PREDICTIVE ABSENCE

DMEC Conference Sharell Thomas,
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Using AI & Behavioral Data to Prevent Long-Term Disability Before It Starts

"The fire alarm exists so you don't need the fire truck."

■ THE SCALE OF THE PROBLEM

$1,685	25%	68%	2–3×
Avg. cost per STD claim	STD episodes convert to LTD	LTD claims were foreseeable	Cost after 30-day delay

The shift from STD to LTD is often not a medical surprise — it's an organizational failure to catch early signals.

■■ REACTIVE vs. PREDICTIVE

■ Reactive Model (Current State)

- Employee calls out → HR notified
- Claim filed on Day 1
- Case manager assigned at Day 45
- LTD claim filed at Day 90
- Everyone scrambling ■

■ Predictive Model (Future State)

- Data signals flagged 60–90 days earlier
- EAP outreach triggered proactively
- Manager coaching conversation initiated
- Leave avoided or significantly shortened
- Everyone breathes ■

■ THE SIGNAL LIBRARY: What AI Looks For

Absence Patterns	Intermittent absences, Monday/Friday spikes, shortened workweeks, partial-day increases
Benefits Utilization	EAP calls, prescription changes (antidepressants, sleep/pain meds), frequent urgent care visits
Workload Signals	Overtime spikes, missed deadlines, declining performance ratings, schedule anomalies
Prior Claim History	STD recurrence patterns, claim types, duration trends, RTW complexity
Workforce Context	Team restructuring, manager changes, role ambiguity, organizational stress events
Self-Reported Data	Wellness survey scores, health risk assessment responses, engagement survey drops

■ INTERVENTION TIERS: Right Support, Right Time

■ TIER 1 — Low Risk (Score 20–40)

- Proactive wellness communications
- Ergonomic check-in offer
- Benefits reminder campaigns
- Manager 'how are you really doing' cue

■ TIER 2 — Moderate Risk (Score 41–65)

- Benefits navigator outreach
- EAP highlight in next communication
- Optional wellness coaching offer
- Manager coaching: normalize support conversations

■ TIER 3 — Elevated Risk (Score 66–85)

- Proactive case manager touchpoint
- Coordinated care review
- ADA consideration flag
- HR business partner loop-in

■■ COMPLIANCE GUARDRAILS: Your Legal Checklist

- **HIPAA:** Ensure data sharing agreements include BAAs; segregate PHI from HR data layers. Minimum necessary standard applies.
- **ADA:** No employment decision tied to absence risk scores. Use scores for support outreach only, never scrutiny.
- **GINA:** Explicitly exclude family medical history from all predictive model inputs.
- **FMLA:** Audit model inputs — FMLA-coded absences must be excluded or neutralized in risk scoring. Non-negotiable.
- **State Privacy Laws (CCPA, VCDPA, etc.):** Build a data governance framework that can respond to employee data requests within required timelines.

ETHICAL BOUNDARIES

Ethical & Legal

- Aggregated, anonymized risk scoring
- Using existing benefits/HR data with policy disclosure
- Triggering EAP or wellness resource outreach
- Manager coaching on observable behaviors
- Voluntary wellness interventions
- De-identified population analysis

Problematic

- Sharing individual risk scores with managers
- Using health data in employment decisions
- Creating a 'disability watchlist' by name
- Acting on diagnosis data without consent
- Disclosing EAP use in performance reviews
- Discriminatory targeting by protected class

YOUR QUICK WINS: Act Before You Leave the Room

This Week	■ Pull your STD-to-LTD conversion rate. Compare to ~20% industry benchmark. Calculate the cost gap. ■ Check your EAP utilization rate. Under 5%? You have a trust and awareness problem to fix first. ■ Call your disability carrier: 'Do you offer predictive or early intervention tools?'
This Month	■ Audit your privacy notice — does it cover data use for benefits wellness purposes? ■ Review FMLA coding in your HRIS — confirm it's clearly flagged to exclude from attendance patterns. ■ Run a cohort analysis: employees with 3+ intermittent absences in Q1 — what happened to them in Q2-Q3?
This Quarter	■ Build a warm handoff protocol between HR and EAP for voluntary outreach. ■ Create manager training: 'How to have a supportive workload and wellness conversation.' ■ Define your first 3 data signals and what 'elevated' means — even in a simple spreadsheet.

6 MUST-ASK VENDOR QUESTIONS

Q1	**What data sources does your model require, and what existing systems do you integrate with?** ■ *Red flag: 'We can work with anything.' That means their model is generic.*
Q2	**How do you handle protected absence data (FMLA, ADA) in your risk scoring?** ■ *Red flag: Vague or blank answer. This is non-negotiable.*
Q3	**Have you audited your model for disparate impact across race, gender, and age?** ■ *Red flag: 'Our model is objective.' No AI model is inherently neutral. Push for data.*
Q4	**Who sees individual risk scores vs. aggregated population data?** ■ *Red flag: 'That's configurable.' They need a recommended governance model.*
Q5	**Do you train your model on our data, and who owns that trained model?** ■ *Red flag: Vague IP language. Get specific terms in writing.*

Q6	**What does a false positive look like, and how do you handle employee appeals?** ■ *Red flag: No answer. Every model has false positives. They need a process.*

■ QUICK GLOSSARY

STD (Short-Term Disability)	Paid leave benefit typically covering up to 90 days of inability to work due to illness or injury.
LTD (Long-Term Disability)	Disability benefit that activates after STD exhaustion, typically covering 60% of income for extended periods.
STD-to-LTD Conversion Rate	% of STD claims that transition to LTD. Industry benchmark: ~18-22%. Higher = systemic intervention gap.
Predictive Risk Score	A numeric output (0-100) from a machine learning model indicating a population-level probability of extended leave.
EAP (Employee Assistance Program)	Confidential counseling and referral service. The most underutilized prevention tool in most organizations.
Benefits Navigator	A dedicated benefits professional who proactively guides employees to the right resources at the right time.
ADA Interactive Process	Required by law — a good-faith conversation between employer and employee to identify reasonable workplace accommodations.
FMLA (Family and Medical Leave Act)	Federal law providing up to 12 weeks of protected, unpaid leave for qualifying reasons. FMLA usage must be excluded from risk scoring.
Disparate Impact	When a neutral-seeming policy or tool produces discriminatory outcomes for a protected class. A key risk in AI models.

■ MY NOTES & KEY TAKEAWAYS