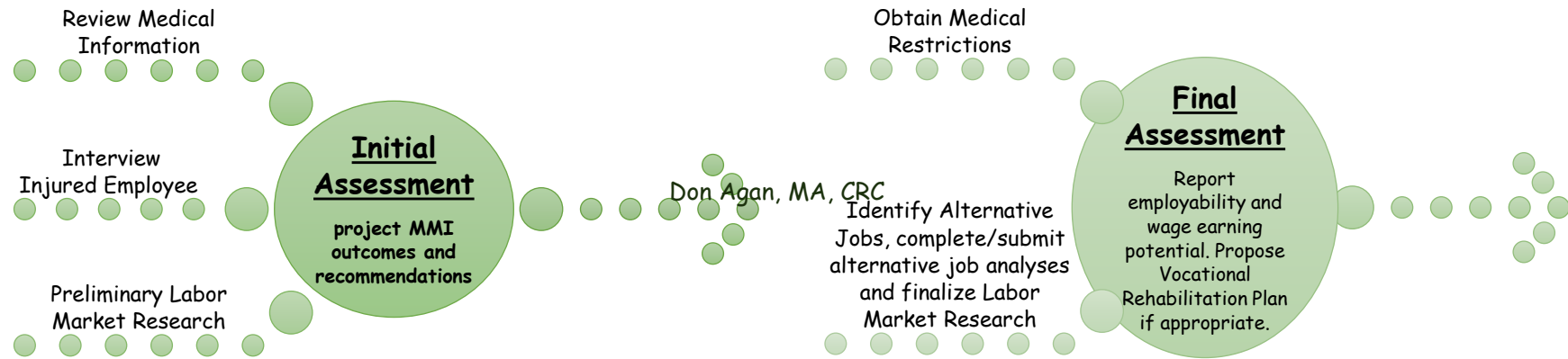


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## Vocational Rehabilitation Proposal

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The above illustrates a basic overview of the Vocational Rehabilitation Assessment process in the current Workers Compensation system following SAW/ERTW services. The significance of this overview is not what is present but more importantly what is not present. The period of time between the Initial Assessment and the Final Assessment there are no mandated active Vocational Rehabilitation Services occurring, although TTD benefits are being paid. Based on 2012 data 37% of claims costs are for indemnity. The trend from 2008 to 2012 reflect an increase in Temporary Total Disability (TTD) benefits from 42% to 68% of indemnity costs for claims this equates to around 87 million dollars annually. Concurrently, over the same timeframe there was a decrease in expenditures for Vocational Rehabilitation Benefits.

The basic goals for the Worker's Compensation specific to Injured Employees are: 1.) Medical outcome and 2.) Vocational outcome.

Whereas medical treatment has a linear continuum of treatment protocol, vocational rehabilitation has a significant gap which occurs between the Initial Assessment and Final Assessment. This gap in services creates uncertainty of outcome, does not allow an adequate mechanism with which to gauge/report progress to various parties (including the Employer of Injury), and may render involved parties powerless to significantly impact outcomes. Systems become ineffective when people feel powerless. In the current system several parties express a sense of powerlessness, resulting in an adverse impact on system effectiveness and ultimate outcomes. Basic shifts in our way of thinking and some fundamental changes in the rules will result in the empowerment of primary system participants and increase the probability of positive vocational outcomes.

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Currently, there is a well-placed emphasis on Stay at Work/Early Return to Work efforts which appropriately addresses claims at an early stage. Beyond this early intervention focus there is a gap in actual services until Injured Employees reach MMI.

In most cases the Injured Employee will probably not have any additional services or significant interactions with the CRC following the Initial Assessment until they reach MMI or are close to reaching MMI. The CRC will then incorporate updated medical information and identify alternative jobs along with wage earning potential that the Injured Employee can perform. Upon medical approval of the alternative job analyses the acceptable standard of employability and wage earning capability is completed. In some cases, Vocational Rehabilitation Plans which might include formal retraining for up to 104 weeks may be developed and implemented; although this option appears to be happening less frequently over time. More often, it appears that job placement assistance services are provided, or, 8 weeks of benefits are paid out to the Injured Employee (this is based more on observation than statistical data at this point).

