

Return to Work An Executive Strategy

Berkshire Hathaway Homestate Companies

Loss Control Department

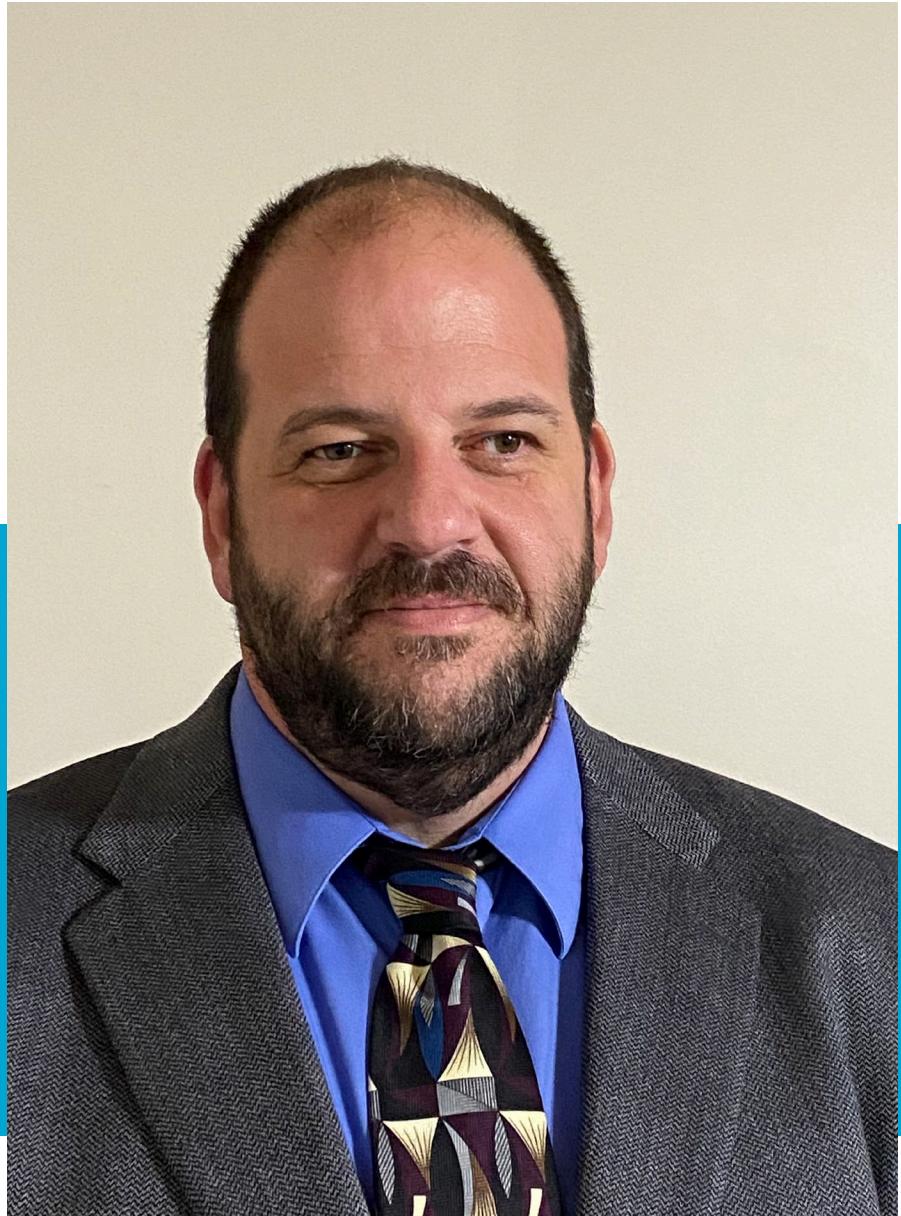
January 2026

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AGENDA

January 2026

1. Return to Work Programs
2. How returning injured workers to transitional duty is good business
3. Develop a Return-to-Work Process



Christopher Smith

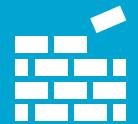
Loss Control Specialist



Illinois State University Alumni with a B.S. in Safety



22 years managing safety programs for a large commercial bakery and two precast concrete companies



3 years with BHHC assisting business partners improve their safety programs

Return to Work Programs





Return to Work

What are the two basic types of claims?

Medical Only Claim

- Generally minor injuries
- No lost time / employee remains working
- Only claims costs are for medical treatment

Indemnity Claim (Lost Time)

- More severe injuries,
- Off work for statutory number of days
- More costly as often the worker is paid for lost time

Returning Injured Workers

- Average employee is out of work for 94 days

NCCI "Temporary Disability Duration in Workers Compensation— A First Look"

- Evidenced-based medical guidelines recommend shorter disability periods for most injuries.

