

The Employer-at-Injury Program, 1998



Research & Analysis Section
Oregon Department of Consumer
& Business Services



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The Employer-at-Injury Program, 1998

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Introduction

The director of the Department of Consumer and Business Services (DCBS) created the Employer-at-Injury Program (EAIP) by authority of ORS 656.622. The program was implemented on March 1, 1993, through OAR 436-110, by the Reemployment Assistance Unit (RAU) of the Workers' Compensation Division. The intent of the program is to encourage early return to work of Oregon injured workers with their employers at injury and employers at aggravation, by provision of incentives to employers. The theory behind the program is that earlier return to work, such as to "light duty" jobs within the limitations of the injury, yields a quicker return to full-duty work and is an effective strategy to reduce overall workers' compensation claim costs.

Changes under Senate Bill 369, effective January 1, 1996, include eligibility for workers with nondisabling (medical only) claims and reimbursement to insurers of administrative costs. Administrative rule revisions effective September 12, 1997, ended the requirement that employers maintain written early-return-to-work policies.

Benefits under the Employer-at-Injury Program are available for a worker who has an open claim, has not been released to full-duty regular work, and who can return to a restricted-duty job. Use of the EAIP is at the option of the employer. Costs are paid by the employer, who is reimbursed by the insurer. The insurer assists the employer with identifying an early-return-to-work

position, obtaining a temporary release for work, making purchases, and monitoring the program. The insurer requests reimbursement from DCBS for benefits under the EAIP: wage subsidies (50 percent of wages for up to three months), worksite modification (altering the worksite through construction or new equipment or process), and early-return-to-work purchases (services and items required as a condition of employment). Benefits are paid from the Workers' Benefit Fund, which is funded by employer assessments and employee contributions, rather than through premiums. Insurers do not use reimbursements from DCBS for ratemaking, individual employer rating, dividend calculation, or in any other manner that would affect premiums or premium assessments. However, reductions in claim costs paid due to the use of the Employment-at-Injury Program may lead to reductions in premium paid.

This report covers the Employer-at-Injury Program through 1998. Included are characteristics and outcomes of early-return-to-work programs reimbursed under the EAIP. Starting with the 1998 edition of this report, accounting for early-return-to-work programs was changed from "programs started" to "program reimbursements approved." This change, made possible by production of a new EAIP data system, yields complete counts in a timely manner conducive to forecasting. Direct comparisons of counts in this report to counts from the January 1997 edition are not valid.

Highlights

The department estimates \$11.45 million in savings on time loss costs for claims closed in 1997, including nondisabling claims, due to the Employer-at-Injury Program. These savings represent 2.1 percent of 1997 loss costs of \$544.5 million. This estimate does not include other claim costs, such as Permanent Partial Disability benefits and vocational assistance, or indirect costs such as retraining, that would be associated with these claims but for the Employer-at-Injury Program.

A growing percentage of workers' compensation claims include participation in the Employer-at-Injury Program—18 percent for disabling claims and 8 percent for nondisabling. An estimated 7 percent of programs have been directed at claims for disabling aggravation.

The department approved reimbursements for 10,072 early-return-to-work programs under the Employer-at-Injury Program in 1998, compared to 8,355 the previous year. The latest year's totals by claim type are 4,974 disabling programs and 5,098 nondisabling, which illustrates the rapid growth in three years of nondisabling programs. The number of employers using the Employer-at-Injury Program, 1,783 in 1998, has also grown steadily.

The average time from injury to program start declined to 100 days for 1998's disabling programs. For nondisabling programs, the average time to program start held steady at 13 days. Significantly, around 50 percent of nondisabling programs are started within three days of the injury. Because a claim may be disabling if it involves more than three days away from work, early-return-to-work programs may be preventing thousands of nondisabling claims from becoming disabling by assuring that injured workers are back on the job.

The total cost of program reimbursements approved in 1998 came to \$11.77 million, an increase of 19 percent

over the previous year. Disabling programs accounted for \$7.66 million in 1998, and their average cost was \$1,540 on average program length of 80 days. Nondisabling programs averaged \$805 in 1998, on an average length of 28 days. Total reimbursements for insurers' administrative expense came to about \$0.6 million.

Self-insurers, accounting for about 20 percent of accepted disabling claims, rank first among insurer types in the number of disabling and nondisabling programs started.

Preliminary results of a departmental study of return to work show that Employer-at-Injury Program participants had higher rates of reemployment, long-term, compared to other groups of injured workers.

There is evidence that early-return-to-work programs are used for more severe injuries. The most current data show that 36 percent of claim closures following an early-return-to-work program included an award for permanent partial disability, compared to 27 percent for all other disabling claim closures. These closures also resulted in an estimated 13 percent of the Employer-at-Injury Program users subsequently receiving a Preferred Worker Identification card, compared to 9 percent of other closures.

Wage subsidies account for most assistance used in early-return-to-work programs, at \$10.52 million out of \$11.77 million spent on programs approved in 1998.

Although about half of disabling claims occur at employers of 100 or fewer workers, about one-third of early-return-to-work programs are started by small employers. Undoubtedly, many smaller employers have difficulty identifying suitable light duty jobs.

