

Workers' Compensation Should Protect the Illinois Workforce

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The Governor's Office should establish a panel of experts to evaluate Illinois Workers' Compensation to reduce workplace injuries and mitigate health, social, and economic costs.

- Establish data systems that can be used to evaluate all aspects of the WC program and guide prevention
- Standardize and assure quality healthcare for early return to work
- Re-evaluate guidelines for assigning permanent partial disability

What are the issues?

Illinois workers' compensation laws allow employees injured on the job to obtain medical care, wage replacement, and disability benefits. But the high cost is a hot-button issue for Illinois governors, legislators, businesses and voters. Some argue that high insurance premiums, paid leave and high settlements are driving businesses and jobs out of Illinois. Others note that the law is not protective enough for workers and does not incentivize injury prevention.

In reality, the Illinois Workers' Comp System:

Burdens Workers. Work comp is a no-fault system that arose out of a "grand bargain" to protect employers from lawsuits and allow workers expeditious healthcare and a remedy for loss of function. Yet, in Illinois the worker bears the burden of demonstrating that "an injury arose out of and in the course of employment." And there is talk of a higher causation standard.

Shifts health care costs. Studies show that up to 80% of work-related injury is paid for by general health insurance, Medicaid, or the workers, themselves - not workers' comp.

Does not use data. Illinois Workers' Compensation Commission's First Reports of Injury (accident reports—now reported electronically), IWCC Claims (case management data) and other State and Federal data sources could be used to target injury hazards and provide evidence to standardize, guide, and evaluate injury prevention, case management, and return to work.

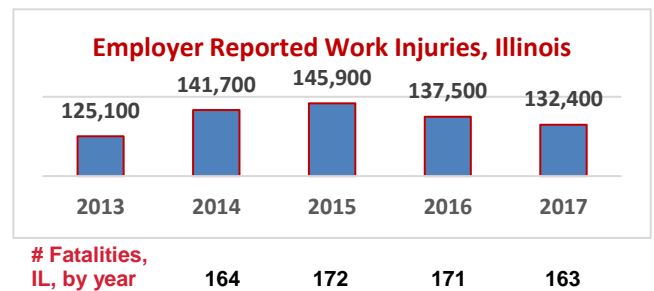
Lacks Evidence-Based Decision Criteria. Non-standardized medical management of acute injuries often leads to poor health outcomes, delayed return to work and long-term disability. Furthermore, Permanent Partial Disability is not based on evidence; the AMA Guides to the Evaluation of Permanent Impairment 6th Edition is not used in most states.

We need a review of the Illinois Workers' Compensation System to maximize our potential to prevent injuries and reduce costs.

Why is this important?

Workers' compensation is expensive. But the true cost of work-related injury is born by workers, employers, families and communities:

- **Workers' costs:** lost wages, lost time from work, lost benefits, disability, loss of self-esteem, strain on the family
- **Employers' costs:** medical care, wage replacement (realized in insurance premiums), job re-training, loss of productivity
- **Families' costs:** loss of breadwinner, upset family structure
- **Communities' costs:** loss of tax base, loss of engaged and productive community members
- **Illinois's costs:** loss of workers, loss of businesses, loss of population



Case, IL 2016: A 46-year-old worker suffered the **amputation of four fingers on his right hand** when a feed machine cycled as he reached inside an access door to assist another employee with maintenance.

What should the Governor's Office do?

Establish a panel of experts to examine the Illinois Workers' Compensation System using a PREVENTION lens and issue a report addressing the following:

Establish usable data systems. Workers' Comp data systems—First Reports and Case Management—are frequently inaccurate and are missing data. The system of reporting and assuring accurate and complete data, as well as other State and Federal data sources can be used for targeting prevention and for ongoing evaluation.

Study evidence-based protocols for reducing poor outcomes and costs. A good data system and standardized care will form a basis for evaluating occupational healthcare and return to work. Optimal health outcomes and early return to work are good for everyone.

Standardize and assure quality healthcare. Healthcare for occupational injuries is currently non-standard and results in variable outcomes – uneven quality of care and little attention to return to work. Reports are often not usable by arbitrators. Consider appropriate background and specialty training of providers; vetting and licensing of specialists to provide injury care and independent medical examination; standardized reporting; a scheme for evaluating quality.

Review case management approaches. This has been shown to protect workers from unnecessary, expensive, and harmful interventions and to save costs for employers and insurers. It's particularly important in public sector employees who suffer higher rates of injuries than private insurers.

Review Workers' Compensation Insurance. There are ~400 3rd party insurers competing for business in the Illinois Workers' Comp market--the highest number of any state in the country. This leads to non-standard care and an industry that is difficult to regulate. Furthermore, the proprietary nature of the industry precludes use of data for best practices—case management, cost management, and targeted prevention. A policy analysis comparing Illinois with other states would inform a more effective scheme in Illinois.

Continually train IWCC Arbitrators. Evaluate the current training program and outcomes assessment to assure high quality arbitration and refresh training, annually.

Appoint a board of experts to review the system on a regular basis. This will assure the highest quality system that prevents workplace injuries and saves money for employers.

Who is interested in Illinois Workers' Comp?

Illinois Workers' Compensation Commission
Illinois Department of Labor
Illinois Department of Public Health
Illinois Environmental Protection Agency
Illinois Department of Agriculture
U.S. OSHA Region 5
Illinois Area OSHA offices
Local health departments
Illinois Public Health Association
University of Illinois School of Public Health
Arise Chicago
Chicago Workers' Collaborative
Latino Union
Raise the Floor
Unite Here
Illinois State Bar Association –
Workers' Comp Law Section
Workers' Compensation Lawyers Association, Ltd.
National Association of Social Insurance
National Council on Compensation Insurance
International Assn of Industrial Accident Boards
& Commissions
Illinois State Medical Society
AFL-CIO
National Institute for Occupational Safety and Health
UIC Center for Healthy Work

Information Sources

American Public Health Association, Health in All Policies. <https://www.apha.org/topics-and-issues/health-in-all-policies>

Bureau of Labor Statistics Injuries, Illnesses, Fatalities. <https://www.bls.gov/iif/>

Illinois Occupational Surveillance Program. <http://illinoisinjuryprevention.org>

Illinois Worker's Compensation Commission. <https://www2.illinois.gov/sites/iwcc/Pages/default.aspx>

Illinois Workers' Compensation Annual Report. <https://www2.illinois.gov/sites/iwcc/about/Pages/annualreport.aspx>

NIOSH. Workers' Compensation Insurance: a Primer for Public Health. <https://www.cdc.gov/niosh/docs/2014-110/pdfs/2014-110.pdf>

Oregon Workers' Compensation Premium Rate Ranking Summary. <https://www.oregon.gov/dcbp/reports/Documents/general/pr-em-sum/18-2082.pdfOther?>