- Injured workers become the doctors' customers

- Doctor may unnecessarily prolong disability

The quicker employees return to work the better!

Return to Work Program



- A method to return injured employees to work while they are still under treatment with the doctor
- The sooner employee is active, the better the recovery
- Employer develops return to work plans before injuries occur
- Employer is involved with the injured worker and the medical provider

A group of diverse workers in a warehouse setting, some using mobility aids, smiling and interacting.

How returning injured workers to transitional duty is good business

Benefits of Return to Work



Financial Benefits

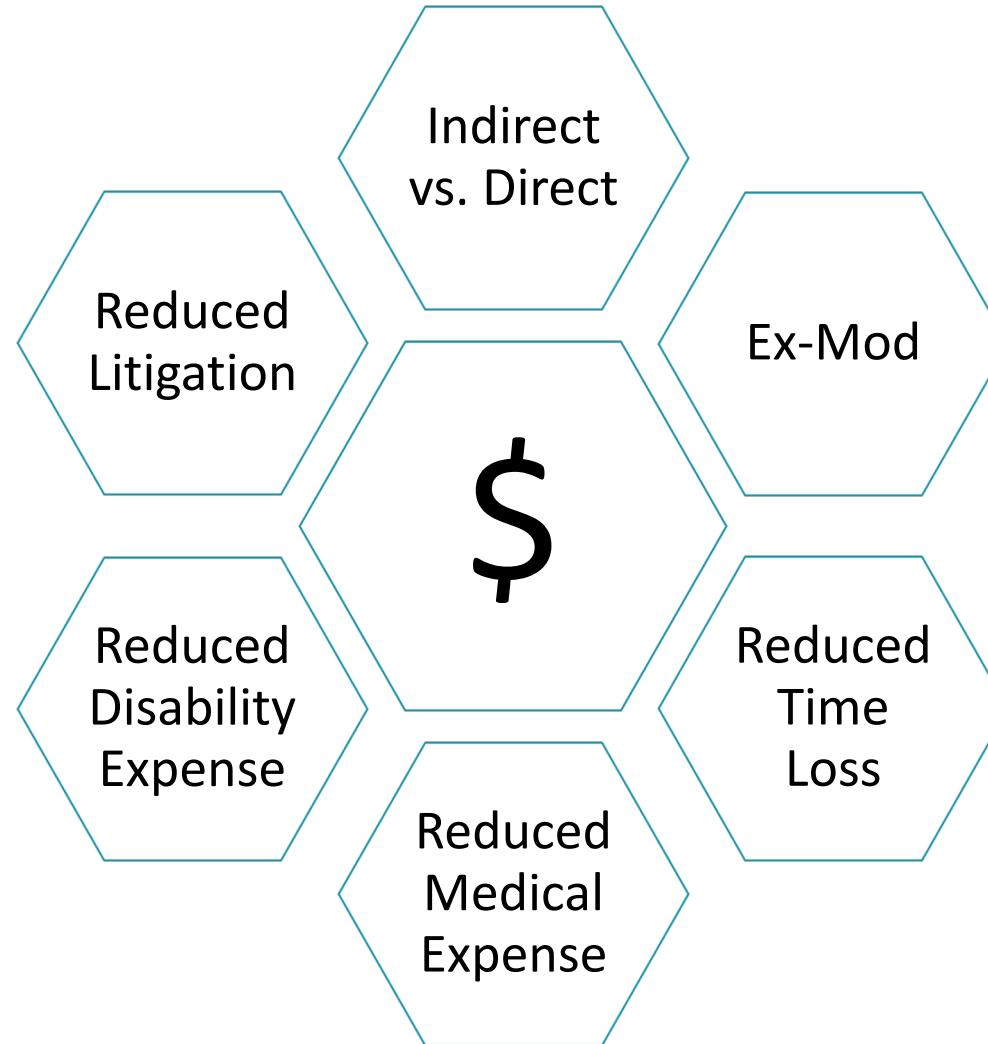


Employee Benefits



Organizational Benefits

Financial Benefits



Direct vs. Indirect Costs

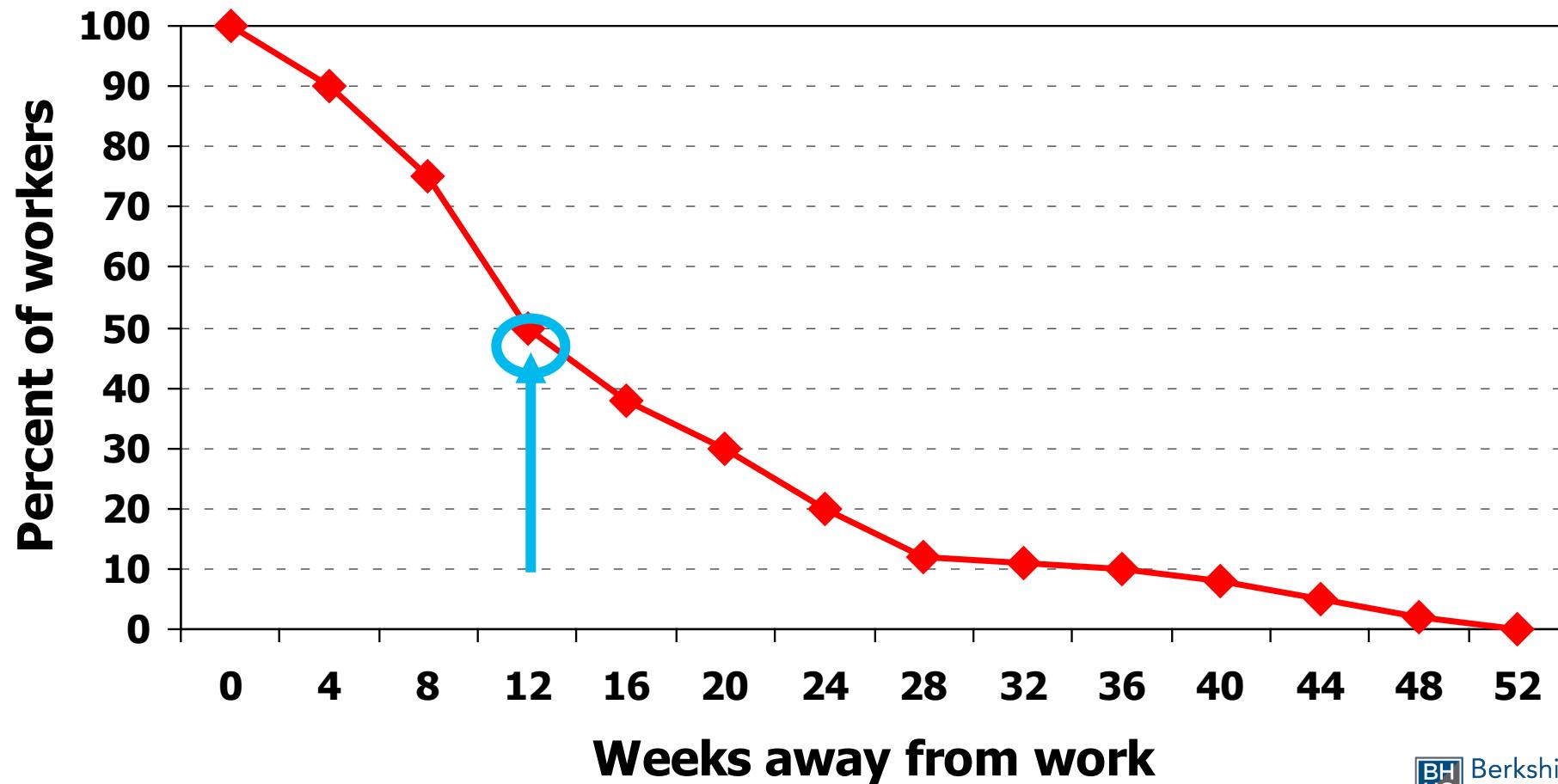
- The direct costs are typically paid for directly by Workers' Comp insurance and ultimately falls back on the employer
- Several studies suggest that hidden expenses are much larger than the direct costs
- Indirect costs are typically paid by the employer

Indirect cost anywhere from 1 to 20 times the direct costs



Time is of the Essence

After 12 weeks off the job following an injury, about 50% of all workers will not return to their jobs! After one year, the likelihood decreases to less than 2%.