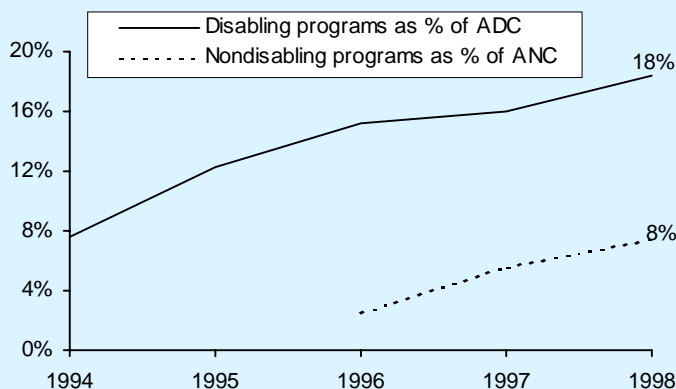
Early-return-to-work programs

The Employer-at-Injury Program is a package of financial incentives to Oregon employers to develop early-return-to-work programs for workers injured on the job. An early-return-to-work program returns the worker to other-than-full duties that are within the limitations of the injury. A program generally begins before the worker's condition becomes medically stationary (reaches maximum medical improvement), the point at which the physician typically decides whether the worker may return to regular work.

A return to temporary, modified work at the earliest feasible date may save on workers' compensation premium. The department estimates \$11.45 million in savings on time loss costs for claims closed in 1997, including nondisabling claims, due to the Employer-at-Injury Program (EAIP). These savings represent 2.1 percent of 1997 loss costs of \$544.5 million. Moreover, this estimate does not include other claim costs, such as Permanent Partial Disability benefits and vocational assistance, or indirect costs such as retraining, that would be associated with these claims but for the Employer-at-Injury Program.

An important benefit for the injured worker is less uncertainty over when and where he or she will return to work, and at what kind of wage. The wage subsidy, the incentive most often used by Oregon employers, probably results in a higher wage paid to the injured worker returning to other-than-full duties (see Workers' Compensation Research Institute: *What are the Most Important Factors Shaping Return to Work?*, 1996). Ideally, early return to work with the employer at injury will be followed by a return to full duty with that employer.

Figure 1. Early-return-to-work programs as a percent of accepted claims, 1994-1998



Notes: ADC = accepted disabling claims; ANC = accepted nondisabling claims, the counts for which are estimated.

Program characteristics. Figure 1 compares counts of early-return-to-work programs to accepted claims. One inference from the graph is that a growing percentage of claims include participation in an early-return-to-work program. These data indicate an 18 percent rate of participation for disabling claims and 8 percent for nondisabling in 1998. Program counts used in Figure 1 include programs for employers at aggravation. An aggravation is a worsened condition resulting from the original injury and occurring within the course and scope of employment following claim closure. In 1998, around 7 percent of disabling programs were directed at claims on aggravation.

Text Table 1 shows that the department approved reimbursements for 10,072 early-return-to-work programs under the Employer-at-Injury Program in 1998, compared to 8,355 the previous year. Although approvals for disabled workers continued to grow in the last three years, the majority of the increase in total programs is due to the authorization in 1996 of programs for nondisabling claims. The latest year's totals are 4,974 disabling programs and 5,098 nondisabling, which illustrates the rapid growth, in three years, of nondisabling programs. The number of employers using the Employer-at-Injury Program, 1,783 in 1998, has also grown steadily. Several larger employers have started hundreds of early-return-to-work programs over the last six years. Twice as many employers use programs for disabling claims as for nondisabling.

The average time from injury to program start declined to 100 days for 1998's disabling programs. Despite that drop, the data apparently support the contention that employers are using programs for the more severe injuries, considering that the average for time loss payments for all disabling claims is around 60 days. The current figure for median time from injury to program start is 18 days (half of the programs are higher, half lower). The median may be useful in discounting the effects of long-lived claims and aggravations upon the time elapsing until program start.

For nondisabling programs, the average time to program start held steady at 13 days in 1998. Nondisabling programs are available for nondisabling claims that carry restrictions on job duties, an estimated 25 to 30 percent; these are likely the more severe nondisabling injuries. Significantly, around 50 percent of nondisabling programs are started within three days of the injury. Because a claim is likely disabling if it involves more

Text Table 1. Characteristics of early-return-to-work programs, 1994-1998

	Approval year				
	1994	1995	1996	1997	1998
Programs	2,400	3,739	6,077	8,355	10,072
Employers using programs	727	1,189	1,346	1,508	1,783
Total cost of programs	\$3,042,149	\$4,957,942	\$7,549,082	\$9,898,777	\$11,766,337
**Wage subsidies	\$2,870,879	\$4,660,807	\$6,946,826	\$8,913,455	\$10,523,257
**Purchases	\$24,337	\$60,254	\$80,839	\$115,022	\$106,949
****Equipment & tools				\$66,167	\$75,572
****Work clothing				\$2,457	\$1,118
****Tuition & books			\$500	\$30,683	\$30,258
**Worksite modifications	\$146,933	\$236,881	\$301,757	\$371,400	\$523,952
**Carrier admin expense	\$0	\$0	\$219,660	\$498,900	\$612,180
<hr/>					
Disabling Programs	2,400	3,739	4,310	4,449	4,974
Employers using programs	727	1,189	1,275	1,317	1,506
Average days, injury to program	124	114	121	102	100
Average program length (days)	79	84	84	77	80
Average wage subsidy days	52	52	52	47	49
Average program cost	\$1,268	\$1,326	\$1,458	\$1,488	\$1,540
Total cost of programs	\$3,042,149	\$4,957,942	\$6,284,915	\$6,620,466	\$7,660,639
<hr/>					
Nondisabling Programs			1,767	3,906	5,098
Employers using programs			304	614	744
Average days, injury to program			12	13	13
Average program length (days)			24	29	28
Average wage subsidy days			21	24	21
Average program cost			\$715	\$839	\$805
Total cost of programs			\$1,264,167	\$3,278,311	\$4,105,698

Note: Purchase detail on equipment and tools etc. is available only for data entry from 3/97.

than three days away from work, early-return-to-work programs may be preventing thousands of nondisabling claims from becoming disabling by assuring that injured workers are back on the job, even if light duty, within three days of injury.

