

# COMPCONTROL

The Official KMIT Member Newsletter

## Work Comp “Life Restrictions”

by Victoria Vanderhoof\*

Physicians often assign “work” restrictions for employees injured on the job. It is often assumed that these medical limitations apply only at work because of our habit of referring to them as “work” restrictions. This is somewhat of a misnomer, however. In fact, under work comp procedures, restrictions are absolutely intended to be ‘24/7’. I would prefer to hear doctors and employers refer to these restrictions as ***medical limitations*** or ***life restrictions***.

What are the physicians trying to accomplish by assigning work restrictions to our injured workers? **Restrictions are intended to allow the injured body part an opportunity to heal without continually being aggravated by activity, and to prevent re-injury.** So, let’s consider the case of an employee who has suffered a back strain while on the job: the physician assigns a restriction of no lifting over five pounds; intending to allow the back to rest and recover from the injury. The employer, wanting to allow their employee an opportunity to recover, provides ***modified work*** within the five-pound lifting restriction during the work shift. If that employee, however, considers these work restrictions to only apply at “work”, and at home lifts their 30-pound toddler, carries heavy bags of groceries into the house, and goes bowling with a 14-pound bowling ball, etc... **this injury is likely not going to heal as the physician intends.** Even though the employee is staying within his medical limitations at work, the injury is continuing to be aggravated and not allowed the opportunity to heal, because of the activities outside of work. This can be a frustrating situation for the employee, as they do not understand why they are not getting better, especially as they believe they are staying within their “work” restrictions; and it can also be frustrating for the employer who continues to provide modified duty work, and may be short-handed.

In most cases, I do not believe the employee is intentionally ignoring the restrictions ordered by the work comp doctor. I suspect that because we refer to these medical limitations as “work” restrictions it leads to the *mistaken impression that these restrictions apply only at work*. But common sense, and work comp rules, dictates otherwise. As employers and supervisors, I would encourage you to have this conversation with your injured workers when they are assigned restrictions, so that they understand the **limitations must be followed in their personal life as well as while they are on the job, for optimal healing.**

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# Letter from the Pool Administrator

## Dear KMIT Members and Others,

Happy Spring!

Here's hoping this missive finds you and yours healthy, and ready to take on another active time of year.

This month, we welcome two new cities into the KMIT Family—**Larned** and **Osawatomie**. Larned City Manager **Don Gaeddert** and I have known each other a very long time, and I am very pleased to be able to add his fine city to our group. And, as many of you may know, Osawatomie's city manager, **Bret Glendening**, was once a League staffer, and Bret worked in KMIT with me for over two years, so having Osawatomie in KMIT is a neat deal for me, too.

In this edition, we highlight the issues of '**Life Restrictions**' (as opposed to 'job restrictions'), and give reasons why and how to bring back employees to work sooner rather than later. As Victoria points out in her two articles, restrictions placed upon injured workers by doctors are meant to be '**24/7; not just during 'work' hours**'. And, those restrictions are put there by the doctor to help facilitate the injured person's recovery. And, as such, are not necessarily there only to allow the injured person to be totally pain free. Quite often, the normal healing process hurts some, whether the employee is 'at work' or somewhere else. And, also quite often, the process of healing *requires modified work tasks* in order to be successful. So, it just makes sense to have your injured employees come back to work, under the care of a physician, as soon as that doctor says it's okay, along with any physical restrictions requiring *modified duty*.

As I mentioned above, we are just coming into the very active time of year, when there is a lot of outside work to be done, and the public work crews can feel a bit behind in their work. It's also a time when injuries can easily escalate. **Let's do be very careful out there!**

Your KMIT Board of Trustees last met in Hays on March 7. The next Board meeting is in Andover on April 17. The Board also meets in Hillsboro in August and in Eudora in December. Remember (mark those calendars), **the KMIT Annual Meeting** (held during the LKM Conference) will be in **Wichita, on Monday, October 13**.

Until next time...



Pool Administrator

## **'Humorous' Example of Work Comp Restrictions Not Being Followed**

HARTFORD, Conn.—Prosecutors say a video shows a Connecticut correction officer running a 40-yard-dash in women's clothing and high heels — at a time he had claimed he was too injured to work. Garrett A. Dalton of Naugatuck has been charged with workers compensation fraud. He's accused of taking part in a radio station's contest for *Hannah Montana* concert tickets last year. Not only did he have to dress in drag but he had to carry an egg on a spoon. Authorities were alerted after someone saw Dalton in a TV news report. Prosecutors say the 41-year-old collected more than \$5,000 in workers' compensation after he reported a work-related injury in June.

## **Work Comp FRAUD Tips**

Despite what some might think, and say, *fraud has not been proven to be a component of most work comp claims*. But, work comp fraud DOES HAPPEN occasionally, even in the best organizations. And, fraud, when it does occur, often turns out to be very expensive. People who cheat usually try to get the most they can.

