Course #7

MARKETING WORKERS' COMPENSATION PROGRAMS TO MANAGEMENT

Presented by

Jo Ann Pena

Workers' Compensation Manager

Department of the Interior

National Park Service

Risk Management Division

1849 C Street, NW - Room 7426

Washington, DC 20240

Phone: *202-565-1105*

Fax: *202-565-1114*

E-mail: *joann_pena@nps.gov*

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WHAT MARKETING IS. . .

- **“The act or business of promoting sales of a product, as by advertising and package.”**

In other words,

- **“Marketing is educating people about the attributes of a program, its products and the services it provides while at the same time attaining maximum efficiency and profitability.”**

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Goals of an Effective Workers' Compensation Program

- Immediate response to employee's needs
- Expeditious return to normal duty or Alternative Work Assignment (AWA)
  {See attachment A}
- Improve communication between all parties
  {See attachments 1 – 6}
- Identify clearly the responsibilities of employees and supervisors {See trifold brochure}
- Ensure compliance with Agency policy and Department of Labor regulations
- Reduction of costs
- Swift action on fraudulent claims

7 Ways to Control Costs $$$$$

- Treat employees with respect
- Communicate with Claims Examiner at DOL
- Educate employees & supervisors regarding the FECA/workers' compensation benefits.
- Review chargeback reports
- Create and Implement an Alternative Work Assignment (AWA) Program
- Investigate questionable suspicious claims

  {See Hot-Line Flier}

Analyze Your Program

Before you can sell your program (product) to management, you need to know how your program works

- **Make appropriate improvements where needed**
- **Ensure quality case management**
- **Continue to create new strategies**

Effective Methods to Sell Your Program

- Proficiency in computer technology and wisdom on how and when to use
- Knowledge of other fields like safety, occupational health, benefits, classification, HR, etc.
- Demonstrate ability to be organized and creative in developing new strategies and making program changes
- Maintain open-mindedness and flexibility
- Demonstrate ability to analyze/develop solutions quickly
- Ensure prompt assistance and payment of benefits to employees who incur work-related injuries/illnesses
- Manage the program effectively and efficiently

Attaining Excellence in a Workers' Compensation Program

- Strong commitment from managers
- Collaboration with the Safety Office
- Support your workers' compensation personnel
- Comprehensive tracking system
- Effective methods for detecting fraud
- Continuously monitor your program

Performance Indicators & Review

- Develop and present reports
- Performance Indicators
  - Lost Time Cases
  - Non Lost Time Cases
- COP costs work hours vs lost work hours
- Compensation yearly costs vs last year's costs
- Use your data information to develop trends for evaluation
- Review COP and chargeback costs

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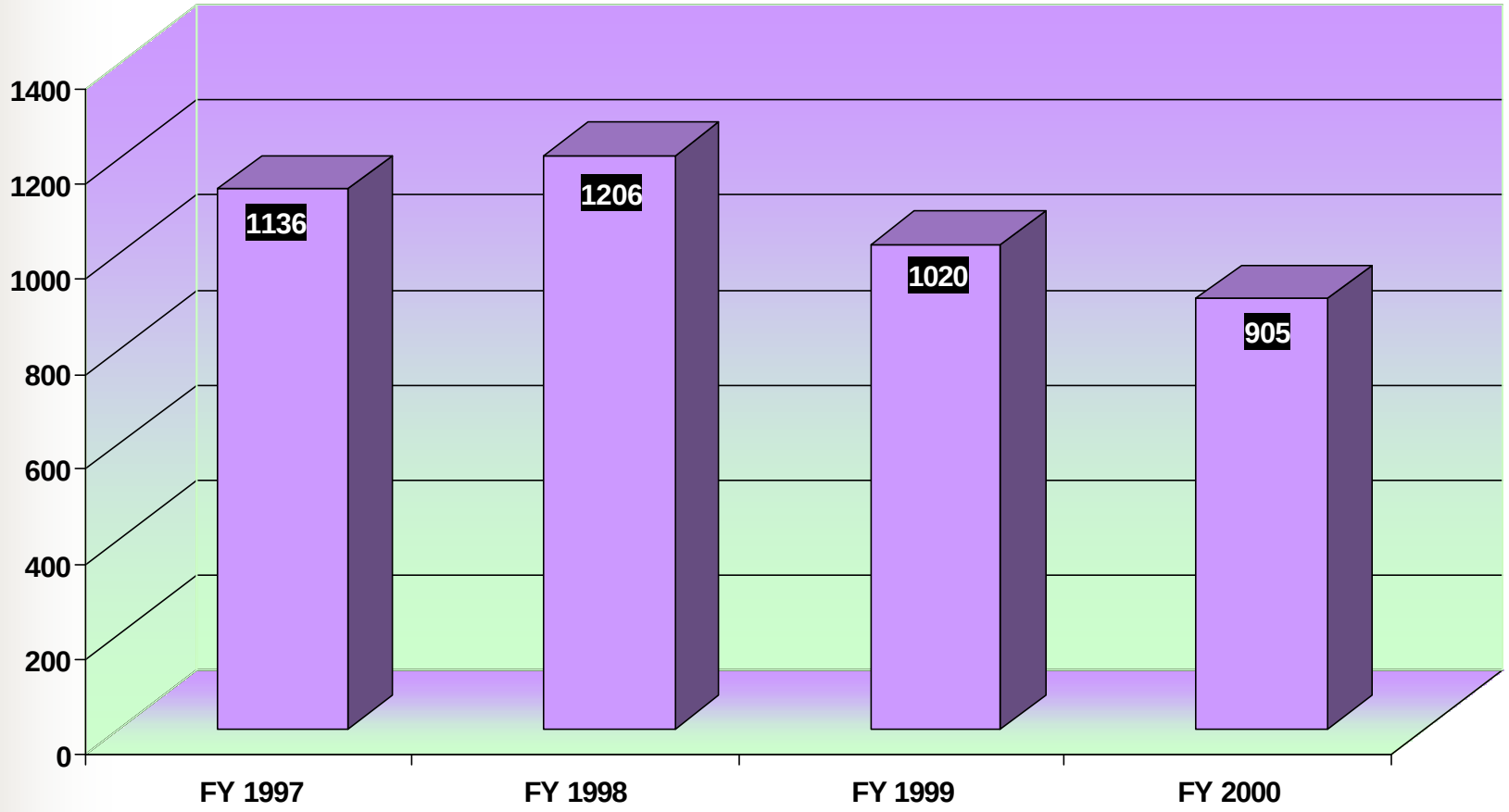
Lost Time Incidents/Accidents Claims



