

**Return-to-Work Related Communications:
Employer, Health Care Provider, and Insurance
Carrier Perspectives**

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EXECUTIVE SUMMARY

Returning an injured worker to productive employment in a safe and timely manner is a vital aspect of the workers' compensation (WC) process. Improving return-to-work (RTW) outcomes has been a focus of the Texas Legislature in the past few legislative sessions, along with addressing medical cost and quality of care issues.

During the 1999 session, the 76th Legislature, through the passage of House Bill (HB) 3697, charged the Research and Oversight Council on Workers' Compensation (ROC) with conducting research related to the cost and quality of medical care administered to injured workers and their post-injury RTW experiences. These studies, published by the ROC in 2001, found that medical costs were significantly higher in Texas than other comparable states and that RTW outcomes for injured employees in Texas were worse than in comparable states. These studies also pointed out that employers, employees, health care providers and insurance carriers all have difficulty communicating with each other about RTW issues.¹

House Bill (HB) 2600, passed in 2001 by the 77th Legislature, contained several provisions intended to improve return-to-work (RTW) outcomes for injured workers in Texas. These statutory changes included:

- 1) Requiring employers to disclose, upon request, the existence (or absence) of modified duty RTW programs at their company to an injured worker, his/her treating doctor, the insurance carrier, and the Texas Workers' Compensation Commission (TWCC);² and

¹ See Research and Oversight Council on Workers' Compensation, *Striking the Balance: An Analysis of the Cost and Quality of Medical Care in the Texas Workers' Compensation System* (2001), *Returning to Work: An Examination of Existing Disability Duration Guidelines and their Application to the Texas Workers' Compensation System* (2001), and *Recommendations for Improvements in Texas Workers' Compensation Safety and Return-to-Work Programs* (2001).

² It was anticipated that this provision would serve to improve the dialogue between employers, injured workers, health care providers, and insurance carriers regarding potential RTW options at the company for injured employees. HB 2600 specified that TWCC was not allowed to adopt rules on these regulations until January 1, 2004 to give employers, carriers, and doctors the opportunity to work out communication issues amongst themselves, without rules dictating how the communication needed to happen.

- 2) Requiring insurance carriers to notify employers of the availability of RTW coordination services (e.g., job analysis, job modification and restructuring assessments, medical and/or vocational case management),³ and to provide those services, with the agreement of a participating employer.

In addition to these statutory provisions enacted in 2001, TWCC implemented the use of the Work Status Report (i.e., the TWCC-73 form) in 2000.⁴ The report is completed by the injured worker's treating or referral doctor following an examination to assess the employee's ability to perform job-related duties. This examination is often referred to as a Functional Capacity Exam (FCE) and describes any restrictions on the employee's ability to work. By rule, the Work Status Report must be faxed or submitted electronically to the insurance carrier and employer by the end of the second working day following the date of the exam. TWCC Rule 129.5 requires that doctors complete this report after the initial examination of the injured worker, when the injured worker experiences a change in work status or a substantial change in condition, or upon request of the insurance carrier (or the employer through its carrier).⁵

The purpose of this study is to assess familiarity with HB 2600 changes, use of the Work Status Report, and other RTW-related communications issues. Three separate surveys – with employers, health care providers, and insurance carriers – were conducted to capture the data reported in this article.⁶ The results presented in this report are based on 680 completed employer surveys, 311 completed health care provider surveys, 28 surveys completed by workers' compensation insurance carriers.

³ It is important to note that RTW coordination services do not include physical workplace modifications paid for by the insurance carrier.

⁴ See TWCC Rules 129.5, 129.6 and 130.111. The requirement came from HB 2513 passed by the 76th Legislature, which said that an employer, insurance carrier, injured worker, or TWCC could request a functional capacity exam from the treating doctor.

⁵ Carrier requests for Work Status Reports may not exceed one report every two weeks and must be based upon the doctor's scheduled appointments with the injured worker.

⁶ The surveys were conducted between September 12, 2002 and November 20, 2002.

HB 2600 RTW-Related Provisions

During the course of the surveys, employers, health care providers, and insurance carriers were asked about their knowledge of, and experience with, two new statutory RTW-related requirements that became effective on September 1, 2001. Key findings from those queries are as follows:

Employer RTW Program Disclosure Requirement

Relatively few employers (34 percent) and health care providers (44 percent) were aware of the HB 2600 requirement that employers disclose, upon request, information regarding opportunities for modified duty. A higher proportion of insurance carriers (75 percent) indicated that they were aware of this new disclosure requirement.

Even fewer employers (16 percent) noted that they have received a request for this RTW-related information and for those who had, the most likely requestor was the insurance carrier. Although just 44 percent of health care providers indicated that they were aware of the HB 2600 employer disclosure requirements, 48 percent of providers surveyed revealed that they had requested RTW information from employers.

About a third of insurance carriers surveyed (32 percent) indicated that they requested the modified-duty information on all claims, and another 32 percent indicated that they did so on most claims. The vast majority (92 percent) of insurance carriers felt that employers were at least “somewhat cooperative” in providing the requested RTW information.

Carrier-Provided RTW Coordination Services

Despite the fact that insurance carriers are required to inform employers about the availability of RTW coordination services, just 35 percent of the employers indicated that they were aware that carriers were required to provide these RTW services to policyholders upon request. Large companies, with 100 or more workers, were

significantly more likely (53 percent vs. 27 percent of smaller companies with 15 to 49 employees) to be aware of the statutory provision.

Since the majority of Texas employers indicated that they did not know about the statutory provision requiring insurance carriers to provide RTW coordination services to policyholders upon request, it is not surprising that very few employers indicated that they requested their insurance carrier to provide these services. Overall, just 18 percent of the Texas employers included in the sampling frame requested RTW assistance from their insurance carrier.

Significantly, once employers were made aware that RTW coordination services were available through their insurer, a substantial proportion of these firms tended to take advantage of it. Over half (51 percent) of all employers that knew insurance carriers were required to provide RTW assistance to policyholders who requested it, asked their carrier for assistance. Larger employers (those with 100 or more workers) are more likely both to be aware of the statutory requirement and to have actually requested RTW assistance from their insurer. Approximately two-thirds (66 percent) of these larger firms, that knew insurance carriers were required to provide RTW assistance to policyholders upon request, asked for RTW coordination services from their carrier.

The overwhelming majority of insurance carriers were aware of the new statutory requirements – 82 percent of the carriers responding to the survey indicated that they knew about the HB 2600 requirement that they must provide RTW coordination services to employers upon request. However, since so few employers knew about the coordination services, just 27 percent of insurance carriers reported that their coordination services were requested during the most recent 12-month period.

Almost three quarters of employers (77 percent) who received RTW coordination services from their insurance carrier were satisfied with the services provided.⁷ Most employers (68 percent) also agreed that the services were provided in a prompt manner.

Work Status Report (TWCC-73 Form)

There is general agreement among employers, carriers and health care providers that the Work Status Report is a useful tool to help facilitate optimal RTW outcomes for injured workers; however, as the following results indicate, there is room for improvement in some key areas.⁸

Usefulness of Work Status Report

Most employers indicated that the Work Status Report (TWCC-73) information was either *always* (29 percent), *often* (36 percent), or *occasionally* (22 percent) useful in facilitating an injured employee's return to work. A substantial proportion of employers (62 percent) and health care providers (45 percent) agreed that the Work Status Report is a valuable tool in facilitating an injured worker's return to employment.⁹ The majority of health care providers (70 percent) also noted that the instructions on the TWCC-73 form are easy to follow.

Insurance carriers indicated that they use the Work Status Report regularly for claims management purposes. Fifty percent of insurance carriers reported that their adjusters *always* use the information on the Work Status Report to facilitate an injured worker's return to work and 46 percent noted that their adjusters *often* use the information to help promote RTW.

⁷ Medical case management rehabilitation was by far the most common RTW service received by employers (53 percent). Just over a third (34 percent) obtained assistance with job task analysis and 29 percent of employers who received RTW assistance got help in the area of job modification.

⁸ Only employers with lost workday injury cases were included in the analysis related to the Work Status Report.

⁹ Forty-five percent of health care providers agreed that the Work Status Report was a valuable tool, compared to 27 percent who disagreed.

Timeliness of Report Submission

A substantial percentage of both employers and insurance carriers reported that Work Status Reports were often not received in a timely manner (i.e., within two days after the date of the examination as required by TWCC Rule 129.5). The key driver behind late reports appears to be the method of delivery. Approximately 37 percent of employers and 31 percent of insurance carriers indicated that TWCC-73 forms are typically received via standard mail—as opposed to fax or electronic transmission as prescribed in TWCC Rule 126.5 (h).

Quality of Information Contained in Work Status Reports

According to insurance carriers and employers, the quality of the information contained on the Work Status Report can be improved. A significant proportion of insurance carriers (74 percent) reported that providers were not stating work restrictions clearly and were not specifying when an injured worker could return to work (40 percent). Almost half (47 percent) of the employers surveyed agreed that treating doctors often fail to state work restrictions clearly.

Related Findings

Most health care providers agreed that functional job descriptions and task analysis (57 percent), and information about company RTW programs (64 percent), provided by employers are useful to them when they complete the Work Status Report. However, the vast majority of providers reported that functional job descriptions (88 percent) and RTW program information (94 percent) are not provided to them on a consistent basis.¹⁰

There also seems to be concern among health care providers regarding employers who do not follow the work restrictions documented on the TWCC-73 form after the injured employee has returned to work with restrictions. Over three quarters (77 percent) of health care providers believe that employers do not adhere to the stated work restrictions, and the majority of health care providers (73 percent) and insurance carriers (54 percent)

¹⁰ These percentages reflect employers that indicated the information was never received or occasionally received from health care providers.

felt that employers are hesitant to take injured workers back to work until they are fully recovered.

In a possibly related finding, nearly two-thirds of the insurance carriers (63 percent) agreed with the statement that treating doctors in Texas are reluctant to release injured employees to return to work.

Despite its perceived usefulness, overall the Work Status Report does not earn high marks due to the deficiencies noted above. To gauge its overall effectiveness, system stakeholders were asked if communications regarding RTW issues had improved significantly since the Work Status Report was introduced in 2000. Only 26 percent of health care providers, 31 percent of insurance carriers, and 33 percent of employers were in agreement that communications have improved significantly.

Communication between Employers, Providers and Insurance Carriers

Despite the fact that some employers, providers, and insurance carriers indicated that RTW-related communications have improved significantly over the past few years, it is clear from this research that there is substantial room for improvement in the communications between these parties. Specific findings related to RTW-related communications are as follows:

Employer Perceptions

Employers were split fairly evenly between being “dissatisfied” (32 percent), “somewhat satisfied” (32 percent), or “satisfied” (36 percent) with the communications flow regarding RTW issues between them and the health care providers treating their injured employees. The majority of employers (79 percent) reported that they communicate (either always, frequently, or occasionally) with their injured worker’s health care provider regarding RTW issues. However, only 45 percent of employers reported that providers were “more than willing” to return their phone calls.

Health Care Provider Perceptions

Over two-thirds (67 percent) of health care providers indicated that it was rare to hear from an employer regarding RTW issues involving injured workers they were treating. Providers also perceived that insurance carriers are typically unfair and unreasonable about the medical care they approved (66 percent) and were a consistent source of pressure to return the injured worker to their job too soon (61 percent).

Insurance Carrier Perceptions

Forty-two percent of insurance carriers were dissatisfied with the flow of RTW-related communication between their companies and health care providers, compared to just 19 percent that expressed satisfaction with carrier/provider communications. While the majority of insurance carriers (82 percent) report that it is common for the carrier's adjuster to contact the health care provider, 73 percent felt the provider was uncooperative and unwilling to return phone calls.

Conclusion

Recent efforts to improve RTW outcomes in Texas have included the implementation of the Work Status Report in 2000 and two communications-related RTW provisions in HB 2600 (77th Legislature) in 2001. Survey results summarized in this article – gathered from employers, health care providers, and insurance carriers – show some positive trends and specific areas for further improvement.

HB 2600 required that employers provide information regarding the availability of modified duty options upon request, and that insurance carriers notify employers about the availability of RTW coordination services and to provide such services upon request. The present survey shows that awareness of these legislatively-mandated changes is low. However, it is encouraging to see that among those employers who knew about the new requirements, half to two-thirds took advantage of their carrier's RTW coordination services. This finding strongly suggests that if employers are more cognizant of the fact that they can receive help from their carrier on RTW matters, a significant percentage of

them would request RTW coordination services. Thus, efforts should be made by TWCC, business associations, and the insurance carrier community to educate employers and other system participants about the changes affecting RTW that were implemented as part of the HB 2600 legislation in 2001.

Of significance is the fact that while HB 2600 granted TWCC the authority to draft rules to govern RTW communication, such rules cannot be adopted prior to January 1, 2004 to allow system participants time to develop their own communication processes. The low awareness levels found in the present study suggest that it will be necessary for TWCC to adopt rules to regulate how this communication will take place.

Health care providers, insurance carriers, and employers affirmed the usefulness of the information contained in the Work Status Report (TWCC-73 form). However, this usefulness is compromised by problems with timeliness of submission and missing information. Though electronic submission is required (within two days after the medical examination), a significant proportion of both employers and insurance carriers still receive these reports by standard mail, resulting in delayed delivery. Due to the time-sensitive nature of this information, it is important that employers make sure that the health care providers have their correct fax number or e-mail address for timely transmission, and that health care providers use the designated fax or e-mail contact information.

It is also critical that the health care provider, when releasing an injured employee to return to work, clearly specifies any work restrictions in the Work Status Report. If the worker is not being released to go back to work, the Work Status Report should state the reasons why. The quality of the information that the health care provider submits, in turn, can be improved if employers provide information about the physical requirements of the injured worker's job (e.g., functional job description, job task analysis) and alternative duties that might be available.

There is clearly room for improvement in RTW-related communications among system participants. There seems to be a significant degree of conflict and distrust among health care providers, employers, and insurance carriers, which may be contributing to less than optimal RTW outcomes for injured workers in Texas. Health care providers expressed concern that employers will not adhere to work restrictions documented on the Work Status Report and felt that they were being pressured by insurance carriers to release injured workers to return to work before they are ready. There is a strong perception among medical providers and insurance carriers that employers are reluctant to accept employees with restrictions back at work, and there is a feeling among carriers and employers that medical providers are unwilling to release injured workers to return to employment. While there are fundamental reasons (i.e., financial, philosophical) why the various parties may disagree about RTW-related decisions, it is clear that employers, providers, and carriers must find a way to work together in more positive ways to improve the RTW outcomes of injured workers in Texas.

I. INTRODUCTION

Background

One of the primary goals of the Texas workers' compensation (WC) system is to return injured workers to safe and productive employment. Studies show that the longer injured workers are off of work the less likely they will be to re-enter the workforce successfully.¹¹ Employees who experience a prolonged injury-related absence are also more likely to suffer economic, social and psychological strains.¹² In addition to the hardships that work-related injuries place on employees, employers experience increased WC costs and reduced productivity when they are not able to bring injured workers back to work safely and efficiently. It has been reported that disability costs can absorb as much as 6 to 12 percent of a company's payroll.¹³

Over the past few years, a number of legislative initiatives have been implemented that were intended to assist Texas employers with developing successful return-to-work (RTW) programs, and to improve communications regarding RTW issues among employers, health care providers, insurance carriers, and injured workers. One of these legislative initiatives, House Bill (HB) 2513 passed by the 76th Legislature in 1999, addressed the issue of return to work in three key provisions:

- (1) In an effort to encourage better communication between employers and treating doctors, HB 2513 allowed employers, carriers, and the Texas Workers' Compensation Commission (TWCC) to request a functional capacity examination (FCE) from the injured worker's treating doctor to determine whether the worker's physical abilities allow the treating doctor to release the employee back to work;

¹¹ See Butler, Richard J., William G. Johnson and Marjorie Baldwin, "Managing Work Disability: Why First Return to Work is Not a Measure of Success," *Industrial Labor Relations Review*, 1995, 48: pp. 452-469.

¹² See Roehl, W.K., "Return-to-Work – Clearing the Liability and Productivity Hurdles that Trip up Even the Most Savvy Employers," *Workers' Comp Update* (Council on Education in Management, 1998): pp. 13-30; and Reville, Robert, Suzanne Polich, Seth Seabury, and Elizabeth Giddens, "Permanent Disability at Private, Self-Insured Firms: A Study of Earnings Loss, Replacement, and Return to Work for Workers' Compensation Claimants," RAND (2000).

¹³ See Johnson, Dave, "Bringing the Injured Worker Back To Work." *Industrial Safety and Hygiene News Magazine*, 1998. See also Chelius, J., D. Galvin, and P. Owens, "Disability: It's More Expensive Than You Think." *Business and Health* 11, 1992 (4); Griffith, Victoria, "Both Sides Now." *CFO*, June 1997; pp. 73-78; and Evangelista-Uhl, G.A, and S. Loomis, "Transitional Duty." *AAOHN Journal* 47 (7), 1999: pp. 324-332.

- (2) HB 2513 required TWCC to expand its current education efforts for Texas employers by offering training materials designed to encourage the implementation of proactive RTW programs; and
- (3) HB 2513 also clarified TWCC's existing statutory requirement to adopt a return-to-work guideline, which would include recommended durations of disability for specific types of injuries. This guideline was intended to help TWCC and insurance carriers identify "at-risk" workers and recommend medical treatment and/or vocational rehabilitation options to improve RTW outcomes.

As a result of HB 2513, TWCC initiated the use of the Work Status Report (i.e., TWCC-73 form) in 2000, which is completed by treating and referral doctors and filed with the insurance carrier, employer and employee. The report is intended to provide all relevant parties with important information about the injured worker's physical ability to return to work.¹⁴

In addition, HB 3697 (76th Legislature, 1999) charged the Research and Oversight Council on Workers' Compensation (ROC) with examining issues related to quality and cost of medical care and return-to-work (RTW) outcomes for injured workers in Texas as compared to other states and other health delivery systems.

The results of the HB 3697 studies, released by the ROC in 2001, revealed that injured workers in Texas were, on average, off work longer due to their injury than injured workers in other states.¹⁵ Fewer injured workers in Texas (64 percent) indicated that they were working two years after the injury compared to 75 percent of the injured workers in other states. Further, Texas workers were more likely to report that their take-home pay was less than it was prior to the injury than were injured workers in other states. Over a quarter (28 percent) of Texas workers indicated that their post-injury take-home pay was lower compared to just 13 percent of the injured workers surveyed in other states.

