

WORKERS' COMPENSATION & BODY MASS INDEX...YOU CAN'T AFFORD TO WEIGHT!

Synergy Coverage Solutions, LLC



Goals



- Understand the role of obesity & employee health on Workers' Compensation
- Increased employer awareness
- Protect employees & clients
- Simultaneously target obesity and workplace risks to lower WC costs, reduce absenteeism, increase the overall health of workers, and decrease the cost of health care for all employees

Outline



- Definitions
- Research & data presentation
- Conclusions
- What can I do?
- Risk/Reward

Definitions

- Body Mass Index – (an individual's body mass in pounds divided by the square of their height in inches), multiplied by 703
- Obesity Classes
 - Underweight – BMI less than 18.5
 - Recommended weight – BMI of 18.6 – 24.9
 - Overweight – BMI of 25 – 29.9
 - Obesity Class I – BMI of 30 – 34.9
 - Obesity Class II – BMI of 35 – 39.9
 - Obesity Class III – BMI of 40 or greater
- Matched Pair – two individuals with comparable demographics (e.g., gender, state, industry group, year, primary diagnosis, and age)

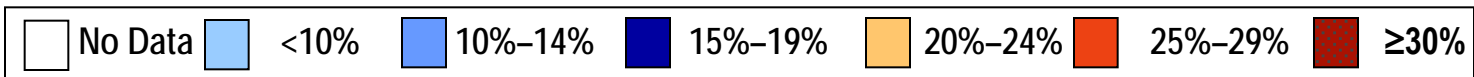
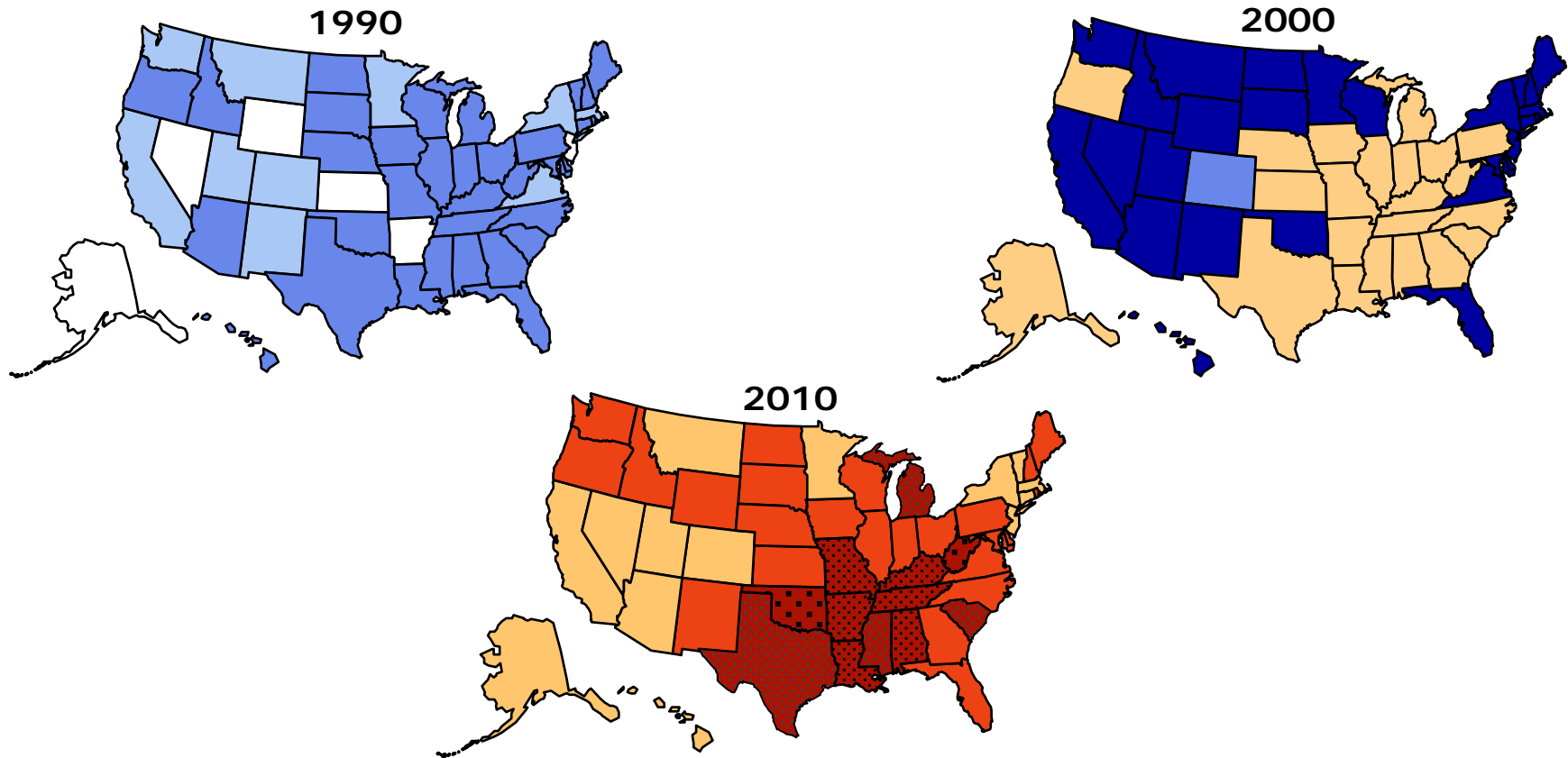
Research

