

Integrated Wellness Programs

Support Managed Care Strategies

John Santulli, III, CPCU
Executive Vice President, PMA Companies



As discussed in the last ***PMA Executive Briefing***, a complex array of factors is driving up medical costs in workers' compensation claims. These include an aging workforce and an increase in workers with pre-existing medical conditions that complicate treatment and recovery from an occupational injury.

Since healthier workers heal faster and return to work more quickly, wellness programs can play an important role in helping employers understand and improve the overall health of workers. The result can be lower medical costs and better control of overall workers' compensation costs.

This ***PMA Executive Briefing*** looks at how to assess and address critical workplace health factors that affect a managed care program, and best practices for how to integrate wellness programs with occupational health & safety initiatives.

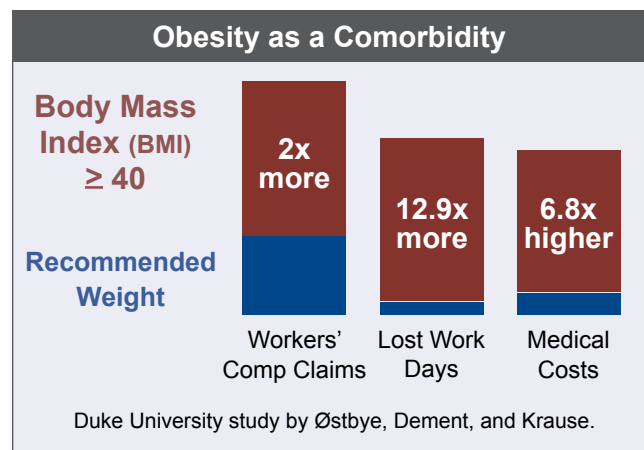
Analyzing the Health of Your Workplace

A comprehensive analysis of the factors impacting the overall health and well-being of your employees is an essential first step in a workers' compensation risk control program and later, wellness and managed care programs. This analysis should not

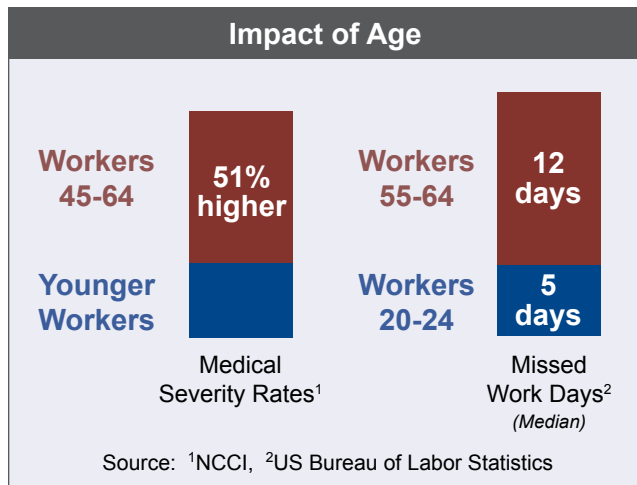
only evaluate past losses and workplace risks, but also identify populations of workers with specific health concerns that could increase their risk of injury on-the-job and affect their recovery. See *Workplace Health Analysis* sidebar (page 3) for suggested data to gather for your analysis.

Among the chief concerns are conditions that can lead to a comorbidity diagnosis on a workers' compensation claim, including hypertension, diabetes, obesity, drug abuse and depression. Workers' compensation claims with a comorbidity diagnosis nearly tripled from 2000 to 2009, doubling related medical costs.

Obesity has emerged as a significant comorbidity condition:



The rapid influx of older workers is also of concern. While highly productive, older workers have higher claims severity:



When assessing your workforce's health, it's important to examine historical workers' compensation claims, including the cause of injuries and the impact of comorbidities and worker age on claims costs. You should also review hiring practices and the effectiveness of current wellness programs.

Maximizing a Workers' Compensation Program with Specialist Services

Through an assessment of workforce health, a risk management team can create a workers' compensation safety program more aligned with your specific workplace needs. For example, the program can prevent claims in older workers by improving their overall health, establishing weight lifting limits and focusing on slip and fall prevention.