Another issue raised in the HB 3697 studies was a lack of communication between injured workers and health care providers regarding optimal RTW options. Approximately two-thirds of injured workers in the study indicated that their treating doctor discussed activities that could be performed

¹⁴ See TWCC Rule 129.5, which requires treating or referral doctors to file a Work Status Report (TWCC-73 form) after the initial examination of the employee, when there is a substantial change in work status or in activity restrictions, and when requested by the carrier or employer through its carrier.

¹⁵ See Research and Oversight Council on Workers' Compensation, *Striking the Balance: An Analysis of the Cost and Quality of Medical Care in the Texas Workers' Compensation System* (2001), *Returning to Work: An Examination of Existing Disability Duration Guidelines and their Application to the Texas Workers' Compensation System* (2001), and *Recommendations for Improvements in Texas Workers' Compensation Safety and Return-to-Work Programs* (2001).

safely at home, pain management, and steps to prevent re-injury from occurring. However, only about half of these workers said that their doctor talked to them about a mutually agreed-upon return-to-work date.

Armed with the findings from the HB 3697 studies, the 77th Legislature passed HB 2600 in 2001, which brought significant changes to the Texas WC system. Article 3 of HB 2600 was geared toward improving employer communications regarding RTW options and required insurance carriers to offer assistance to employers regarding RTW coordination services. Specifically, Article 3 required employers (upon written request of the employee, a doctor, the insurance carrier, or TWCC) to notify the employee, the employee's doctor (if known), and the insurance carrier of the existence or absence of modified duty or other RTW opportunities available through the employer. Furthermore, Article 3 required that insurance carriers notify employers of the availability of RTW coordination services, and mandated that insurance carriers provide these services to employers upon request. Under this section of the bill, RTW coordination services include: 1) job analysis to identify the physical demands of the job; 2) job modification and restructuring assessments as necessary to match job requirements with the functional capacity of the employee; and 3) medical or vocational case management to coordinate the efforts of the employer, the treating doctor, and the injured employee to achieve timely RTW.¹⁶

Purpose of the Study

The purpose of this research project was to:

- Assess the knowledge level of employers, insurance carriers, and health care providers regarding the RTW provisions in HB 2600 and other statutory RTW requirements;
 - Examine system participants' familiarity and use of the Work Status Report (i.e., the TWCC-73 form) initiated by TWCC in 2000;
 - Determine the degree to which information regarding RTW opportunities is being effectively exchanged among injured workers, employers, health care providers, and insurance carriers;
 - Identify barriers that inhibit injured workers' return to safe and productive employment;
- and

¹⁶ See Texas *Labor Code*, Section 409.005(j). An insurance carrier is not required to provide physical workplace modifications and is not liable for the cost of workplace modifications made by employers in response to carrier RTW coordination services.

- Develop a baseline level of communication measures, which can be used to evaluate the long-term impact of HB 2600 on the communications regarding the availability of employer modified-duty options.

Research Methodology

In order to accomplish the research objectives, the ROC conducted surveys of employers, health care providers, and insurance carriers during the fall of 2002—approximately one year after many of the HB 2600 provisions went into effect. The details of these three data collections efforts are presented below.

Survey of Texas Employers

A stratified, random sample of Texas employers was drawn from the population of Texas employers with workers' compensation insurance coverage. The dataset for the sampling frame was constructed by taking all year-round Texas employers found in the Texas Workforce Commission's (TWC's) Employer Master Unemployment Insurance (UI) database and merging them with employers found in the TWCC's Proof of Coverage (POC) database.

The sample was stratified by industry-risk¹⁷ (high, medium and low injury risk based on Texas non-fatal occupational injury and illness incident rate data for injury year 2000 collected by the U.S. Department of Labor, Bureau of Labor Statistics)¹⁸ and employer size (small—15 to 49 Texas employees, medium—50 to 99 Texas employees, and large—100 or more Texas employees). Larger employers were over-sampled to ensure that statistically meaningful conclusions could be drawn from all three employer size groups. Nine strata were used for sampling purposes. In order to better target employers with experience related to injured worker RTW issues, only private sector firms with 15 or more employees were included in the sampling frame for the study. It is believed that firms with more employees are more likely to have a RTW program and to have had experience with work-related injuries at their workplace. It was felt that these firms would be better equipped to provide information on the key RTW issues addressed by this study.

Employers were given the option of filling out the mail survey and returning it to the ROC or completing the survey online at the TWCC website. A total of 3,500 surveys were mailed to Texas

¹⁷ To improve the reliability of the estimates from the survey, nine primary (private sector) industry groups were divided into three industry-risk groups based on BLS incidence rates in Texas.

¹⁸ Industry risk was determined by 2000 Bureau of Labor Statistics (BLS) data for total lost workday incidence rates per 100 employees in Texas. High risk industries included manufacturing, transportation/public utilities, and retail trade. Medium risk industries included wholesale trade, construction, and agriculture/forestry/fishing. Low risk industries included finance/insurance/real estate, mining, and services. See U.S. Department of Labor, Bureau of Labor Statistics, "Workplace Injuries and Illnesses in 2000" (2001).

employers, and these firms were asked to return completed surveys in a business-reply envelope, fax the survey to the ROC, or complete the survey online at the TWCC website. In addition to the 3,500 employers who were contacted by mail, 395 Texas employers were contacted by email and invited to visit the TWCC website to complete the survey or contact the ROC for a hard copy of the survey. Thus, the sample contained a total of 3,895 Texas employers. Surveys were mailed to the stratified, random sample of 3,500 employers on September 12, 2002, and e-mail invitations were sent to the remainder of the employers on September 26, 2002.

After accounting for undeliverable surveys and excluding surveys that were returned by employers outside the sampling frame (i.e., fewer than 15 workers, or missing firm size or industry information making it impossible to place them in the appropriate strata for weighting purposes), a total of 680 usable surveys were completed by Texas employers by the cut-off date of November 20, 2002. Completed surveys include 551 that were returned to the ROC via business-reply mail or facsimile and 129 surveys that were completed online at the TWCC website. This represents a response rate of approximately 19 percent.

Appendix A contains a more comprehensive discussion of the research methodology and weighting procedures used for the employer survey portion of this project. Research methodologies used in the health care provider and insurance carrier surveys are provided below. Appendix B includes the survey instrument used to collect information from Texas employers.

Health Care Provider Survey

A stratified, random sample of 3,500 health care providers treating injured workers covered by WC was drawn from TWCC administrative data. The sample was evenly distributed among four different health care provider types: 1) medical doctors (MDs); 2) doctors of osteopathy (DOs); 3) chiropractors (DCs); and 4) physical therapists (PTs). This was done to provide a wide range of responses from providers who commonly treat injured employees. Specialties less likely to be involved in WC (i.e., podiatrists, etc.) were not specifically sampled.

After accounting for surveys that were returned to the ROC as undeliverable, a total of 3,245 surveys were effectively delivered to health care providers, and 311 health care providers treating WC patients in Texas responded to the survey. This reflects a response rate of approximately 10 percent.¹⁹

Additional detail regarding the characteristics of the health care providers who participated in this project is reported in Section II of this report. The survey instrument used to collect data from health care providers can be found in Appendix C.

¹⁹ As is the case with all surveys, due to the imperfect response rates reflected here, non-response bias may exist. This caveat also holds for the employer and insurance carrier surveys.

Insurance Carrier Survey

The universe of insurance carriers writing WC business in Texas was surveyed regarding a variety of RTW issues. The surveys were mailed with a business-reply envelope to facilitate the return of completed surveys. This section of the report contains the findings from a mail survey of 116 insurance groups writing WC coverage in Texas, which represent approximately 260 insurance companies.

A total of 28 completed surveys were returned to the ROC for analysis, which represents a response rate of 24 percent. It is unknown what percentage of the workers' compensation insurance market these companies represent. Please refer to Appendix D for a copy of the survey instrument used to collect information from insurance carriers.

Organization of the Report

Following this introduction, the report is organized into three main sections. Section II describes the findings from the survey of employers regarding a wide array of RTW issues. Section III reports the research findings from the survey of health care providers and Section IV contains the perspectives of insurance carriers. Appendix A contains the methodological report for the survey of Texas employers and Appendices B, C and D contain the survey instruments used in this study.

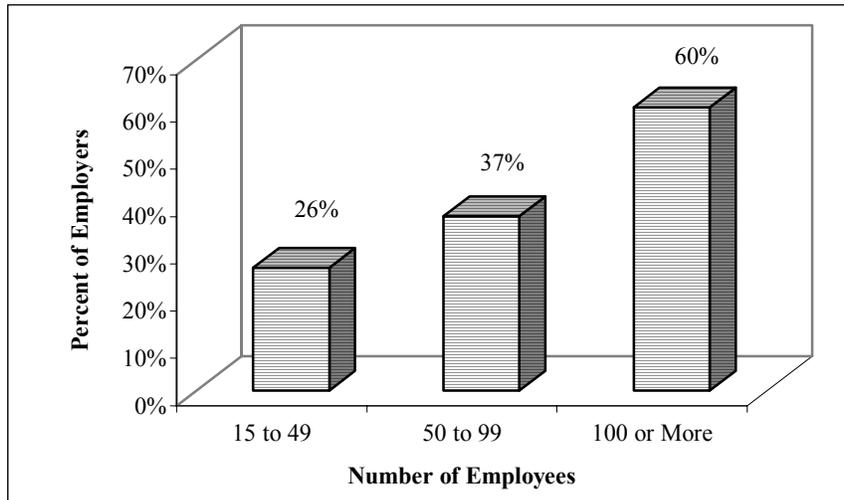
SECTION II.
EMPLOYER PERSPECTIVES ON RETURN-TO-WORK ISSUES

The research findings reported in this section are based on the survey responses of 680 private sector employers with 15 or more employees.

Employer RTW Programs

Thirty-five percent of Texas employers surveyed indicated that they had a written RTW policy in place at their company. Not surprisingly, larger firms were much more likely to have a written policy in effect. Just over a quarter (26 percent) of smaller companies with between 15 and 49 employees had a written RTW policy, compared to 60 percent of larger firms with 100 or more workers. (See Figure 1.)

Figure 1
Percentage of Employers with a Written RTW Policy
By Employer Size

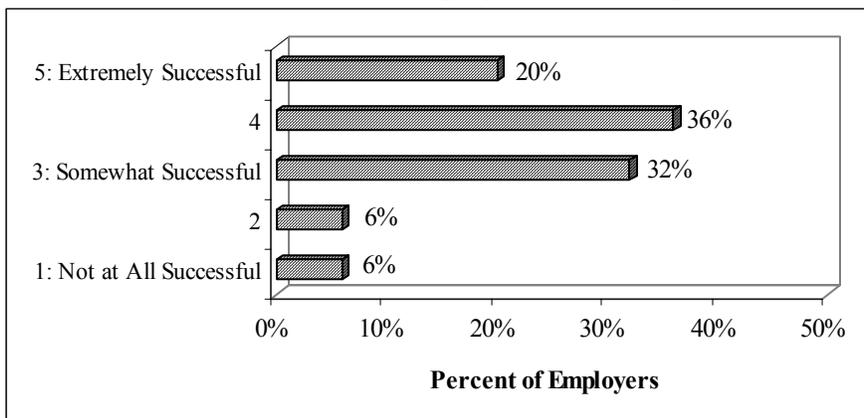


Source: *Employer Survey of Return-to-Work Programs for Injured Workers*,
Research and Oversight Council on Workers' Compensation, 2002.

Employers with written RTW policies were asked to rate the relative success of their RTW programs at getting injured workers back to work in a safe and timely manner using a scale of 1 to 5, where 1 means “not at all successful,” 3 means “somewhat successful,” and 5 means “extremely successful.” Overall, just 12 percent of the employers felt that their program was unsuccessful (as noted by a 1 or 2 on the 5–point scale) compared to 56 percent who rated their

programs as successful (as noted by a 4 or 5 on the 5-point scale). The remaining 32 percent felt their company's RTW program was "somewhat successful." (See Figure 2.)

Figure 2
Relative Success of Employer RTW Programs



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Larger companies were somewhat more likely to feel that their RTW programs are "extremely successful" and less likely to feel that their program is "unsuccessful." It is important to note that these employer responses are self-evaluations of the success of their RTW programs, and the responses may or may not reflect their actual RTW experience.

Knowledge of HB 2600 Changes: Carrier-Provided RTW Coordination Services

HB 2600, passed by the Texas Legislature in 2001, requires that if requested by an employer, insurance carriers must notify employers of the availability of RTW coordination services to facilitate an employee's return to employment, and also requires that carriers provide these services to policyholders upon request. This statutory change was made to try to improve RTW outcomes for injured workers in Texas, which are substantially worse than RTW outcomes of injured employees in other states.²⁰ However, only 34 percent of the employers surveyed for this report indicated that they knew about this provision in the WC statute. Larger companies (55

²⁰ In a 2001 ROC study, it was reported that fewer injured workers in Texas (64 percent) were working more than two years after their on-the-job injury, compared to injured workers in similar states (75 percent). See *Striking the Balance: An Analysis of the Cost and Quality of Medical Care in the Texas Workers' Compensation System*, Research and Oversight Council on Workers' Compensation, 2001.

percent) were more likely than small employers (27 percent) to be aware of this new responsibility of carriers.

Not surprisingly, very few employers indicated that they requested their WC insurance carrier to provide these services. Overall, just 18 percent of the Texas employers included in the sampling frame requested RTW assistance from their insurance carrier.

As Table 1 illustrates, larger employers were more likely to be both aware of the statutory requirement and to actually have requested RTW assistance from their insurer. Further, once employers are made aware of the availability of RTW coordination services from their insurer, a significant proportion of these firms tend to take advantage of it. Over half (51 percent) of all employers who knew that insurance carriers were required to provide RTW assistance to policyholders upon request, actually asked for assistance from their carrier. Large employers (those with 100 or more workers) were even more likely to request RTW coordination services. Approximately two-thirds (66 percent) of these larger firms requested RTW coordination services from their carrier. These findings strongly suggest that if employers were more cognizant of the fact that they can receive RTW coordination services from their carrier, a significant percentage of them would request such services.

Table 1
Awareness of Insurance Carriers' Responsibility to Provide RTW Coordination Services and Propensity of Employers to Request Assistance

Number of Employees	Percentage of Employers Aware that Carriers are Required to Provide RTW Coordination Services	Percentage of Employers Requesting RTW Coordination Services from Carriers	Proportion of those Employers <u>Aware of Requirement that Actually Requested RTW Coordination Services from Carriers</u>
15 to 49 Employees	27%	12%	44%
50 to 99 Employees	43%	20%	47%
100 or More Employees	53%	35%	66%
All Employers with 15 or More Employees	35%	18%	51%

Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

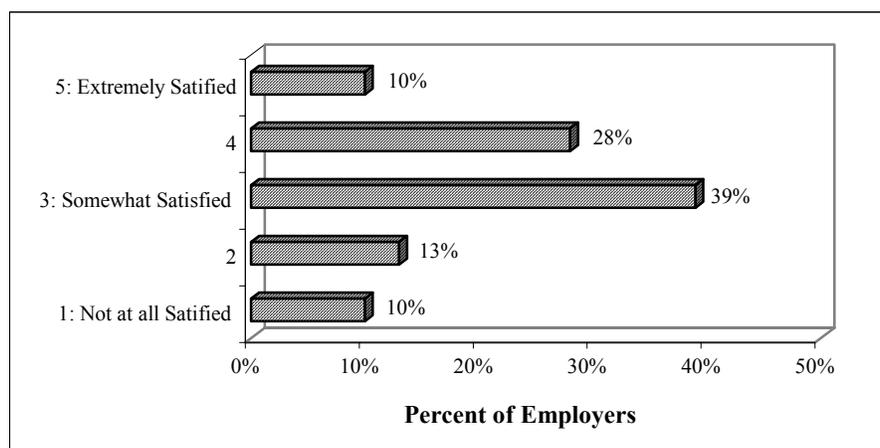
Of the 18 percent of employers who requested RTW coordination services from their WC insurance carrier, medical case management (53 percent) was by far the most frequently received type of RTW assistance.²¹ Just over a third (34 percent) obtained assistance with job task analysis and 29 percent of employers who received RTW assistance got help in the area of job

²¹ Medical case management involves a variety of activities, including reviewing medical records, recommending and coordinating care, maintaining contact with providers, employers, injured workers, and assisting with return to work with the current employer. These activities are designed to reduce costs by obtaining the most appropriate and cost-efficient care possible and by facilitating a timely return to work.

modification. Only 14 percent of the employers receiving RTW coordination services noted that they obtained assistance related to vocational rehabilitation and another 14 percent indicated that they received some other type of RTW assistance.

Employers were asked to rate their level of satisfaction with the RTW coordination services received from their WC insurance carriers. Employers seemed to be moderately, though not overwhelmingly, satisfied with the assistance they received. Overall, 23 percent of Texas employers were “dissatisfied” with their carrier’s RTW coordination services, compared to 38 percent who indicated that they were “satisfied.”²² The remaining 39 percent were “somewhat satisfied” on the issue. (See Figure 3.)

Figure 3
Level of Satisfaction with Carrier RTW Coordination Services



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

The majority of employers receiving RTW assistance from carriers indicated that the coordination services were provided in a prompt manner. Over two-thirds of the companies (68 percent) noted that carriers provided assistance within two weeks of their request, and an additional 21 percent of the employers indicated that their carrier provided RTW coordination services within 2 to 4 weeks of their request for assistance.²³

Knowledge of HB 2600 Changes: Employer Disclosure of RTW Programs

Only 35 percent of Texas employers with 15 or more workers indicated that they were aware that HB 2600 requires them to disclose (upon request) information about the existence or nonexistence of a modified duty RTW program to an injured worker, the employee’s treating doctor, and the insurance carrier.²⁴ As was the case with some of the other findings in this study,

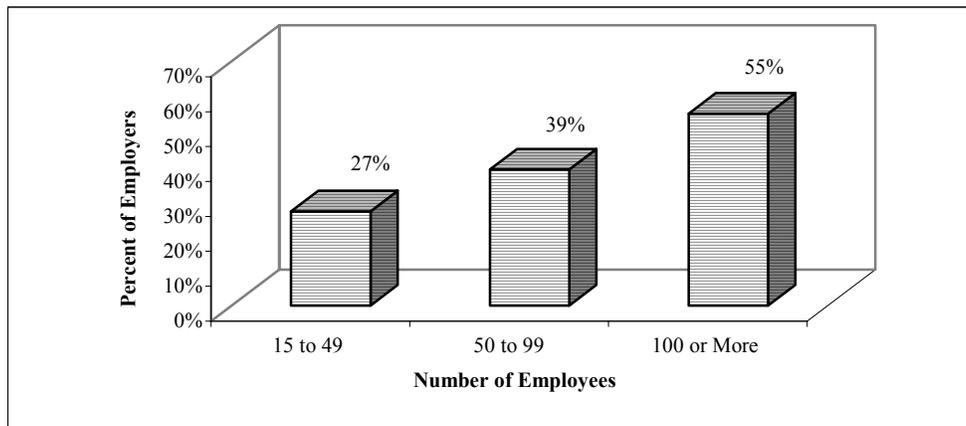
²² *Dissatisfied* is defined as rating their satisfaction as a “1” or a “2” on a 1-to-5 scale, where 1 means “Not at all Satisfied,” 3 means “Somewhat Satisfied,” and 5 means “Extremely Satisfied.” *Satisfied* is defined as rating their satisfaction as a “4” or a “5” on a 1-to-5 scale, where 1 means “Not at all Satisfied,” 3 means “Somewhat Satisfied,” and 5 means “Extremely Satisfied.”