Here are a few things to keep an eye out for:

1. The story of the accident changing. This is a HUGE 'red flag'.
2. The employee was working alone at the time of the accident. If nobody else saw it, the employer should pay even more attention to the investigation of the incident.
3. The employee is known to be disgruntled about something related to work, or is a new employee. Statistics show that these two groups of workers are more likely to commit work comp fraud.
4. The injury relates to a pre-existing problem. If the injury seems to be similar to a current health problem, check it out thoroughly.
5. The accident happens late on Friday or early on Monday. Most fraudulent claims come during these times.

# Welcome to KMIT



Larned,  
(Member #141)  
and  
Osawatomie  
(Member #142)

## Safe Cities as of April 2, 2008

If you would like assistance returning an injured employee to work, or need ideas for modified duty, please contact Victoria Vanderhoof, 1-877-502-9897 or [victoria.vanderhoof@imacorp.com](mailto:victoria.vanderhoof@imacorp.com).

Abilene	Cherryvale	Fort Scott	Hoisington	Montezuma	Rose Hill
Admire	Clay Center	Fowler	Holcomb	Mound City	Russell
Allen	Coffeyville	Frankfort	Horton	Neodesha	Satanta
Altamont	Columbus	Fredonia	Independence	Neosho Rapids	Sedgwick
Andale	Concordia	Galena	Jetmore	Oberlin	Sharon Springs
Andover	Conway Springs	Girard	Johnson City	Ogden	Spearville
Atlanta	Council Grove	Glasco	Kingman	Olpe	Spring Hill
Augusta	Cullison	Glen Elder	Kinsley	Osage City	Stafford
Baldwin City	Damar	Grainfield	Larned	Osawatomie	St. Francis
Basehor	Derby	Grandview Plaza	Lecompton	Oskaloosa	Tampa
Baxter Springs	De Soto	Greeley	Lenora	Oswego	Tescott
Belleville	Douglass	Grenola	Leoti	Ozawkie	Tipton
Bennington	Eastborough	Grinnell	Lincoln Center	Palco	Tonganoxie
Beverly	Edgerton	Halstead		Paola	Treeces
Bird City	Edwardsville	Hamilton		Park City	Turon
Blue Rapids	Elkhart	Hartford		Parsons	Ulysses
Bonner Springs	Ellsworth	Hays		Peabody	Valley Center
Brewster	Esbon	Haysville	Medicine Lodge	Princeton	WaKeeney
Caldwell	Eudora	Hesston		Ramona	Wakefield
Centralia	Eureka	Hiawatha	Melvern	Ransom	Walton
Chautauqua	Florence	Hill City	Minneapolis	Mission	Wellington
Cheney	Ford	Hillsboro		Reading	Wellsville
			Moline	Roeland Park	

# Claims

*Top 5 Frequency and Cost Analysis  
January 1, 2008 through March 31, 2008*

By Department

	<u>Frequency</u>	<u>Claims Cost</u>
Police	35	\$ 113,650
Water	12	54,200
Park	10	42,150
Maintenance	9	7,400
Administration	6	23,250

By Accident Type

	<u>Frequency</u>	<u>Claims Cost</u>
Fall or Slip	26	\$ 77,263
Strain or Injury	17	91,850
Miscellaneous Causes	15	46,900
Cut/Puncture/Scrape	12	9,750
Struck or Injured	10	32,750

By Body Part

	<u>Frequency</u>	<u>Claims Cost</u>
Knee	11	\$ 109,750
Fingers	10	31,800
Lower Back Area	9	15,850
Multiple Body Parts	8	29,150
Eye(s)	8	4,800

If you would like a similar breakdown for your city, please contact  
Victoria Vanderhoof at 1-800-288-6732

## BE CAREFUL OUT THERE!

### City Worker is Pulled Into Wood Chipper

Inglewood, California. A city worker who was part of a tree trimming crew was killed instantly when he was pulled into a wood chipper.

The 46-year-old worker somehow got caught and dragged into the wood chipper machine. Co-workers didn't witness the accident, but allegedly a resident did.

There has been over 30 death[s] involved in wood chipper accidents from 1992 to 2002, according to a 2005 report by the Journal of the American Medical Assn'.

Story found on [www.shortnews.com](http://www.shortnews.com), April 10, 2008

# Another Misconception about Restrictions

By Victoria Vanderhoof

“Restrictions are *not intended to make an employee pain-free*. Restrictions are intended to allow the injury an opportunity to heal, and to prevent re-injury.”

