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### **Off-Site Transitional Duty Very Effective In Reducing Workers Comp Costs**

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#### **High Correlation Between Time Off Work & Probability Will Return**

Transitional duty, also known as modified duty or light duty is very effective in reducing the cost of workers' compensation claims. Transitional duty reduces both the cost of indemnity payments and improves the odds that the employee will return to work on a permanent basis.

A study by the U.S. Bureau of Labor Statistics showed a high/strong correlation between the total length of time the employee is off work following an injury and the probability the employee will return to work for the same employer. The employee who is off work for less than a week has nearly a 100% chance of returning to work with the same employer. The odds decrease proportionally the longer the employee is off work. The employee who is off work two years or longer has nearly a zero percent chance of returning to work with the pre-injury employer.

#### **Employment Agencies or Non-Profits Great Option**

There are some employers, especially where individual strength and manual labor are central to the nature of their business, that have a difficult time providing modified duty or light duty work for an injured employee. However, this does not mean their employees should be excluded from light duty work. These employers can provide light duty work for their injured employees through employment agencies that specialize in temporary light duty job placements with non-profit agencies. Also, some employers skip the middle man – the employment agency – and arrange directly with the non-profit for the employee to work for them.

The employer or the employment agency will arrange and coordinate the injured employee's work for a non-profit, charitable organization. Often this is in a position the non-profit would have otherwise filled with a volunteer. Some of the non-profits that often utilize volunteers paid by their employers include the American Red Cross, Salvation Army, Goodwill, Habitat for Humanity, American Heart Association, YMCA, local food banks, and thrift stores of other charitable organizations. Church/religious affiliate organizations are also available for placement of the injured employee when they do not conflict with the religious views of the injured employee.

Lifting restrictions are by far the leading restriction that prevents the employee from returning to work with their employer. When an employee is placed with a non-profit, the non-profit accommodates the employee's work restriction (even a five pound lifting restriction) by assigning the injured employee to answer the phone, data entry, light cleaning, counting of inventory, etc.

If the injured employee has work restrictions other than lifting restrictions, like no standing over an hour or no sitting over an hour, the non-profit is able to accommodate these types of restrictions by allowing the employee to stand, sit or walk around as needed.

#### **Benefits to Employer and Employee:**

- The employee continues his/her salary as opposed to receiving a lower work comp indemnity payment
- The employer can deduct the salary paid to the employee as a charitable donation (consult your tax adviser)
- The employee's deconditioning is reduced by the employee remaining active instead of being inactive
- The employee avoids the unable to work syndrome and maintains a daily routine of going to work
- The employee maintains a higher sense of self-esteem from performing productive and meaningful work

- The indemnity cost of the work comp claim is reduced which in turn lowers the employer's experience modification factor (E-mod)
- It has been shown by several studies that employees who work light duty recover faster than the employees who do not. The faster recovery results in lower medical cost
- The employee may learn an alternative skill set while working light duty

To assure the success of the off-site light duty work program, it is essential for the transitional duty program to be structured and understood.

**Off-Site Light Duty Work Program Should:**

- Be customized to meet the employee's work restrictions
- Have a definite start date and an anticipated end date
- Be understood by the employee to be a temporary position and not a replacement of their regular job
- Be clearly communicated to the employee, the non-profit, the claims adjuster and the nurse case manager (if there is one assigned to the injured employee) to insure everyone understands the scope and purpose of the off-site light duty work program
- Allow the job duties at the non-profit to be broadened when the medical provider reduces the work restrictions

Properly managed, the off-site light duty work program can be very effective in returning your injured employees to work for you when they are physically able to do so, reducing your overall cost of workers' compensation. Also, through the off-site light duty work program you will substantially increase the odds that the injured employee will return to work for you.

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