²³ The remaining 11 percent of the employers receiving RTW coordination services from their carriers indicated that such assistance was provided more than one month after their initial request (1 to 2 months: 5 percent; 2 to 6 months: 3 percent; more than 6 months: 3 percent).

²⁴ HB 2600 specifically prohibited TWCC from promulgating rules on this disclosure until 2004, to allow employers, health care providers, and insurance carriers to develop these communications on their own.

awareness of the legislative change increased with firm size. Just 27 percent of the smallest employers in the study (i.e., those with 15 to 49 workers) were aware of the RTW modified duty program disclosure requirement compared to 55 percent of the largest employers (i.e., those with 100 or more workers). (See Figure 4.)

Figure 4
Percent of Employers Aware of the HB 2600 Requirement
that they Disclose the Existence or Absence of a Modified Duty RTW Program



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Employers were asked if they had received any written requests for information regarding the availability of modified duty RTW opportunities for injured workers during the 12-month period following the implementation of the disclosure requirement. Employers indicated that these requests were uncommon: only 16 percent of the survey respondents noted receiving a written request for this information. Insurance carriers were somewhat more likely to make at least one such request than any of the other groups (see Table 2).

Table 2
Percentage of Employers Who Indicated that Requester
Made at Least One Written Request for RTW Program Information
During the Past 12 Months

Requester	Percentage of Employers with <u>15 to 49</u> Workers	Percentage of Employers with <u>50 to 99</u> Workers	Percentage of Employers with <u>100 or More</u> Workers	Percentage of <u>All</u> Employers with <u>15 or more</u> Workers
Injured Worker	0.6%	4.4%	7.2%	2.5%
Insurance Carrier	6.4%	15.1%	24.9%	12.5%
Health Care Provider	1.6%	4.2%	11.1%	4.0%
TWCC	2.7%	1.9%	1.9%	2.4%

Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Use of the Work Status Report (TWCC-73 Form)

It is critical that employers are kept informed of the ability of their injured employees to return to work, and in 2000 TWCC developed and implemented rules governing the use of the Work Status Report, also known as the TWCC-73 form, by treating or referral doctors.²⁵ The report is completed by the injured worker's treating or referral doctor following an examination to assess the employee's ability to perform job-related duties. This examination is often referred to as a Functional Capacity Exam (FCE) and describes any physical restrictions on the employee's ability to work as well as whether the employee has been released to full or modified duty. TWCC rule 129.5 requires that doctors complete this report after the initial examination of the injured worker, when the injured worker experiences a change in work status or a substantial change in condition, or upon request of the insurance carrier (or the employer through its carrier).²⁶ By rule, the completed Work Status Report must be provided to the injured worker at the time of the exam and must be sent to the insurance carrier and the employer (via fax or electronic transmission) no later than the end of the second working day after the date of the medical exam.²⁷

Employers were also asked to indicate how frequently they experience a series of RTW-related events (e.g., obtain RTW-related assistance from TWCC, receive a Work Status Report from provider without having to request it, receive a Work Status Report with a RTW date, etc.). The survey results are as follows:

Receipt of Work Status Reports by Employers

It is clear from the survey responses that there is a great deal of inconsistency in the ease with which employers are obtaining Work Status Reports (TWCC-73 forms) from health care providers about their injured employees. As Figure 5 illustrates, 20 percent of the employers (with lost-time WC claims)²⁸ indicated that they *never* received Work Status Reports without having to request them from the injured worker's treating or referral doctor, and another 25 percent indicated that they *occasionally* receive unsolicited reports. A quarter of the employers (25 percent) noted that they *often* receive copies of the report without having to request it, and another 30 percent of the employer said they *always* receive unsolicited copies of Work Status Reports on their injured employees.

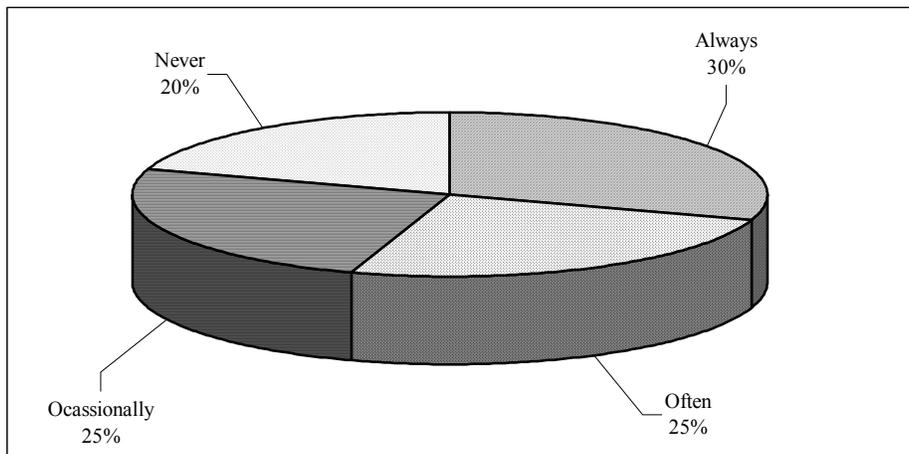
²⁵ See TWCC Rules 129.5, 129.6 and 130.111.

²⁶ Carrier requests for Work Status Reports may not exceed one report every two weeks and must be based upon the doctor's scheduled appointments with the injured worker.

²⁷ See TWCC Rule 129.5.

²⁸ Survey respondents who indicated that they have had no lost workday cases (on Question 13 of the survey) were not included in the analysis of responses related to the Work Status Report.

Figure 5
Frequency with which Employers Receive Work Status Reports from Health Care Providers Without Having to Request Them

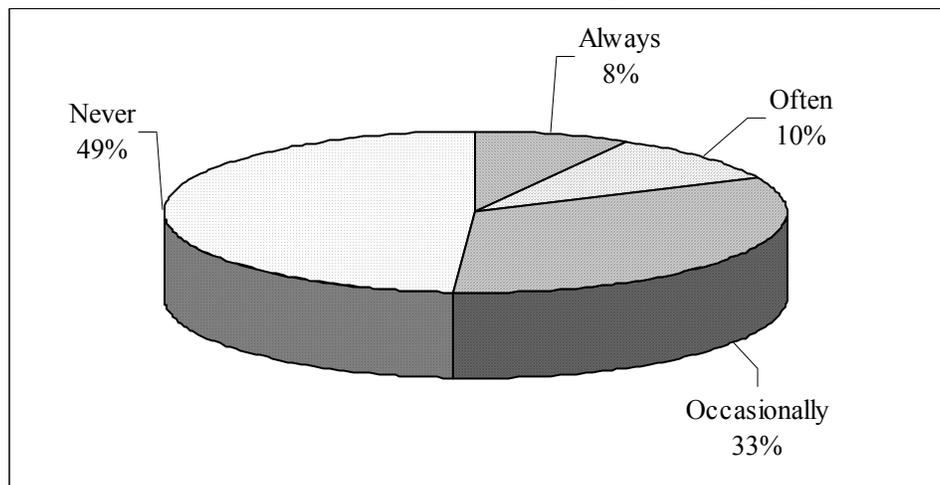


Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Overall, large employers seemed to have better experience when it comes to receiving unsolicited Work Status Reports from treating doctors. Nearly two-thirds of employers with 100 or more workers noted that they *always* (33 percent) or *often* (33 percent) received these reports without having to request them, compared to just 47 percent of companies with less than 50 workers who indicated they *always* or *often* received unsolicited Work Status Reports on their injured employees. This finding may be a function of larger companies having more injuries and more staff dedicated to managing the relationship between the firm and the health care providers treating their injured workers.

Employers were also asked how often they have to request a Work Status Report from doctors treating their injured employees. Just under half of the employers (49 percent) indicated that they *never* have to request Work Status Reports from health care providers. About a third (33 percent) noted that they *occasionally* have to request these reports, compared to 18 percent who noted that they *always* or *often* have to request Work Status Reports from health care providers. (See Figure 6.)

Figure 6
Frequency with which Employers Have to Request Work Status Reports
From Health Care Providers Treating Their Employees



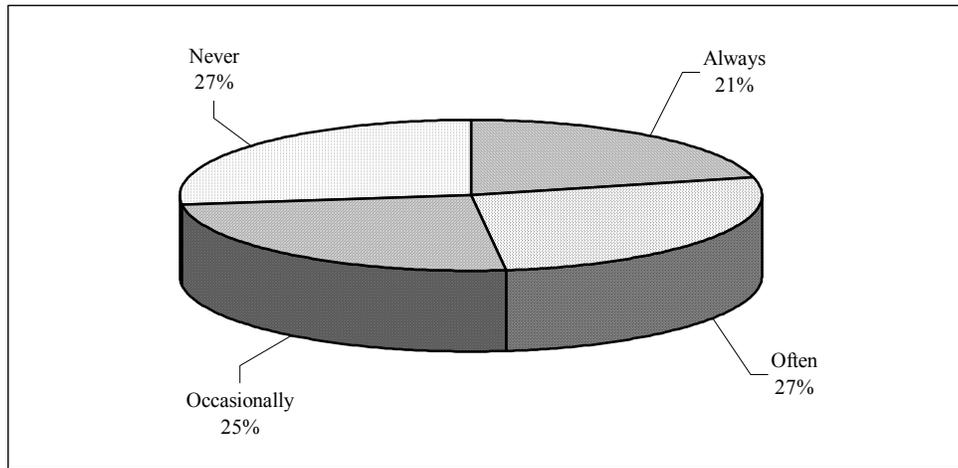
Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

The data reported in Figure 6 may not correspond perfectly to the previously reported numbers regarding the unsolicited receipt of the Work Status Reports because many employees return to work promptly (after a lost-time duration) without the need for a doctor's report. However, it is clear from the survey responses that there are a substantial percentage of cases that require the employer to follow-up with the injured worker's treating doctor to obtain a Work Status Report that should have been faxed to the employer within two days of the first medical exam.

Timeliness of Work Status Report Submissions

There is wide variation regarding the timely submission (i.e., within two days of the medical exam) of the TWCC-73 form to employers. Figure 7 shows that the frequency of "prompt" receipt of Work Status Reports was fairly evenly split across the continuum of *always* (21 percent) and *never* (27 percent). Twenty-seven percent of the employers reported that Work Status Reports were *often* received within two days of the medical exam and 25 percent indicated that they were *occasionally* received in that time frame. (See Figure 7.)

Figure 7
Frequency with which Employers Receive Work Status Reports from Health Care Providers Within Two Days of the Medical Exam



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

TWCC Rule 129.5 requires that the completed Work Status Report must be provided to the injured worker at the time of the exam and must be sent to the insurance carrier and the employer no later than the end of the second working day after the date of the medical exam. Employers were asked to state, on average, when Work Status Reports were typically received from injured workers' treating doctors. The results from this query serve to reinforce previous findings that the Work Status Report is not getting to the employer within the required timeframes. While a substantial proportion of the employers noted that the report was received either the same day as the medical exam (16 percent), the day after the exam (18 percent), or within two to three days after the exam (23 percent), a sizable minority of employers reported that they received Work Status Reports four or more days after the exam, or did not receive the report until it is requested from the treating doctor (43 percent).

There also appears to be disparity in when employers of differing sizes receive the Work Status Report, which is likely a function of larger companies having more formal RTW programs and investing more resources into WC claims management than their smaller counterparts. Approximately two-thirds (66 percent) of companies with 100 or more workers report receiving the TWCC-73 form no later than 3 days after the treating doctor's medical exam, compared to only half of the smaller companies with 15 to 49 employees. Differences by firm size are reflected in Table 3.

Table 3
Time Elapsed Between Medical Examination and Employer Receipt of Work Status Report, by Firm Size

When, On Average, Work Status Report is Received by Employer	Percentage of Employers with <u>15 to 49</u> Workers	Percentage of Employers with <u>50 to 99</u> Workers	Percentage of <u>Employers with 100 or More</u> Workers	Percentage of <u>All Employers with 15 or more</u> Workers

Same day as exam	14%	16%	22%	16%
Day after the exam	16%	20%	20%	18%
Within 3 days of initial exam	20%	30%	24%	23%
4 to 7 days after initial exam	20%	14%	14%	17%
More than 1 week after initial exam	7%	7%	5%	6%
Typically don't receive report until it is requested	24%	15%	17%	20%

Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Percentages in each column may not total to 100 percent due to rounding.

Method of Receiving Work Status Report

By rule the completed Work Status Report must be provided to the injured worker at the time of the exam and must be sent to the insurance carrier and the employer via fax or electronic transmission. Employers indicated that the most common way in which they received completed Work Status Reports was by facsimile. Over half (53 percent) of the employers typically received Work Status Reports by fax, and 37 percent receive reports by standard mail. Nine percent indicated that they typically obtain Work Status Reports by some other means,²⁹ and less than one percent noted that these reports were transmitted to them electronically via e-mail.

The method of delivery of Work Status Reports is important because employers who typically receive the TWCC-73 form by fax are much more likely to have the information they need in a timely manner than companies that typically receive the report through standard mail. As Table 4 shows, over three quarters (78 percent) of employers that typically receive Work Status Reports by fax obtain the form within 3 days of the medical exam compared to just 33 percent of companies that commonly received Work Status Reports by standard mail. Furthermore, 50 percent of the companies that customarily receive fax copies of the TWCC-73 form get the report either the day of or the day after the exam, versus only 10 percent of those employers who obtain Work Status Reports by mail.

Table 4
Time Elapsed Between Medical Examination
and Employer Receipt of Work Status Report, by Method Delivery

When, On Average, Work Status Report is Received by Employer	Work Status Report Typically Received by <u>Fax</u>	Work Status Report Typically Received by <u>Standard Mail</u>
Same day as exam	22%	3%
Day after the exam	28%	7%

²⁹ The most prominent "other" means of delivery was by the injured employee delivering the form to their employer.

Within 3 days of initial exam	28%	23%
4 to 7 days after initial exam	11%	29%
More than 1 week after initial exam	1%	14%
Typically don't receive report until it is requested	9%	23%

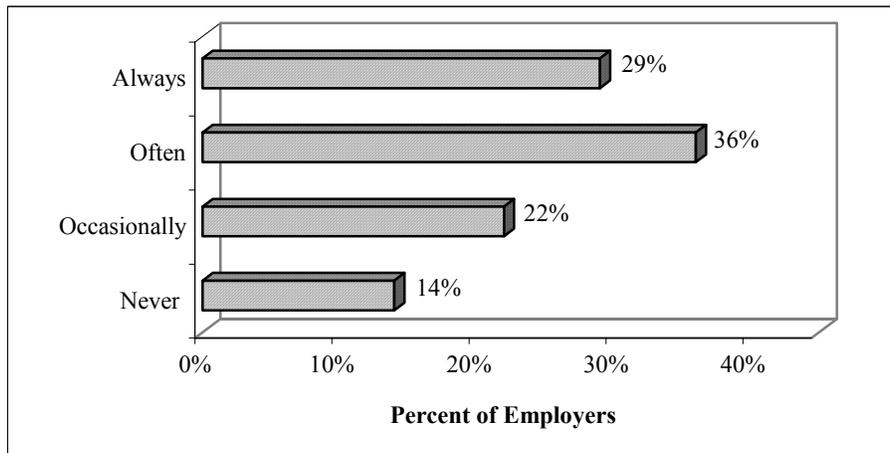
Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

This research finding clearly underscores the importance of health care providers faxing the Work Status Report to employers or submitting it electronically (as is required by TWCC Rule 129.5 (h)) so as to ensure that employers will have the necessary information to determine very early in the claim process when an injured worker may be able to return to work and what (if any) physical work restrictions might apply. Furthermore, it reinforces the importance of employers making sure that the injured workers' treating doctor has their correct fax number.

Quality of Work Status Reports Received by Employers

Employers were asked to rate how often the information contained in the Work Status Reports was useful in facilitating an injured worker’s return to work. Generally, employers tended to find Work Status Report information useful, which further reinforces the importance of its complete and timely submission to insurance carriers and employers. Almost two-thirds (65 percent) of the employers indicated that the information contained in the Work Status Report was “always” (29 percent) or “often” (36 percent) useful in getting injured employees back to work. (See Figure 8.)

Figure 8
How Frequently Employers Felt the Information Contained in the Work Status Reports was Useful in Facilitating an Injured Worker’s RTW



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

Note: Percentages may not total to 100 percent due to rounding.

Employers were also asked to indicate how frequently a critical piece of information—a RTW date (with or without restrictions)—is provided by the treating doctor on the Work Status Report. Over two-thirds (69 percent) of employers reported that doctors either *always* (38 percent) or *often* (31 percent) provided them with a RTW date on the Work Status Report. Only 10 percent of employers noted that health care providers *never* provided a RTW date and 21 percent indicated that they did so *occasionally* (see Figure 9.)

Figure 9
How Frequently the Work Status Report Contains a RTW Date



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*,
 Research and Oversight Council on Workers' Compensation, 2002.

Employers were asked to rate their level of agreement or disagreement with a series of questions related to the Work Status Report. The majority of employers (61 percent) agreed that the Work Status Report is valuable RTW tool for facilitating safe and timely return to work for injured employees, and only 11 percent disagreed with this assertion.

While 62 percent of the employers agreed that Work Status Reports were submitted in a timely manner, a sizable proportion (27 percent) disagreed that they were received promptly. It is likely that the sizable minority of companies that do not feel that TWCC-73 forms are being submitted on time may be related to the method of submission (i.e., by mail versus fax) as previously discussed.

It is clear from this analysis that employers are less than satisfied with the failure of treating doctors to clearly state work restrictions. Almost half of the employers (47 percent) felt that this was a problem.

Even though some employers had concerns about the clarity of the provider's stated work restrictions, 55 percent indicated that they agreed that the TWCC-73 forms they received had enough information to make a RTW decision (i.e., make a bona fide offer of employment to an injured worker to return to work) compared to only 22 percent of the employers who disagreed with this assertion. The remaining 24 percent were neutral on the issue. The complete results are reported in Table 5.