The total cost of programs approved in 1998 came to \$11.77 million, an increase of 19 percent over the previous year. Disabling programs accounted for \$7.66 million in 1998, and their average cost was \$1,540. Average program length was 80 days. Nondisabling programs averaged \$805 in 1998, on an average length of 28 days. Beginning with 1996 programs, the department has been reimbursing carriers for administrative expenses at a flat rate of \$60 per program. Reimbursements for administrative expense came to about \$0.6 million for the latest year of activity, or 5 percent of total reimbursements.

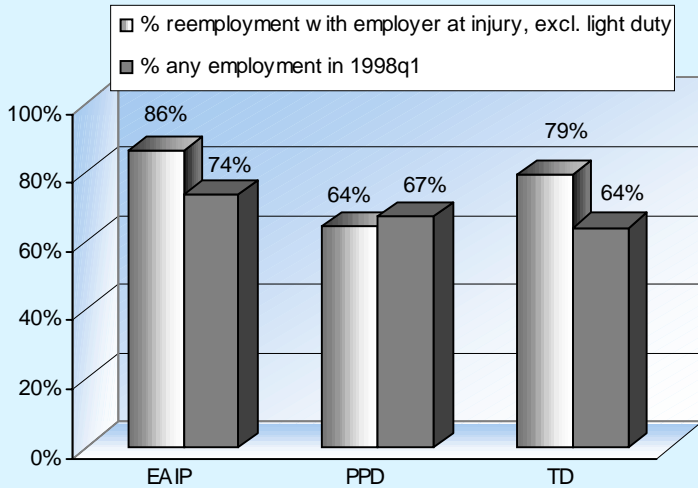
Insurers. Workers' compensation insurers play a vital role in the Employer-at-Injury Program: assisting the employer with developing policies and procedures, making purchases, and monitoring programs. Table 1, following the text of this report, provides information on early-return-to-work programs by insurer and claim

type. First is disabling programs, with comparisons made to all disabling claims where appropriate. Self-insurers, accounting for about 20 percent of accepted disabling claims, have started more than one-third of disabling programs. SAIF Corporation's roughly 30 percent share of programs is consistent with its share of disabling claims. SAIF insureds spend the most on programs in total. The average time from disabling injury to program start is lowest, by a wide margin, for other private insurers (excludes the Liberty Group). The longest programs for disabling injuries come, on average, from employers insured by Liberty.

Because the department does not normally collect detailed data on nondisabling claims, few comparisons can be made between nondisabling programs and all nondisabling claims. Self-insurers rank first in the number of approved nondisabling programs, total dollars spent, and average program cost. Little difference exists among the insurer types for average time to program start or average program length.

Outcomes. An early-return-to-work program centers on return to a restricted-duty job within the limitations of the injury. In terms of at least a temporary return to work,

Figure 2. Return-to-work rates, 1992-1993 disabling claims



Notes: All groups include only claims determined ready to return to work at claim closure. PPD = Permanent Partial Disability and TD = Temporary Disability.

then, every early-return-to-work program is successful. Another measure of success is job retention at the end of a program. The department has been collecting data on program outcomes, but a review of these data and the reporting form has led to the conclusion that the data are flawed. Efforts are underway to revise the data-collection form as part of a wider review of the administrative rules on reemployment assistance.

Another method for evaluating the Employer-at-Injury Program is to determine job-retention rates following claim closure, which does not necessarily occur at the same time as the end of an early-return-to-work program. Because the routinely collected data on return to work at the time of claim closure is limited in its usefulness, the department monitors reemployment of injured workers by conducting occasional special studies, using wage data from the Oregon Employment Department. Two such studies are currently under way. Both analyze wages received through the first quarter of 1998 by workers injured in 1992 and 1993. The first study is an academic project largely funded by the National Institute for Occupational Safety and Health, as well as several participating states, including Oregon. Findings should be available by late 2000 or 2001.

The other study is internal, and preliminary results are shown in Figure 2. The EAIP group was defined as workers with disabling injuries, whose participation in the Employer at Injury Program was the only form of reemployment assistance they received. The EAIP group includes only workers who were determined ready to

return to work at claim closure. The natural comparison groups, then, are other injured workers receiving no reemployment assistance following claim closure, categorized according to whether their disabilities were rated as permanent (PPD—Permanent Partial Disability) or not (TD—Temporary Disability only). Both kinds of injured worker are found in the EAIP group. On average, workers in the EAIP group had injuries more severe than those for workers in the TD group, and less severe than those for workers in the PPD group.

The statistics on reemployment by the employer at injury do not include the subsidized light-duty job. For the EAIP group, then, the rate of return to work with the employer at injury for at least one quarter following the light-duty job is considerably less than one hundred percent. At 86 percent, the EAIP group does fare better in this measure than similar workers receiving no early-return-to-work assistance.

The statistics on the longevity of wage work in Oregon show the EAIP group with substantially better experience than the comparison groups, as well. For the first quarter of 1998, the EAIP group had an employment rate of 74 percent, several percentage points above the comparison groups.

Claimant characteristics. Demographics for disabling programs are presented in Text Table 2. While figures for age are similar to those for all workers with an accepted disabling claim, the percentage of females and the average weekly wage at injury have been somewhat higher among program participants, and the average tenure with the employer at the time of injury has been around 25 percent higher for the early-return-to-work group.

