

Benchmarking: What Works in Disability Management

You don't need to reinvent the wheel to get better results at lower costs. Instead, find out what your peers are doing.

By [Norman Hursh, Sc.D., CRC, CVE](#)

Disability management is already recognized as a common sense way to reduce lost time after injury or illness, increase productivity and improve operational performance. In other words, companies seek to decrease the amount of time ill and injured employees are off work — and the consequent costs — while preserving the earning power of the employee.

Essential components of disability management include interventions at the onset of injury or illness, job accommodations to promote retention and productivity, and preventive steps to reduce further lost time and minimize the impact of disability. More recently "evidence-based outcomes" have provided corporate managers with clear choices in best practice standards.

The direct link between integrated disability management and workplace productivity was highlighted in the report, "Staying @ Work: Integrated Disability Management Around the World 2000/2001," by Watson Wyatt Worldwide. "Integrated disability management maximizes employee contributions to the success of the company and reduces cost associated with employee absenteeism," the report stated.

What we know about return-to-work programs

When illness or injury keeps workers off the job, the costs to employers escalate in a number of significant ways: lost productivity, increased worker compensation costs and potentially expensive litigation. Returning the worker to the job in a safe and timely manner is in the best interest of all concerned. Many large employers use early return-to-work (RTW) programs, under which ill or injured workers are transitioned back into the workplace, often with modified duties, accommodations or temporary light-duty assignments elsewhere in the company.

The benefits are not lost on the Ohio Bureau of Worker's Compensation, which offers

incentives to companies that develop RTW programs that include outcome-based practices. "Our experience has shown us that there are key steps that both large and small companies can take to develop effective return to work programs," said Donald Shrey, MD, president of Advanced Transition, Inc., who has helped over 50 companies in Ohio develop RTW programs. Those necessary components include: "clearly defined and documented procedures that describe the program in detail, identification of key individuals who are responsible for early contact and involvement with the injured worker, and a program that has timelines and identified goals that relate to productive work."

As disability management continues to evolve, there are abundant opportunities for companies to learn from each other's best practices. As in the past, mid-sized and smaller companies can adapt the successful strategies and programs of large firms. "In my experience, many small companies or organizations just deal with problems as they present themselves, and don't necessarily have a plan for potential issues that might arise," observed An Brunelle, a consultant with Disability Management Specialists in Glendale, Calif. "By benchmarking large companies, which are usually more experienced in disability management issues, smaller firms could discover insights to being more proactive," added Brunelle, who is also a Commissioner with the Certification of Disability Management Specialists Commission (CDMSC).

Integrated disability management practices

Larger companies, too, likely will benefit from benchmarking the best practices of trail-blazing firms as they move to the next phase: integrated disability management (IDM), which seeks to coordinate and centralize health- and disability-related coverage and benefits.

IDM may begin with simple steps, such as broadening eligibility for the RTW program to include non-occupational illness or injury. Further, an integrated approach may establish a single point of contact for all health- and disability-related absences, regardless of how and where they occur. On a more sophisticated level, there is seamless integration of worksite practices, health and disability benefits, and preventive programs such as safety and wellness. The goal is to limit employer costs, improve services to employees, promote workplace productivity and minimize absenteeism.

When it comes to benchmarking, however, how can companies begin the process? Sometimes it's as easy as asking the right questions. Janna Calkins, a California-based certified disability management specialist and consultant, told of a West Coast industrial firm with 5,000 employees that benchmarked 15 other firms when it began its RTW program several years ago. "We looked at how these other companies had set up their return-to-work programs," she recalled. "It was very helpful to know the way companies created their programs or to be told about the stumbling blocks that they encountered."

In time its comprehensive disability management program, which received support from upper management, resulted in a reduction of more than 1,000 lost work days at a

savings of more than \$1 million in lost-time costs. In subsequent years, the proportion of lost time cases fell from 1.45 to 0.35 per 1,000 employees, while lost workdays fell to 7.54 from 26.15 per 1,000 employees, Calkins noted.