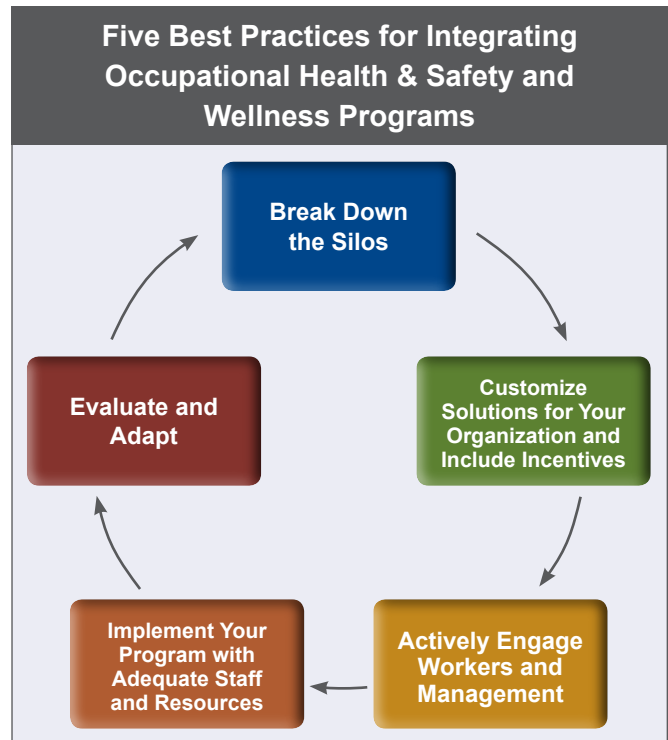
Wellness programs should involve specialists like certified occupational health nurses. These nurses can advise on hiring practices, job descriptions and evaluate workers after they have been hired to ensure they are placed in jobs appropriate for their health conditions.

Ergonomic specialists can consult on workstation design to accommodate specific workforce characteristics. They also can establish work schedules and methods specifically for employees affected by health-related issues.

Integrating Wellness with Risk Management

While wellness programs are quite common, especially among large employers, they may be part of an employer's group health program with goals not related to the workplace. To really address workers' compensation costs, wellness programs should be integrated with occupational health & safety programs.

A well-integrated program links together and coordinates occupational health & safety programs with wellness programs. It addresses how the systems, organization and work environment impact the overall health and well-being of the individual worker.



The ***PMA Thought Leadership Publication***, “Integrating Risk Management and Wellness Programs,” identifies five best practices for integrating occupational health & safety with wellness programs:

- Break down silos between occupational health & safety and wellness programs. Develop goals that benefit the entire company rather than just one of these areas.
- Customize solutions for your organization, including measureable goals and incentives.
- Actively engage workers and management in the program, starting with program design.
- Implement your program with adequate staff and resources.
- Evaluate your program regularly and adapt as needed to ensure it is improving worker health and safety.

The right wellness initiative can not only improve worker health and productivity, but also boost employee morale and reduce the frequency and severity of workers’ compensation claims.

About the Author

John Santulli, Executive Vice President, PMA Companies, leads PMA’s customer-focused service functions all integrated under a single umbrella including Claims, Managed Care, and Risk Control Departments and third-party administrators PMA Management Corp. and PMA Management Corp. of New England. With over 30 years of workers’ compensation expertise, Mr. Santulli has held positions of increasing responsibility in the field and home offices across PMA. A graduate of Gettysburg College, he has a Chartered Property Casualty Underwriting (CPCU) designation.

Workplace Health Analysis

To analyze the factors impacting the health and well-being of your workers, look to obtain the following data:

- workers’ compensation claims review
- medical and disability claims review
- demographic analysis of employees
- examination of unique workplace risks
- baseline health of the workforce
- design of your corporate health plan and any anticipated changes
- recent employee satisfaction/ perception survey
- survey of management and employee interest in wellness programs

PMA Companies series of ***Executive Briefings*** explores the strategies necessary to effectively manage medical costs of workers’ compensation claims today. These include integrated occupational health and wellness, early intervention, bill review, case management, pharmacy management, narcotics utilization and physician dispensing.