- Centers for Disease Control
 - ▣ Behavioral Risk Factors Surveillance System – “Obesity Maps”
- Duke Health and Safety Surveillance System – April, 2007
 - ▣ records of 11,728 employees of Duke University who received health risk appraisals between 1997 and 2004
 - ▣ analysis covered a diverse group of workers, such as administrative assistants, groundskeepers, nurses and professors
- National Council on Compensation Insurance – NCCI
- Synergy Coverage Solutions, LLC

Obesity Trends* Among U.S. Adults

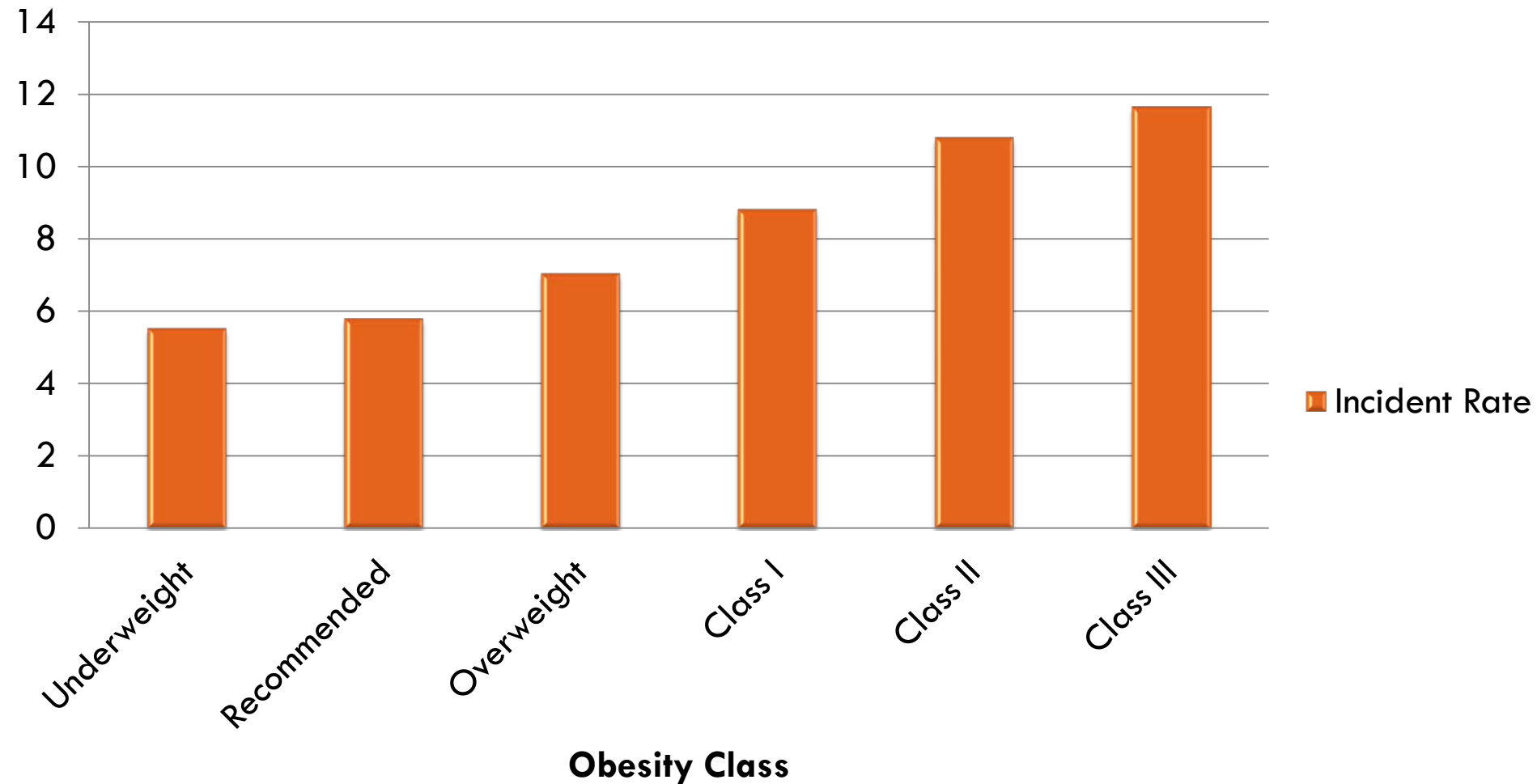
BRFSS, 1990, 2000, 2010

(*BMI ≥ 30 , or about 30 lbs. overweight for 5'4" person)