Table 5
Employers' Level of Agreement or Disagreement with Statements Related to the Timeliness and Quality of Work Status Reports Received

Statement	Strongly Disagree	Somewhat Disagree	Neither Agree Nor Disagree	Somewhat Agree	Strongly Agree
The TWCC-73 form is a					

valuable tool for our company in facilitating safe and timely return to work for our injured workers.	4%	7%	28%	31%	30%
Treating doctors typically submit the TWCC-73 in a timely manner.	15%	12%	12%	30%	32%
Treating doctors often fail to state work restrictions clearly.	17%	19%	17%	29%	18%
The TWCC-73 forms received by our company tend to have enough detail regarding work capabilities to determine an employment decision (i.e., decide whether or not to make a bona fide offer of employment to return to work).	7%	15%	24%	34%	21%
Since the TWCC-73 form was initiated, communications between my company and treating doctors has improved significantly.	13%	15%	40%	21%	12%

Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Percentages across each row may not total to 100 percent due to rounding.

The intent of the Work Status Report is to improve communications between all parties to a WC claim regarding RTW issues; however, survey responses received from Texas employers do not indicate that the goal has been achieved. Employers were asked to rate their agreement or disagreement with the following statement: *Since the TWCC-73 form was initiated, communications between my company and treating doctors have improved significantly.* One third of the employers (33 percent) agreed with the statement, 28 percent disagreed, and the largest proportion (40 percent) were neutral regarding the statement.

Other Employer RTW Issues

Since improving communications between the various WC system stakeholders is a goal of Article 3 of HB 2600, employers were asked a series of questions about their interchange with TWCC, health care providers, insurance carriers, and injured workers regarding RTW issues. In addition, employers were queried about their satisfaction levels with the medical care being provided to their injured employees.

TWCC RTW Assistance

TWCC sponsors seminars on how to implement effective RTW programs, disseminates publications related to RTW, and has full-time staff who provide employers with information about RTW programs via telephone and through seminars provided across the state. Very few employers indicated that they had utilized any of the TWCC resources to assist their companies with RTW issues. Nine percent of the employers indicated that they had received TWCC publications related to RTW. Only 4 percent of the employers noted that they had attended a

TWCC-sponsored seminar on RTW programs, and just 6 percent indicated that they contacted TWCC by phone for information on RTW programs.

Information Provided by Employers to Health Care Providers

Employers were asked to indicate how frequently various key pieces of information (e.g., functional job description, alternative work opportunities, company contact person) were provided to doctors treating their injured employees. It is evident from the data reported in Table 6 that employers could play a more active role in making sure treating and referral doctors have all the critical information necessary to make appropriate RTW-related evaluations. For instance, less than half (49 percent) of the companies noted that they either “always” (28 percent) or “often” (21 percent) provide the health care provider with the injured worker’s functional job description. Similar percentages of employers noted that they “always” or “often” provide the doctors with a list of job duties performed by the injured worker and a description of the company’s RTW program. However, the one piece of information that is consistently provided by employers is the name and address of the insurance carrier responsible for the claim.

**Table 6
How Often Employers Provide Critical Information
to Health Care Providers Treating their Injured Employees**

Type of Information	Always	Often	Occasionally	Never
Functional job description	28%	21%	28%	22%
List of job tasks performed by injured worker	23%	22%	33%	23%
Description of the RTW program in place at the company	24%	18%	31%	27%
Company contact person for the doctor to contact with any questions	17%	15%	23%	44%
Name and address of company’s insurance carrier	62%	18%	11%	9%

Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

Note: Percentages across each row may not total to 100 percent due to rounding.

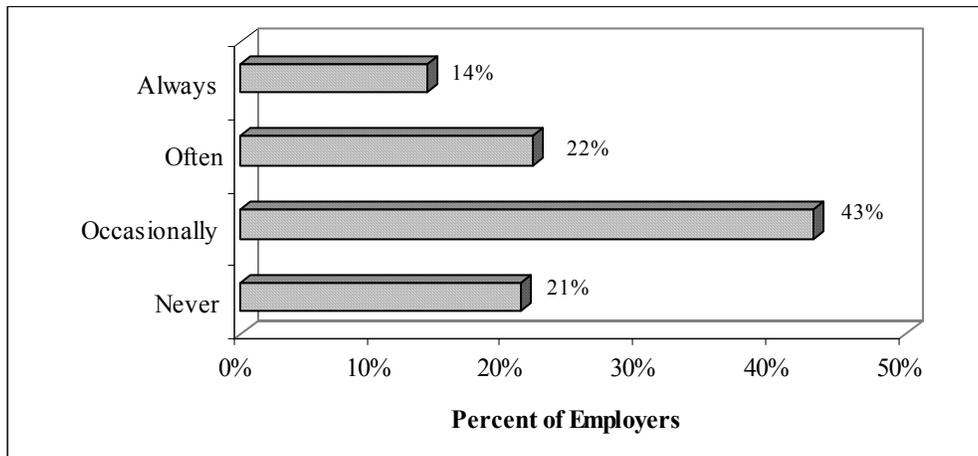
As was the case with other RTW findings reported in this study, larger employers tended to provide information to health care providers more often than smaller firms. This was true for each of the five pieces of information described in Table 6.

Communication with Health Care Providers

In an effort to learn more about employer/provider communications, employers were asked how frequently they make contact with an injured worker’s treating doctor regarding the injured worker’s work status. It is clear from the findings that the vast majority of companies (79 percent) stated that they maintain a certain level of communication (i.e., always, often, or occasional) with their injured employees’ treating doctors regarding RTW issues. As Figure 10 illustrates, the largest proportion of employers (43 percent) indicated that contact with the primary health care provider is done *occasionally*. Improved communications between the

various parties involved in a WC claim should remain a focus for employers who are trying to return injured employees to work in safe and timely manner.

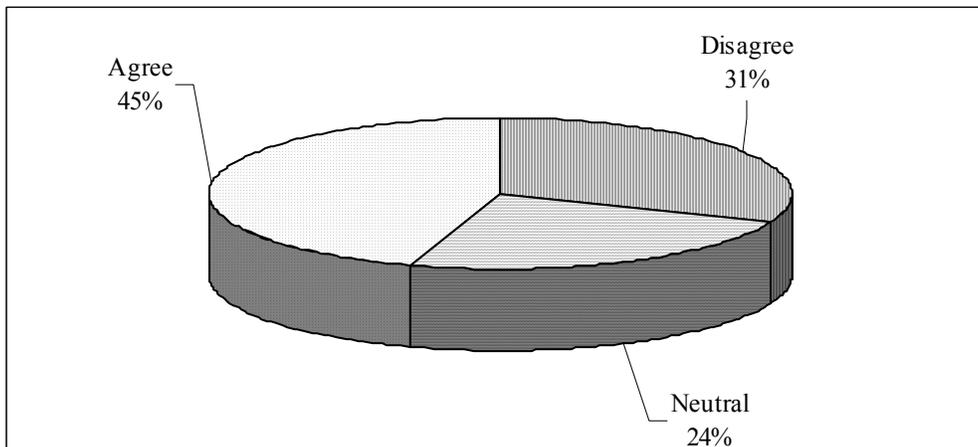
Figure 10
How Frequently Employers Make Contact with an Injured Worker’s Treating Doctor Regarding His or Her Work Status



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

The willingness of treating doctors to return phone calls from employers is an important measure of employer/provider communications. The results regarding this issue are mixed. While 45 percent of employers agreed that health care providers, who are treating their injured employees, were “more than willing” to their return phone calls to discuss RTW options, a sizable minority (31 percent) of employers disagreed that this was the case. (See Figure 11.)

Figure 11
Level of Agreement or Disagreement among Employers that Providers are “More than Willing” to Return Phone Calls to Discuss RTW Options

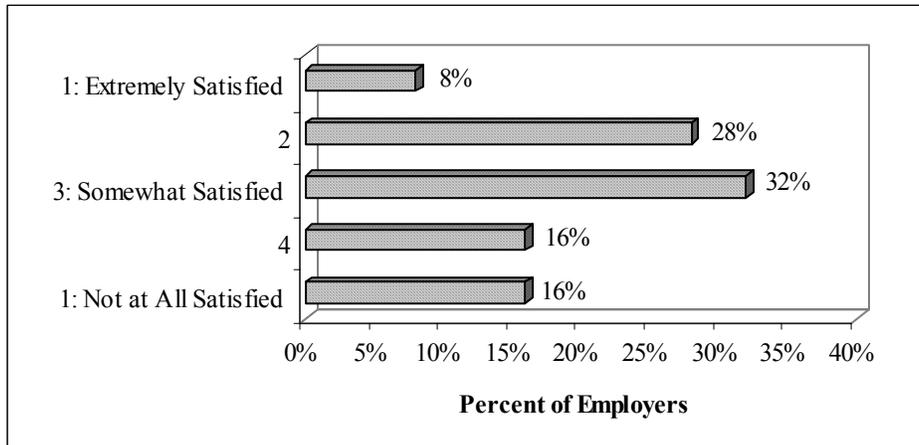


Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

Employers were asked to rate their overall satisfaction with the flow of communications regarding RTW issues between them and the health care providers treating their injured workers. The results reveal that there is room for a great deal of improvement in this area. Employers

were split fairly evenly between being “dissatisfied” with the flow of communications (32 percent), being “somewhat satisfied” (32 percent), or being “satisfied” (36 percent) with the communications flow regarding RTW issues between them and the providers treating their injured employees. Satisfaction levels varied little between employers of different sizes. (See Figure 12.)

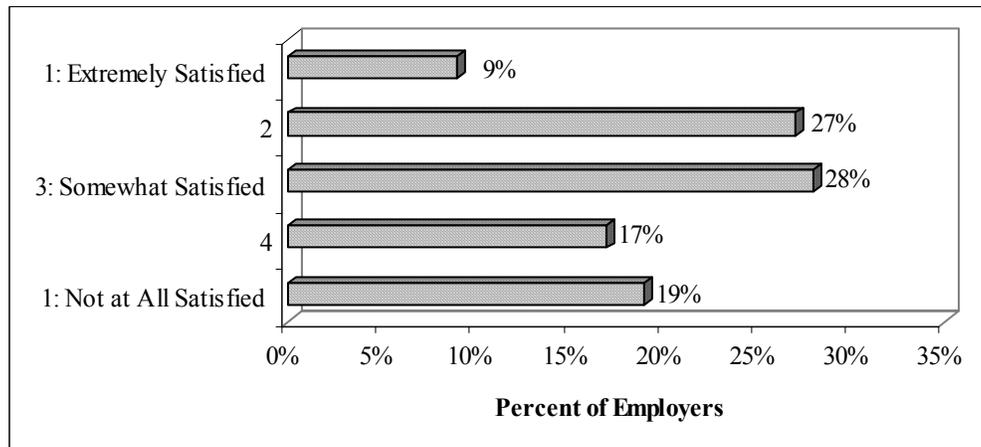
Figure 12
Employers’ Level of Satisfaction with Flow of Communications
Regarding RTW Issues Between Employers and Health Care Providers



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

Using the same 1-to-5 scale, employers were asked to rate their overall level of satisfaction with the effort made by treating doctors to assist injured workers to return to work quickly and safely. Employers’ perceptions of health care providers in this regard were less than glowing. This finding is clearly illustrated below in Figure 13.

Figure 13
Level of Employer Satisfaction with the Effort Made by Treating Doctors to Assist Injured Workers to Return to Work Quickly and Safely



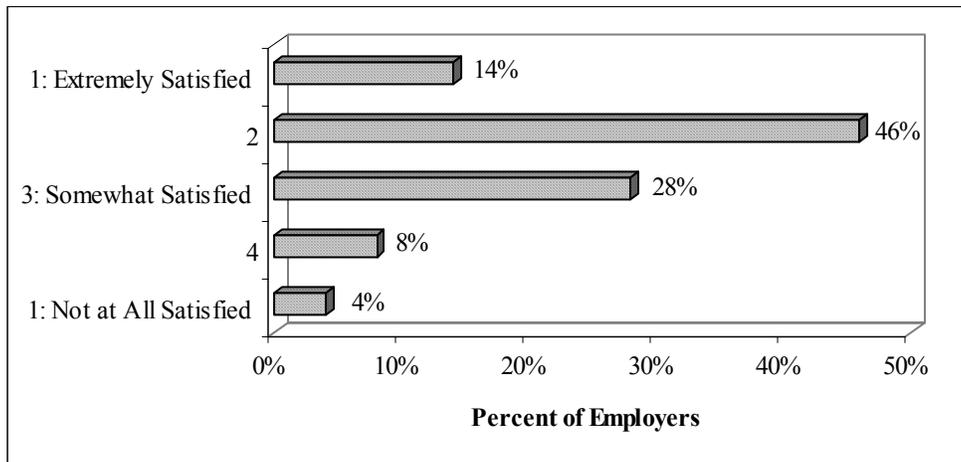
Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Over one third (36 percent) of the employers indicated that they were “dissatisfied” with the RTW-related effort made by treating doctors. In fact, nearly twice as many employers (19 percent) were “not at all satisfied” with the effort made by treating doctors to return injured employees to work, as were “extremely satisfied” (9 percent).

Satisfaction with Medical Care

Employers tended to rate the quality of care provided by doctors treating their injured employees much higher than previously reported in this study. The majority (60 percent) of employers noted that they were “satisfied” with the quality of medical care administered to injured workers, compared to just 12 percent who indicated that they were “dissatisfied.” The remaining 28 percent were “somewhat satisfied” with the overall quality of care provided to their injured employees. (See Figure 14.)

Figure 14
Overall Level of Employer Satisfaction with the Quality of
Medical Care Provided to their Injured Employees



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

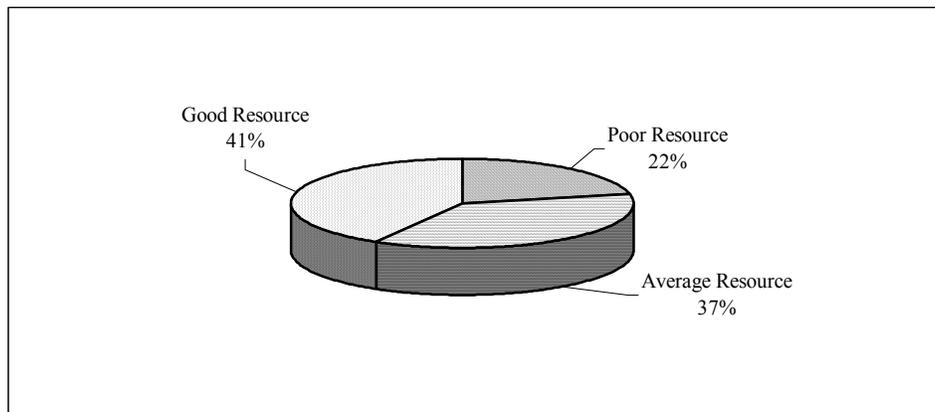
Perception of Insurance Carrier as a RTW Facilitator

Employers were asked to rate their insurance carrier as a resource for facilitating safe and timely RTW outcomes for employees injured on the job. Carriers received respectable ratings; however, there is still plenty of room for improvement. A substantial proportion of the employers (41 percent) felt that their carrier was a “good” resource for facilitating successful return to work.³⁰ A smaller proportion of employers (22 percent) rated their insurance carrier as “poor” RTW resource,³¹ and 37 percent of the employers rated their WC carrier as “average.” (See Figure 15.)

³⁰ **Good** is defined by a rating of “4” or a “5” on a 1-to-5 scale, where 1 means “Extremely Poor,” 3 means “Average,” and 5 means “Extremely Good.”

³¹ **Poor** is defined by a rating of “1” or a “2” on a 1-to-5 scale, where 1 means “Extremely Poor,” 3 means “Average,” and 5 means “Extremely Good.”

Figure 15
Overall Level of Employer Satisfaction with the Insurance Carrier as a Valuable Resource in RTW Efforts



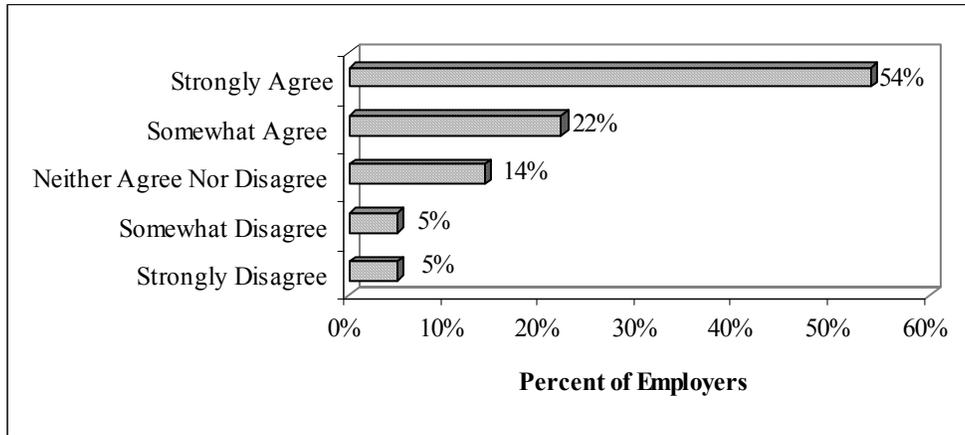
Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Communications with Injured Workers

Effective communications between employers and injured workers can only serve to improve the post-injury RTW experiences for those employees. In an effort to determine what Texas employers are currently doing to keep in contact with injured workers while they are recovering from their on-the-job injury, employers were asked to answer several questions regarding their RTW coordination and communications procedures.

Employers resoundingly agreed that maintaining communications with injured workers at least once per week is critical to effective RTW results. Over three quarters (76 percent) of Texas employers agreed with this assertion — including 54 percent who “strongly agreed” — that keeping in contact with injured employees on (at least) a weekly basis is important. As Figure 16 illustrates, just 10 percent of the employers were in disagreement that these communications were important to effective RTW outcomes.

