnerships

Some of the greatest challenges in managing leave involve partnerships with key stakeholders: supervisors and line managers. For 44% of employers, training supervisors is "extremely difficult," making this the number one challenge in managing leaves of absence. Respondents frequently mentioned concern in getting supervisors to grasp the legal implications of mismanagement.

Parallel to that and close behind, 37% of organizations rate relying on managers for leave enforcement as extremely difficult.

Time Allocations Managed

The general trend holds firm in this area. In both 2013 and 2014, time increments for both FMLA and non-FMLA tracking were 15 minutes in first place, 1 hour in second, and 1 minute in third. The dominance of the 15-minute increment has declined only slightly, with 15-minute FMLA tracking down from 43% in 2013 to 36% in 2014, and 15-minute non-FMLA tracking down from 42% in 2013 to 37% in 2014.

A small number of employers appear to be experimenting with tracking 4-hour increments; that category grew from 3% in 2013 to 7% in 2014 for both FMLA and non-FMLA tracking. For FMLA tracking, 30-minute increments grew from 3% in 2013 to 8% in 2014.

Who Do You Call When...

For 96% of 2014 respondents, the functions of leave tracking and management go to the Human Resource (HR) department. But the go-to departments when employees are absent are still Legal (54%) and Employee Relations (52%). HR, at 45%, was third-ranked in 2014 and closer to Legal and Employee Relations than in 2013, when those two leaders were at 64% and 67%, respectively, and HR was at 47%. The same staff that handle leave (usually HR) also track incidental absences, at 69% of 2014 respondents.

Are We There Yet?

The percent of programs that chose the label of "Mature/Highly Successful" was 28% in both 2013 and 2014. More programs say they are "Growing/Somewhat Successful"—up to 60% in 2014 from 55% in 2013. The percent of programs self-rating as "Struggling and/or Learning" was down to 4% in 2014 from 8% in 2013.

Survey participants were also asked to put numbers to program success through particular metrics. Compared to the year before, 30% of respondents felt they had greater control over suspected abuse, 25% had increased RTW rates, 17% had a decrease in lost time, 13% had decreased costs, and only 9% felt they could measure higher employee productivity.

Future program changes planned include implementing systems and increasing automation, tackling more ADA/AA issues, increasing wellness awareness, and improving the employee experience.

Conclusion

The 2014 Employer Leave Management Survey provided a rich blend of statistical detail and insightful comments from participants. It continued to track the evolution of key trends affecting employer leave management programs, together with secondary challenges and experiments. This article was just a brief sampling of the full picture available to DMEC members. Access your electronic copy of this white paper at www.dmec.org>Resources&Info>White Papers. ●

Behavioral Risk Survey Participation Leaps

The 2014 Behavioral Risk Survey was greeted with strong employer interest, gaining more than double the participation, growing especially among mid-sized employers.

The survey has been conducted every two years since 2006, providing periodic snapshots of employer behavioral risk management practices. The 2014 survey was produced in a collaboration of DMEC, Partnership for Workplace Mental Health, Spring Consulting Group, Raderstorf Associates, Spangler Associates, and Mental Health America of California. Key participation trends were:

• Total participation leaped to 314 completed responses, up from 141 in 2012.

• Mid-sized employers (1,000 to 10,000 employees) provided 50% of responses in 2014, up from 41% in 2012.

The 2014 survey included all 39 questions from the 2012 survey, plus three new questions.

Key Practices

The survey identified several practices adopted by many employers across demographic variables such as employer size, region, and industry.

• Employee Assistance Programs (EAPs) remain prevalent, with 93.3% of respondents offering them in 2014 and 66.8% ranking EAP utilization as their most influential program element for Return to Work (RTW) efforts.

• Behavioral treatment was included in approximately 60% of integrated or coordinated disability and absence management programs, up from 40% in 2012.

• Among these behavioral programs, 78.9% were delivered within employer medical plans, with only 12% in separate "carve-out" behavioral health plans, down from 17.4% carve-outs in 2012 and 20.5% carve-outs in 2010.