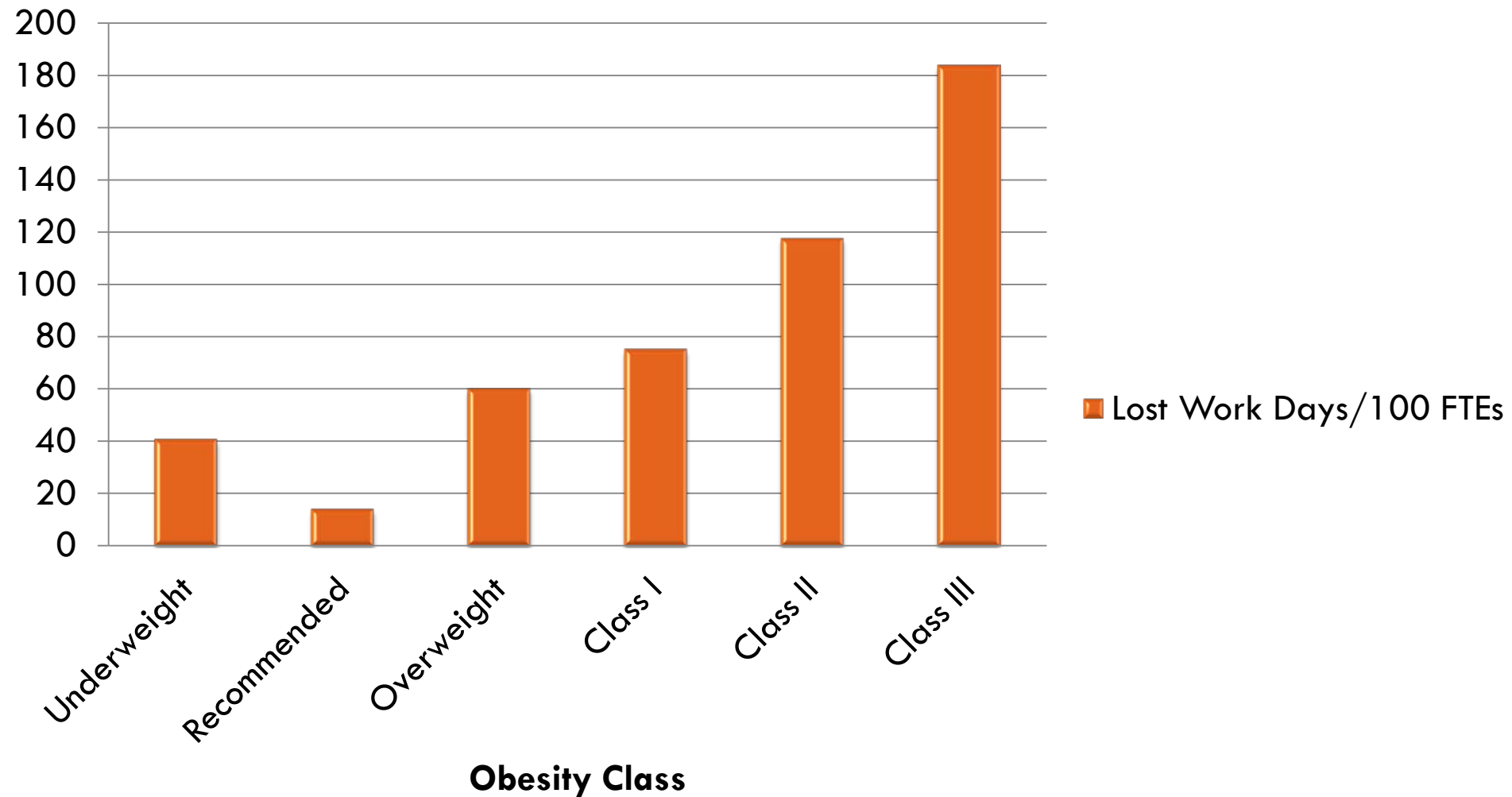
Duke Study

WC Incident Rate & Body Mass Index



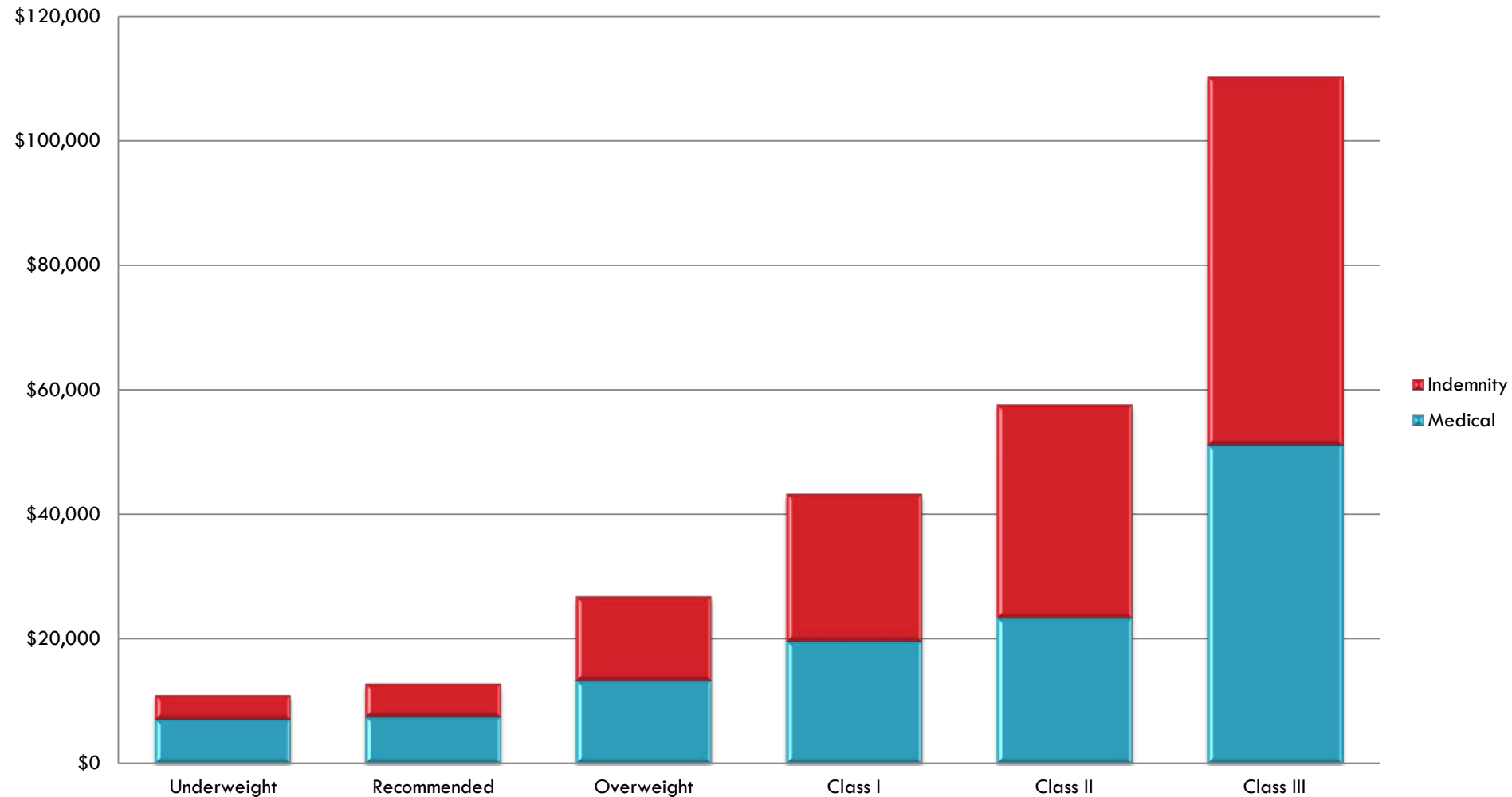
Duke Study

WC Lost Work Days & Body Mass Index