A best practice approach to disability management

To start the benchmarking process, companies should begin with published information on the particular issues and trends that other companies have faced. The Occupational Safety and Health Administration (OSHA) offers in-depth information on operational and administrative guidelines in developing ergonomic programs and responding to workplace injuries on its web site. Consulting firms such as Watson Wyatt also publish studies on disability management, absence management and related topics. Further, the Workers Compensation Research Institute has cost-benefit information and outcome data concerning a variety of disability management and other workplace issues. The general public has access to abstracts, while full texts are available to members. (See [Resource Links](#) at the end of this article.)

Professional journals may be a source of company-specific information, particularly in articles written by managers at large companies. While large companies readily share mission statements and some general information about disability management, many of them consider the details about how their programs function to be proprietary information. "There is some very useful information about there in the public domain, including positive results that companies have realized from their programs," Lui added. "However, some of the information may be anecdotal."

Trade associations can be helpful, as both a potential source of studies and information on workplace issues, and also to provide a forum to "network" with other companies. Through a trade association, for example, you may be able to develop a relationship and exchange information with peer companies. Consultants may also be helpful, particularly for mid-size and small firms. They are usually knowledgeable about practices and approaches that have been adopted by a variety of firms and can tailor programs to the needs of smaller employers.

Once you have contacted a company regarding its disability management program, some of the questions that should be raised include:

- Are disability management programs provided by a third-party provider or managed in-house?
- Are the programs overseen by certified disability management specialists who have the work experience and educational background to handle the variety of issues that may arise in workplace disability?
- Is there a formal RTW program, and if so, how is it organized and managed? What is the average time that employees spend in the program?
- If an employee is assigned to a temporary assignment elsewhere in the company under RTW, who pays the salary cost? The employees "home" department, the department he/she is assigned to, or is there a separate

fund?

- Has the company adopted any integrated disability management practices, such as allowing all ill and injured workers to qualify for RTW?
- Is there joint labor and management involvement in the development and monitoring of disability management approaches? How are other stakeholders integrated into the program?
- Does the company offer employee assistance programs (EAP) to provide help and/or resources to workers with personal, family or medical problems? Can EAPs be integrated into wellness, prevention and similar programs to decrease absenteeism?
- Does the company track the cost and benefits of its disability management programs? If so, how?
- Do their insurance carriers offer benefits such as reduced premiums or other incentives for having RTW programs that decrease overall disability claims?

Keep in mind, however, that companies cannot simply adopt another firm's model or program. Each company has its own culture, union and employee issues, medical management, and workplace needs, which make it unique. There is no "band-aid" approach that can be applied from company to company. "There are a lot of pieces that have to be put together for each specific company," Lui added. "You can't think that one piece will solve your whole problem."

The predominant thinking at many companies, unfortunately, is that disability management should be handled either by the human resources department or by the risk-management department, and never the twain shall meet. If a company outsources to a third party for disability management services, the assumption may be that it's best left in the hands of the "experts." The problem, however, is that "knowledge silos" are created within the human resources department or at the insurance brokers, which work against consolidating or integrating disability management.

One of the downfalls of these silos is the inherent lack of communication between the human resources or risk manager, which may be handling disability claims, with behavioral managers in charge of the EAP program. With an integrated team approach, companies can spot recurring incidents among certain employees who, for example, have multiple work-related injuries or illnesses over a period of time, or who are frequently absent. When communication improves among these parties, referrals can be made to help the employee deal with a health or personal issue.

Collaboration between employers and workers

Active participation of both employees and employers is a significant factor in the success of disability management programs. "Joint labor/management involvement is essential in the development of a transitional work program, whether the workplace is unionized or not," Shrey finds. Breaking down knowledge silos and creating a team that acts for the greater understanding of the importance of disability management are vital

for the success of future programs. For example, companies that have a unionized workforce may seek to have labor representatives involved in discussions of how an ill or injured worker can be accommodated or placed on temporary assignment. Further, when employees feel that they are part of the disability management solution, programs and participants become even more proactive.

After the RTW program was implemented at the West Coast industrial firm, Calkins said employees took it upon themselves to notify the company when they were scheduled to have surgery and to request placement in the program.