**From the perspective of Injured Employees:** In some cases the system has done very little to help them vocationally (unless an actual Rehabilitation Plan is approved). In reality they are sometimes correct in their perceptions. Their work related injury may result in fear, lack of direction, loss of motivation, economic hardships, as well as psychological and sociological hardships. These factors can impact not only the Injured Employees but their families as well. In some cases it seems that everywhere they turn nothing seems to be helping and they simply do not have the coping or adaptive behavioral skills to see a way out of their situation. They may not have the tools to move forward vocationally and plan for career changes. In these circumstances Injured Employees can lose hope and motivation for their vocational future.

**From a systems perspective:** TTD indemnity payments are being paid concurrent with structured medical treatment with no provision for vocational services to progress the Injured Employee on a continuum to return to work. In many, if not all cases or claims this results in "opportunity cost". Opportunity cost is an economic term defined by the New Oxford American Dictionary as "the loss of potential gain from other alternatives when one alternative is chosen." 'Opportunity cost is a key concept in economics and has been described as expressing the basic relationship between scarcity and choice. The notion of opportunity cost plays a crucial part in ensuring that scarce resources are used efficiently. Thus opportunity costs are not restricted to monetary or financial costs: the real cost of output forgone, lost time, pleasure or any other benefit that provides utility should also be considered opportunity costs.'

From a pragmatic perspective there is a service gap/opportunity cost in vocational rehabilitation services within the Worker's Compensation system. Waiting until MMI to prepare for return to work is not normal in the general population; however, it has become the norm within the current workers compensation system.

**From the employer's perspective:** Currently, employers want to know what is going on with their employees who are receiving TTD benefits. Limited medical information regarding residual functional capabilities can be provided to the employer. With regard to the bottom line of return to work status from a vocational perspective employers often feel left in the dark. They sometimes justifiably express frustration by the lack of information provided. Given the fact that the service gap as identified above does not provide for structured vocational rehabilitation services targeting return to there is not much to report to the employer of injury.

