Workers Compensation is one of an employer’s most controllable insurance/coverage expenses. It is not easy. It requires knowledge, discipline and attention to the fundamentals. It also requires effective partnerships and commitment from all levels of management.
Introduction

The injury that doesn’t happen is always what we strive for through well-designed, effectively implemented and aggressively managed safety and loss prevention programs. However, injuries do happen and the actions initiated immediately after an injury occurs have a major impact on the ultimate disposition of a claim.

Today we will outline the fundamental steps in the management of claims.
**Basic Terms**

- EE – Employee
- ER – Employer
- WC – Worker’s Compensation
- DOI – Date of Injury
- DOS – Date of Service
- DWC-1
- Incident Only – Near miss
- Front line provider
- PCP or PTP – Primary Care/Treating
- Pre-Designated Physician
- MPN – Medical Provider Network
- AOC/COE
- First Aid Claim
- Medical Bill Review
- TPA – Third Party Administrator
- Carrier
- 5020
- Medical Only

- Indemnity
- TD – Temporary Disability
- TTD – Total Temporary Disability
- Modified Duty/physical restrictions
- RTW – Return to Work/Accommodations
- UR – Utilization Review
- ACOEM – American College of Occupational & Environmental Medicine
- FM – Future Medical
- Frequency – Number of claims
- Severity – Cost of claims
- AA – Applicant Attorney
- Presumptions
- OSHA
- CCR Title 8
California Work Comp System

- No fault system
- Exclusive remedy
- Liberal construction
- Benefit delivery system
- Labor Code
- Education Code
Desired Outcomes

- Avoid relinquishing medical control
- Avoid creating an adversarial employee relationship
- Employee returning to full duty/recovery
- Avoid litigation
- Maintain necessary evidence and documentation
- Obtain maximum participation from Supervisors
- Reduce and control claims’ cost
- Ultimately: reducing premiums/cost of program
Employer Responsibilities

Pre-Injury
- Posting notices
- Time of hire notice
- Pre-designation
- Injury prevention programs

Post-Injury
- Forms/paperwork
- Immediate access to medical treatment
- Gather information:
  - Statement of injury
  - Witnesses
  - Photos
What & Who Is Covered

What (AOE/COE)

- Specific injury
  - Slip/fall/cuts/strains
  - Artificial members, hearing aids,
    eye glasses, medical braces
- Cumulative trauma
  - Carpal Tunnel
- Aggravation injuries (new)
  - Pre-existing condition worsened by employment
  - Back, psyche
- Exacerbation
  - Flare up of existing WC injury
  - Not a new injury

Who (Employer Relationship)

- Employees
- Volunteers
- Student workers
- Student teachers
- Trainees
What is NOT-Statutory Defense

- Altercation/initial, physical aggressor
- Self inflicted
- Intoxication
- Horseplay
- Suicide
- Commission of a felony
- Off duty recreational activity

Psychiatric Injury:
- Less than 6 months
- Post termination or layoff
- Good faith personnel actions
## Exceptions

<table>
<thead>
<tr>
<th>Activity</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Going &amp; coming</td>
<td>Not Covered</td>
</tr>
<tr>
<td>Special Errand</td>
<td>Covered</td>
</tr>
<tr>
<td>Zone of danger</td>
<td>Covered</td>
</tr>
<tr>
<td>Vanpool</td>
<td>Could Be Covered</td>
</tr>
<tr>
<td>Bunkhouse rule</td>
<td>Covered</td>
</tr>
<tr>
<td>Material deviation</td>
<td>Not Covered</td>
</tr>
<tr>
<td>Commercial travel</td>
<td>Covered</td>
</tr>
<tr>
<td>Normal bodily functions</td>
<td>Medical Determination</td>
</tr>
</tbody>
</table>
Basic Timelines

- EE has 30 days to report an injury – LC5400
- LC5401 ER has one working day to provide claim form after having knowledge from any source of a work injury:
  - First class mail
  - Penalties
  - Delay period
- ER report claim within 14 days to claims administrator, who has the same 14 days to advise of a delay or to pay benefits.
- Delayed Claim – 90 days to investigate and determine if claim is compensable LC5402(b). Accepted after 90 days.
- LC5402(c) – Medical treatment up to $10,000, until denied.
- LC5405 – Statute of Limitations, one year from DOI or from last provision of benefits.
Why Delay – Red Flags

- Stress Claim
- AOE/COE (Injury claim not consistent with mechanics of accident)
- New Employee (Check bargaining agreements)
- No witnesses
- Discrepancy of Doctor’s First Report vs Employee description
- Frequent Flyer (Multiple claims)
- Injury follows vacation, holiday, weekend
- Friday injury reported on Monday
- Late notification of injury
- Discrepancy of employee’s report vs supervisor's or witnesses report(s)
- EE with secondary employment, or other activities (Coaches little league)
- EE with personnel or disciplinary problems
- EE with known or rumored financial or health problems
Return to Work (RTW)

Modified duty – Same position
Alternate work – Different department or job class

🌿 ER Benefits
- Savings of TD Benefits
- Medical savings
- Improves EE morale
- Reduces litigated claims
- Changes culture of “time off”
- Special assignments completed

🌿 EE Benefits
- Maintain Ed Code benefit for future medical, if needed
- Continues to be productive
- Familiar setting/co-workers
- Avoids being isolated/depressed
- Positive image to family/friends
- Visible in the workplace
- Commitment to employer
Temporary Disability & Ed Code

Tracking attendance – HR/Payroll

Temporary Disability

- EE receives 2/3 of average weekly wage (12 months prior to injury)  LC 4654
- Limited to 104 weeks
- Post Certified – LC 4850

Ed Code (44977, 44978, 44984, 45191, 45192, 45196)

- 60 days of salary continuation
- Supplementing TD with leave balances
- Substitute differential or 50% pay – check your bargaining agreements
Managing the Claim

Stay in contact with…

☞ Employee
  ✷ It shows you care
  ✷ It shows you are paying attention

☞ Claims Adjuster

☞ Doctor and Office Staff
  ✷ Appointments
  ✷ Work status changes
  ✷ PT or diagnostics
Managing the Claim

Stay in contact with...

 Supervisor
  ◆ Modified or Alternate work
  ◆ Remain on site or move from site

 Human Resources & Payroll
  ◆ Other details
  ◆ Concurrent leaves
Dealing with adjusters – Talk to other RM or WC Supervisor

Dealing with clinics
- HIPPA doesn’t apply to WC
- ER has a RIGHT to know about the injury

Tricky claims
- Remember AOE/COE
- Bodily function
- Good Faith personnel action – Stress

Pre-designated Physician
- Has to be in writing and filed prior to the injury
- Must be agreed to and signed by PCP (or group, Kaiser)
Networking, networking, networking...

🔗 CASBO
🔗 Risk Managers
🔗 TPA
🔗 JPA
🔗 Carrier or Broker
🔗 Industry

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Questions...

Thank you!

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