

Ohio – Transitional Work Program

Executive Summary

Ohio's transitional work program was designed to allow state agencies to assign job tasks to employees who had been diagnosed with physical or emotional disabilities. The Ohio Department of Administrative Services piloted the first transitional work program in 1996 at one facility of the Ohio Department of Mental Retardation and Developmental Disabilities. In 1997 all Ohio's agencies were encouraged to develop their own programs and the Department of Administrative Services hired an industrial rehabilitation specialist to assist in program development.

The program permits employees, who may otherwise be unable to work, perform job tasks consistent with their residual functional capacity for a maximum period of 90 days. Workers' compensation premiums are calculated based upon five years of claim experience. To reduce premiums, the number of injuries and duration of time off for recovery needed to decrease and the amount of time between injury and intervention needed to improve. Prior to transitional work, many agencies controlled cost by contesting claims resulting in animosity between employees, management and the union. Costs are now controlled through case management. Case management of claims is more cost effective and promotes better morale.

Statewide lost time hours have been reduced by 46%. New policies and procedures significantly reduce the time between injury and receipt of compensation for claimants. Workers' compensation premiums have decreased from \$55.5 million in fiscal 1995 to \$38.4 million in fiscal 1999, in part due to the transitional work program. The total number of disability claims has decreased from 4690 in 1995 to 4461 while the total number of employees has increased and the average age of employees has gone up.

Each employee is returned to his or her own job and it is referred to as a temporary work assignment. The goal is to have the injured worker perform as many of the normal duties as possible. Physical capabilities and essential functions are examined. The percentage of the job that a recovering employee can perform is determined and the ultimate likelihood that the employee will

return to that job. Qualified vocational case managers assist the doctors and employees to bridge the gap between injury, recovery and return to work.

Participation in the transitional work program has brought about savings for Ohio's taxpayers and better and faster payment and services to disabled employees. The program could be easily implemented by any other state, local or regional government where there is a need to control worker's compensation cost through early intervention and early return to work.

Written Justification Statements

State of Ohio

Transitional Work Program

- a. Description of the Program and relative significance to the improvement of the operation and /or efficiency of state government.** Ohio's transitional work program ("TWP") is a vocationally-based solution to lower workers' compensation premiums that returns disabled employees to their former jobs in a temporary work assignment. The program has significantly contributed to the operation of state government by lowering state agency workers' compensation premiums and minimizing the time an employee is not able to service the public due to absence from work. The program further contributes to better employee relationships due to fewer contested claims and more efficient claim processing.
- b. Calculation of actual savings in the short term and/or long term.** Compensation premiums declined from \$55.5 million in fiscal 1995 to only \$38.4 million in fiscal 1999. This represents a 30% reduction in worker's compensation premium cost for the state of Ohio, much of which can be attributable to the development of transitional work programs.
- c. Quantitative benefits realized by service recipients, taxpayers, agencies and/or the state.** Statewide the program has reduced the lost time hours by 46%. This enhances the ability of all state agencies to operate more efficiently. Fewer contested claims has led to increased morale in state agencies and employees are paid quicker who must be off work due to more efficient claims processing. Labor unions have responded very positively to the program.
- d. Relevancy of use by other state, local and federal governments.** This program should contribute to savings, efficiency and better employee morale in any state, region or federal location where there is a need to control cost through early intervention and early return to work for disabled employees.