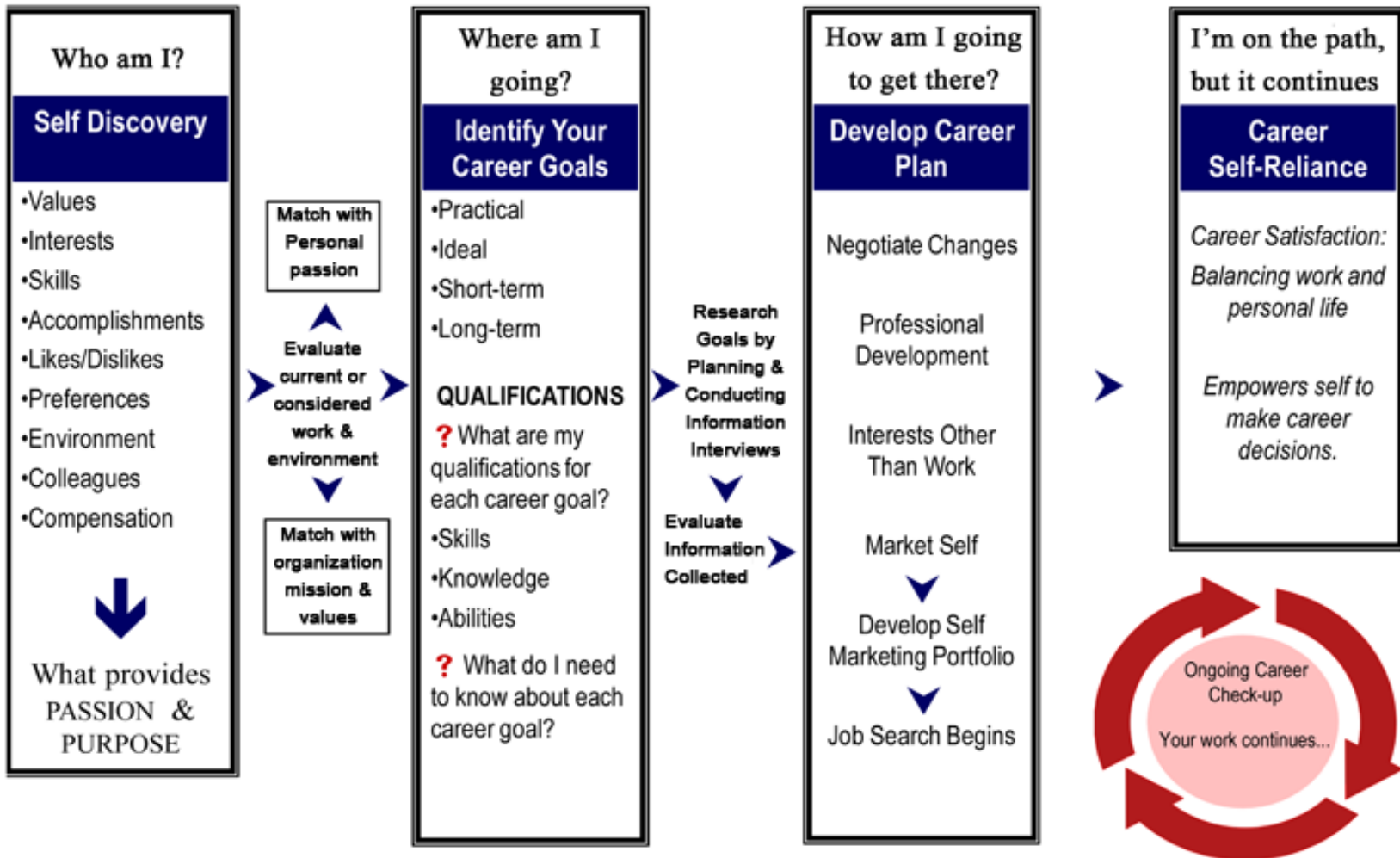
**Conclusions and Recommendations:** It is a well-established fact that successful return to work programs within the Worker's Compensation system are most effective when implemented as soon as possible following the injury. Unfortunately, not enough emphasis has been placed on services for injured employees beyond the current emphasis on Stay at Work/Early Return to Work. Injured Employees, from a vocational rehabilitation perspective too often are just waiting to reach MMI. Too often they do not have direction or assistance in adapting to imminent career changes, i.e., they do not have a roadmap on how to proceed.