Possibly, these disparities are an indication of employer selectivity over which workers are the best candidates for early return to work. Be that as it may, the distribution of early-return-to-work claimants by occupation group is similar to the distribution for all workers with an accepted disabling claim: for instance, more than 40 percent from both groups of claimant fall into the operator, fabricator, and laborer occupations (see Table 2). On the other hand, the distribution of disabling programs by industry shows some variation from all disabling claims. Some noteworthy differences are higher proportions of programs for manufacturing and public-sector employers, and lower for construction. Employers in industries such as construction may be at a disadvantage in creating suitable light-duty jobs, because

Text Table 2. Claimant characteristics, early-return-to-work programs for disabling claims, 1994-1998

	1994	1995	Approval year 1996	1997	1998
Programs	2,400	3,739	4,310	4,449	4,974
Percent males	64	66	64	66	64
Mean wage at injury	\$441	\$445	\$456	\$481	\$492
Mean month on job at injury	66	63	61	64	63
Mean age at injury	38	38	38	38	38

of the nature of the work. For nondisabling programs, manufacturing accounts for about one-third of total activity (see Table 3), but comparisons cannot be made to all nondisabling claims since the department does not collect those data, in general. Nor are other demographic data available for nondisabling programs or claims.

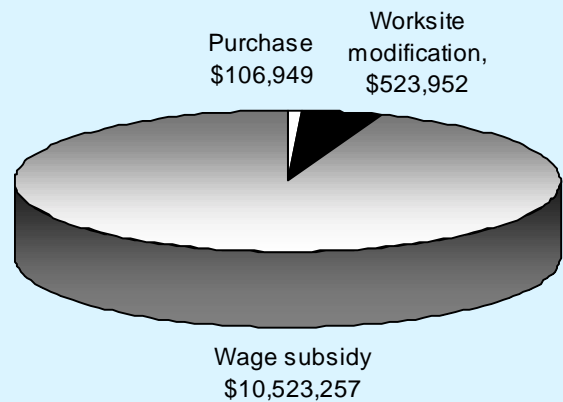
The kinds of injury affecting disabled workers who start early-return-to-work programs show little difference, at first glance, from those for all disabled workers (see Tables 4 through 7). Sprains and strains is the dominant nature of injury, while the back and upper extremities are the body parts most often injured. Overexertion is the most frequent event leading to injury.

There is other evidence, however, that early-return-to-work programs are used for more severe injuries. For 1997 disabling claim closures, 36 percent of closures following an early-return-to-work program included an award for permanent partial disability, while the figure for all other closures was about 27 percent. A similar disparity exists for closures back to 1995. Medical costs were about 27 percent higher for the early-return-to-work group in 1997 as well. Finally, disability as measured by Preferred Worker identification may be more severe for claimants who enter early-return-to-work programs. Preferred Workers have a permanent disability of a severity that prevents return to regular employment, and substantial financial incentives are available to employers who wish to hire Preferred Workers. For 1997 closures, an estimated 13 percent of the Employer-at-Injury Program users subsequently received a Preferred Worker Identification Card, compared to 9 percent of other closures.

Return-to-work assistance

The incentives, or return-to-work assistance, available under the Employer-at-Injury Program include wage subsidies, worksite modifications, and early-return-to-work purchases. Figure 3 reveals that wage subsidies account for most assistance used in early-return-to-work programs, at \$10.5 million spent on 1998 programs.

Figure 3. Distribution of Employer-at-Injury Program assistance, 1998



Note: Excludes reimbursements to insurers for administrative expenses.

Almost every program features a wage subsidy, at 50 percent of the wage paid for the less-than-full-duty job for as long as three months. Far fewer programs include a purchase or a worksite modification.

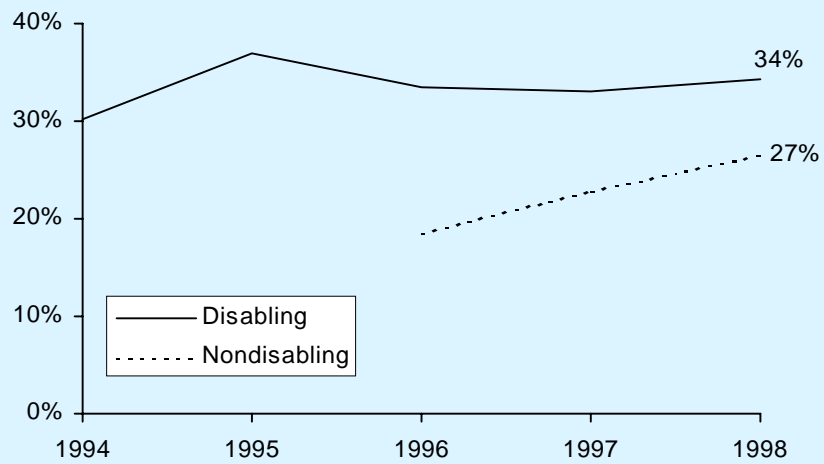
In 1998, purchases of tools and equipment, clothing, or tuition, fees, and books—items required of the worker as a condition of employment—occurred most frequently in programs started in the manufacturing industry. Worksite modifications of up to \$2,500, allowing the injured worker to perform duties within the limitation of the injury, have been most prominent in manufacturing, the service industry, and the public sector. Manufacturing has led in the use of wage subsidies (see Table 8).

As might be expected, more than one-third of programs with wage subsidies are started by self-insurers. Though programs with purchases or worksite modifications are relatively few, SAIF had been the leader by far in working with employers and claimants to access these benefits (see Table 9). In 1998, however, self-insurers led in purchases, and Liberty was not far behind SAIF in worksite modifications.