The significance of collaboration in managing disability at the workplace is best evidenced through a recent global initiative. A multifaceted approach, bringing together employers, labor representatives and government officials, was taken on the international level, with the drafting of the "Code of Practices on Managing Disability in the Workplace," under the auspices of the International Labour Organization, which is part of the United Nations. The objective of the Code, which was formally adopted in late 2001 and is being reviewed by several large U.S. firms, is to provide "practical guidance on the management of disability issues in the workplace." (See [Sidebar](#).)

For companies that adopt the Code of Practice, the emphasis will shift from merely complying with legal standards such as the federal Americans with Disabilities Act (ADA) to a more proactive approach of integrated disability management that seeks to benefit both employer and employee. Further, by analyzing and adopting best practices in disability management, companies can be better assured of meeting the requirements of state disability laws, which are in some cases more stringent than ADA. California's disability laws, for example, far exceed the ADA requirements, and any company with operations or employees in that state must comply with these stringent state statutes. (See [Disability Legislation: State Laws May be Tougher than Federal ADA](#))

As companies move forward with their disability management practices, it's important to see them not as a "quick fix" or a "compliance issue," but as viable, productivity-related programs. Luckily, smaller firms that are adopting disability management practices or larger firms that are moving to greater integration of disability and medical benefits don't have to go it alone. Through benchmarking and best practices, there is a wealth of information available on what some companies have experienced, the obstacles they've overcome, and the benefits that they've reaped.

Norman Hursh is a Commissioner of the Certification of Disability Management Specialists Commission (www.cdms.org), the only nationally accredited certifying body for disability management specialists. He is also Associate Professor in the Rehabilitation Counseling Department of the Sargent College of Health and Rehabilitation Sciences at Boston University. He directs the graduate specialization in Vocational Evaluation and also in Disability Management. Further, he is the Director of Rehabilitation Services at the Sargent Clinic at Boston University.

Resource Links:

[Draft Code of Practice on Managing Disability in the Workplace](http://www.ilo.org/public/english/employment/skills/disability/draftcod.htm)
<http://www.ilo.org/public/english/employment/skills/disability/draftcod.htm>

[Certification of Disability Management Specialists Commission](http://www.cdms.org)
<http://www.cdms.org>

[The Occupational Safety and Health Administration \(OSHA\)](http://www.osha.gov)
<http://www.osha.gov>

[Watson Wyatt Worldwide](http://www.watsonwyatt.com)
<http://www.watsonwyatt.com>

[Workers Compensation Research Institute](http://www.wcrinet.org)
<http://www.wcrinet.org>

ILO Code of Practice on Managing Disability in the Workplace is a Reality

**By Norman Hursh, Commissioner
Certification of Disability Management Specialists Commission**

An international code for disability management is the first of its kind to offer guidelines and practices that will effectively enable people with disabilities to integrate into the workplace. The *Code of Practice on Managing Disability in the Workplace* was adopted by a tripartite meeting of employer, worker and governmental experts selected by the Governing Body of the International Labour Organization (ILO) of the United Nations in November 2001.

For employers, the Code establishes practice standards in disability management that will contribute to improved return to work outcomes for workers who are injured or disabled.

As a long-time professional in the disability management field, I believe the Code takes a significant step in addressing a wide range of employment issues that challenge employers and people with injuries and disabilities, including recruitment and hiring, employment and job advancement, and job retention and return to work. The Code provides a blueprint for action both for the small employer who wants to be proactive in developing workplace disability management programs, and the larger company who operates in many states and different countries.

Key points underlying the Code are:

- With the right skills, in the right job, with supports where required, people with disabilities are capable and reliable employees, an asset to their employers

- Managing disability issues in the workplace is in the business interest of employers, leading to savings in terms of time lost, insurance and health care payments, and costs of recruiting and retaining workers
- Retaining people who acquire a disability while working means that the employer retains experienced workers, with valued expertise, in whom considerable investments have been made
- Effective workplace disability management practices based on evidence, best practices and experience enable workers with disabilities to contribute productively in the workplace
- A comprehensive disability management strategy should include provisions for recruitment, retention, promotion, return to work, as well as adjustments and accommodations where these are required
- Effective disability management relies on cooperation among employer organizations, worker organizations, and government organizations

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