Disability Savings

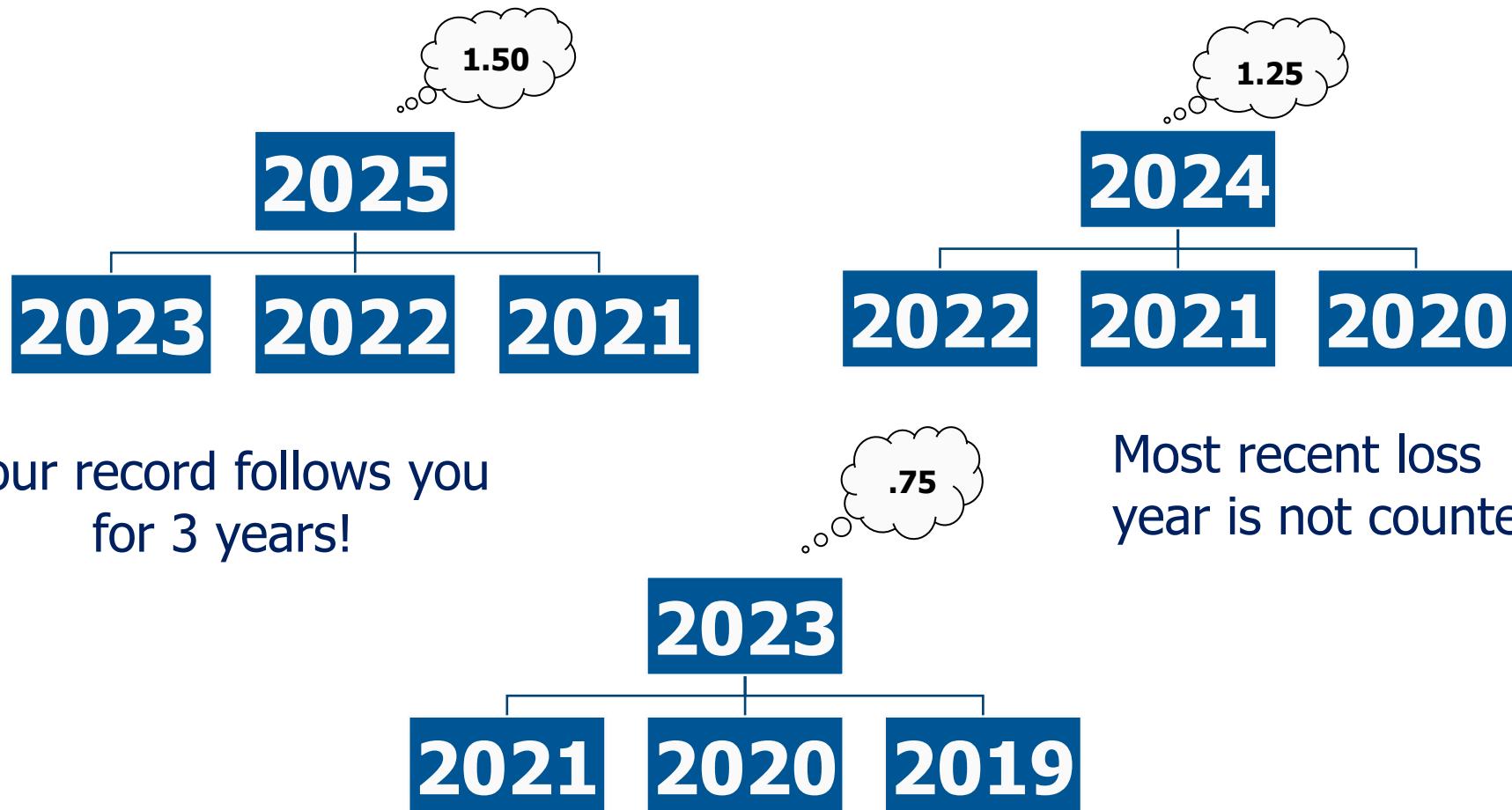
- Studies show the length and cost of disability goes down
- Early Intervention is the key to preventing disability
- 57% of accommodations cost absolutely nothing to make

Experience Modification

- Calculated annually
- Effective for one year
- Payroll exposure for three years
- Compares a company's loss experience to other similar businesses (by class code)
- Adjusts the company's premiums to reflect its actual loss experience
- Published by Workers' Compensation Insurance Rating Bureau

$$\frac{\text{Actual Losses}}{\text{Expected Losses}} = \text{Ex-Mod}$$

Experience Modifier



“Injured Employees Return to Work to Get Well”

Maximum Medical Improvement Faster

Research has shown that with a proactive RTW program:

- Workers return to their regular duty work faster
- Workers may attain maximum medical recovery 3 times faster