The department estimates that almost half of disabling

claims occur at employers of 100 or fewer workers, the small to mid-range firms that make up most of Oregon's employer base. Figure 4 shows that about one-third of disabling programs and one-quarter of nondisabling are started by smaller employers. Table 10 provides information on assistance to smaller employers by insurer type. High use of wage subsidies by self-insurers, who are generally large employers, obviously accounts for much of the low overall rate of assistance to smaller employers. Undoubtedly, many smaller employers have difficulty identifying suitable light duty jobs. On the other hand, SAIF's proportion of wage subsidies for smaller employers has been at least 50 percent.

Figure 4. Percentage of Employer-at-Injury Program assistance to employers of 100 or fewer employees, 1994-1998



Tables

Table 1. Characteristics of early-return-to-work programs by insurer type, 1994-1998

Liberty group	Approval year				
	1994	1995	1996	1997	1998
Disabling programs	378	632	761	715	837
Employers using programs	147	251	291	291	338
Average days, injury to program	141	122	162	123	115
Average program length (days)	96	110	114	108	123
Average program cost	\$1,296	\$1,339	\$1,414	\$1,574	\$1,822
Total cost of programs	\$489,910	\$842,214	\$1,075,962	\$1,125,408	\$1,524,808
Nondisabling programs	.	.	350	822	898
Employers using programs	.	.	50	122	174
Average days, injury to program	.	.	8	11	13
Average program length (days)	.	.	21	27	27
Average program cost	.	.	\$533	\$643	\$755
Total cost of programs	.	.	\$186,459	\$528,778	\$675,654

Other private	Approval year				
	1994	1995	1996	1997	1998
Disabling programs	646	736	820	876	836
Employers using programs	212	261	297	336	336
Average days, injury to program	79	92	78	68	70
Average program length (days)	67	68	74	64	65
Average program cost	\$1,042	\$1,044	\$1,201	\$1,195	\$1,311
Total cost of programs	\$672,022	\$766,026	\$984,602	\$1,046,757	\$1,095,688
Nondisabling programs	.	.	307	818	840
Employers using programs	.	.	96	191	238
Average days, injury to program	.	.	8	9	12
Average program length (days)	.	.	24	28	29
Average program cost	.	.	\$642	\$736	\$771
Total cost of programs	.	.	\$196,946	\$601,729	\$647,237

SAIF	Approval year				
	1994	1995	1996	1997	1998
Disabling programs	623	1,217	1,263	1,289	1,522
Employers using programs	314	603	600	597	708
Average days, injury to program	118	106	115	109	110
Average program length (days)	98	96	90	85	83
Average program cost	\$1,628	\$1,642	\$1,784	\$1,859	\$1,805
Total cost of programs	\$1,014,403	\$1,986,905	\$2,253,532	\$2,396,471	\$2,747,836
Nondisabling programs	.	.	350	956	1,261
Employers using programs	.	.	112	235	232
Average days, injury to program	.	.	16	13	13
Average program length (days)	.	.	26	30	25
Average program cost	.	.	\$927	\$945	\$786
Total cost of programs	.	.	\$324,364	\$903,259	\$990,547

Self-insured	Approval year				
	1994	1995	1996	1997	1998
Disabling programs	753	1,154	1,466	1,569	1,779
Employers using programs	54	74	87	93	124
Average days, injury to program	161	132	130	106	99
Average program length (days)	66	67	69	64	64
Average program cost	\$1,151	\$1,187	\$1,344	\$1,308	\$1,289
Total cost of programs	\$865,814	\$1,362,797	\$1,970,819	\$2,051,832	\$2,292,307
Nondisabling programs	.	.	760	1,310	2,099
Employers using programs	.	.	46	66	100
Average days, injury to program	.	.	13	17	14
Average program length (days)	.	.	24	30	29
Average program cost	.	.	\$732	\$950	\$854
Total cost of programs	.	.	\$556,398	\$1,244,545	\$1,792,260

Note: '.' indicates no programs, while '0.0' indicates percentage less than 0.05.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 2. Distribution of early-return-to-work programs by occupation at disabling injury, 1994-1998

Occupation group (%)	Approval year				
	1994	1995	1996	1997	1998
Clerical & sales	11.1	10.1	11.5	10.9	12.8
Farm, forest, logging, fishing	3.6	3.9	3.3	4.4	3.8
Operator, fabricator, laborer	45.8	49.0	46.6	46.3	44.5
Production, craft, repair	15.4	16.2	16.7	16.0	16.2
Professional, technical, managerial	8.1	6.6	6.6	6.7	7.4
Service	15.3	13.7	14.1	14.6	14.3
Undefined	0.8	0.6	1.1	1.0	1.0
Total programs (N)	2,400	3,739	4,310	4,449	4,974

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 3. Distribution of early-return-to-work programs by industry, 1994-1998

Disabling

Early-return-to-work industry (%)	Approval year				
	1994	1995	1996	1997	1998
Agriculture, forestry, fishing	1.5	1.7	1.8	1.8	1.9
Mining	.	0.1	0.3	0.2	0.5
Construction	5.8	6.6	6.3	7.0	8.6
Manufacturing	27.5	29.1	28.5	24.5	25.6
Transportation, utilities	8.1	6.4	6.8	7.8	6.9
Wholesale trade	6.6	6.4	5.4	5.9	4.5
Retail trade	18.5	20.2	18.2	20.7	21.5
Finance, insurance, real estate	1.0	0.8	0.8	1.0	1.0
Services	21.6	19.0	17.5	17.0	16.2
Public sector	9.4	9.8	14.3	14.1	13.3
Unknown	0.0	.	0.0	.	.
Total (N)	2,400	3,739	4,310	4,449	4,974