Figure 16
Level of Agreement or Disagreement among Employers that Communicating with Injured Employees at Least Once Per Week is Critical to Effective RTW Outcomes

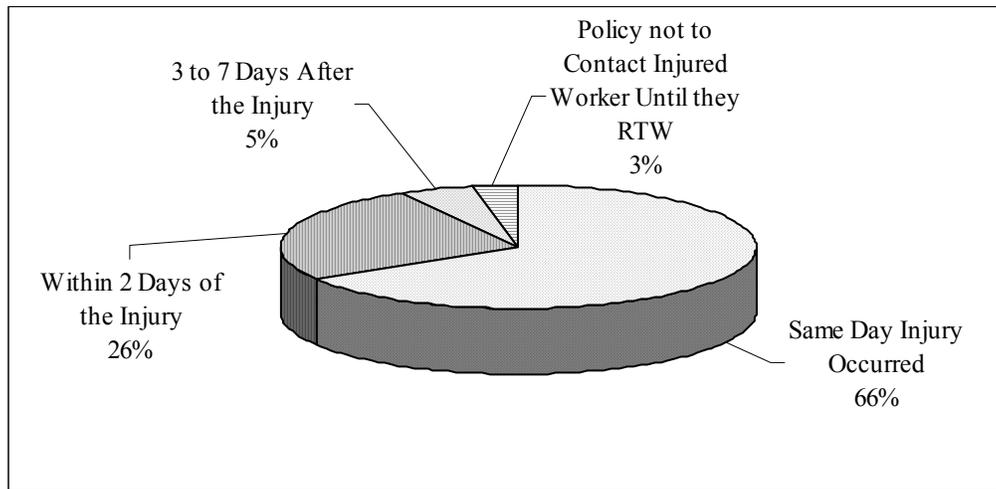


Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Larger firms were slightly more inclined to feel that contacting an injured worker at least once a week improved RTW outcomes. Sixty-four percent of companies with 100 or more workers “strongly agreed” that this was the case versus 49 percent of companies with 15 to 49 employees.

Having established that employers generally agree that frequent communication with injured employees helps to facilitate better RTW results, employers were asked about their policies regarding post-injury contact with employees. Approximately two-thirds (66 percent) of Texas employers indicated that when a lost workday injury occurs, a company representative typically contacts the employee (at home or in the hospital) about how they are feeling the same day the injury occurred. Over a quarter of the employers noted that they typically make first contact with injured workers within two days of the injury. Only 3 percent said it was their policy not to contact injured employees until they return to work. (See Figure 17.)

Figure 17
When Injured Workers are Typically Initially Contacted by
their Employers After their Injury



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

A great deal of variability was observed among employers regarding who at the company is typically responsible for initially contacting the injured worker after a work-related injury occurs. The injured worker's immediate supervisor (31 percent) was most frequently cited as the person responsible for making initial contact with the injured employee, followed by human resources officer (24 percent), owner (14 percent), and safety officer (12 percent).

Not surprisingly, the designated contact person at the company is largely a function of company size. Larger firms are much more likely than small companies to have initial company/worker communications handled by human resources personnel or the company safety officer, and smaller firms are much more likely to have the company owner initially contact the employee after the injury (see Table 7).

Table 7
Person at Company Who is Responsible for Initially Contacting
the Injured Worker After their Injury

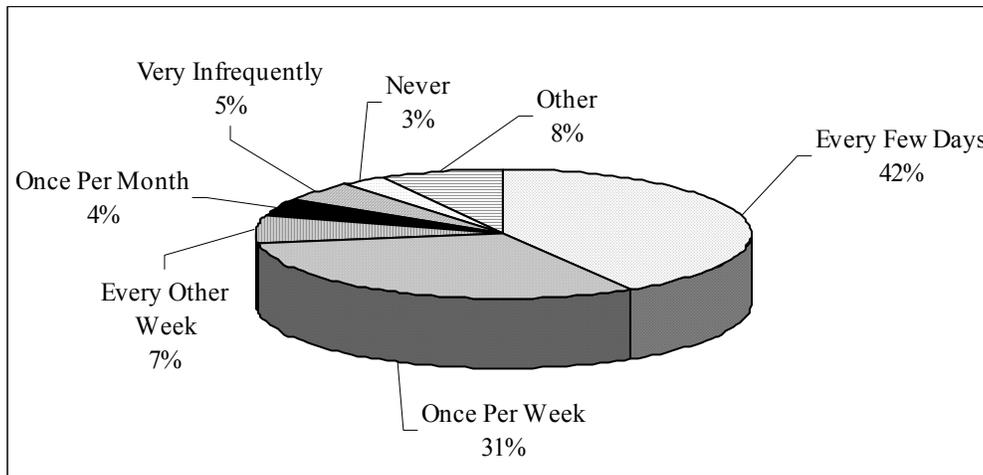
Person at Company Responsible for Initially Contacted the Injured Employee after an on-the-job injury occurs	Percentage of Employers with <u>15 to 49</u> Workers	Percentage of Employers with <u>50 to 99</u> Workers	Percentage of Employers with <u>100 or More</u> Workers	Percentage of <u>All</u> Employers with <u>15 or more</u> Workers
Immediate Supervisor	33%	30%	26%	31%
Human Resources Officer	20%	28%	33%	24%
Company Owner	22%	5%	1%	14%
Safety Officer	8%	15%	21%	12%
Director of Division or Department	8%	10%	4%	8%
Other	10%	13%	14%	11%

Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Notes: Return-to-work coordinators are included in "other." Larger companies were more likely to cite RTW coordinator as the person who is responsible for initially contacting the injured employee. In companies with 100 or more workers, 5 percent noted that the RTW coordinator was responsible for this duty. Percentages for each column may not total to 100 percent due to rounding.

Maintaining communications with injured workers throughout their recovery process is also a vital component of any successful RTW program. After an injury occurs, the majority of employers indicated that a representative from their company contacts the injured worker regarding the status of their condition either every few days (42 percent) or once per week (31 percent). As Figure 18 shows, few employers report that they fail to keep the lines of communication open between the worker and the company during the period of recovery.

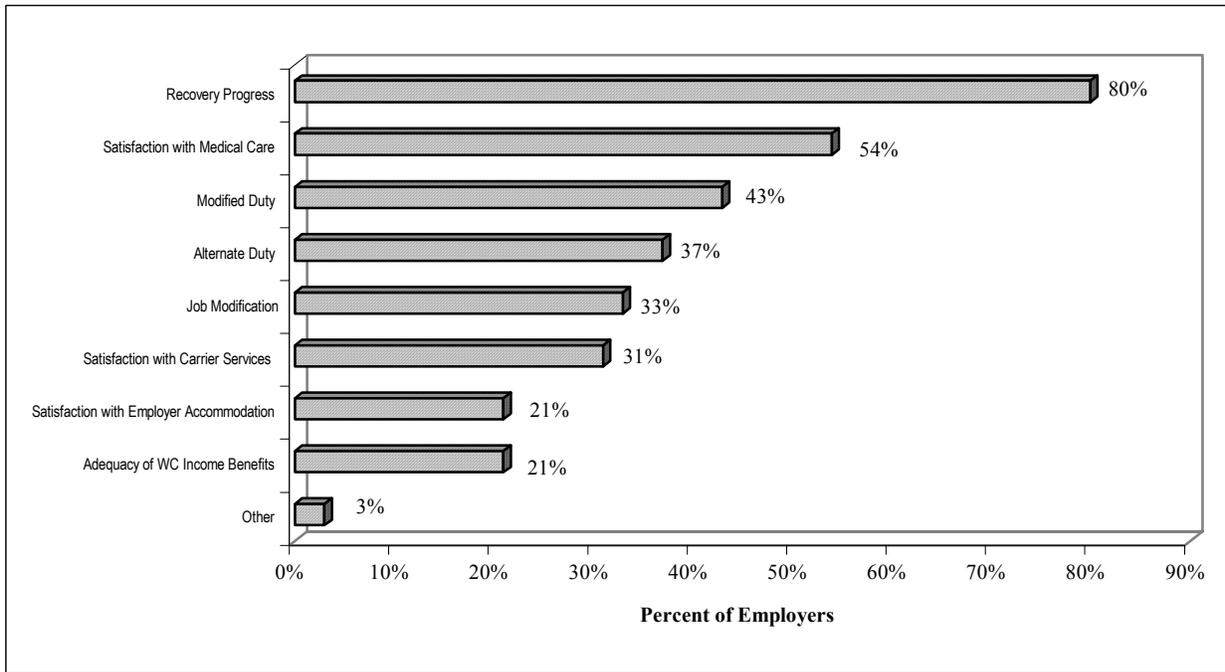
Figure 18
How Often a Representative from the Company Contacts the Injured Worker Regarding the Status of His/Her Condition



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Employers were also asked what topics are discussed with the injured worker during the recovery process. The vast majority of employers (80 percent) indicated that they discuss the injured workers' recovery progress with them while they are off work. This finding held across employers of all sizes. Satisfaction with medical care was the second most common topic of discussion (54 percent) between injured employees and employers (see Figure 19). Less than half of employers said they discuss modified duty, alternate duty, or job modification with the employee.

Figure 19
Percentage of Employers Indicating that the Following Topics
are Discussed with Injured Workers During the Recovery Process



Source: *Employer Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Not surprisingly, large employers were more likely to discuss the closely related topics of job modification, modified duty, and alternative duty with injured workers than their smaller counterparts. Over two-thirds of the employers with 100 or more workers (68 percent) indicated that they discuss modified duty options with injured employees, compared to 50 percent of firms with 50 to 99 workers and 32 percent of companies with 15 to 49 workers. This is most likely a function of larger firms having modified duty RTW programs in place more often than their smaller counterparts.

Employers typically utilize the same company representative who made the initial contact with the injured worker to maintain communications with the employee during the recovery process. This was the case for approximately 80 percent of the employers in Texas.

**SECTION III.
HEALTH CARE PROVIDER PERSPECTIVES
ON RETURN-TO-WORK ISSUES**

The 77th Legislature passed HB 2600, with one of the main tenets being an effort to improve communication between system stakeholders—namely health care providers, employers, and insurance carriers—to help improve RTW outcomes for injured workers.

The research findings reported in this section are based on the responses of 311 medical doctors (MDs), doctors of osteopathy (DOs), chiropractors (DCs), and physical therapists (PTs) who completed a mail survey conducted by the ROC.³² As shown in Table 8, just under half of the survey respondents (46 percent) were chiropractors, 17 percent were MDs, 19 percent were DOs and the remaining 18 percent were some other type of medical provider.³³

Table 8
Percentage of Respondents by Type of Health Care Provider

Medical Specialty	Percentage of Respondents
Medical Doctor (MD)	17%
Doctors of Osteopathy (DO)	19%
Chiropractor (DC)	46%
Other	18%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Because of the limited number of survey responses, providers were divided into two groups for analysis purposes: 1) chiropractors; and 2) all other providers.³⁴ When applicable, differences between chiropractors and other providers are reported in this section.³⁵

³² A total of 3,245 surveys were mailed and 311 completed surveys were received, which reflects a response rate of approximately 10 percent.

³³ The vast majority (88 percent) of the health care providers in the “other” category were physical therapists.

³⁴ “All Other Providers” consists primarily of MDs, DOs, and PTs.

³⁵ As Table 8 reflects, chiropractors were more likely than MDs to respond to the survey. To the extent that the treating doctor experience of chiropractors differs from that of the general population of treating doctors, a “chiropractor bias” may exist in the data related to health care provider perspectives on RTW communication.

Characteristics of Survey Respondents

This sub-section of the report provides information about the experiences of survey respondents in the medical treatment of injured workers. It is clear from the data below that the health care providers who responded to the ROC's mail survey have a great deal of experience treating injured workers covered through the Texas WC system.

Tenure of Experience

Table 9 provides information about the number of years the respondents have been practicing medicine, and also the number of years they have been seeing WC patients. The majority of survey respondents have been practicing medicine (67 percent) and seeing WC patients (59 percent) for more than 10 years. Over one-third (37 percent) of the providers responding to the ROC's mail survey also indicated that they were designated doctors in the Texas WC system.³⁶

Table 9

**Number of Years Survey Respondents Have Been Practicing Medicine and
the Number of Years They Have Been Seeing WC Patients**

Number of Years	Percentage of Respondents Practicing Medicine	Percentage of Respondents Treating WC Patients
1 to 10 years	33%	41%
11 to 20 years	38%	38%
21 to 30 years	19%	16%
More than 30 years	10%	5%

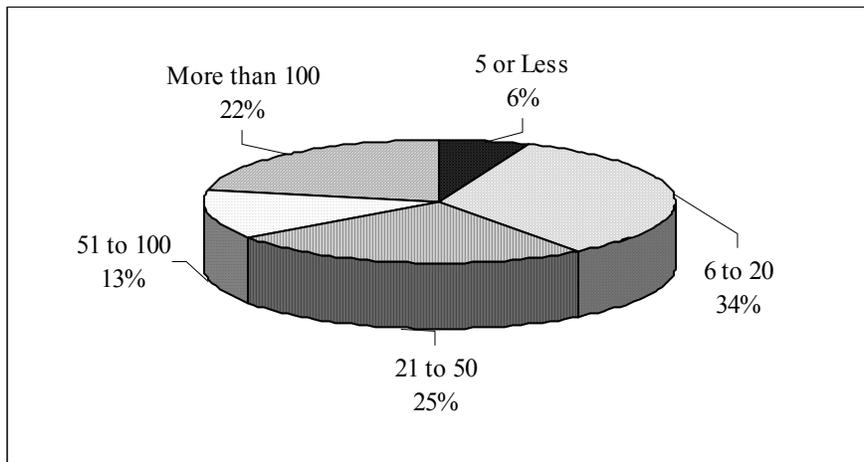
Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

³⁶ Designated doctors are health care providers who receive special training through the Texas Workers' Compensation Commission (TWCC), and are certified to serve as objective third-party providers used to resolve medical disputes that arise between system participants (e.g., injured workers, insurance carriers).

Number of WC Patients Treated Over the Past Year

Health care providers were asked how many WC patients they had treated over the past year. Over half (60 percent) of the health care providers indicated that they treated more than 20 patients over the most recent 12-month period. Just over one third (34 percent) noted that they treated between 6 and 20 injured workers during the past year, while only 6 percent indicated that they saw fewer than 6 WC patients. Almost one quarter (22 percent) of the survey respondents were “high-volume” providers of medical services to WC patients, treating 100 or more workers in the last year. (See Figure 20.)

Figure 20
Number of WC Patients Treated in Past 12 Months



Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers’ Compensation, 2002.

Percentage of Lost-Time Cases

Health care providers were also asked what proportion of the injured workers they treated had lost time from work. Fifty-four percent of the providers indicated that more than half of the WC patients that they see have lost time from work due to their on-the-job injuries. The remaining 46 percent said that no more than half of their injured worker patients lost time from work.

Use of Disability Duration/Treatment Guidelines

Disability duration or treatment guidelines can be useful tools in approximating when an injured worker can safely return to work based on job duties and injury type. However, the responses from health care providers reveal that guidelines are not being used on a consistent basis by doctors, chiropractors, and other health care providers (e.g., physical therapists). Over half of the health care providers (56 percent) reported that they do not use any guidelines when treating injured workers. Table 10 lists disability duration or treatment guidelines that are used most frequently by medical practitioners in Texas.

Table 10
Percentage of Health Care Providers Using Disability Duration Guidelines

Type of Disability Guideline	Percentage of
------------------------------	---------------

	Respondents
Presley Reed's <i>Medical Disability Advisor</i>	3%
Milliman & Robertson <i>Workers' Compensation Guideline</i>	5%
Milliman & Robertson <i>Return-to-Work Guideline</i>	5%
Work Loss Data Institute's <i>Official Disability Guidelines</i> (ODG)	6%
<i>Common Health Problems and Functional Recovery in Workers</i> by the American College of Occupational and Environmental Medicine	7%
Intercorp's Treatment Guidelines	5%
Other	26%
None	56%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Notes: Percentages total to greater than 100 percent because survey respondents may be using more than one disability guideline.

Many of the health care providers that indicated that they use some "other" guide indicated that their disability evaluation was based on clinical findings from functional capacity examinations, and years of medical experience.

Health Care Provider Knowledge of HB 2600 Changes and Employer RTW Programs

Health care providers were asked if they were aware of the legislative changes contained in HB 2600 that required employers to disclose information on their RTW programs if requested. Less than half of the providers (44 percent) were aware of the requirement.

Health care providers were also asked if they had made any written requests to employers regarding the availability of RTW opportunities for the injured workers they were treating. Nearly half of all providers (48 percent) noted that they have requested this information from employers, indicating that the requirement could be a valuable tool for these providers. Chiropractors (56 percent) were somewhat more likely than other providers (48 percent) to request information related to the employers' RTW program or modified/alternative duty opportunities available.

Use of the Work Status Report (TWCC-73 Form)

The Work Status Report is a useful tool in getting injured workers back to work if it is filled out completely and submitted in a timely manner. Health care providers play a pivotal role in the process of returning the injured worker to productive employment by completing the Work Status Report and communicating effectively with all parties regarding the ability of the injured worker to return to work. When the Work Status Report is filled out comprehensively and

submitted to the employer and insurance carrier shortly after the medical exam is completed, it can serve as a valuable tool for employers to evaluate work opportunities for the employee at an earlier point in the claim process. In the long run, this early RTW outcome benefits both the employer and the injured worker in many ways.

Familiarity with Work Status Report

Health care providers were asked how familiar they were with the Work Status Report.³⁷ The vast majority (84 percent) of the survey respondents indicated that they were familiar with the TWCC-73 form. An even higher proportion of chiropractors (96 percent) noted that they were familiar with the Work Status Report.

Delivery of Work Status Report by Health Care Providers

Once the health care provider completes the Work Status Report, it should be faxed or electronically submitted to both the employer and the insurance carrier so that if light or modified duty is an option, arrangements can be made for the injured worker. Providers were asked, on average, how soon after a medical examination they send the completed Work Status Report to employers and insurance carriers. A significant proportion (41 percent) noted that they send it the same day as the exam and 18 percent send it the day after. Rule 129.5 requires the report to be submitted to the carrier and the employer no later than the second working day after the examination; it thus appears that a number of health care providers are not in compliance with this requirement.

Table 11 shows the differences between chiropractors and other providers in sending in the Work Status Report to the employer and the insurance carrier. Although MDs/DOs are more likely to send it the next day, 84 percent of chiropractors and 81 percent of MDs/DOs indicate that they send the report no later than 3 days after the exam.

Table 11
When Health Care Providers Report Sending the Work Status Report
to Employers and Insurance Carriers

When Providers Send Work Status Reports	Chiropractors	Other Providers
Same day as the exam	39%	49%
The day after the exam	20%	18%
Within 3 days of the initial exam	25%	14%
4 to 7 days after the initial exam	11%	7%
More than 1 week after the initial exam	2%	3%
I only send them if requested	3%	9%

³⁷ Physical therapists were eliminated from analyses regarding Work Status Reports because they typically are not required to fill them out. The findings in this section reflect the experiences of MDs, DOs and chiropractors.

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Physical therapists were eliminated from analyses regarding Work Status Reports because they typically are not required to fill them out. These findings reflect the experiences of MDs, DOs and chiropractors.

