March 30, 2016

To: Management Labor Advisory Sub-committee on Counseling Services for Injured Workers

From: Lori Lee Graham
        Operations Manager

Subject: Initial Concepts for Worker Counseling Services

On January 8, 2016 the subcommittee on counseling for injured workers met to explore potential options to allow injured workers access to counseling services related to injury on the job, but possibly outside of the accepted claims process typically used in workers’ compensation systems. Based on initial conversations, two primary concepts emerged and are generally outlined below including a brief discussion of potential positive and negative aspects of each option.

1. **Provide assistance outside of the claims process to ensure confidentiality, similar to an Employee Assistance Program (EAP).**

   The program would allow for a certain number of assistance visits (possible 6 to 12) for injured workers outside of the claims process.

   A contract with an EAP provider would be established. The contract could possibly be initiated and implemented by the insurer, self-insured employer, the hiring company or possibly the Workers’ Benefit Fund (WBF). To use the WBF would require a statutory change and would have a fiscal impact.

   Upon injury, a worker would be informed that they were allowed the predetermined number of visits.

   Each worker would schedule their own appointment with any provider participating in the program.

   Any services a worker requests outside of the predetermined allotment would be paid by the worker, unless the issue became a part of the accepted claim.
Because the services are paid for at the predetermined rate and for the predetermined timeframe, confidentiality would be maintained.

**Pros**

The assistance falls completely outside of the claims process so worker confidentiality would be maintained.

Contracts for services could be established with any entity in the process chain: Employer; insurer or self-insured employer; employer or possibly WCD.

Contracts would be established and rates would be predetermined so costs would be established upfront.

Process would provide a worker with assistance at the beginning of the recovery process.

**Cons**

Contracting costs are often dependent upon size of organization being supported thus smaller organizations may end up paying more for services than larger organizations.

Depending up on the established contract, services would be paid for that may not be used.

Establishing a process like this at the state level would require statutory change, the creation of a new program including monitoring and administration and would likely include a new fee for employers.

If the program relies on a market place solution with each entity responsible for the creation and administration of their own plan it would possibly affecting economies of scale and consistency.

2. **Provide assistance inside the claims process but possibly outside of the acceptance process.**

The service would be provided for by insurer or self-insured employer.

The insurer or self-insured employer would determine how services would be offered to the injured worker. This could include an EAP like service or a more traditional allowance for services.

Upon injury, worker would be notified that under provision of their insurance, they are allowed a specified number of visits to a provider as outlined under the insurance plan.
The worker would obtain services in compliance with the insurer or self-insured employer’s program.

The insurance company would process payments to providers in a method in which they are accustomed as part of the overall claims process.

**Pros**

This process would fall mostly within existing and established processes.

Existing infrastructure is in place to process requests and payments.

Because the program would rely on the existing insurance infrastructure it would not require additional state resources including the creation of a new state program.

**Cons**

There may be a higher incident of worker requesting mental health treatment as part of the accepted claim.

Depending on how the insurer allows for services, it may be more difficult to ensure worker anonymity.

The worker may not get approval for services early in the process.

Each insurer or self-insured employer would be responsible for the creation and administration of their own plan possibly affecting economies of scale and consistency.