• Fewer employers train supervisors and managers to identify substance abuse disorder—17.8% in 2014, down from 40.7% in 2012 and 53.5% in 2010—but 55.4% of employers in the 2014 survey used supervisor feedback to human resources to identify "at-risk" employees.

Stigma

Attempting to identify trends from 2012 to 2014 is challenging, because the 2014 survey group was much larger, with a larger component of mid-sized employers. With these very different populations, the two surveys are not directly comparable, so it's necessary to allow a wide margin of error when discussing what might be "trends."

Even so, it's useful to look for the continuation of leading past trends (as done above) and to look for developments that may have a significant impact on employee behavioral health. Because stigma against mental health issues reduces early identification, employers that manage behavioral risk seek to reduce stigma in the workplace culture.

Among small employers (fewer than 1,000 employees), perception of stigma appeared relatively flat from 2014 to 2012. Among large employers (more than 10,000 employees), perception of stigma appeared to be generally flat or decreased from 2014 to 2012.

Mid-sized employers reported the largest increases in perceived stigma across all four categories measured in 2014. From 2012 to 2014, the movement in this metric was so significant that, despite the differences between the two survey groups, employers may wonder if this is a bona fide trend.

Perhaps what appears to be an increase of stigma among mid-sized employers in 2014 was produced by an intersection of two other influences:

- Respondents with an integrated/coordinated disability and absence program that includes a behavioral component were more likely to report an increase in stigma.
- Mid-sized employers had rapid growth in adoption of a behavioral component, from a 37.8% adoption rate in 2010 to 66.1% in 2014. The 2012 report didn't provide rates by employer size, but the overall 40% adoption rate in 2012 was significantly lower than the overall 47.3% adoption rate in 2010. These numbers suggest a 37.8% adoption rate by mid-size employers in 2010, a dip in 2012 due to the Great Recession, and a rapid acceleration to a 66.1% adoption rate among mid-sized employers in 2014.

If such a rapid acceleration did occur among mid-sized employers, it might have generated concern about increased program costs and concern about new management responsibilities for HR staff. This conjecture also suggests that stigma might drop significantly by 2016, when mid-sized employers have assimilated their new behavioral components and program responsibilities.

These were just the highlights of the 2014 Behavioral Risk Survey, which presents a wealth of program best practices. DMEC members can login to access this report at www.dmec.org>Resources&Info>White Papers.

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RTW Best Practices Cont'd from p. 22

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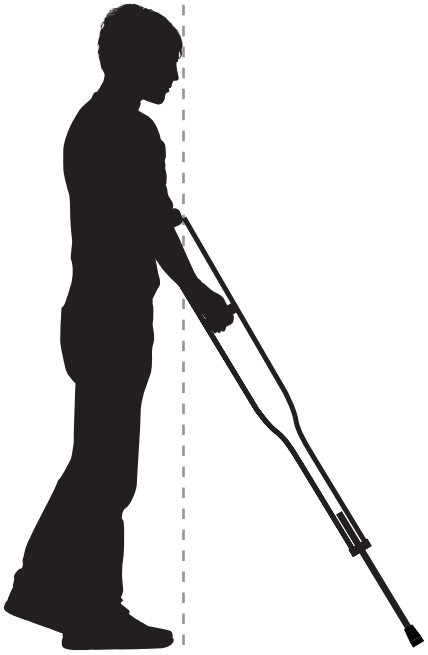
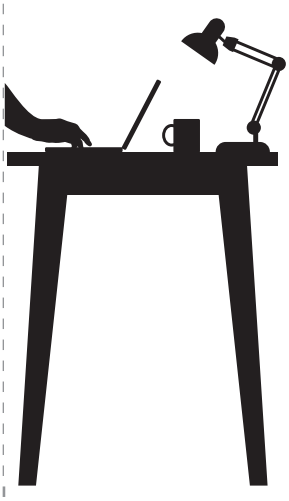
A.

B. Fold back so A meets B.





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1 Anthem Life pilot results, 2011.

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