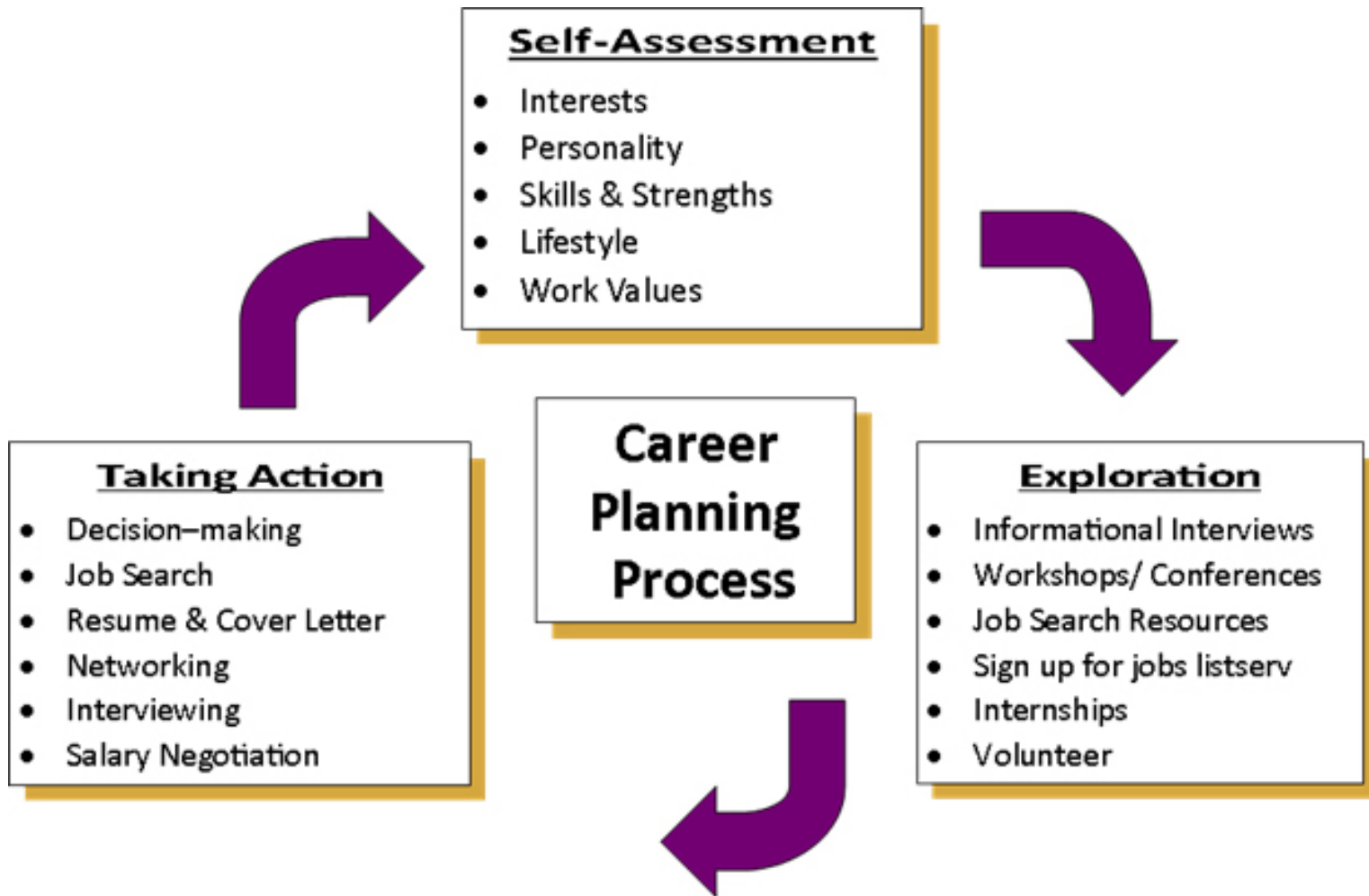
**I would propose a simple yet effective change in the current system to address the issues discussed above.** I would suggest that changes occur in order to provide Vocational Rehabilitation Services for the timeframe occurring between the Initial and Final Assessment. I would suggest that these services focus on the process of 'Career Planning' with Injured Employees mandated to take an active role in this process. In most instances, I suspect that Injured Employees will want and feel the need for this type of service. It has been my experience that when Injured Employees have goals and are provided with direction they tend to do better with regard to their medical recovery as well as their mental health status. Each Injured Employee may benefit from variations on the general process of Career Planning; however, to some extent the core of these services will remain consistent.

It is my opinion that Career Planning be reality-based and that services be focused on realistic return to work goals and involve a pragmatic process to accomplish these goals. Utilization of community resources is imperative in this regard. In some cases this may involve pre-MMI formal training, in other cases it may involve on-the-job training, while in other cases it may involve other activities such as those outlined below. These services will be individualized to meet the needs of Injured Employees and provide measurable outcomes.

What follows is an example of one Career Planning Model, certainly, there are many such models in the literature.

## Becoming Career Self-Reliant: Take Charge of Your Career







**Career Planning Steps**



Empowerment = opportunity = hope = motivation = success.