Nondisabling

Early-return-to-work industry (%)	Approval year		
	1996	1997	1998
Agriculture, forestry, fishing	1.9	1.3	2.8
Mining	0.1	0.1	0.2
Construction	4.2	5.7	5.4
Manufacturing	34.4	32.1	35.4
Transportation, utilities	13.4	12.4	7.3
Wholesale trade	2.3	3.3	3.1
Retail trade	14.4	9.7	14.9
Finance, insurance, real estate	1.2	1.6	1.5
Services	20.3	22.7	19.8
Public sector	8.0	11.1	9.7
Total (N)	1,767	3,906	5,098

Note: '.' indicates no programs, while '0.0' indicates percentage less than 0.05.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 4. Distribution of early-return-to-work programs by nature of disabling injury, 1994-1998

Nature of injury (%)	Approval year				
	1994	1995	1996	1997	1998
Abrasions, bruises, misc surface wounds	4.7	5.3	4.8	4.8	4.7
Amputations	0.7	0.6	1.2	1.2	1.1
Burns	0.5	0.9	0.8	0.9	0.5
Carpal tunnel syndrome (cts)	4.5	4.9	4.8	4.3	4.9
Concussions, intracranial injuries	0.3	0.3	0.4	0.1	0.3
Cuts, lacerations	4.6	4.4	3.6	3.4	3.6
Diseases of the ear, hearing	.	.	.	0.0	.
Dislocations	3.8	4.4	4.4	5.1	5.2
Effects of environmental conditions	0.0	.	0.0	.	.
Exposure to disease	.	.	.	0.0	.
Fractures	10.4	10.6	10.9	11.1	10.5
Hernias	2.8	2.3	2.1	2.5	2.6
Ill-defined conditions	0.2	0.3	0.3	0.2	0.4
Infectious and parasitic diseases	.	.	.	0.0	0.0
Injuries and disorders, unspecified	.	.	1.0	2.6	3.2
Misc injuries to bones, nerves	.	.	0.1	0.2	0.2
Misc open wounds	.	.	0.6	0.8	0.9
Misc systemic disorders	0.9	0.5	1.0	0.9	0.9
Mult diseases, conditions	0.3	0.4	0.5	0.8	0.3
Mult injuries & diseases	0.1	0.1	0.8	1.2	0.9
Multiple injuries	2.5	3.3	2.5	2.4	2.2
Musculoskeletal, connect tissue disease	5.1	4.9	5.4	6.1	5.9
Neoplasms, tumors, cancer	0.1
Nonclassifiable	0.5	0.6	1.1	0.3	0.2
Other conditions	0.1	0.1	0.1	0.3	0.1
Other injuries	.	0.1	0.6	1.7	1.8
Sprains, strains	57.8	56.0	53.1	49.2	49.5
Total programs (N)	2,400	3,739	4,310	4,449	4,974

Notes: '.' indicates no programs, while '0.0' indicates percentage less than 0.05.

No data are available for nondisabling claims.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 5. Distribution of early-return-to-work programs by part of body disabled, 1994-1998

Part affected (%)	Approval year				
	1994	1995	1996	1997	1998
Back	30.4	29.3	26.1	25.5	25.7
Body systems	0.1	0.2	0.2	0.4	0.2
Head	0.8	1.0	1.1	0.9	1.0
Lower extremities	16.7	18.3	19.1	19.4	19.3
Mult. body parts	9.1	9.8	9.6	11.0	10.5
Neck and throat	2.7	2.2	2.6	2.1	2.1
Nonclassifiable	0.1	0.0	0.8	0.3	0.2
Other body parts	.	.	.	0.0	.
Trunk, exc. back	14.6	14.7	14.7	14.9	15.6
Upper extremities	25.4	24.4	25.6	25.5	25.5
Total programs (N)	2,400	3,739	4,310	4,449	4,974

Notes: '.' indicates no programs, while '0.0' indicates percentage less than 0.05.

No data are available for nondisabling claims.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 6. Distribution of early-return-to-work programs by event leading to disabling injury, 1994-1998

Event (%)	Approval year				
	1994	1995	1996	1997	1998
Assaults and violent acts	1.5	0.9	1.3	1.4	1.3
Bodily reaction, repetitive motion	15.8	16.8	19.5	22.2	24.3
Contact with objects	17.2	16.8	18.1	18.7	17.5
Falls	14.1	16.2	17.0	16.2	16.5
Fires and explosions	0.2	0.2	0.2	0.2	0.0
Harmful exposure	0.9	1.2	1.2	1.2	0.7
Nonclassifiable	1.4	2.1	2.6	2.3	2.6
Other bodily reaction, exertion	.	.	0.1	0.6	0.7
Other events	.	.	.	0.0	0.0
Overexertion	46.5	42.8	37.3	33.5	32.9
Transportation accidents	2.4	2.9	2.8	3.6	3.6
Total programs (N)	2,400	3,739	4,310	4,449	4,974

Notes: '.' indicates no programs, while '0.0' indicates percentage less than 0.05.