The method by which the Work Status Report is sent has a significant impact on when the employer and insurance carrier receive it. When health care providers were asked how they send the Work Status Report, 70 percent reported sending it by fax, while 30 percent send it by mail. This information supports the findings in the employer (Section II) and insurance carrier (Section IV) sections of this report, which show that a substantial percentage of TWCC-73 forms are being received by mail (as opposed to fax, which is required by rule), and those sent by mail are not being received in a timely manner.³⁸

Receipt of Relevant Information from Employers

It is critical for an employer to provide information to the health care provider about the injured worker's job duties and employer's modified duty RTW programs, so that the health care provider can then make a more informed decision regarding the ability of the injured employee to return to work. Survey respondents reported "less than optimal" RTW-related information sharing on the part of the employers in Texas. As Table 12 clearly shows, the majority of health care providers indicated that employers either never or only occasionally send information on the injured worker's functional job description, job task analysis, availability of alternate work opportunities, RTW modified duty description, or a contact name at the company in case the provider had any questions.

Table 12

How Frequently Health Care Providers Receive Information from the Employer

Type of Information	Always	Frequently	Occasionally	Never
Functional job description	3%	9%	56%	32%
Job task analysis	2%	4%	44%	50%
Availability of alternate work opportunities	3%	9%	56%	32%
A description of the return-to-work/modified duty program in place at the company	2%	4%	46%	46%
Name of a contact person at the injured workers company to contact with any questions	10%	16%	46%	28%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

³⁸ When asked how they initially obtained the Work Status Report form, 57 percent of the health care providers reported that they downloaded it from the TWCC website.

When asked to indicate exactly what information they needed from the employer to fill out the Work Status Report, about half of health care providers (51 percent) reported they needed a functional job description. A significant proportion of the health care providers also noted that they needed information about RTW options at the company (38 percent) and specific physical requirements (e.g., weight lifting, bending, work site information) for the job (11 percent) in order to accurately evaluate the ability of an injured employee to RTW.

In short, health care providers felt that specific information regarding the employee's functional job description, RTW opportunities at the company, and job requirements would be helpful in effectively completing the TWCC-73 form. However, these providers report that they are not getting this information on a consistent basis.

Effectiveness of Employers in Returning Injured Employees to Work

When asked how effective employers were at returning their injured workers to safe, productive employment in a timely manner, very few providers (10 percent) felt employers were “effective.”³⁹ However, almost half of the survey respondents (49 percent) felt that employers were “somewhat effective” at getting injured employees back to work in a safe and timely manner, and the remaining 41 percent believed that employers were ineffective in this effort.⁴⁰ Chiropractors (51 percent) were much more likely than other health care providers (31 percent) to indicate that employers were ineffective at getting injured workers back to their jobs safely and quickly other health care providers (31 percent).

Usefulness of the Work Status Report

Providers were asked to respond to a wide variety of statements either directly or indirectly related to the Work Status Report. Complete results of these queries are presented in Table 13.

³⁹ *Effective* is defined by a rating of a “4” or a “5” on a 5-point scale where 1 means “Extremely Ineffective,” 3 means “Somewhat Ineffective” and 5 means “Extremely Effective.”

⁴⁰ *Ineffective* is defined by a rating of a “1” or a “2” on a 5-point scale where 1 means “Extremely Ineffective,” 3 means “Somewhat Effective” and 5 means “Extremely Effective.”

Table 13

Perceptions of Health Care Providers regarding the Work Status Report (TWCC-73 Form)

	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree
The instructions on the TWCC-73 are easy to follow.	5%	9%	16%	33%	37%
I typically don't know enough about the injured worker's job duties or work site to effectively fill out the TWCC-73.	13%	20%	19%	32%	16%
The TWCC-73 is a valuable tool for facilitating safe and timely returns to work.	9%	18%	28%	30%	15%
The functional job description and task analysis the employer provides are useful in completing the TWCC-73.	8%	12%	23%	30%	27%
Employers don't adhere to the injured worker's stated work restrictions.	3%	8%	12%	39%	38%
Information that employers provide on their return to work programs is useful to me in completing the TWCC-73.	7%	8%	21%	25%	39%
The \$15 dollar reimbursement amount for filling out the TWCC-73 is adequate.	33%	25%	12%	16%	14%
If the reimbursement amount for completing the TWCC-73 were increased I would play a more active role in completing it.	19%	10%	40%	14%	17%
Since the TWCC-73 was initiated, communications between my office, the injured worker's employer and the insurance carrier have improved significantly.	24%	20%	30%	22%	4%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

As Table 13 indicates, the majority of health care providers agree that the instructions for the TWCC-73 form are easy to follow (70 percent). In addition, more health care providers agreed (45 percent) than disagreed (27 percent) that the form is a valuable tool for facilitating safe and timely return to work.⁴¹ This information, along with the findings from employers, validates the TWCC form as a generally effective tool to help improve RTW outcomes for injured workers in Texas.

⁴¹ The remaining 28 percent of the survey respondents were neutral regarding the statement.

RTW-Related Information Provided by Employers

Nearly half (48 percent) of the survey respondents indicated that they typically don't know enough about the injured worker's job duties or work site to effectively fill out the TWCC-73 form. However, most health care providers felt that functional job descriptions and task analyses (57 percent), and information about the employers RTW program (64 percent) were also useful in completing the form.

Employers Adhering to Stated Work Restrictions

Health care providers tended to be concerned that employers do not follow the work restrictions documented on the TWCC-73 form. The vast majority of survey respondents (77 percent) felt that employers were likely to disregard the restrictions contained in the form.

Compensation Level for Completing TWCC-73/Work Status Report

Health care providers are paid \$15 for each TWCC-73/Work Status Report they complete. The majority of the survey respondents (61 percent) were in agreement that \$15 is not an adequate reimbursement rate, but the results were mixed when health care providers were asked if they would play a more active role in completing the TWCC-73 form if the reimbursement level was increased. Just under one-third (31 percent) of the health care providers indicated that they would play a more active role in completing the TWCC-73 form if the reimbursement rate was increased compared to 29 percent who disagreed that they would play a more active role. The remaining 40 percent of providers were neutral regarding the issue. Thus, it appears that increasing the reimbursement rate slightly would not have a major impact on provider attitude toward completing the report.

Health care providers were asked what reimbursement level would be appropriate for completing the TWCC-73 form. While just over one-fifth of the survey respondents (21 percent) noted that the current \$15 level was adequate, 51 percent felt that the reimbursement rate should be between \$16 and \$25. Thirteen percent of the health care providers believe that they should get \$26 to \$40 for completing the TWCC-73 form, and the remaining 15 percent indicated that the rate per completed Work Status Report should be some figure greater than \$40. (See Table 14.)

Table 14
Adequate Reimbursement Amounts for Completing TWCC-73 Form

Suggested Reimbursement Amount for Completing TWCC-73 Form	Percent of Health Care Providers
\$15 or less	21%
\$16 to \$25	51%
\$26 to \$40	13%
More than \$40	15%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Impact of the Work Status Report on Provider/Employer/Carrier Communications

In order to get a feeling for how the TWCC-73 form has impacted provider/employer communications regarding RTW issues, health care providers were asked if they agreed with the following statement: *Since the TWCC-73 was initiated, communications between my office and the injured worker's employer and the insurance carrier has improved significantly.* While just over a quarter (26 percent) agreed communications have improved, an even higher percentage of health care providers disagreed that this was the case (44 percent). The remaining 30 percent of the providers were neutral on the issue. This finding, along with the sentiments by employers and insurance carriers reported in other sections of this report, suggest that while some communications-related improvements have been observed, the Work Status Report (if properly used) can be more effective at reaching one of its primary goals, namely, to improve communications between providers, employers, and insurance carriers.

Communications with Injured Workers

Health care providers must have good lines of communication and a trusting relationship with the injured employees they treat. When this is established, health care providers can educate injured workers on how to deal with the pain and activity restrictions caused by their on-the-job injuries. Likewise, injured workers need to communicate effectively with their treating doctor about how their recovery is going and when they feel ready to resume different types of activities. Table 15 provides information on the topics that health care providers said they routinely discussed with injured workers.

Table 15
Topics Routinely Discussed with Injured Workers
to Whom Medical Treatment is Rendered

Topic Discussed with Patient	Percent of Health Care Providers
Activities to do safely at home and work	96%
How to manage pain	94%
How to prevent re-injury	91%

Mutually agreed-upon return-to-work date	66%
Specific job tasks that the injured worker needs to perform	65%
Changing work schedule	49%
Arranging for others to help do work	45%
Arranging to have special tools or equipment	45%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Almost all of the survey respondents indicated that they typically discuss the following topics with WC patients under their care: 1) which activities can be done safely at home and at work (96 percent); 2) how to manage pain (94 percent); and 3) how to prevent re-injury (91 percent). Specific job duties that the injured worker performs (65 percent) and a mutually agreed-upon RTW date (66 percent) were also topics that are commonly discussed with WC patients. It is important to note that these percentages reflect the health care providers' perspective. It is possible that a different percentage of injured workers might report that these topics were discussed with their treating doctor.

Chiropractors (72 percent) were significantly more likely to discuss the issue of a “mutually agreed-upon RTW date” with their WC patients than were other providers (59 percent). Substantially more chiropractors (60 percent) than other providers (38 percent) routinely discussed “changing work schedules” with injured employees they are treating.

RTW Efforts of Injured Workers

Over half (51 percent) of the health care providers surveyed agreed that the injured workers they treat are eager to get back to work, compared to just 25 percent who disagreed with this notion. Health care providers were also in agreement that “it is in the best interest of the injured worker to return to productive employment quickly and safely.” Three quarters of the survey respondents (75 percent) indicated that they “strongly agree” with this statement and another 18 percent indicated that they “somewhat agree.” (See Table 16.)

Table 16
RTW Opinions of Health Care Providers

	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree
The injured workers I treat are eager to get back to work.	5%	20%	24%	34%	17%
It is in the best interest of the injured worker to return to productive employment quickly and safely.	2%	1%	4%	18%	75%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Communications with Employers and Insurance Carriers

Recent legislation has focused on improving lines of communication between health care providers, employers, and insurance carriers. Health care providers were asked to rate their level of agreement or disagreement with several statements regarding their RTW-related communications with employers and insurance carriers. The results are reported in Table 17.

Table 17
**Percentage of Health Care Providers Who Agree or Disagree
with the Following RTW-Related Statements**

	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree
I feel that employers do not want their injured workers back to work unless they are fully recovered.	7%	12%	8%	38%	35%
It is rare for me to hear from an employer regarding return to work issues.	7%	18%	9%	29%	38%
Too many different parties (e.g., employers, insurance carriers) call me about the same claim.	7%	16%	21%	21%	35%
Insurance carriers are typically fair and reasonable about the type of care an injured worker receives.	33%	33%	9%	21%	4%
Insurance carriers typically pressure me to return injured workers to their job too soon.	6%	14%	19%	27%	34%
I feel that the workers' compensation system is effective at facilitating an injured worker's return to productive employment.	20%	27%	17%	29%	7%

Source: *Health Care Provider Survey of Return-to-Work Issues*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Percentages in each row may not total to 100 percent due to rounding.

Communication with Employers

The majority of health care providers (73 percent) felt that employers did not want the injured worker back at work until they were fully recovered. Approximately two-thirds of the providers who completed the survey also agreed that it is rare for them to hear from an employer regarding RTW issues (67 percent).

Communication with Insurance Carriers

While insurance carriers tended to be very critical of the health care provider's effort to return injured employees to work (see Section IV of this report), providers of medical services were equally critical of the communications received from insurance carriers. Almost two-thirds of the survey respondents (66 percent) disagreed that insurance carriers are typically fair and reasonable about the type of care an injured worker receives. In addition, the majority (61 percent) of health care providers felt that insurance carriers typically pressure them to send injured workers back to their jobs too soon.

Health care providers also indicated that too many different parties (e.g., employer, carrier) call them about the same claim. Fifty-six percent of the survey respondents indicated that this was the case.

Lastly, health care providers were split on whether the WC system is effective at facilitating an injured worker's return to productive employment. Just over a third (36 percent) agreed that the WC system is effective, compared to 47 percent who disagreed with this assertion. The remaining 17 percent had neutral opinions regarding this topic.

SECTION IV. INSURANCE CARRIER PERSPECTIVES ON RETURN-TO-WORK ISSUES

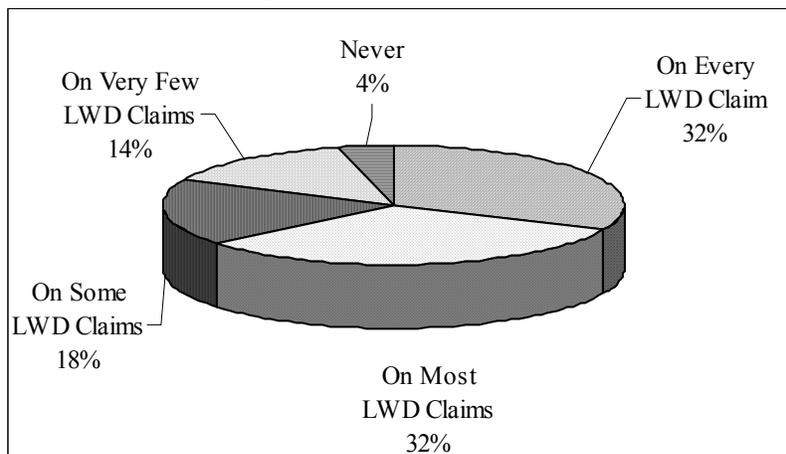
This section of the report contains the findings from a mail survey of 116 insurance groups (representing approximately 260 insurers) writing WC coverage in Texas. A total of 28 completed surveys were returned to the ROC for analysis, which represents a response rate of 24 percent.

Knowledge of HB 2600 Changes: Employer Disclosure of RTW Program Existence

The majority of WC insurance carrier groups (75 percent) indicated that they were aware that employers are required, upon request, to disclose information about modified duty RTW programs that may exist at their companies to the injured employer, the employee's treating doctor, or the insurance carrier.

When asked how often, over the past 12 months (since the implementation of the disclosure requirement), claims adjusters have made written requests to employers for information about the availability of RTW opportunities for Texas injured worker, the majority of insurance carrier groups indicated that this was a regular occurrence. About a third of insurance carriers surveyed (32 percent) indicated that they requested the information on *every* lost workday claim, and another 32 percent indicated they did so on *most* claims involving lost workdays (see Figure 21).

Figure 21
How Regularly Adjusters Request Information Regarding the Availability
of RTW Opportunities for WC Claimants



Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Lost Workday (LWD) claims involve cases with days away from work, days of restricted duty, or both.

Insurance carriers reported that employers were quite cooperative when they were asked to provide information about their RTW program and alternative (or modified) job opportunities for injured workers. When asked to rate employers' level of cooperation in providing this information (on a 1-to-5 scale where 1 means "not at all cooperative," 3 means "somewhat cooperative," and 5 means "extremely cooperative"), almost two-thirds of the insurance carriers rated employers' cooperation level a "4" (42 percent) or a "5" (21 percent). Another 29 percent of the insurers indicated that employers were "somewhat cooperative," and only 8 percent of the carriers felt that employers were uncooperative.

Knowledge of HB 2600 Changes: Carrier-Provided RTW Coordination Services

Unlike employers who were commonly unaware that insurance carriers must provide RTW coordination services (e.g., job analysis, job modification and restructuring assessments, medical or vocational case management) to policyholders upon request, the vast majority of insurance carriers (82 percent) knew about this new statutory requirement. Because so many employers did not know that they can request RTW coordination services from their WC insurance carrier (i.e., only 35 percent of the employers reported that they knew they could request these services from insurance carriers), it is not surprising that only 27 percent of the insurance carriers

indicated that they have received a request for these services from policyholders in the past 12 months. This finding strongly suggests that insurance carriers need to be more proactive in informing employers about the availability of RTW coordination services to facilitate safe and timely return to work for their injured employees.

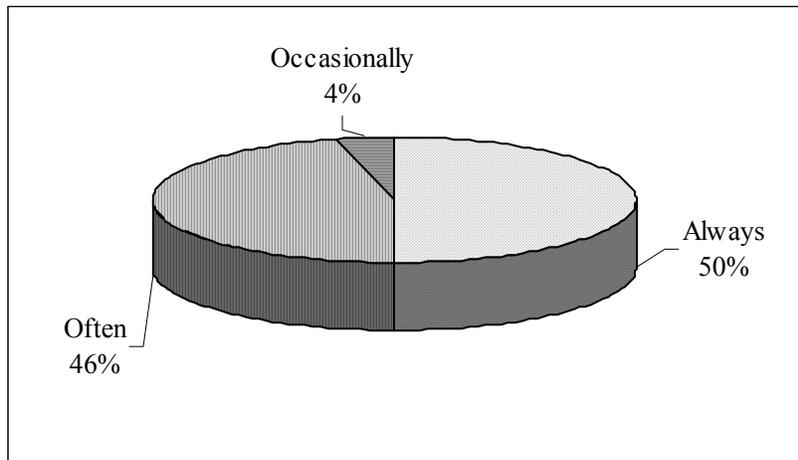
Of those carriers that did provide RTW coordination assistance to their policyholders during the past six months, medical case management (57 percent) was the most common service rendered. Even if employers are not in a position to offer modified or alternate duty to injured employees, they can still take advantage of the medical/vocational case management services available through their insurance carriers.

Use of the Work Status Report (TWCC-73 Form)

Insurance carriers were asked to rate their familiarity with the Work Status Report. The majority of the survey respondents (69 percent) indicated that they were “extremely familiar” with this TWCC form and 19 percent noted that they were “somewhat familiar.” Only 12 percent of the carriers reported that they were “somewhat” or “extremely unfamiliar” with the form.

Insurance carriers also indicated that claims adjusters employed by their companies consistently use the information contained on the Work Status Report to help facilitate return to work for injured employees. As Figure 22 illustrates, 50 percent of the carriers reported that adjusters *always* use the information contained in Work Status Reports and 46 percent noted that it is *often* utilized to help promote RTW.