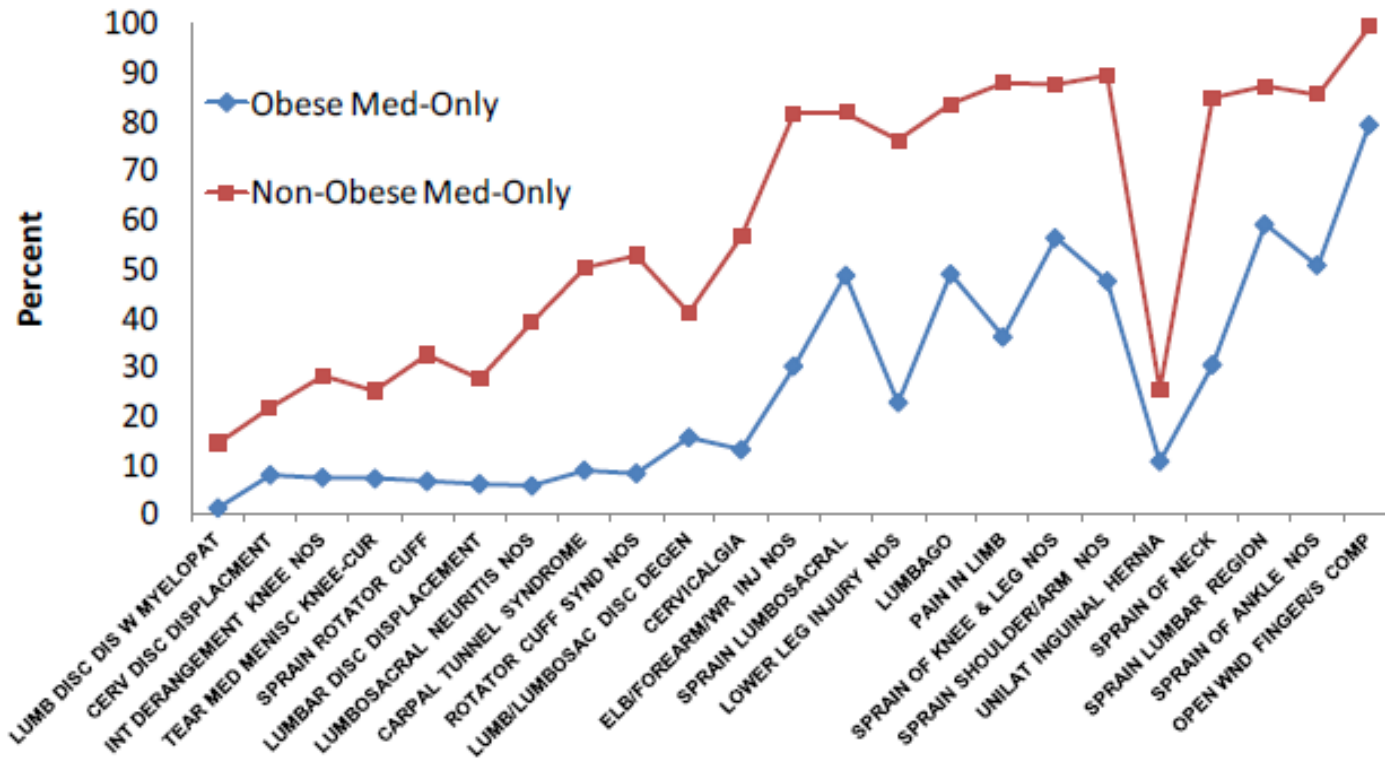
Duke Study

WC Costs/100 FTEs & Body Mass Index



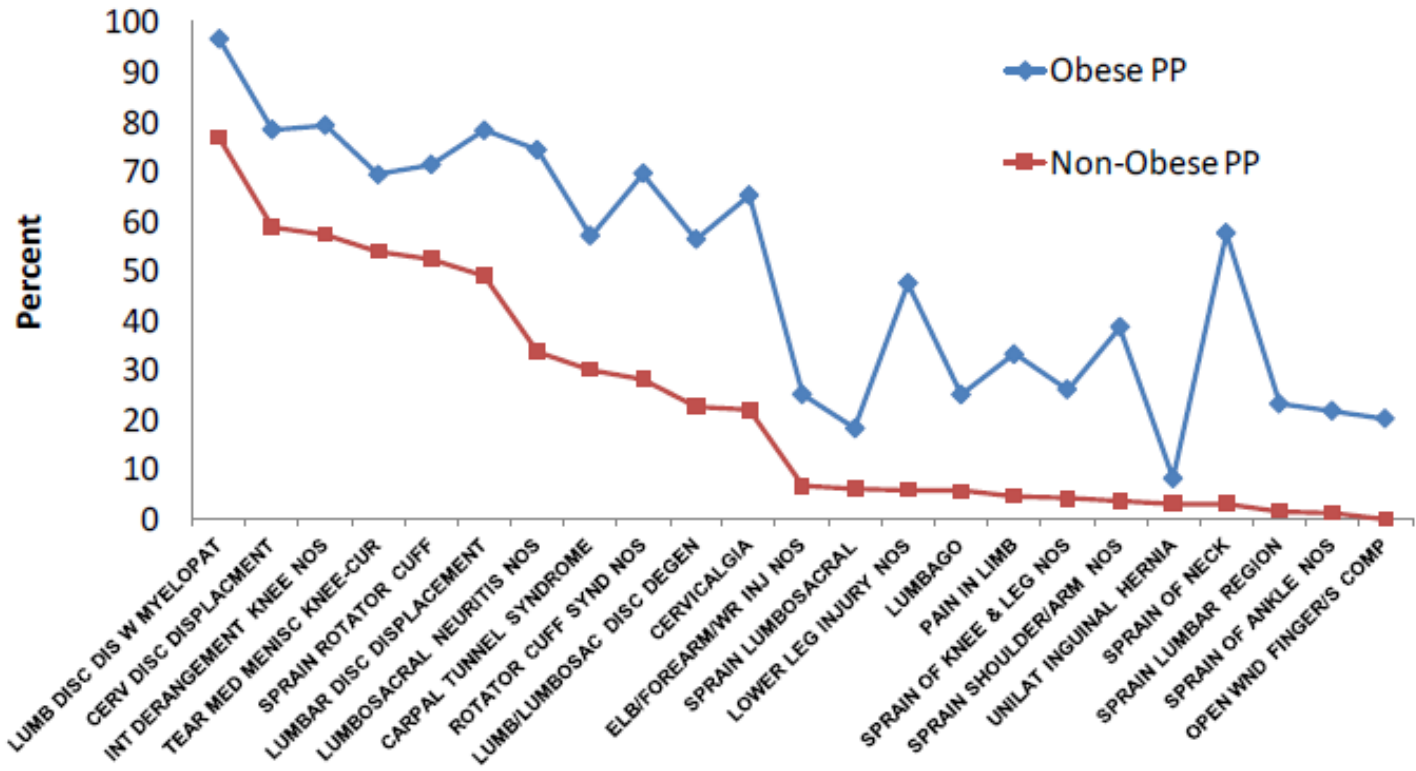
Non-Obese Claims Are Much More Likely to Be Low Cost, Medical Only

Share of Total Matched Pairs by Detailed Diagnosis Group That Are Medical Only (at least 50 matched pairs of obese and non-obese claims)