No data are available for nondisabling claims.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 7. Distribution of early-return-to-work programs by source of disabling injury, 1994-1998

Source of injury (%)	Approval year				
	1994	1995	1996	1997	1998
Animals, parasites, infectants	0.0	0.2	0.1	0.2	0.2
Bodily conditions, motion	15.9	16.9	19.8	23.1	25.1
Chemicals	0.3	0.5	0.3	0.3	0.1
Containers	17.9	16.8	14.9	15.2	14.7
Food, animals, plants, minerals nec	0.6	0.5	0.5	0.5	0.6
Furniture and fixtures	3.2	3.2	3.0	3.0	2.9
Machinery	7.6	7.6	7.3	7.1	6.3
Minerals exc. fuel	0.5	0.3	0.2	0.3	0.3
Nonclassifiable	2.0	3.1	3.5	2.9	3.0
Other persons	8.3	5.5	5.5	5.5	5.6
Other sources	2.3	2.0	1.9	1.6	1.2
Parts and materials	11.6	12.2	11.7	10.1	10.5
Plants, trees, vegetation	1.2	1.1	1.0	1.0	0.8
Structures and surfaces	14.8	16.2	17.2	16.2	16.4
Tool, instruments, equipment	5.5	4.4	4.7	5.1	4.6
Vehicles	8.5	9.4	8.2	7.8	7.7
Total programs (N)	2,400	3,739	4,310	4,449	4,974

Notes: '.' indicates no programs, while '0.0' indicates percentage less than 0.05.

No data are available for nondisabling claims.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 8. Distribution of Employer-at-Injury Program assistance by industry, 1994-1998

Purchase					
Early-return-to-work industry (%)	Approval year				
	1994	1995	1996	1997	1998
Agriculture, forestry, fishing	.	5.9	5.0	4.0	1.2
Mining	.	.	.	0.5	.
Construction	32.3	42.6	23.5	17.5	6.4
Manufacturing	29.0	14.9	15.1	13.0	33.3
Transportation, utilities	16.1	5.9	5.9	3.0	7.0
Wholesale trade	3.2	.	5.0	11.0	7.6
Retail trade	6.5	4.0	6.7	4.0	12.9
Finance, insurance, real estate	.	.	1.7	1.5	0.6
Services	12.9	18.8	16.8	18.0	18.7
Public sector	.	7.9	20.2	27.5	12.3
Total (N)	31	101	119	200	171

Worksite modification					
Early-return-to-work industry (%)	Approval year				
	1994	1995	1996	1997	1998
Agriculture, forestry, fishing	6.1	4.4	2.9	2.1	2.0
Mining	.	1.1	0.4	0.7	0.5
Construction	9.6	7.1	5.4	7.7	9.5
Manufacturing	21.7	14.8	15.3	18.5	27.1
Transportation, utilities	13.9	13.2	5.4	4.5	3.2
Wholesale trade	2.6	6.0	2.1	7.0	5.0
Retail trade	7.0	11.0	7.4	7.0	5.5
Finance, insurance, real estate	1.7	.	2.9	0.7	2.2
Services	23.5	24.2	16.5	19.5	21.9
Public sector	13.9	18.1	41.7	32.4	23.1
Total (N)	115	182	242	287	402

Wage subsidy					
Early-return-to-work industry (%)	Approval year				
	1994	1995	1996	1997	1998
Agriculture, forestry, fishing	1.5	1.6	1.8	1.6	2.4
Mining	.	0.1	0.2	0.1	0.3
Construction	5.8	6.5	5.7	6.3	7.0
Manufacturing	27.4	29.0	30.4	28.2	30.8
Transportation, utilities	8.1	6.4	8.4	9.9	7.1
Wholesale trade	6.7	6.4	4.5	4.7	3.8
Retail trade	18.5	20.3	17.2	15.7	18.2
Finance, insurance, real estate	1.0	0.8	0.9	1.3	1.3
Services	21.7	19.0	18.4	19.7	17.9
Public sector	9.3	9.8	12.4	12.5	11.3
Unknown	0.0	.	0.0	.	.
Total (N)	2,389	3,707	6,023	8,266	9,945

Note: '.' indicates no assistance, while '0.0' indicates percentage less than 0.05.

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 9. Distribution of Employer-at-Injury Program assistance by insurer type, 1994-1998

Purchase					
Early-return-to-work	Approval year				
Insurer type (%)	1994	1995	1996	1997	1998
Liberty group	32.3	19.8	16.8	9.0	14.0
Other private	22.6	7.9	13.4	23.0	11.7
SAIF	25.8	67.3	58.8	57.0	31.6
Self-insured	19.4	5.0	10.9	11.0	42.7
Total (N)	31	101	119	200	171

Wage subsidy					
Early-return-to-work	Approval year				
Insurer type (%)	1994	1995	1996	1997	1998
Liberty group	15.8	16.9	18.4	18.6	17.4
Other private	27.0	19.7	18.7	20.3	16.6
SAIF	25.7	32.4	26.4	26.5	27.6
Self-insured	31.5	31.0	36.5	34.7	38.4
Total (N)	2,389	3,707	6,023	8,266	9,945

Worksite modification					
Early-return-to-work	Approval year				
Insurer type (%)	1994	1995	1996	1997	1998
Liberty group	15.7	11.5	11.2	20.2	34.8
Other private	12.2	11.0	7.9	13.6	11.9
SAIF	49.6	64.3	69.4	56.8	42.8
Self-insured	22.6	13.2	11.6	9.4	10.4
Total (N)	115	182	242	287	402

Source: Department of Consumer & Business Services, Research & Analysis Section

Table 10. Percentage of Employer-at-Injury Program assistance to employers of 100 or fewer employees, by insurer type, 1994-1998

Liberty group	Approval year				
	1994	1995	1996	1997	1998
Purchase	90.0	45.0	65.0	55.6	54.2
Wage subsidy	35.7	38.6	28.6	28.2	36.4
Worksite modification	61.1	61.9	55.6	46.6	37.9