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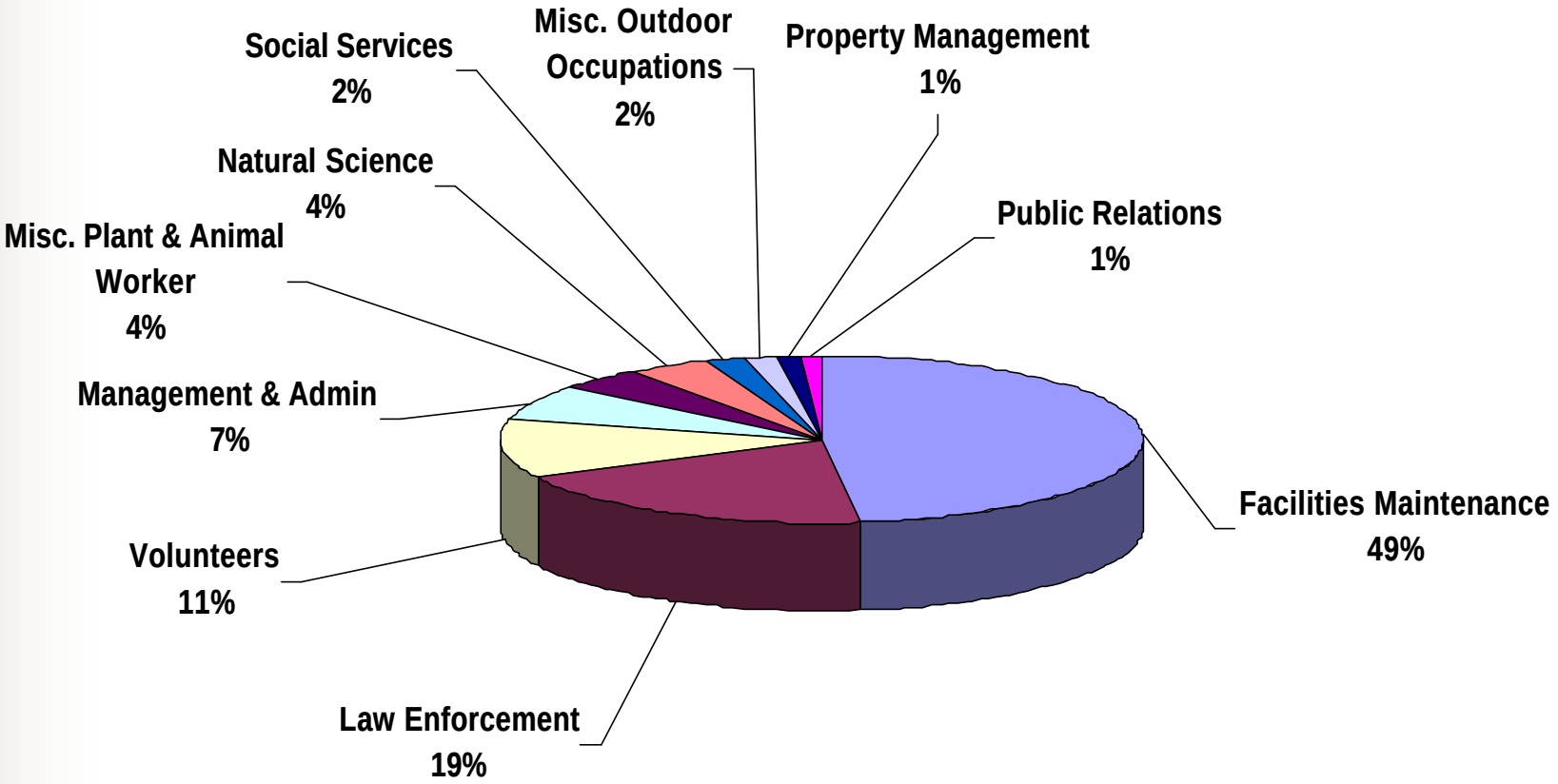