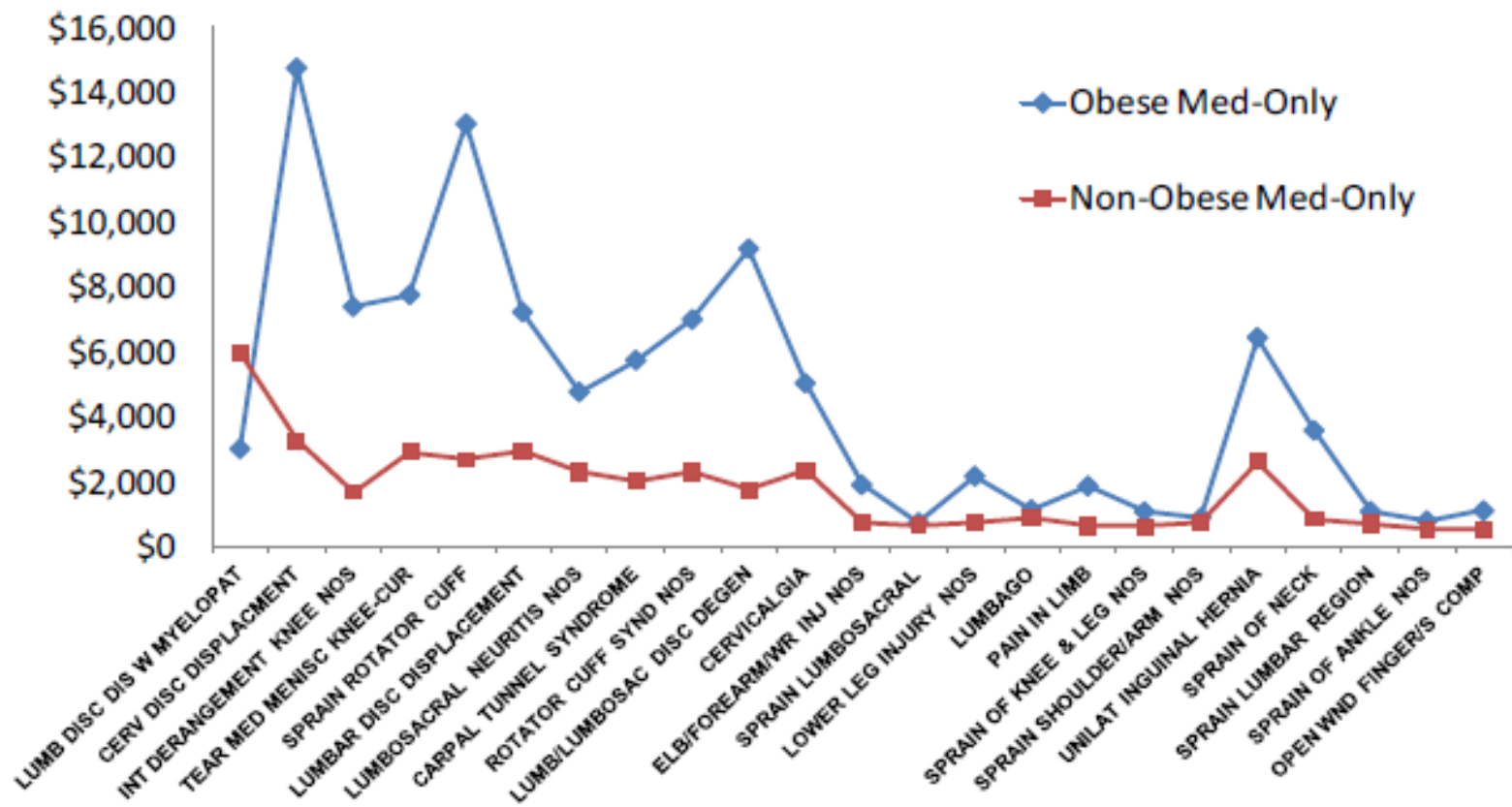


Obese Claims Are More Likely to Be High Cost Permanent Partial

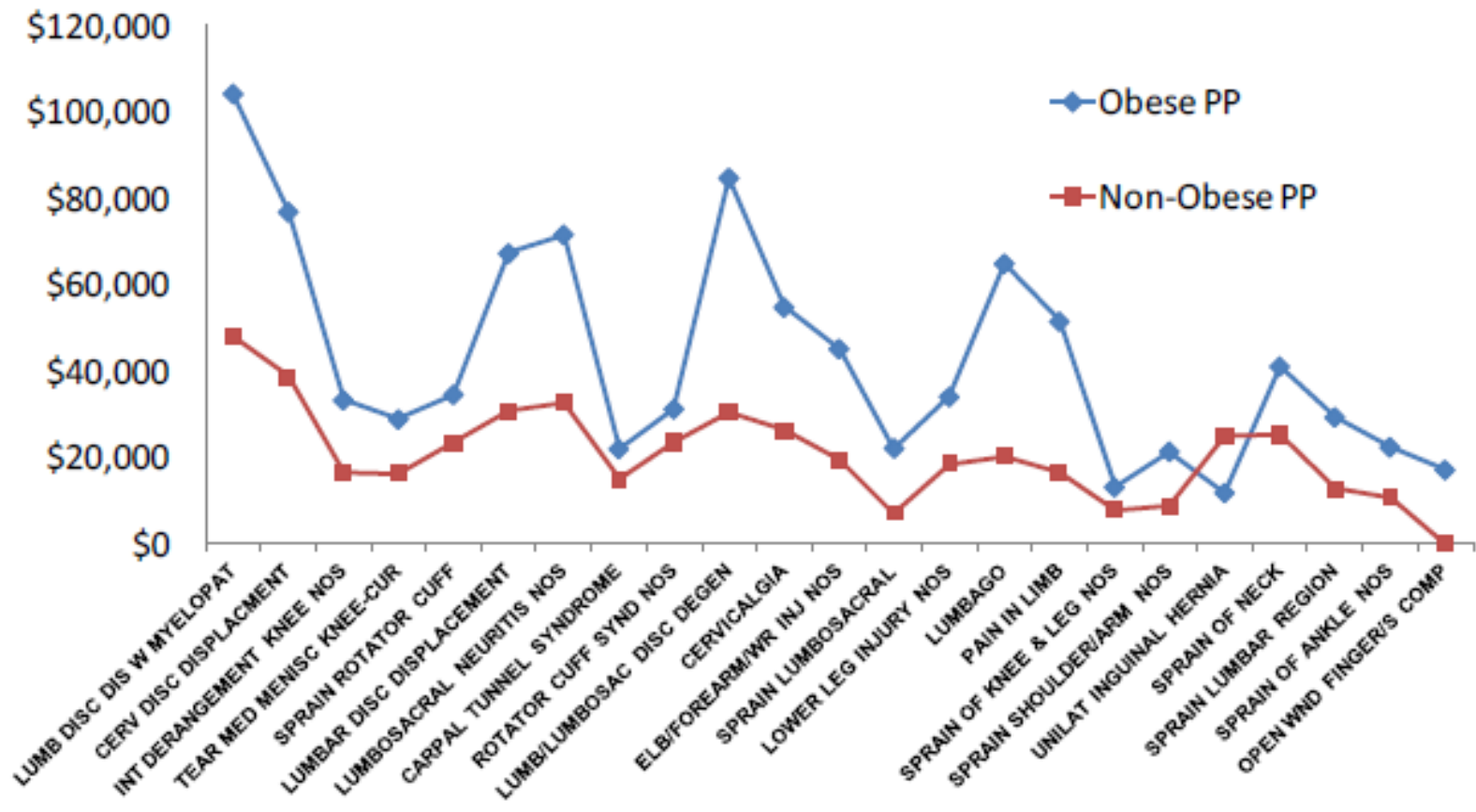
Share of Total Matched Pairs by Detailed Diagnosis Group That Are Permanent Partial (at