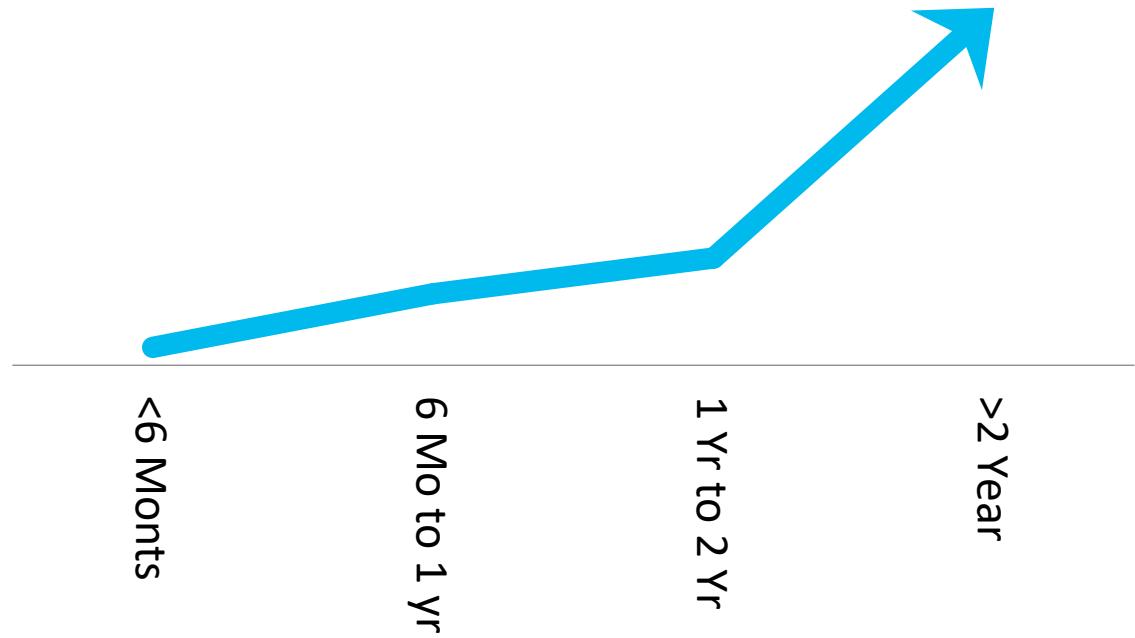
TTD Payments - Direct Cost of Lost Time

	RTW: No lost time No TD	RTW Part-Time @ 8 weeks Paid Wage Loss	Off work 8 weeks Paid Full TD
Technician Avg. Weekly Wage: \$1,500 TD @ \$986.69 per week (based on statutory max \$1,480.04)	\$ 0.00	\$ 4,693.52 (earning \$600 week)	\$ 7,893.52
Warehouse Worker Avg. Weekly Wage: \$771.75 TD @ \$514.50 per week	\$ 0.00	\$ 2,249.25 (earning \$350 week)	\$ 4,116.00
Assembler – part time Avg. Weekly Wage: \$189 TD @ \$148.00 per week (based on statutory min \$222.00)	\$ 0.00	\$ 650.64 (earning \$100 week)	\$ 1,184.00

Reduced Litigation

- Employees are in wellness environment not focused on disability
- Income continues – less fear of future
- No benefit of being away from work
- Bottom line – faster claims close the less likelihood for litigation

Longer a Claim is Open the higher the Litigation Rate climbs!



Employee Benefits



We CARE!

Can Do vs.
Can't Do

Improved
Recovery

Income
continues

Show You Care



Returning to Work allows the employee to show they care about the company.



It allows the employee to demonstrate their willingness to help others.



And also allows the employee to show they are part of the team and feel a part of the team.

Wellness Environment

Wellness Environment

- Focus on what employee can do
- Continue to interact with friends and coworkers
- Continue to move and be active, keeping uninjured body parts healthy
- Monitor adherence to restrictions during recovery

Disability Environment

- Fear of losing job
- Concern on what others are thinking about injury
- Focus on things that employee cannot do
- Exposure to solicitations from lawyers
- Inadvertent work outside of restrictions



Speedier Recovery

Recover Faster

- Wellness vs. Disability Environment
- Continued activity and motion
- Incentive to return to normal work