Figure 22
How Often Claims Adjusters Use the Work Status Report to Promote Return to Work



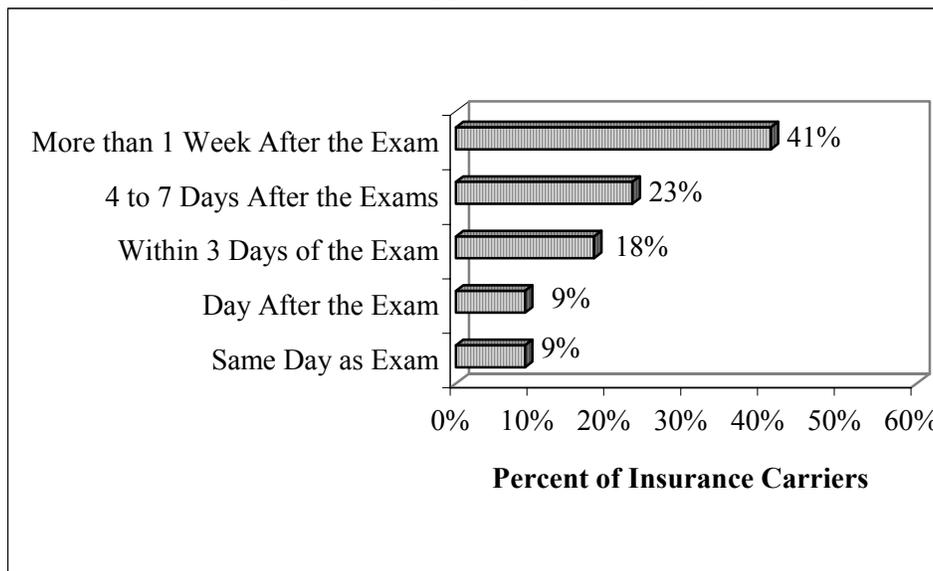
Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Receipt of Work Status Reports by Insurance Carriers

Insurance carriers were asked, on average, when they typically receive an initial TWCC-73 report from the injured workers' treating doctor. Similar to the information reported by employers in Section II of this report, only 36 percent of the carriers indicated that the Work Status Report was received within three days of the medical examination.

As Figure 23 shows, the majority of insurance carriers noted that the Work Status Report was typically received either 4 to 7 days after the initial exam (23 percent) or more than one week after the initial exam (41 percent).

Figure 23
When Work Status Reports are Typically Received by Insurance Carriers



Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Over half of the insurance carriers (54 percent) indicated that they have made requests of health care providers for completed TWCC-73 forms during the past 12 months.

As was the case with employers, most insurance carriers (61 percent) noted that they typically receive Work Status Reports via fax. However, a significant minority of carriers (39 percent) report that they commonly received the TWCC-73 forms by standard mail, which contributes to the untimely delivery of time-sensitive RTW information. Almost two-thirds (63 percent) of insurance carriers that most commonly receive the TWCC-73 form by standard mail report receiving it *more than a week after the initial medical exam* compared to just 29 percent of those carriers that typically receive these reports via fax. This finding further reinforces the point that continued efforts should be made to ensure that Work Status Reports are sent to the insurance carrier and the employer by fax or electronically.

To further underscore the timeliness problem, 46 percent of insurance carriers disagreed that treating doctors submit the TWCC-73 form in a timely manner. Forty-one percent felt that the Work Status Reports were typically filed on time and 13 percent were neutral on the issue.

Quality of Work Status Reports Received by Insurance Carriers

Insurance carriers were asked how routinely the injured worker's treating doctor completed the Work Status Report. While no carriers noted that the Work Status Report was *always* completed, 68 percent of the carriers indicated that the health care provider *frequently* completed the report, and 32 percent indicated that the TWCC-73 form was *occasionally* completed.

When asked to rate their level of agreement or disagreement with a series of statements related to the quality of the information contained on Work Status Reports submitted by health care providers, carriers expressed a significant degree of dissatisfaction with what they received. As Table 18 shows, a substantial proportion of insurance carriers felt that “many of the TWCC-73 forms that they received are incomplete or filled out improperly, and are of little use” (48 percent), and that “treating doctors in Texas often fail to state work restrictions clearly” (74 percent). Furthermore, more carriers disagreed (44 percent) than agreed (40 percent) that “treating doctors in Texas typically specify, with or without restrictions, when an injured worker can safely return to work.”

Table 18
Carriers’ Level of Agreement or Disagreement with Statements
Related to the Quality of Work Status Reports Received

Statement	Strongly Disagree	Somewhat Disagree	Neither Agree Nor Disagree	Somewhat Agree	Strongly Agree
Many of the TWCC-73 forms received by our company are incomplete or filled out improperly, and are of little use to us.	8%	16%	28%	32%	16%
Treating doctors often fail to state work restrictions clearly.	0%	7%	19%	33%	41%
Treating doctors in Texas typically specify, with or without restrictions, when an injured worker can safely return to work.	11%	33%	15%	33%	7%

Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers’ Compensation, 2002.

Note: Percentages in each row may not total to 100 percent due to rounding.

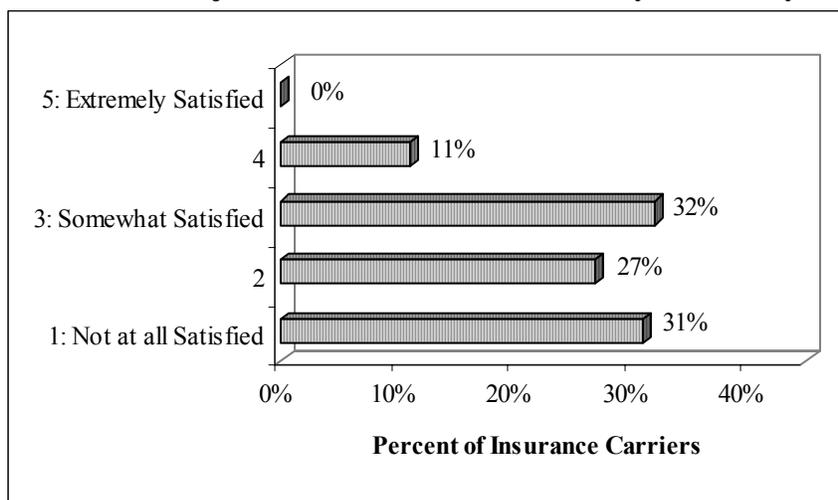
Other Insurance Carrier RTW Issues

Satisfaction with RTW Efforts

Generally, insurance carriers felt that Texas employers were reasonably effective at assisting their injured workers to return to productive employment in a timely manner. Nearly three quarters (74 percent) of the insurance carriers felt that employers were “somewhat effective” in their efforts to get injured employees back to work. The remaining 26 percent rated employer efforts a respectable “4” on the 1-to-5 scale.

Carriers were much less likely to be satisfied with the efforts made by treating doctors to assist injured workers to return to work quickly and safely. As Figure 24 illustrates, 58 percent of insurance carriers were less than satisfied with the effort made by health care providers in Texas to assist injured workers in returning to work.⁴²

Figure 24
Level of Satisfaction with Effort Made by Treating Doctors to Assist Injured Workers to RTW Quickly and Safely



Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

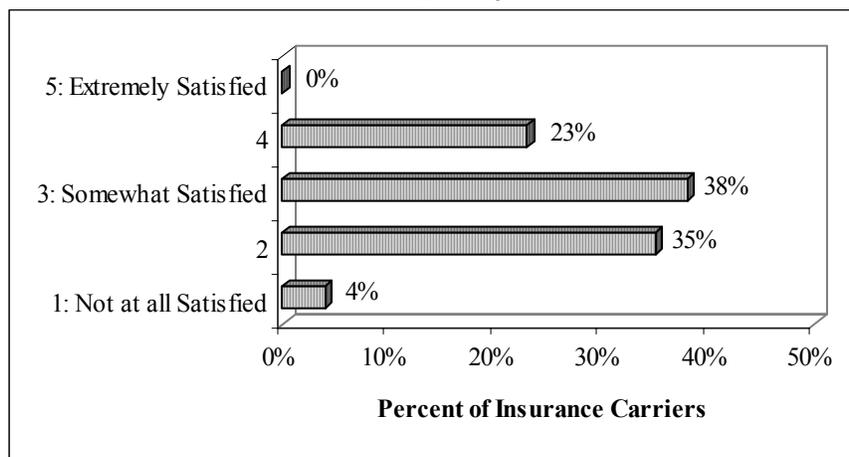
Note: Percentages do not total to 100 percent due to rounding.

⁴² “Less than Satisfied” is defined as indicating a “1” or a “2” on a 5-point scale, where 1 means “not at all satisfied” and 5 means “extremely satisfied.”

Quality of Medical Care

Insurance carriers tended to be significantly less satisfied than employers with the quality of health care received by injured workers. On a 5-point scale where 1 means “not at all satisfied,” 3 means “somewhat satisfied,” and 5 means “extremely satisfied,” carriers expressed mixed views on the subject. No carriers were “extremely satisfied” with the medical care administered to injured employees and just 23 percent rated the care a “4” on the aforementioned scale. Thirty-eight percent of the insurance carriers noted that they were “somewhat satisfied” with the quality of medical care in the WC system, and the remaining 39 percent were dissatisfied.⁴³ (See Figure 25.)

Figure 25
Level of Satisfaction with the Quality of Medical Care Provided



Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

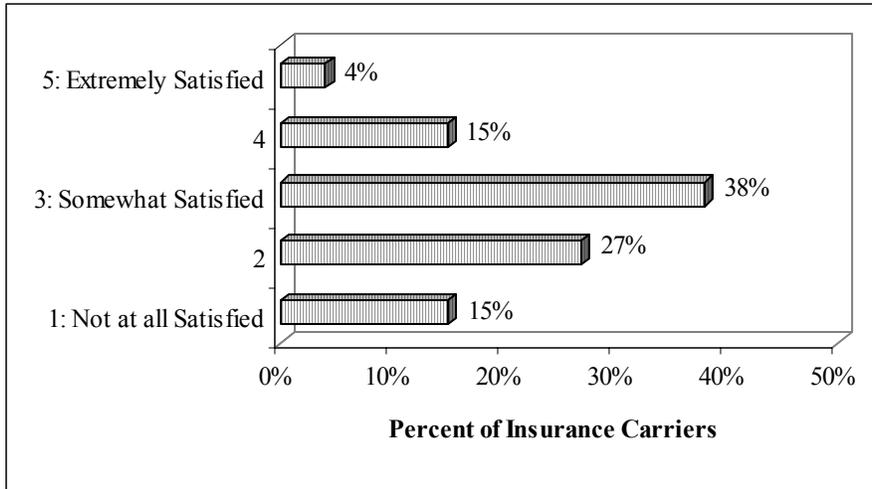
Carriers' Satisfaction with the Flow of Communications with Treating Doctors

Insurance carriers expressed a certain degree of dissatisfaction with the flow of communications regarding RTW issues between their companies and health care providers in Texas. Forty-two percent of the carriers indicated that they were dissatisfied with the exchange of RTW-related information with treating doctors versus just 19 percent who expressed satisfaction with the flow of communications.⁴⁴ The remaining 38 percent noted that they were “somewhat satisfied.” (See Figure 26.)

Figure 26
Level of Satisfaction with the Flow of RTW-Related Communications with Treating Doctors

⁴³ **Dissatisfied** is defined as having a rating of “1” or “2” on a 5-point scale where 1 means “Not at all Satisfied,” 3 means “Somewhat Satisfied,” and 5 means “Extremely Satisfied.”

⁴⁴ **Satisfaction** is defined as having a rating of “4” or “5” on a 5-point scale where 1 means “Not at all Satisfied,” 3 means “Somewhat Satisfied,” and 5 means “Extremely Satisfied.”

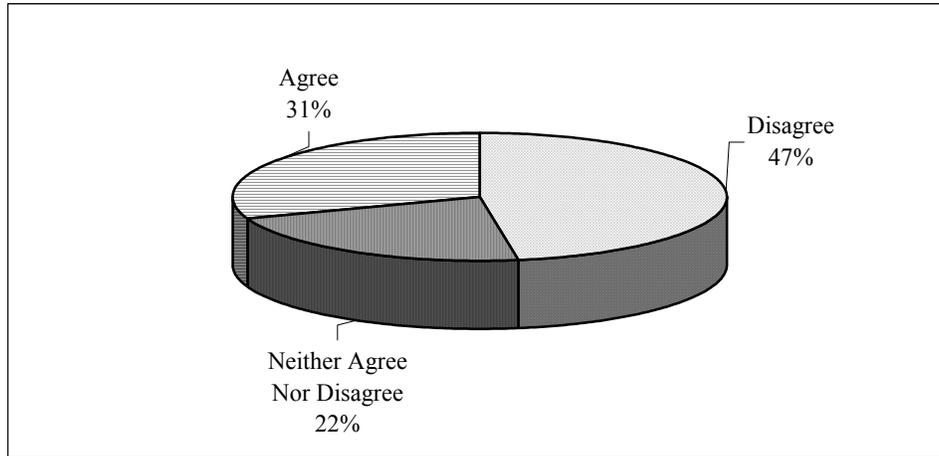


Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Percentages may not total to 100 percent due to rounding.

The Work Status Report (TWCC-73 form) is intended to help improve the dialogue between all interested parties regarding RTW issues. Insurance carriers were not convinced that the Work Status Report has resulted in improved communications with the injured workers' treating doctor. As Figure 27 shows, almost half of the insurance carriers (47 percent) disagreed that provider/carrier communications regarding RTW issues has improved significantly since the TWCC-73 form was introduced by TWCC in 2000. Just under one-third of the carriers (31 percent) felt that interaction between their adjusters and providers had improved significantly since 2000 and 22 percent were neutral on the topic.

Figure 27
Percent of Carriers in Agreement or Disagreement
that Carrier/Provider Communications have Improved Significantly
Since the Work Status Report was Initiated in 2000



Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

The vast majority of insurance carriers (82 percent) were in agreement that it is common for their claims adjusters to contact an injured worker's treating doctor to obtain information about the injured worker's RTW status. However, it is clear from the survey responses that carriers do not feel that the treating doctors are being very cooperative. Almost three-quarters of the carriers (73 percent) disagreed with the notion that treating doctors are willing to return phone calls from adjusters to discuss RTW options.⁴⁵ This finding suggests that dialogue between carriers and health care providers needs to improve substantially for meaningful interchange to take place regarding the ability of an injured worker to re-enter the workforce.

Issues Regarding RTW Release and Employer Acceptance of a Recovering Worker

Regardless of how many discussions occur between injured workers, treating doctors, employers, and insurance carriers, successful RTW outcomes cannot take place without health care providers releasing injured workers to RTW (with or without restrictions) and employers making workplace and/or scheduling accommodations for employees that are less than fully recovered from their on-the-job injury. As Table 19 illustrates, the majority of insurance carriers (63 percent) expressed concern that treating doctors are reluctant to release injured workers to return to work. To compound the problem, a substantial proportion (54 percent) of insurance carriers are in agreement that employers are also hesitant to take injured employees back to work when they are less than 100 percent recovered from their injury.

Table 19
Carriers' Level of Agreement or Disagreement with RTW-Related Statements

⁴⁵ This lack of perceived cooperation may be a function of health care providers feeling pressure from the insurance carrier (see Table 17).

Statement	Strongly Disagree	Somewhat Disagree	Neither Agree Nor Disagree	Somewhat Agree	Strongly Agree
Treating doctors in Texas are reluctant to release injured workers to return to work.	4%	11%	22%	19%	44%
Employers are hesitant to take an injured worker back at the job until they are completely recovered.	4%	29%	14%	36%	18%
Our Texas policyholders consistently provide treating doctors with functional job descriptions, alternative duty options available, and descriptions of company RTW/modified-duty programs.	15%	7%	19%	52%	7%

Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

Note: Percentages in each row may not total to 100 percent due to rounding.

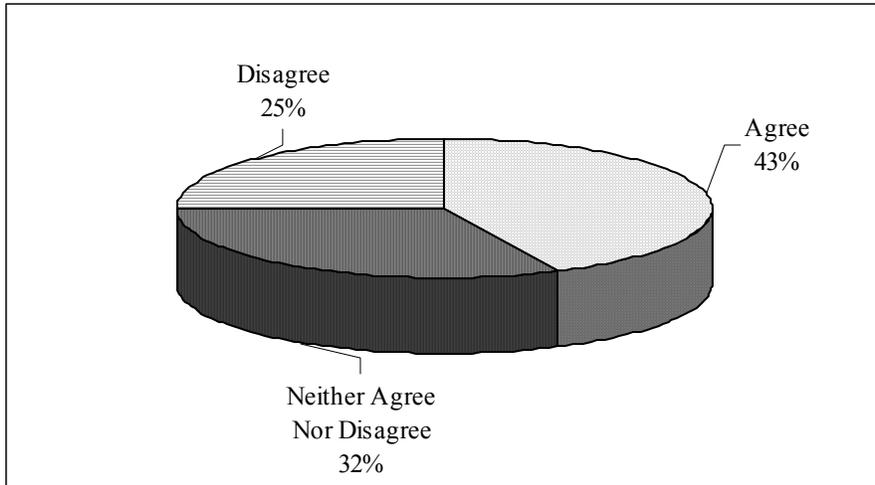
Insurance carriers do, however, feel that their policyholders provide treating doctors with functional job descriptions and information about the company's RTW or modified-duty programs on a consistent basis.⁴⁶ Fifty-nine percent of the carriers agreed that their policyholders provided this important information to health care providers so they can better evaluate RTW options for the injured employee.

Communications with Injured Workers

Surprisingly, insurance carriers were somewhat mixed in their reaction to the following statement: *Maintaining communications with the injured worker at least once per week is critical to effective RTW results.* More insurance carriers agreed (43 percent) with the statement than disagreed (25 percent). However another 32 percent of the carriers neither agreed nor disagreed that weekly communication with injured workers was important for effective RTW outcomes. (See Figure 28.)

Figure 28
Percent of Carriers in Agreement or Disagreement that Weekly Communications with Injured Workers is Critical to Effective RTW Results

⁴⁶ It should be noted that the health care providers refute this assertion by carriers that employers consistently supply treating doctors with this information. As it is presented in Section III of this report, health care providers noted that the injured worker's functional job description and a description of alternative/modified duty options for the employee would be useful, but they do not consistently receive this information from employers.

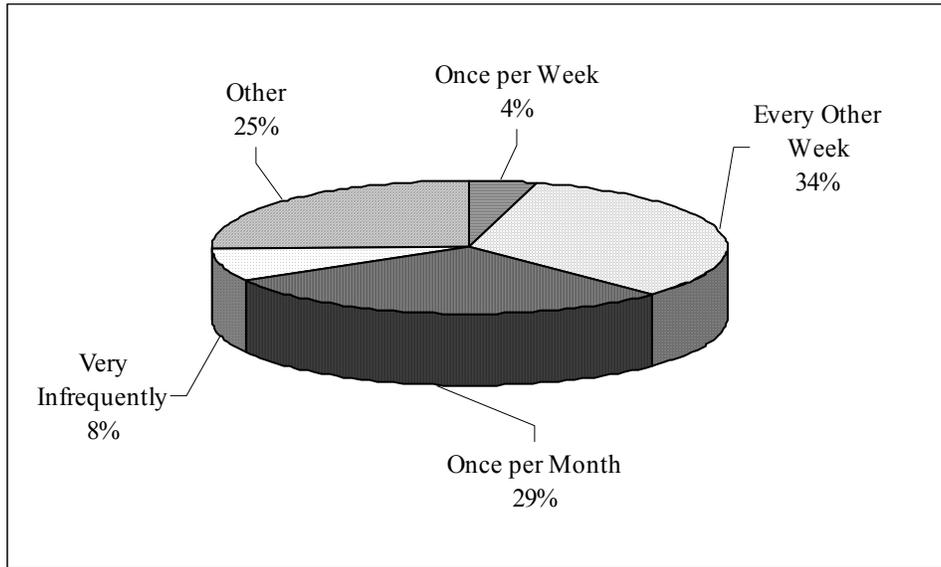


Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

After a lost workday injury occurs, the majority of insurance carriers indicated that a claims adjuster first contacts the injured worker either the same day as the injury (23 percent) or within two days of the injury (46 percent). Just over a quarter of the insurance carriers (27 percent) noted that the adjuster first contacts the injured worker three to seven days after the accident and 4 percent reported that this first contact is made more than one week after the injury.