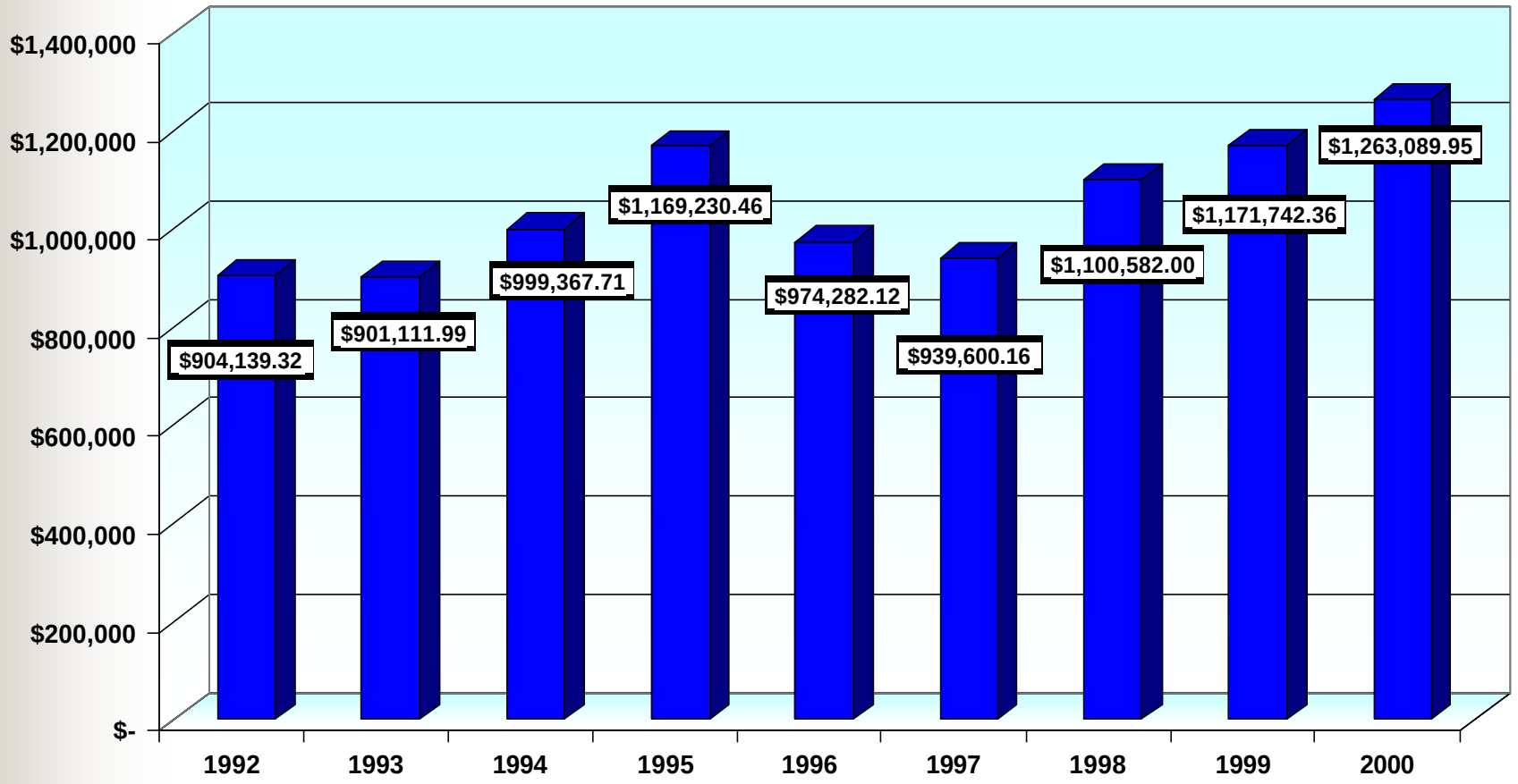
Lost Time Incidents/Accidents – By Occupation
FY 2000