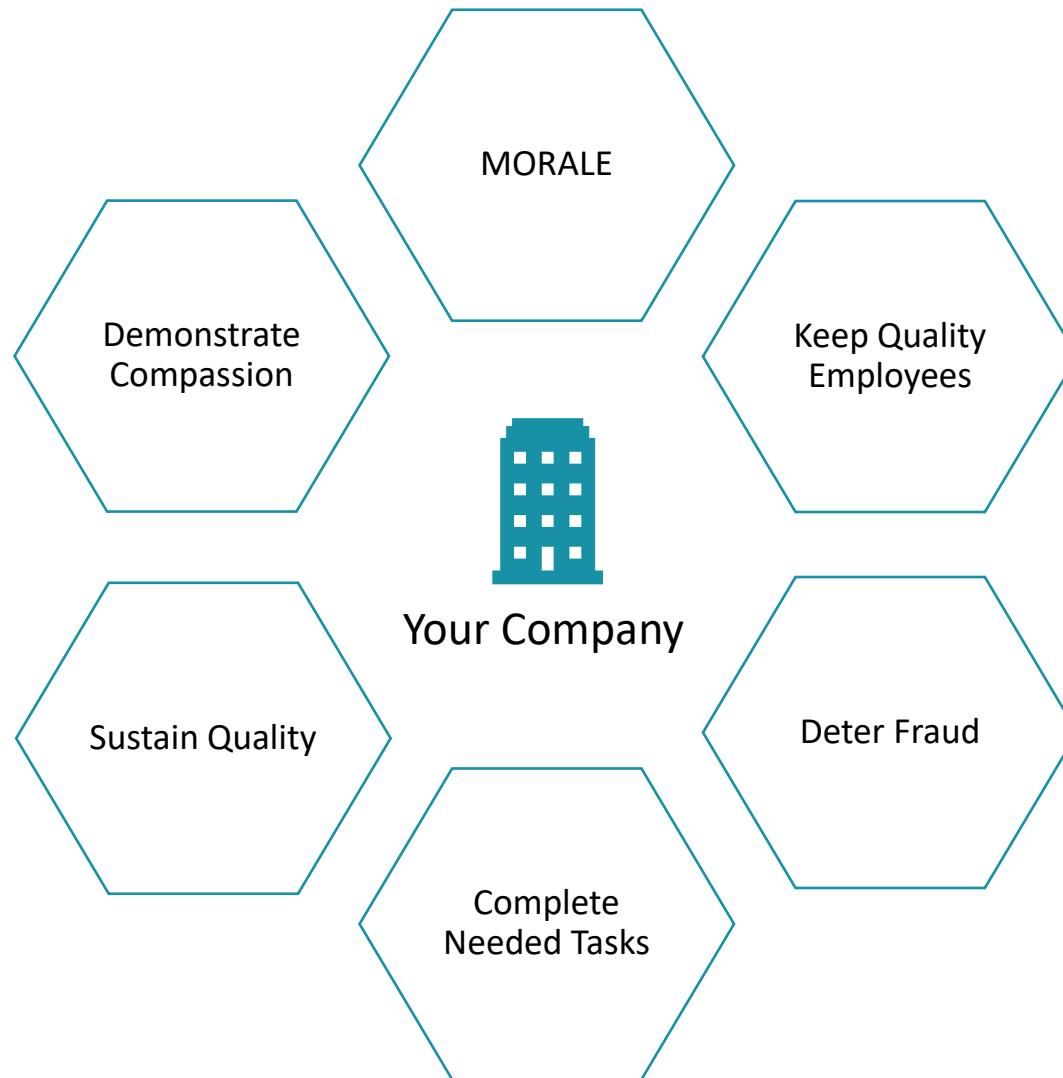


Income Stability

Take Care of the Family

- Most modified duty positions continue to pay employee regular wages
- Staying at work helps reduce concerns about losing job

Organizational Benefits



“There is an insidious tendency to neglect important tasks that do not have to be done today – or even this week.”

- Charles E Hummel

Complete Neglected Tasks

General Neglected Tasks

- Inventory
- Inspection
- Maintenance
- Cleaning/Janitorial
- Filing

Parts of Jobs

- Silverware set-ups in restaurants
- Fingernail care in Long Term Care Facilities
- Tracking equipment downtime
- Inspection and grading of fruit



Demonstrate Compassion

Show Workers You Care

- Being injured is hard on the employee!
- Demonstrates your commitment to your workers
- Compassion shown pays off in reduced litigation
 - Litigation drives expense in workers compensation

Deter Fraud

Visible Deterrent

- Demonstrates that WC benefits are likely to just be medical:
 - Reduced settlements
 - Reduced Disability
 - Injured Employees at work instead of home
- Do not pay an employee off work if a valid transitional offer is made

Keeping Quality Employees

Quicker Back is Better

- The longer the disability, the less likely employees return to employer
- It is difficult to find quality employees in today labor market
- Transitional duty returns employee to full duty quicker

Morale: What Other Employees See



Willingness to help employees
– two-way loyalty.



If tasks are productive – someone helping them with their work.



Injured worker at work every day
– not “on vacation”.



Learn more about hazards and controls at work.