In keeping with the sentiments illustrated in Figure 28 above, most insurance carriers indicated that claims adjusters contacted injured workers less frequently than once per week. Approximately one third (34 percent) of the insurance carriers reported that their claims adjusters typically contact the injured worker either every other week and 29 percent of the carriers noted that injured workers are typically contacted by the adjuster once per month. (See Figure 29.)

Figure 29
How Frequently Claims Adjusters Typically Contact WC Claimants

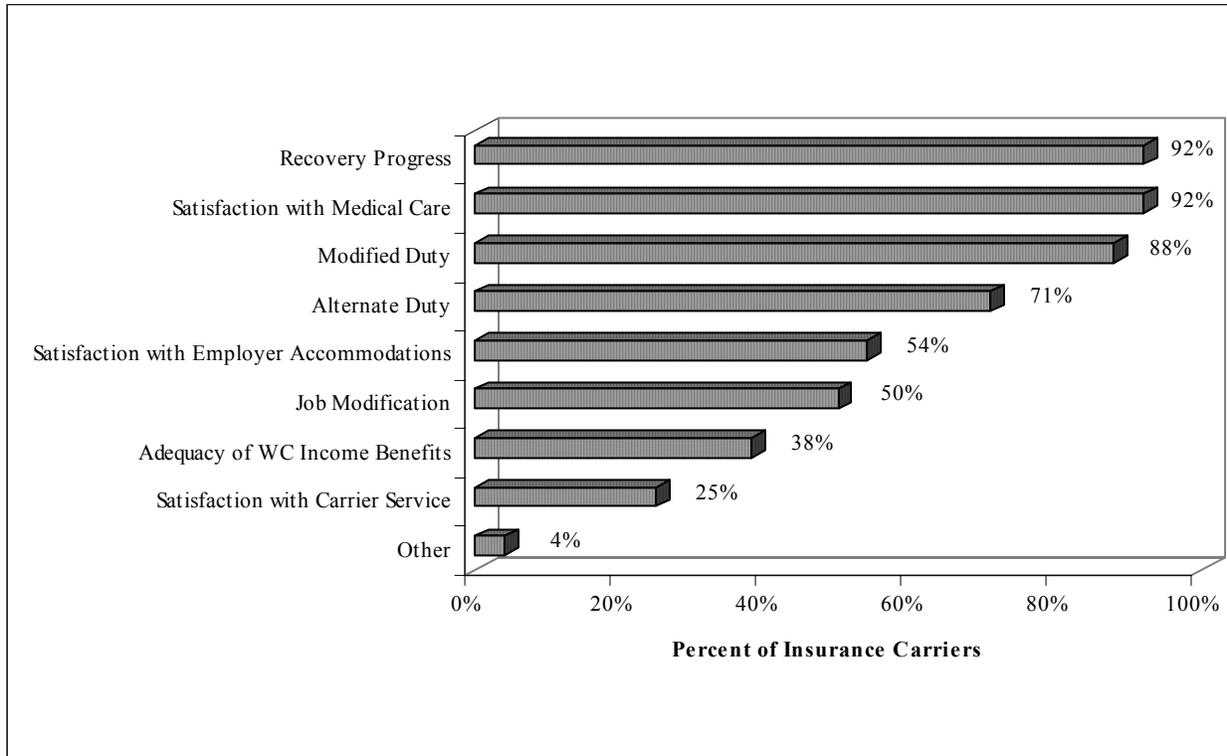


Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*,
Research and Oversight Council on Workers' Compensation, 2002.

The injured workers' recovery progress, satisfaction with medical care, and alternative/modified duty options were the most commonly discussed issues during claims adjuster/injured employee communications (see Figure 30).

These topics mirror the results from employer/injured worker communications reported in Section II of this study.

Figure 30
Percentage of Insurance Carriers Indicating that the Following Topics
are Discussed with Injured Workers During the Recovery Process



Source: *Insurance Carrier Survey of Return-to-Work Programs for Injured Workers*, Research and Oversight Council on Workers' Compensation, 2002.

CONCLUSION

Recent efforts to improve RTW outcomes in Texas have included the implementation of the Work Status Report in 2000 and two communications-related RTW provisions in HB 2600 (77th Legislature) in 2001. Survey results summarized in this report – gathered from employers, health care providers, and insurance carriers – show some promising trends and specific areas for further improvement.

HB 2600 required that employers provide information regarding the availability of modified duty options upon request, and that insurance carriers notify employers about the availability of RTW coordination services and to provide such services upon request. The present survey shows that awareness of these legislatively-mandated changes is low. However, it is encouraging to see that among those employers who knew about the new requirements, half to two-thirds took advantage of their carrier's RTW coordination services. This finding strongly suggests that if employers are more cognizant of the fact that they can receive help from their carrier on RTW matters, a significant percentage of them would request RTW coordination services. Thus, efforts should be made by TWCC, business associations, and the insurance carrier community to educate employers and other system participants about the changes affecting RTW that were implemented as part of the HB 2600 legislation in 2001.

Of significance is the fact that while HB 2600 granted TWCC the authority to draft rules to govern RTW communication, such rules cannot be adopted prior to January 1, 2004 to allow system participants time to develop their own communication processes. The low awareness levels found in the present study suggest that it will be necessary for TWCC to adopt rules to regulate how this communication will take place.

Health care providers, insurance carriers, and employers affirmed the general usefulness of the information contained in the Work Status Report (TWCC-73 form). However, this usefulness is compromised by problems with timeliness of submission and missing information. Though electronic submission is required by TWCC Rule 129.5 (within two days after the medical examination), a significant proportion of both employers and insurance carriers still receive these

reports by standard mail, resulting in delayed delivery. Due to the time-sensitive nature of this information, it is important that employers and carriers make sure that the health care providers have their correct fax number or e-mail address for timely transmission, and that health care providers use the designated fax or e-mail contact information.

It is also critical that the health care provider, when releasing an injured employee to return to work, clearly specifies any work restrictions in the Work Status Report. If the worker is not being released to go back to work, the Work Status Report should state the reasons why. The quality of the information that the health care provider submits, in turn, can be improved if employers provide information about the physical requirements of the injured worker's job (e.g., functional job description, job task analysis) and alternative duties that might be available.

There is clearly room for improvement in RTW-related communications among system participants. There seems to be a significant degree of conflict and distrust among health care providers, employers, and insurance carriers, which may be contributing to less than optimal RTW outcomes for injured workers in Texas. Health care providers expressed concern that employers will not adhere to work restrictions documented on the Work Status Report and felt that they were being pressured by insurance carriers to release injured workers to return to work before they are ready. There is a strong perception among health care providers and insurance carriers that employers are reluctant to accept employees with restrictions back at work, and there is a feeling among carriers and employers that health care providers are unwilling to release injured workers to return to employment. It is important that employers, providers, and insurance carriers work together more productively to improve the RTW outcomes of injured workers in Texas.

APPENDIX A

**RESEARCH METHODOLOGY, SAMPLING,
AND FIELDING RESULTS
FOR THE EMPLOYER RTW SURVEY**

**APPENDIX A:
RESEARCH METHODOLOGY, SAMPLING, AND FIELDING RESULTS
FOR THE EMPLOYER RETURN-TO-WORK SURVEY**

Appendix A outlines the research methodology, sampling and weighting procedures, and fielding results for the mail survey of employers regarding return-to-work (RTW) or modified duty programs for injured workers and issues related to returning injured workers to work in a safe and timely manner.

Sampling Procedures

Private sector, Texas employers, with an average of 15 or more employees during the four quarters of 2000, found in the Texas Workforce Commission's (TWC's) unemployment insurance employer (UI) database were merged with workers' compensation coverage (POC) data collected and maintained by the Texas Workers' Compensation Commission.⁴⁷ A stratified, random sample of Texas employers was drawn from 25,302 employers in the matched WC-covered dataset. A total of nine strata were included in the sample. For purposes of unemployment insurance, the vast majority of non-federal employers must provide employment and payroll information to the TWC.⁴⁸

Using Standard Industrial Codes (SIC) found in the TWC data, the following nine industrial divisions were identified:

- Agriculture, Forestry, and Fishing;
- Mining;
- Construction;
- Manufacturing;
- Transportation and Public Utilities;

⁴⁷ Since reliable federal employer identification numbers were not present in TWCC's POC data, employers were merged by company name. This resulted in 25,302 employers that were successfully matched, and which served as the sampling frame for the mail survey. Since it is recognized that the matched employer data set does not necessarily represent the entire population of WC-covered employers with 15 or more workers, WC-covered employer estimates were calculated from 2001 nonsubscription survey data to approximate the total number of WC-covered Texas employers in each of the 9 strata (i.e., a estimated total of 51,094 employers across all strata). It is these population estimates that were used for weighting purposes.

⁴⁸ Those excluded from unemployment insurance reporting requirements include the following: 1) employers subject to the Railroad Retirement Act; 2) self-employed and unpaid family workers; 3) churches and some nonprofit organizations; and 4) small employers not meeting the minimum payroll threshold.

- Wholesale Trade;
- Retail Trade;
- Finance, Insurance, and Real Estate; and
- Services (excluding public educational services).

Public administration (employers with SICs 91-97) and a subsection of the educational services sector (employers with SICs 821-823) were not included in the sampling frame. Employers with either missing or nonclassifiable SICs were also excluded from the sampling frame.

To improve the accuracy of the industry-related estimates from the survey, the industry groups were organized into three risk groups, based on 2000 Texas lost workday case incidence rates provided by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). Based on 2000 data, the industries were classified as follows:

- High Risk (Manufacturing, Transportation/Public Utilities, Retail Trade)
- Medium Risk (Wholesale Trade, Construction, Agriculture/Forestry/Fishing)
- Low Risk (Finance/Insurance/Real Estate, Services, Mining).

Employer size was determined by averaging employment across all four quarters of 2000. Industry classifications were determined by the SICs contained in the TWC data. An individual business was defined by a unique Federal Employer Identification Number (FEIN). It was assumed that if a business had an individual FEIN, it probably also had the ability to answer questions related to the company's injured worker return-to-work program for that site location (e.g., independently owned and managed franchises). For firms with multiple locations, the SIC from the location with the largest number of employees was used to represent the business.

For sampling purposes and for estimating proportions of employers with various perspectives on RTW issues, the following employer size categories were utilized:

- 15 to 49 employees;
- 50 to 99 employees; and
- 100 or more employees.

From these classifications of employers by industry risk and firm size, the employers in the following nine strata were sampled:

- 1) Small Size (15-49 Workers) / Low Risk;
- 2) Small Size (15-49 Workers) / Medium Risk;
- 3) Small Size (15-49 Workers) / High Risk;
- 4) Medium Size (50-99 Workers) / Low Risk;
- 5) Medium Size (50-99 Workers) / Medium Risk;
- 6) Medium Size (50-99 Workers) / High Risk;
- 7) Large Size (100 or More Workers) / Low Risk;
- 8) Large Size (100 or More Workers) / Medium Risk;
- 9) Large Size (100 or More Workers) / High Risk;

Table A1 provides population estimates by industry and employer size for year-round Texas employers with 15 or more workers and WC coverage. Large businesses were oversampled relative to their proportion in the Texas employer population. This was done to ensure that adequate sample sizes with which to profile these employers.

Table A1

**Estimated Statewide Population of Private Sector,
WC-Covered Texas Employers (with 15 or More
Employees)
by Industry and Firm Size**

Industry Group	Small (15 to 49 Employees)	Medium (50 to 99 Employees)	Large (100 or More Employees)	Total Population
Finance, Insurance & Real Estate	2,197	502	655	3,354
Services	10,149	2,150	3,343	15,642
Mining	593	144	178	915
Total: Low Risk Industries	12,939 (25.3%)	2,796 (5.5%)	4,176 (8.2%)	19,911 (39.0%)
Wholesale Trade	3,809	710	885	5,404
Construction	3,815	992	1,435	6,242
Agriculture, Forestry and Fishing	986	123	177	1,285
Total: Medium Risk Industries	8,610 (16.9%)	1,825 (3.6%)	2,497 (4.9%)	12,932 (25.3%)
Manufacturing	3,691	1,181	1,963	6,834
Transportation / Public Utilities	1,847	539	1,100	3,486
Retail Trade	5,572	1,400	958	7,930
Total: High Risk Industries	11,110 (21.7%)	3,120 (6.1%)	4,021 (7.9%)	18,251 (35.7%)
Total Population	32,659 (63.9%)	7,742 (15.2%)	10,694 (20.9%)	51,094

Source: Research and Oversight Council on Workers' Compensation (ROC), based on Texas Workforce Commission employer population data (UI Wage Employer Master Database) and 2001 employer nonsubscription estimates calculated by the ROC (see *A Study of Nonsubscription to the Texas Workers' Compensation System: 2001 Estimates*).

Fielding Results

A total of 3,500 surveys were mailed to Texas employers, and these firms were asked to return completed surveys in a business-reply envelope, fax the survey to the ROC, or complete the survey online at the TWCC website. In addition to the 3,500 employers who were contacted by mail, 395 Texas employers were contacted by email and invited to visit the TWCC website to complete the survey or contact the ROC for a hard copy of the survey. Thus, the sample contained a total of 3,895 Texas employers. Surveys were mailed to the stratified, random sample of 3,500 employers on September 12, 2002, and e-mail invitations were sent to the remainder of the employers on September 26, 2002.

After accounting for undeliverable surveys (i.e., the address for the employer was invalid, the employer had moved, or was no longer in business), 3,692 surveys or email invitations were effectively delivered to Texas firms. After excluding 134 surveys that were returned by employers outside the sampling frame⁴⁹ (i.e., fewer than 15 workers, or missing firm size or industry information making it impossible to place them in the appropriate strata for weighting purposes), a total of 680 usable surveys were completed by Texas employers by the cut-off date of November 20, 2002. This represents a response rate of 19 percent.⁵⁰ Table A2 provides a breakdown of the number of completed, usable surveys by strata.

⁴⁹ A total of 90 surveys were returned by companies that reported they had less than 15 employees, and were, therefore outside of the sampling frame for the study. A total of 44 surveys were returned by companies that did not indicate their firm size or industry so they could not be assigned to a strata for weighting purposes. These 134 firms were dropped from the analysis and were not counted in the response rate calculation.

⁵⁰ Survey Response Rate = Total Number of Completed Usable Surveys / Total Number of Surveys Effectively Delivered to Employers in Sampling Frame. That is, $(680 / 3558) = 19\%$.

Table A2
Number of Completed, Usable Surveys by Strata (Firm Size/Industry-Risk)

Industry Group	Small (15 to 49 Employees)	Medium (50 to 99 Employees)	Large (100 or More Employees)	Total
<i>Low Risk Industries</i>	68	66	124	258
<i>Medium Risk Industries</i>	50	56	62	168
<i>High Risk Industries</i>	65	83	106	254
Total	183	205	292	680

Source: Research and Oversight Council on Workers' Compensation (ROC), based on Texas Workforce Commission employer population data (UI Wage Employer Master Database) and 2001 employer nonsubscription estimates calculated by the ROC (see *A Study of Nonsubscription to the Texas Workers' Compensation System: 2001 Estimates*).

Note: Figures in Table A2 exclude the 134 completed surveys that were deemed unusable because they were either outside of the sampling frame (i.e., less than 15 employees) or their strata could not be determined (i.e., the respondent failed to provide either industry or employer size data).

Weighting and Error Estimation Design

Estimated nonsubscription rates were weighted to adjust for the oversampling of large businesses. The survey responses were weighted, by strata, to approximate the Texas population of private sector, WC-covered employers (with at least 15 workers).

In order to obtain more precise estimates, the population of employers was stratified by employer size and industry risk, and a random sample was drawn from each of the strata. In calculating survey results, the responses to each of the questions had to be weighted to reflect the uneven distribution of samples over strata, using the weights calculated from the following equation:

$$w_{hi} = \frac{N_h}{n_h}$$

where w_{hi} is the weight for the i^{th} company sampled from stratum h , N_h is the total number of companies in stratum h , and n_h is the number of companies sampled from stratum h . Given the weights, survey results in terms of population were estimated based on the responses to each of the questions in the sample, using the following equation

$$\hat{y} = \frac{1}{N} \sum_{h=1}^H \sum_{i=1}^{n_h} w_{hi} y_{hi}$$

where, y_{hi} is the response of company i in stratum h , H is the total number of strata, and $N = \sum_{h=1}^H N_h$ is the total number of companies in the population.

Based on the population and fielding data reported in Tables A1 and A2, weights for the survey responses were calculated to represent the population of covered Texas employers with 15 or more workers. The weights used in the study are presented below in Table A3.

Table A3
Employer RTW Survey Weights by Strata

Industry Group	Small (15 to 49 Employees)	Medium (50 to 99 Employees)	Large (100 or More Employees)
<i>Low Risk Industries</i>	190.30	42.38	33.68
<i>Medium Risk Industries</i>	172.20	32.59	40.27
<i>High Risk Industries</i>	170.92	37.59	37.93

Source: Research and Oversight Council on Workers' Compensation (ROC), based on Texas Workforce Commission employer population data (UI Wage Employer Master Database) and 2001 employer nonsubscription estimates calculated by the ROC (see *A Study of Nonsubscription to the Texas Workers' Compensation System: 2001 Estimates*).

Caveats for Use of the Survey Responses

While the overall response rate of 19 percent is respectable for a stratified, random sample of employers who were not provided monetary incentives for their participation in the survey, as is the case with any survey, non-response bias may exist. An analysis reveals that a disproportionately large percentage of the employers who responded to this RTW survey may have formal RTW programs and their views on RTW issues may be different from those of the population of Texas employers with 15 or more workers. It is also important to note that the information compiled by this survey was self-report data. It is possible that respondents may not have known certain information or that information they provided may be inaccurate for other reasons.

The survey results of health care providers and insurance carriers also may also contain a certain degree of non-response bias.