Other private	Approval year				
	1994	1995	1996	1997	1998
Purchase	42.9	50.0	81.3	32.6	50.0
Wage subsidy	31.8	36.7	31.6	34.3	37.5
Worksite modification	50.0	55.0	52.6	66.7	52.1

SAIF	Approval year				
	1994	1995	1996	1997	1998
Purchase	75.0	92.6	62.9	55.3	59.3
Wage subsidy	56.2	67.8	54.9	51.3	52.4
Worksite modification	68.4	67.5	43.5	48.5	52.3

Self-insured	Approval year				
	1994	1995	1996	1997	1998
Purchase	83.3	20.0	0.0	4.5	2.7
Wage subsidy	5.2	3.7	10.0	7.1	8.7
Worksite modification	23.1	25.0	0.0	7.4	4.8

Note: Employment data are from time of initial filing of guaranty contract.
 Source: Department of Consumer & Business Services, Research & Analysis Section

Appendices

Technical notes

The data presented in this report were current as of September 1999, and are based on accepted work injury and illness claim documents received by the Workers' Compensation Division of the Department of Consumer and Business Services from workers' compensation insurers and self-insured employers.

Accounting for programs by start date, as done in the January 1997 edition of this report, is a method that suffers from data volatility. Administrative rules permit insurers to report programs and request reimbursement from the department as much as one year plus one month after the completion of an early-return-to-work program—13 months or more after a program starts. For example, data from October 1996 showed 3,480 programs started in 1995, at a cost of \$4.57 million. Data from March 1998 showed 3,916 program starts for 1995, an increase of almost 13 percent over October 1996 figures, at a cost of \$5.49 million, an increase of 20 percent. On the other hand, counting programs approved for reimbursement by date of departmental receipt—termed “approval date” in this report—yields almost instantly stable figures, though it should be noted that all expenditures are subject to audit and adjustment. Thus, the program-approval method of accounting was adopted for most analyses in the July 1998 edition of this report, and data from this report are not directly comparable to data from the January 1997 report. The analysis that does (and must) retain program-started accounting is the estimate, categorized by use of the Employer-at-Injury Program, of claim closures, their costs, and their association with Preferred Worker identification.

Forms of the word “injury” are used as synonyms for claims resulting from illness, as well as from injury. “Insurer” includes self-insured employers and the SAIF Corporation, which is the state fund, as well as private insurers.

An aggravation is a worsened condition resulting from the original injury and occurring within the course and scope of employment, and is established by medical evidence supported by objective findings. The original insurer is responsible for aggravation claim costs and the administration of an employer-at-aggravation program. The employer-at-aggravation, if it is not the

employer-at-injury or if it has changed insurers, may have difficulty contacting the original insurer. Departmental counts of aggravations must be considered estimates. Estimates in this report are based on (1) more than one use of the Employer-at-Injury Program for a given claim, or (2) employer-at-injury differing from the employer using the program.

Participation rates used in this report are estimates, calculated by dividing the number of approved early-return-to-work programs into the number of accepted claims. A more accurate method would be to compare program use among claimants with injuries during a given year, but that method ignores the long-tailed nature of workers' compensation claims: for example, a worker injured in 1995 might not start an early-return-to-work program until 1997, due to the severity of the injury. A more accurate method would also factor aggravations into the baseline of claims.

Estimates of the size (employees) of firms using the Employer-at-Injury Program were derived from data given to the department by insurers at the initial filing of the guaranty contract. Estimates of the percentage of disabling claims affecting smaller employers have been calculated from the more reliable Employment Department data, when available.

Information about the county of the firm using the Employer-at-Injury Program have been excluded from this report because the data definition was unclear before 1997. Some firms reported all programs under the address of the principal place of business, even though activities may have occurred at any one of several locations throughout the state; others reported addresses reflecting the actual location of the program. Data since September 1997 define the principal place of business as the site of the activity and are available on request.

Wage and cost data are reported in current dollars, unadjusted for inflation. Cost data have been tabulated by the year in which the request for reimbursement was received by the department, not the year of expenditure. This report does not include audit adjustments in the cost data.

The Workers' Compensation Division has

Two Innovative Programs

to help injured workers get back to work and lower workers' compensation costs



Employer-at-Injury Program

This program offers reimbursements to eligible employers who return their injured workers to light-duty work while their claims are still open. Reimbursements can include up to:

- ❖ Three months 50 percent wage subsidy
- ❖ \$2500 for worksite modification
- ❖ \$1000 for tools and equipment required for the job
- ❖ \$400 for clothing

Preferred Worker Program

This program provides incentives to employers who hire or reemploy workers with permanent disability who can't return to regular work because of on-the-job injuries. The incentives include:

- ❖ Six months 50 percent wage subsidy
- ❖ Up to \$25,000 for worksite modification
- ❖ Exemption from paying workers' compensation premiums for the Preferred Worker for up to three years
- ❖ Protection from claim costs if the Preferred Worker has a on-the-job injury during the premium exemption period
- ❖ Payment for certain items needed to obtain or maintain employment, such as clothing and tools

These programs provide win-win return-to-work solutions for Oregon workers and employers.

For more information call:

1-800-445-3948 or (503) 947-7588 (V/TTY).

Visit other DCBS web sites with
related workers' compensation issues:

<http://www.cbs.state.or.us/external/imd/index.html>

http://www.cbs.state.or.us/external/imd/wc_rtw.htm

<http://www.cbs.state.or.us/external/wcd/index.html>