Sustain Quality

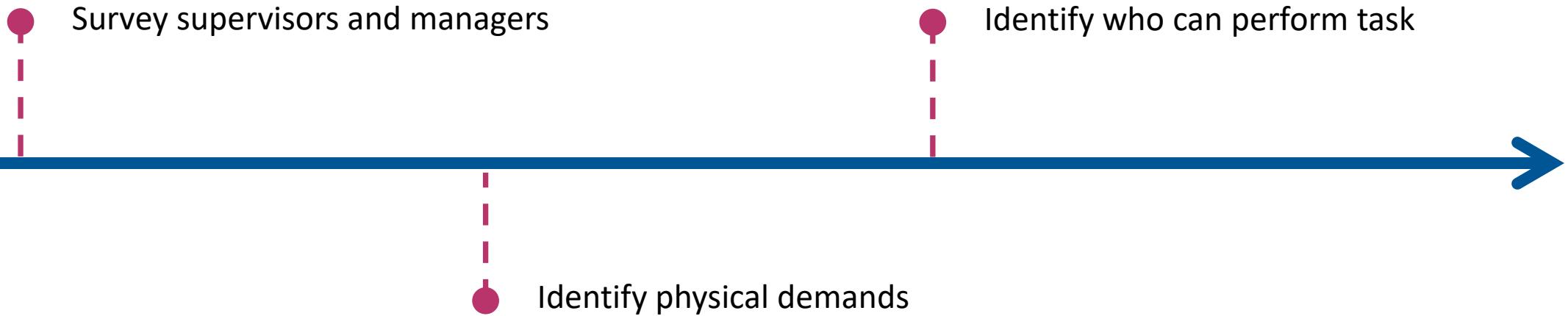
Maintain Quality

- Maintaining workforce helps maintain quality
- Use Quality Assurance tasks as transitional duty
- Use quality oriented injured workers to train new workers on production

Develop a Return-to-Work Process



Creating a Transitional Duty Task List



The Power of Communication





Survey Managers & Supervisors

- Ask – “What would you have an employee do if you had an extra employee for a day?”
- Do not ask for light duty tasks
- Collect surveys from all supervisors and managers – consolidate and combine
- Create final list of tasks

Identify the Physical Demands

Identify physical demands of task for an hour:

- How much lifting at what weight
- How much bending
- Reaching over head
- Sitting
- Standing
- Fine manipulation

Company Name Temporary Transitional Duty Task Physical Capacities Form					
Task #: ###	Task Description: Click or tap here to enter text.				
Employee:	Date of Birth: Enter DOB Here				
In an <u>8</u> hour workday, the employee will stand (total)	<input checked="" type="checkbox"/>	None	0-2 Hours	2-4 Hours	4-6 Hours
In an <u>8</u> hour workday, the employee will stand (at one time)	<input checked="" type="checkbox"/>				
In an <u>8</u> hour workday, the employee will sit (total)	<input checked="" type="checkbox"/>				
In an <u>8</u> hour workday, the employee will sit (at one time)	<input checked="" type="checkbox"/>				
In an <u>8</u> hour workday, the employee will drive car/truck (at one time)	<input checked="" type="checkbox"/>	None	10-30 Minutes	30-60 Minutes	1-3 Hours
Employee Can Lift and Carry (max)	<input checked="" type="checkbox"/>	Over 5 Pounds	5 to 10 Pounds	25-50 Pounds	Over 100 Pounds
Employee Can Lift and Carry (frequently)	<input checked="" type="checkbox"/>				
Employee Can Lift and Carry (occasionally)	<input checked="" type="checkbox"/>				
Employee can use hands for repetitive	<input checked="" type="checkbox"/>	Yes	No		
Simple Grasping	<input checked="" type="checkbox"/>				
Pushing and Pulling	<input checked="" type="checkbox"/>				
Fine Manipulation	<input checked="" type="checkbox"/>				
Employee can use feet for repetitive movement (operating foot control)	<input checked="" type="checkbox"/>	Yes	No		
Employee may perform the following:		Frequently	Occasionally	Not at All	
Bend	<input checked="" type="checkbox"/>				
Kneel	<input checked="" type="checkbox"/>				
Squat	<input checked="" type="checkbox"/>				
Climb	<input checked="" type="checkbox"/>				
Reach	<input checked="" type="checkbox"/>				
Employee is exposed to environmental factors such as heat/cold, dust, heights, dampness, etc.	<input checked="" type="checkbox"/>			Comments	
Will treatment or medication affect employee's ability to perform work?	<input checked="" type="checkbox"/>	Yes	No	Comments	
Will employee require any assistive devices or braces?	<input checked="" type="checkbox"/>	Yes	No	Comments	



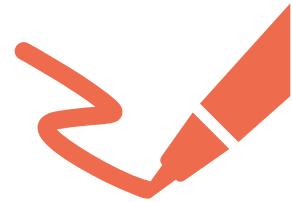
Identify Who can Perform Task

- Essential skills required
 - Read or writing – language
 - Operate machine
- Identify body part accommodations
 - Finger, hand, wrist, arm, elbow, shoulder
 - Toe, foot, ankle, leg, knee, hip
 - Back or trunk
 - Head and neck

Developing a Formal Program



Develop a Policy



Top management or owner
needs to write the policy



Policy needs to be
communicated to everyone



Policy should be implemented

Short, Direct Policies are
better than long ones

Formalize Process & Procedures

- Identify what needs to be done
 - Taking care of employee
 - Filing Claim
 - Communicating with MD
 - Identifying Transitional Tasks
 - Making Offers
 - Supervising Returning Employees
- Identify when in the Process it needs to be done
- Identify who will do it
- Document it



