



SIIA ENDEAVORS



SIIA recently announced the launching of their new online educational platform, Canoe. Created in response to the growing educational needs of SIIA members, Canoe is an online content resource with an expansive assortment of useful information including self-insurance industry updates, educational videos, interviews, commentary, conference recordings, and much more. And all of it is available anytime and from anywhere on-demand! Please check back to Canoe often as new content will be added regularly.

Canoe will also be the home of SIIA News & Views - a new monthly video program created to report on important news of interest to those involved in the self-insurance/captive insurance marketplace. Each show will also include an interview segment where a prominent industry leader shares their views on various important topics.

The following article pairs with the video “The conundrum of an impaired workforce for Workers’ Compensation self-insurers” with Mark Pew that can be found on the Studio section of Canoe.

An increasingly impaired workforce creates significant issues for employers. But it’s even more problematic for self-insured employers and their workers’ compensation program as they attempt to return their employees to work while encountering potentially unrelated obstacles. Often, addressing impairment is part of the process, even if it’s not fully related to the original work injury.

So what is impairment? There are two potential definitions of being “impaired” according to Merriam-Webster¹:

1. “unable to function normally or safely (as when operating a motor vehicle) because of intoxication by alcohol or drugs”
2. “diminished in function or ability”

Definition number 1 specifically mentions alcohol or drugs. That is obviously a concern with the ever-evolving opioid epidemic and legalization of medicinal and recreational marijuana.

Definition number 2 is more broad and inclusive and may not actually have anything to do with substance abuse.

Both come down to the productivity of an employee for an employer. In other words, can they do the job. That is often either a subjective assessment or a pragmatic decision. Especially for a self-insured employer whose bottom line is directly impacted by productivity (or lack thereof).

Here’s some interesting statistics from the State Accident Insurance Fund of Oregon (also known as SAIF)²:

- Impaired workers are 25-30% less productive
- 7.1% of workers reported drinking alcohol during the work day
- Being awake for more than 20 hours can be equal to having a blood-alcohol concentration of .08 (the legal limit for intoxication in Oregon)

According to a July 4, 2018 blogpost published on verywell-mind³:

- “The loss to companies in the United States due to alcohol and drug-related abuse by employees totals \$100 billion a year.”
- Not only are they less productive, but alcohol and drug users ...
 - Use three times as many sick days
 - Are more likely to injure themselves or someone else
 - Are five times more likely to file workers’ compensation claims

The first item – sick days – obviously has a direct impact on the employer’s ability to get the job done. But the next two items – where injuries and work comp claims are more likely – has a broader impact on the costs of the business. Employees that are hurt more often and hurt more seriously increases the number of people not at work and potentially the duration of disability. Both, along with more total work comp claims, can impact administrative costs and the MOD (experience modification) rate, therefore impacting the bottom line.

In August 2018 the CDC estimated there were 72,000 drug overdoses in 2017⁴. If the trend continues from past years, approximately two-thirds of those will be from opioids. While Rx opioids are still a culprit, the primary opioid killer now is illicit fentanyl. According to NPR, for every fatal overdose there are roughly 30 non-fatal overdoses⁵.

Of course, that doesn't count patients taking Rx opioids per the doctor's advice, along with other Rx drugs for side effects (like benzodiazepines, muscle relaxants, antidepressants, stool softeners, sleeping aids) that are impaired at home, at work and on the road.

Before the November 2018 elections, only Idaho & South Dakota & Nebraska & Kansas have not legalized medical if not recreational marijuana. Chances are good that some of the 17 with limited medical cannabis programs will expand them soon and more than the current nine states (plus DC) will have legalized recreational use.

So, what does that all mean? That our homes, streets and workplaces are filled with impaired people – from alcohol, Rx painkillers, marijuana, and a host of other intoxicants. What does that mean to an employer? Hold that thought ...

Definition #2 deals with a broader form of impairment. That can come from fatigue, or short-term or long-term stress (on the job or at home) or preparing for an external event such as an exam or wedding, or relationship issues (on the job or at home), or mental illness, or side effects from medical treatment (like chemotherapy), or traumatic shock⁶.

One can also be impaired by reduced cognitive abilities that come from aging or disease. With the number of Americans over the age of 65 increasing from 40.2 million in 2010 to 88.5 million in 2050⁷, managing an aging workforce will provide increasing challenges. Important institutional knowledge combined with a lack of retirement savings can create a need for that employee to stay on the job past their prime. Those issues can create not just absenteeism but also presenteeism (where they are physically but not emotionally present and their lack of focus reduces productivity and motivation).