Continuation of Pay Costs
Fiscal Year Comparisons



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OWCP Paid - Chargeback Year 1999

Region	Number of Cases	OWCP Compensation	OWCP Medical	Total OWCP Paid
Unknown	111	$ 284,451.48	$ 54,543.29	$ 338,994.77
AK	72	$ 48,475.20	$ 58,308.75	$ 106,783.95
AKRO	5	$ -	$ 10,383.59	$ 10,383.59
DS	10	$ -	$ 1,507.36	$ 1,507.36
IM	831	$ 1,902,382.08	$ 975,489.99	$ 2,877,872.07
IMRO	13	$ -	$ 11,280.15	$ 11,280.15
MW	264	$ 317,894.59	$ 337,622.09	$ 655,516.68
MWRO	6	$ 23,436.96	$ 291.39	$ 23,728.35
NC	600	$ 1,119,426.44	$ 603,990.13	$ 1,723,416.57
NCRO	4	$ -	$ 1,694.00	$ 1,694.00
NE	651	$ 1,363,985.18	$ 615,791.63	$ 1,979,776.81
NERO	3	$ -	$ 134.00	$ 134.00
PW	994	$ 1,908,800.85	$ 1,181,967.63	$ 3,090,768.48
PWRO	10	$ 2,101.64	$ 51,573.01	$ 53,674.65
SE	501	$ 911,221.20	$ 568,444.51	$ 1,479,665.71
SERO	6	$ -	$ 4,674.69	$ 4,674.69
WO	385	$ 3,835,753.91	$ 638,460.17	$ 4,474,214.08
Total	4,466	$ 11,717,929.53	$ 5,116,156.38	$ 16,834,085.91

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OWCP Paid - Chargeback Year 2000

Region	OWCP Medical Paid	WCP Compensation P	otal Amounts Pai
Unknown	$597,356.04	$3,765,123.17	4,362,479.21
AK	$60,800.52	$30,463.73	91,264.25
AKRO	$4,823.47	$8,649.64	13,473.11
DS	$5,015.01	$0.00	5,015.01
IM	$1,133,649.88	$1,511,391.96	2,645,041.84
IMRO	$33,592.64	$0.00	33,592.64
MW	$289,924.27	$257,079.21	547,003.48
MWRO	$982.99	$10,807.60	11,790.59
NC	$796,104.15	$1,528,253.84	2,324,357.99
NCRO	$8,952.00	$89,649.28	98,601.28
NE	$598,298.12	$1,260,037.65	1,858,335.77
NERO	$3,098.50	$0.00	3,098.50
PW	$1,553,931.50	$1,915,011.43	3,468,942.93
PWRO	$95,788.05	$29,275.94	125,063.99
SE	$776,340.25	$1,064,724.20	1,841,064.45
SERO	$10,152.66	$53,966.09	64,118.75
WO	$62,882.99	$87,554.04	150,437.03
Totals	**$6,031,693.04**	**$11,611,987.78**	**17,643,680.82**

Develop Specific Gauges for Implementing Performance Measures

- Ultimate goal is to provide management with accurate information to make intelligent decisions

  "If you don't measure results, you can't tell success from failure."

OWCP Cost Growth Rate

Current chargeback year total OWCP Costs over the last 3 years. The calculation should be represented in a percentage of growth, either:

- **Positive**
- **Negative**

- **Source**

Data available in quarterly chargeback report from the Department of Labor. Measure can be calculated quarterly or annually.

- **Value**

Allows management to see trends in growth rates and what action may be needed.

Continuation of Pay (COP)

Total COP costs for the last 3 years. The calculation should be represented in a percentage of growth, either:

- **Positive**
- **Negative**

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- **Source**

The date is available from your payroll system (such as the Federal Personnel Payroll System, FPPS). The measure can be calculated annually.

- **Value**

COP is hidden cost not shown in OWCP's Chargeback Reports. It represents lost costs in dollars and productivity.

Periodic Roll Growth Rate

- Current number of periodic roll cases over previous year. Calculations should be represented in actual numbers.
- Data available from quarterly chargeback reports as provided by OWCP.

  -- 60% of OWCP costs are cases on the periodic rolls. Strive for reducing cases transferred to the periodic rolls of OWCP.

REMEMBER

- Make your programs win-win for everyone involved
- Plan for success
- Good communication is one of the keys to your program's success