Partner with Healthcare Providers

- Share program with clinic
- Ask Doctor for their input
- Have Doctor visit operation
- Consider:
 - Providing Video of normal work
 - Providing Video of transitional duty
 - Going to key medical appointments with employees



Set Expectations Early & Often

- Tell employees what to expect from the company if they are injured on the job
- Explain what the company expects of them if they are injured on the job
- Train at implementation of program
- Train during orientation training for new hires
- Spot training at injury

Train Supervisors & Managers

- Supervisors and foremen are critical to RTW success
 - Day to day relationship with employees
 - Often perceived as “the boss”
 - Can help figure out RTW options
 - Help keep employees “connected” to the workplace
- Provide training on what they need to do (accommodate, ensure employee works within restrictions, show they care)
- Involve them in identifying transitional duty tasks

Ideas to Consider: When Developing Transitional Work



Part-time hours or reduced wages as appropriate. Carrier may pay wage loss



You can consult with the employee who may have suggestions you



You can create transitional work tasks in advance based on commonly seen work restrictions

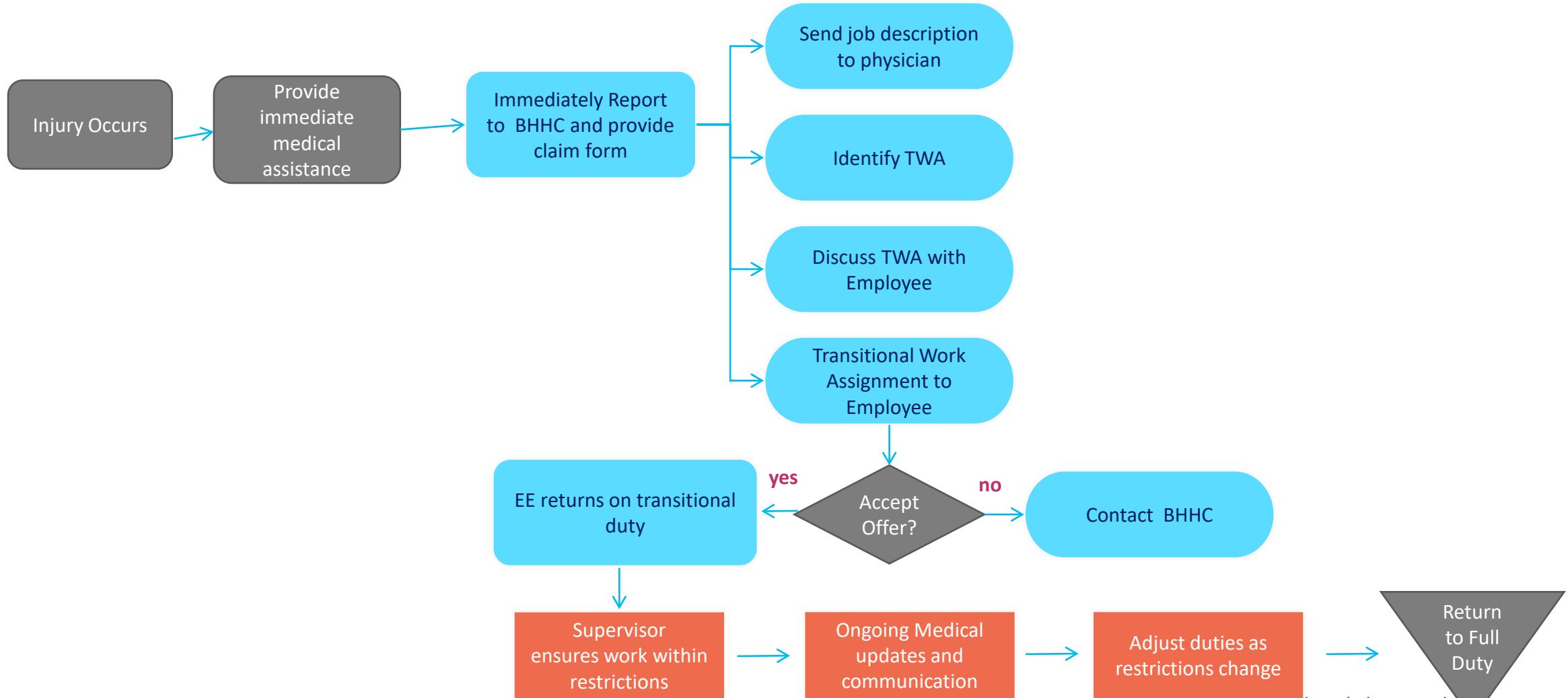


Make sure transitional work tasks have business value



You can identify special tasks that are not currently being done by anyone

Sample Return to Work Process



Summary

AGENDA

Recap

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Questions?

Please email additional questions to losscontrol@bhhc.com