least 50 matched pairs of obese and non-obese claims)



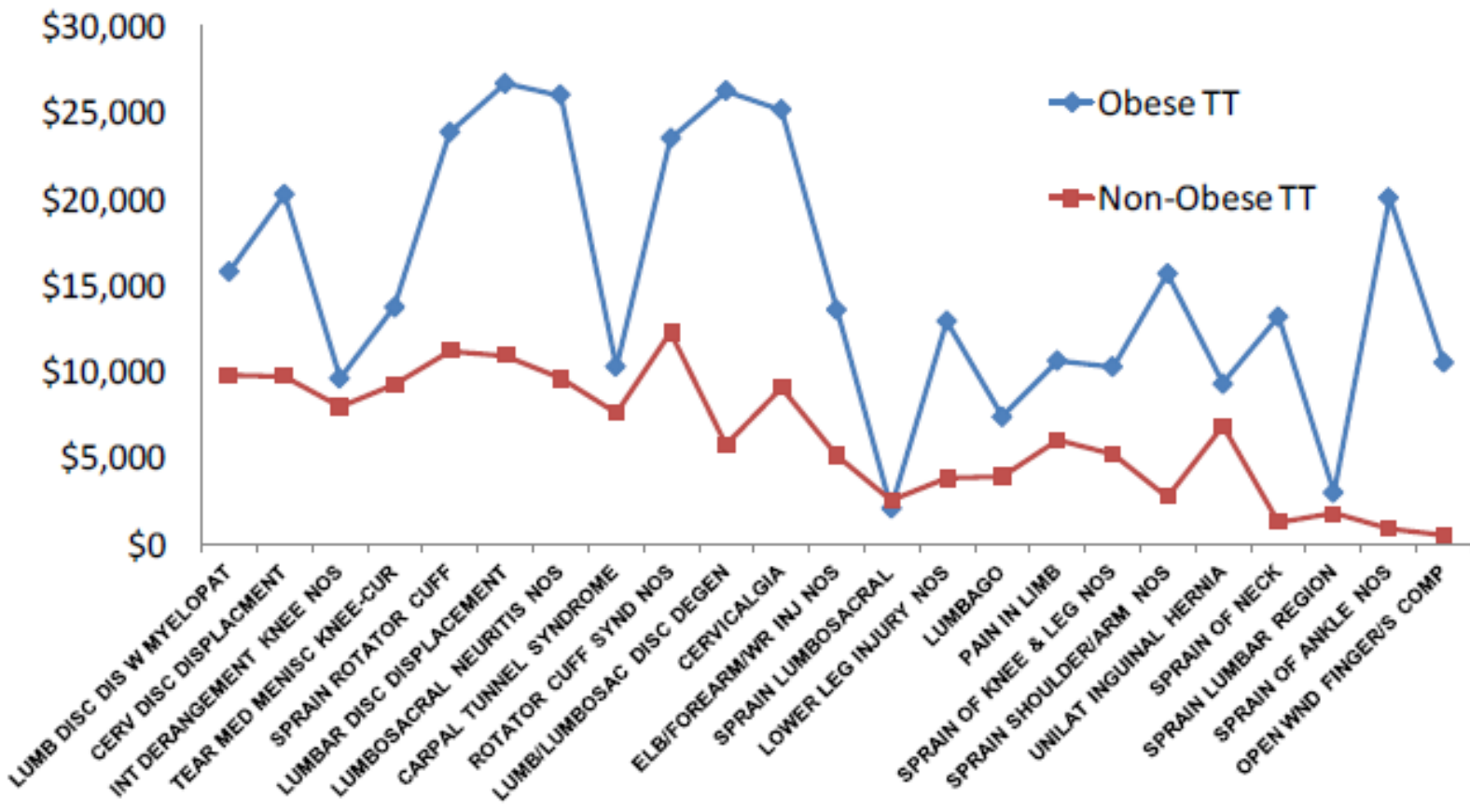
Average Medical Cost by Detailed Diagnosis Group—Claims That Are Medical Only (at least 50 matched pairs of claims, excludes duplicates)



