

Guide to Establishing a Modified Duty Program: A Business Practice

An effective modified duty program can have both financial and personnel advantages. The program should be considered a standard business practice and incorporated into any operation. The size, nature and complexity of operations will determine how detailed the program should be – generally, the more complex the operations, the more need there is to standardize.

A successful modified duty program must be recognized as an opportunity and not as a punitive measure. It must be viewed by all parties as a business practice and not an event – and it must be planned for.

Components of a modified duty program

- Formal company policy outlining business practices, time periods for use and humanistic reasons for the practice.
- Defined employee responsibilities regarding modified duty, medical restrictions and treatment patterns.
- Specified supervisory and management responsibilities for the most effective usage and monitoring of employees working with medical restrictions
- Predetermined jobs and hours available for the most difficult restrictions. These most often concern low weights, one-hand or mobility issues.
- Involvement of the medical community to ensure they are aware of the practice and understand your commitment to modified duty and established restrictions
- Communication among the employee, supervisor, management, medical providers and the insurer's claim representative

Benefits of a modified duty program

Financial Advantages

- Modified duty is second only to not having injuries in reducing long-term insurance costs. As a business practice, it has a tremendous effect on the costs of injuries and allows you to determine return dividends if a loss-sensitive underwriting plan is used.
- It is the quickest way to return an employee to full earning capacity.
- Studies have proven that modified duty reduces extended medical costs, primarily because it is often therapeutic and speeds recovery.
- The program allows the employer and insurer to establish communications with the medical community and helps avoid extended or weak treatment plans that cost you money.
- Court rulings have shown that effective and well-defined policies help avoid legal confrontations/legal fees.

Personnel Advantages

- An injured employee's desire to return to work is directly proportional to the length of time away from work.
- Employees can be utilized to do jobs/tasks that need to be done, but which may not be of immediate priority.
- It keeps an employee on his or her 'personal work clock'.
- Modified duty prevents employees from becoming dependent on a disability system.
- It prevents employees from using the workers' compensation system as a vacation supplement.
- It ensures that employees and employers stay in visual and verbal contact. Loss of contact means loss of control.

Sample introductory memo to employees

To: All Employees
Subject: Modified Duty Return-to-Work Program

To conserve the human and financial resources of the company, a Modified Duty/Return-To-Work practice is being implemented to support our workers compensation program.

Our primary goal is the prevention of work-related injuries. However, when injuries do occur, a return-to-work program is the fastest means available to return employees to full earning capacity. It also helps us control our insurance costs.

Studies have shown that modified duty has other advantages:

- It is therapeutic and helps speed the recovery process
- It prevents employees from becoming dependent on a disability system
- Employees stay in touch with the work environment and fellow employees
- The company maintains an experienced workforce

Jobs or duties have been established to meet most or all medical restrictions injured employees may face. We will work with the medical community and our insurance company to provide an injured employee with work that meets his or her medical restrictions. In addition, since modified duty jobs are temporary in nature, each return-to-work case will be reexamined on a week-to-week or month-to-month basis, depending on the circumstances. It is the intention that no job is to exceed 90 days in duration. However, in the unlikely event that the occasion would arise, management will evaluate the case based on its merit.

We look forward to working with injured employees to speed their recovery and bring them back to full earning capacity.

[Signature]

Employee responsibilities

- Employees who need to seek medical attention, must tell the treating physician of the Modified Duty/Return- To-Work Program.
- Employees are expected to return to work with any medical restrictions on the same day as the accident or, if time prohibits, the following day – unless otherwise directed. Employees should contact their direct supervisor with questions.
- Employees are responsible for always being aware of their own personal medical restrictions and should not attempt tasks that exceed restrictions. Question about the task(s) at hand and restrictions, should be immediately directed to supervisors.
- If there are instances where certain tasks that exceed current restrictions cannot be completed, employees should contact their physician and get new restrictions (in writing). Do not do these tasks until written approval from your physician has been retrieved.

- The medical restrictions are in effect 24 hours per day. Employees should practice caution during non-work hours to be sure that the restrictions are maintained and consult their physician regarding hobbies or outside interests that may be create potential conflicts.
- Employees should always follow their physician’s instructions.
- Any employee who engages in activities that are inconsistent with medical restrictions and/or treatment patterns, whether on or off the job, is subject to possible disciplinary action.