This is one of my favorite quotes. Those of you who have attended KMIT’s Regional Supervisor Training Sessions on Managing Your Workers’ Compensation Claims, have doubtless heard me repeat it time and time again. I wish I could have posters made for each of our injured workers and their supervisors. This concept can be very frustrating for injured workers who are diligently staying within their medical limitations, yet continuing to have pain. Unfortunately, no one has ever explained this to them. They labor under the false impression that if they stay within their medical limitations, they *should* be pain-free. However, this is not the intent, and frankly is not possible. When an injury has occurred, the body takes some time to heal and become pain free. Doctors can help to make this healing time more bearable, and hopefully speed it along, by providing medications, physical therapy, etc... But injuries take time to heal, and they do have an element of pain involved that simply has to be dealt with during that healing period. The physician’s intent when assigning restrictions is not to make the employee pain-free. The intent is to allow the employee’s body an opportunity to heal without being continually aggravated, to let nature take its course, and to prevent a new or further injury. The assumption should not be that if you stay within the restrictions you should not hurt, the assumption should be that if you stay within the restrictions, the injury will be allowed to heal without being aggravated or worsened. That element of pain will exist even if the employee is at home resting in his easy chair. Understandably, supervisors are empathetic towards their employees who are hurting, and the reaction can sometimes be to just send them home if they are complaining of pain. However it should be understood, and explained to the employee, that this element of pain will exist even if they are at home, and the restrictions are not intended to address this.

If you have an employee complaining of pain while working within their restrictions, they should first be reminded that the intent is not to make them pain-free, and as much as we would like to do that, it simply is not possible. I would then encourage you to carefully examine the tasks assigned and ensure that they, in fact, do not exceed the medical limitations. Once you are certain about this, if the employee continues to have concerns, the next step would be to send them back to the physician to have the restrictions re-evaluated. It is possible that the physician may have been too optimistic and may adjust the restrictions; it is also possible that the physician will confirm that the assigned restrictions are appropriate for this injury. It is then up to the employee whether to accept the modified duty assignment, however if the employer has modified duty work to offer, and the employee chooses not to accept that modified duty work, they will not be entitled to wage loss benefits from workers’ compensation.

And remember, the most effective thing that you can do to manage your claims, and keep your City’s W/C premiums as low as possible, is to **always provide modified duty** for your injured workers, ideally within the 7-day waiting period before wage loss benefits begin.

## Return-To-Work: Yet ONE MORE Important Reason. . .

KMIT believes strongly in the concept of returning injured employees to work (RTW) as soon as possible, and all the KMIT and industry data overwhelmingly confirms that view. There are many reasons to have an effective RTW program, and we talk about those quite a bit at KMIT (in this publication and in our annual supervisor seminars).

What you may not know is that it hurts your experienced modifier ('mod') **worse when a work comp claim includes indemnity (lost wages) costs** than when no lost wages are included in the claim. According to the formula used by N.C.C.I. (National Council for Compensation Insurance—the rating agency used by most states, including Kansas, to calculate the mod factor), **medical-only (no lost-time wages paid out) costs are discounted by 70%** when entered into the formula for determining the mod factor.

For example, a work comp claim for \$1,000 for medical-only (no lost-time wages paid out, meaning the employee returned to work within a week of the injury), is entered into the formula as if the cost of the claim was only \$300. On the other hand, a claim loss total consisting of both medical and indemnity for the same \$1,000 would be entered into the formula in the full amount of \$1,000 (no matter what the medical/indemnity breakout actually was).

The formula change is not universal to all the states in the N.C.C.I. group (and is not brand new), but Kansas is one of the states for which the 70% Discount Rule does apply. This formula discount reflects the increasing expenses (losses) related to indemnity, as a percent of the total cost of claims, industry-wide.

So, please do whatever you can to get your injured employees back to work absolutely as soon as possible. It really does matter! And, if you can do that within the first week (before indemnity kicks in), you will save your city money in even one more way—by helping to keep your mod as low as possible.

## KMIT Calendar

April	<b>17</b>	KMIT Board of Trustees Meeting, <i>Andover</i>
June	<b>19</b>	KMIT Board of Trustees Meeting, <i>Derby</i>
August	<b>15</b>	KMIT Board of Trustees Meeting, <i>Hillsboro</i>

## KMIT Revenues & Expenses March 31, 2008

### Combined Assets

Cash In Bank	\$1,507,906
Investments	7,684,000
Other Assets	<u>1,252,116</u>
Total Assets	\$10,444,022

### Combined Liabilities & Equity

Accrued Expenses Outstanding	\$ 4,837,446
Reserved for Losses	2,692,605
Incurred But Not Reported (IBNR)	2,494,519
Other (IBNR) Adjustments	(47,735)
Total Liabilities	<u>9,976,834</u>
KMIT Statutory Fund Balance	<u>467,187</u>
<b>Total Liabilities and Equity</b>	<b>\$10,444,022</b>

## Kansas Municipal Insurance Trust

300 SW 8th Avenue  
Topeka, KS 66603