Average Medical Cost by Detailed Diagnosis Group—Claims That Are Permanent Partial (at least 50 matched pairs of claims, excludes duplicates)



Average Medical Cost by Detailed Diagnosis Group—Claims That Are Temporary Total (at least 50 matched pairs of claims, excludes duplicates)



Synergy

Position	Sex	Age	Feet	Inches	Weight	BMI	Injury	Loss
Medical Assistant	Female	58	5	1	205	39	Ankle	203,045
Nurse	Female	40	5	3	240	43	Ankle	216,353
LPN	Female	54	5	7	179	28	Back	197,562
Nurse	Female	53	5	4	170	29	Back	98,173
Nurse	Female	61	5	4	200	34	Back	138,454
Office	Female	44	5	0	184	36	Back	171,168
Medical Assistant	Female	56	5	8	272	41	Back	144,108
Teacher	Female	32	5	5	345	57	Back	141,300
LPN	Female	61	5	4	200	34	Back, Knee	153,668
Medical Assistant	Female	56	5	3	254	45	Back, Knee	108,093
Medical Assistant	Female	45	5	6	195	32	Knee	155,695
Medical Assistant	Female	30	5	1	175	33	Knee	60,715
Medical Assistant	Female	58	5	4	192	33	Knee	53,167
Nurse	Female	45	5	3	194	34	Knee	137,691
Clerical	Female	35	5	5	210	35	Knee	125,759
Office	Female	38	5	5	210	35	Knee	61,853
Salesman/Inspector	Male	35	5	10	250	36	Knee	77,101
Teacher	Female	39	5	6	225	36	Knee	89,115
Office	Female	50	5	7	252	40	Knee	70,401
Medical Assistant	Female	54	4	10	119	25	Shoulder	185,420
Driver	Male	66	5	10	200	29	Shoulder	103,524
Medical Assistant	Female	71	5	1	160	30	Shoulder	122,420
Nurse	Female	54	5	5	211	35	Shoulder	78,416
Nurse	Female	37	5	3	230	41	Shoulder	99,602
Medical Assistant	Female	45	5	2	250	46	Shoulder	55,400

Conclusions

- Duke Study:
 - ▣ Employees in obesity class III have twice as many WC claims as employees at the recommended weight.
 - ▣ Employees in obesity class III have nearly 7 times higher WC medical costs and 11 times higher WC indemnity costs as employees at the recommended weight.
 - ▣ Employees in obesity class III have nearly 13 times more lost workdays as employees at the recommended weight.
- NCCI:
 - ▣ The risk of permanent disabilities from injuries is greater in obese workers
 - ▣ For the same injury, obese claimants require a wider range of medical treatment/costs and have a longer healing period
- Synergy:
 - ▣ Data confirms existing research

What Can I Do?

- Hiring personnel must be educated on the position for which the candidate is applying (e.g., requirements for lifting, bending, stooping, twisting, etc.):
 - ▣ Do I believe this candidate is truly fit for duty?
 - ▣ Will they harm themselves or my patients/clients?
 - ▣ You have the power and responsibility to make the correct risk management decision for your organization!
- Work with Synergy Loss Prevention to develop a Post-Offer Medical Questionnaire process.

Risk/Reward?

- But weight!! Isn't this discrimination??
 - ▣ NO! As long as you do not ask any disability-related questions during the application or interview process. You are making observations and risk management decisions...you have not elicited any disability-related information during the applicant stage. It is impossible to discriminate against someone if you don't know they have a disability!! Finally, it is important to note that obesity is not a "protected class," under the ADA.
- Post-Offer Medical Questionnaires: the ADA (2008 Amendments) allow employers to ask disability-related questions after a "conditional offer of employment."

Risk/Reward?

- But weight!! I'm concerned about an EEOC claim/lawsuit!!
 - ▣ Risk: an EEOC claim:
 - Initial investigation process, defense cost = \$5k, and;
 - Mediation, exposure of 3 mos. – 1 yr.'s salary = \$20k, OR;
 - Lawsuit, exposure to back wages during entire claim process = \$20k - \$25k
 - Low frequency event (less than 50% of EEOC claims result in an actual lawsuit), costing maybe \$30k, assuming applicant does not begin work elsewhere.
 - ▣ Reward: avoid high frequency event (WC claim), with an average claim cost of \$123k = \$93k savings

Sources



- CDC
- Duke University Health and Surveillance System
- National Council on Compensation Insurance