The above work rules can be added to your current rules already in effect for your company. Or they may be established, signed for, and placed in the employee file until the employee manual is updated.

Supervisory and management responsibilities

Respond appropriately to an employee when an injury is reported. The duration and costs of many injuries are determined at that time.

- Take time to handle the injury properly.
- Authorize medical attention immediately if needed. Provide necessary authorization forms and arranged for transportation if needed.
- Investigate the circumstances of the reported injury and record all pertinent data.
- Report the injury and supply documentation to the human resource department or other designated area.
- Determine preventive measures or actions and make corrections immediately.
- Refer major changes to upper management and follow-up for corrective actions.
- Explain all modified jobs in detail to the employee and point out any safety precautions that may exist.
- Know the employee (Is the person an overachiever?) and his or her medical restrictions. Make sure you and the employee do not exceed the restrictions unintentionally.
- Be aware of any employee on modified duty whether he/she is working under you or not. It is important not to assign any tasks or allow any tasks to be performed that exceed medical restrictions. Supervisors must share this information.
- Add validity to the practice by keeping informed about the employee’s recovery, current treatment, and how the employee perceives the quality of the medical treatment. The quality of treatment is directly related to how fast the employee recovers and avoids re-injury in the future.

Tips for involving the medical community

Contact and visit the principal medical providers that treat your employees’ work-related injuries. If distances are a concern, consider introducing the program to medical providers through a mailing.

Establish your commitment to the program by inviting the medical providers to tour your company to view the layout, the tasks that are required, and the modified duty jobs that are currently available or could be used. *(Inviting providers to tour your facility exhibits your commitment to the practice, helps you clearly define the jobs, and may open up ideas for modified tasks or wellness activities. The providers should be inclined to accept your invitation, especially if they conduct your company physicals, medical monitoring, or substance abuse screening.)*

Provide the medical community with an overview of your program and a listing or chart of the modified jobs. Include the hours available and the restrictions that can be accommodated in the jobs. Ask that the information be kept available for reference and that all appropriate medical staff be aware of the information.

If you have or can develop a relationship with a medical provider, encourage injured employees to seek medical treatment from that provider. Explain to employees that the provider understands the company’ policies, what is

available in modified duty, and that the provider will work with all parties concerned to get the employee back to full earning capacity as soon as possible. Make sure that the medical provider has a full understanding of what full earning capacity means to your employees. In many cases, the number of hours worked in a given time period has a direct impact on other employee benefits such as vacation, earnings, 401k contributions, seniority, or contributions to medical insurance premiums.

Arrange to meet with the medical provider and the claims representative together. Face-to-face meetings go a long way toward understanding each other's problems and identifying mutual opportunities.

Communicate the results of your modified duty program to the medical community. Advise them of the direct and indirect savings to the company. This information is relatively easy to track and can be pivotal in gaining a wider, deeper appreciation and acceptance of the practice by all.

Sample letter to medical providers

To: (Medical Provider)

Subject: Modified Duty Practice for (Your Company Name)

{Your Company Name} is actively pursuing every option available to conserve our financial and human resources. When feasible, returning injured employees to work through a Modified Duty Program is vital to an employee's earning power and critical to controlling our workers' compensation costs. We are exploring every opportunity to ensure that our employees are returned quickly and safely to full earning capacity after a severe or serious work injury.

When an employee cannot be at work, his or her total earning capacity and various benefit levels are adversely affected (e.g., 401k, vacation accrual, health plan co-pays). Some employees may even face serious financial problems. For these reasons, we are committed to the viability of our Modified Duty Program. We have a number of modified or light duty jobs that would be suitable for injured employees, and which can accommodate a variety of medical restrictions. Furthermore, we will abide in good faith to any medical restrictions you or other medical providers may establish. We consider our Modified Duty Program to be a practical and responsible practice, and one which the medical community can support as beneficial to employees.

I cordially invite you to visit our facility to gain a first-hand view of our processes and tasks, to learn which jobs we have modified, as well as those which may be modified in the future. While I would prefer your personal inspection, I know it may not be possible. If not, we have a brief videotape of our operations that would be quite informative.

I will follow-up with you, after you have had some time to review this, to see if we can arrange a time for you to meet with us.

Respectfully,

[Signature]