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This all means an employer needs to identify impairment and the type.

For definition #1, that may mean a drug policy that encourages or mandates a drug-free workplace. Of course, that is complicated now by marijuana where presence doesn't necessarily mean impairment. For employers that accept federal dollars (state legalization is misleading –marijuana is still illegal at the federal level) or have drivers with a CDL (governed by the Department of Transportation), a zero-tolerance policy is required – meaning that presence is all that's needed.

Employers not under those constraints and are having difficulty finding “clean” candidates for jobs needed to keep the

business open are increasingly deciding to forego pre-employment and/or post-accident drug testing or removing THC (the primary psychoactive component of marijuana) from the drug panel. Those employers may be inviting impairment into their workplace.

There is an employer in northern California that requires pre-employment drug testing for forklift drivers but not for customer service agents. They have decided the risk for a stoned or drunk customer service agent is less important than actually having a customer service agent available to answer a call. For them, it's about the pragmatism of getting the job done. So there is a paradoxical relationship between increasing societal impairment and decreasing expectation – by policy – of a drug-free workplace.

For definition #2, one solution is an Employee Assistance Program (EAP) or a wellness program that focuses on the whole-person. An August 2018 article published by Risk & Insurance entitled “5 Ways to Help Injured Workers Avoid Opioid Misuse”⁸ offers some useful advice:



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The body's natural healing abilities can be greatly enhanced by a person's overall health and wellness. Employers can be proactive by cultivating a robust wellness culture. Fit and healthy workers are better able to avoid prolonged pain after an injury.

Habits such as smoking and inactivity and comorbidities such as obesity can have a dramatic effect on pain severity and duration. As pain drags on, people lose patience with feeling pain and may turn to opioids to make it finally stop.

A healthy diet, good muscle tone, well managed blood pressure and good stress-management skills are all goals that employers can help their people work toward, said Pew.

"From a wellness standpoint, you can set the standards," said Pew. That might mean swapping out soda for vitamin water or candy for protein bars in the vending machines. It might mean providing standing desks, or advocating for walking meetings, or reminding workers to get up and walk around every hour. It might mean bringing a nutritionist in to teach people how to cook with less oil and less sodium.

"You can convey this attitude and let it permeate [through the organization]," said Pew. "It sends a subtle message that the best way to deal with life's curveballs is to develop some resiliency.

"We need to focus on the whole person so when the injury occurs, they're more fit psychologically, emotionally and physically, so that the injury isn't catastrophic, and they're not out of work as long."



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For either definition, part of the solution is more education for management staff on how to recognize impairment – the inability to do the job – and use coaching techniques (i.e. “management”) to help that person achieve their potential. The focus is always on their behavior that is non-judgmental and objective.

Then with a paper trail of assistance, finding them a different job – or different employer – is an easier transition. Building the process of managing impairment into Human Resources requires thinking through what impairment is and how to deal with it. The Canadian Human Rights Commission uses the following characteristics to describe potential signs of impairment:

- personality changes or erratic behavior (e.g. increased interpersonal conflicts, overreaction to criticism);
- appearance of impairment at work (e.g. odor of alcohol or drugs, glassy or red eyes, unsteady gait, slurring, poor coordination);
- working in an unsafe manner or involvement in an accident/incident;
- failing a drug or alcohol test;
- consistent lateness, absenteeism, or reduced productivity or quality of work⁹.

Another aspect, regardless of definition, is a detailed job description of body and brain expectations along with a baseline

(for the individual and with their peers) to gauge performance. Without knowing what “meeting expectations” means in relation to their job duties then it’s nearly impossible to judge whether they can perform their job.

It’s unfortunate that often determining that is subjective (“it doesn’t look like you’re into it today ... again”) rather than objective (“you’ve been showing up late for work and not turning in your assignments by their deadline”). To be fair to both the employer and employee, having detailed written expectations and consequences is a key.

Creating an impairment-free workplace seems to get more difficult and complex with each passing day. Ultimately it comes down to promoting not just a productive but safe workplace. At its most basic, managing impairment is about whether the employee can do the job they were hired to perform.

So the conundrum is not whether impairment occurs in a workplace. It’s how to manage the impairment that is present already. As with all aspects of business it comes down to an informed and proactive risk management strategy that fits the unique business model. For a self-insured employer that means a strategy developed in-house and customized specifically for that organization. In this case, a “cookie cutter” approach absolutely will not work. But pretending it doesn’t exist won’t work either. Creating a methodical approach to identifying and mitigating impairment will separate the thriving from dying employers. ■

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