



WORKERS' COMPENSATION CLAIM AND PAYMENT PROCEDURES FOR DEPARTMENTS

OSU provides workers' compensation (WC) coverage for all employees on the payroll, including students and temporaries. Employees who are injured on the job receive appropriate and prompt care for work-related accidents or illness. Medical bills are paid promptly. OSU is self-insured for its WC program; Broadspire, a third party administrator, processes claims.

The *Benefits and You* handout entitled *Workers' Compensation, Unemployment Compensation and Social Security/Medicare*, (www.okstate.edu/osu_per/benefits/ben-u.html), given to all

employees upon hire, explains the claims process for a work-related injury or illness.

SAFETY FIRST

Safety and Prevention: Everybody wants a safe work environment; nobody wants accidents or occupational illnesses. Over \$2 million is spent each year as a result of accidents—funds that could be used more productively elsewhere. Prevention and safe practices are the best policies.

Employees must use safety equipment provided to them. Supervisors are responsible for monitoring the behavior of employees to be sure they use safety equipment and do not engage in unsafe practices, such as horseplay. Appropriate disciplinary action should be taken for any violation of safety. At OSU's request, Broadspire collects information that is valuable toward preventing future accidents by asking the question, "How could this accident have been prevented?" when claims are reported.

Please encourage all employees to constantly be vigilant in their observations of potential hazards and to correct hazards when they can and to report them to supervisors if they are unable to correct the problem.

CLAIMS PROCESSING PROCEDURES

Employee Reports Work-Related Injury or Illness to Supervisor: The employee should report any work-related accident or illness immediately to his/her supervisor. If the employee needs first aid, the supervisor may refer the employee to the University Health Services on the Stillwater campus. Give him or her a WC medical ID card. The card instructs the medical provider to send bills and inquiries directly to Broadspire. For a supply of these cards, access the web at www.okstate.edu/osu_per/docfiles/docfiles.htm or call Employee Services, (405) 744-5449.

Supervisor Reports the Claim to Broadspire: The supervisor is responsible for reporting the claim either to a designated person in the department who reports claims to Broadspire or report directly to Broadspire. Claims should be reported promptly (within 24 hours if possible) so that Broadspire can authorize appropriate care. All incidents should be reported even if there are no medical expenses and no lost time just in case the employee later has problems from the injury. You will want to have the *Supervisor Claims Reporting Information* sheet in front of you when reporting the claim. This information sheet lists the questions that you should be asked when you report the claim. Be sure and gather the information prior to placing the call. For a copy of this form, access the web at www.okstate.edu/osu_per/docfiles/docfiles.htm or call Employee Services, (405) 744-5449.

When you report the incident to Broadspire's call center at (800) 560-8850, the information will be entered into their on-line system. Broadspire's Oklahoma City office, which handles OSU's claims, will have prompt access to the claims information. Any follow-up discussions and supplemental information should be provided to Broadspire's Oklahoma City office—call (800) 890-8975 or FAX (405) 942-9986.

If there is reason to believe that the claim may not be work-related, supervisors should indicate to Broadspire's call center at the time of the initial call that the report is being made at the request of an employee and explain the reason that the work-relatedness is questioned. Broadspire will make final determination regarding denial or acceptance of the claim. If additional information becomes available later that might affect the outcome of the claim, the information should be reported to the Oklahoma City office.

Deaths and Accidents with Multiple Injuries: If a work-related death occurs, contact Human Resources (405) 744-5449 immediately. OSU Human Resources in Stillwater will confirm that Environmental Health Services is aware of the death to ensure that Department of Labor (DOL) reporting occurs timely. OSU is required to report all work-related deaths to the DOL within 48 hours regardless of the location where the incident occurs. Quite likely, an investigation, which may involve meeting with the investigating police officer and obtaining the police report, talking with witnesses, and inspecting the accident site, will result. OSU Environmental Health Services will coordinate.

The DOL also requests 48-hour reporting of non-work-related deaths, if they occur at the worksite. So, even though State law does not require us to report deaths that are not work related, we still report these deaths to the DOL. Likewise, if five or more employees are hospitalized as a result of a common accident, it must be reported to the DOL within 48 hours.

Workers' Compensation Counselors: WC can be confusing. Encourage employees to call Broadspire (800) 890-8975 with questions about the status of a claim and employee entitlements. Another resource available is the WC Court Counselors, (800) 522-8210. The WC Court Counselors can provide employees with unbiased legal advice and explain the claims process and options available to employees, at no cost to the employee. When an employee engages the services of an attorney, the employee will share WC benefits with the attorney to pay the legal fees. On average, Oklahoma attorneys receive approximately 20% of the settlement or award designated by the WC Court to cover their fees for representing injured workers. Attorneys may also charge employees for various reports, such as medical ratings. The WC Court Counselors provide free legal advice and general information.

Litigated Claims: OSU and Broadspire will respond quickly to on-the-job injuries, provide employees with appropriate levels of care, and ensure employees receive all benefits to which they are entitled under the law. WC claims are paid according to statutory requirements and pre-set medical fee schedules. Permanent Total and Permanent Partial disability settlements are paid to employees according to medical ratings.

Broadspire will provide equitable treatment to all employees, regardless of whether or not they are represented by legal counsel. Nonetheless, employees may engage the services of an attorney. OSU respects the rights of employees to seek representation. If this occurs, you or any other representative from OSU can no longer discuss the claim with the employee or the employee's attorney.

Broadspire will secure an attorney to represent OSU and all communications about the claim are then conducted exclusively through the attorneys. Departmental representatives may be asked to assist the OSU attorney. This may include organizing witnesses for statements, depositions, or court appearances. If you have a question about whether an attorney is representing the employee or OSU, call Broadspire for clarification. You should not discuss the case with the injured employee's attorney.

Supervisors should continue to periodically check on the employee's welfare and assist with any employment-related issues, such as supplemental OSU pay, etc. The WC claim is the only topic that should not be discussed.

COORDINATION OF OTHER BENEFITS

Family Medical Leave (FML): An employee who misses at least three days of work due to the incident may qualify for family medical leave. The employee should be notified in accordance with the Family and Medical Leave Act Policy 3-0708, www.okstate.edu/osu_per/policy_proced.htm.

Long-Term Disability (LTD) Benefits: An employee who will be unable to work for at least six months may qualify for long-term disability. It is important for an employee to apply as soon as it becomes evident that disability will last for more than six months. Delayed filing could result in loss of benefits. Information regarding LTD can be found at:

LTD Administrative Procedures for Departments, www.okstate.edu/osu_per/benefits/byltddep.htm

LTD Benefits and You Handout for Employees, www.okstate.edu/osu_per/benefits/byltdemp.htm

LTD Policy and Procedure 3-0750, www.okstate.edu/osu_per/policy_proced.htm

Health, Dental, Vision Insurance: OSU continues to pay the health insurance premium on employees who are on leave of absence due to a workers' compensation incident. The employee continues to pay for optional coverage, such as dental, vision, and family medical. If the employee does not receive a check adequate to collect any premiums that he/she normally pays for the optional coverage, then the employee will be billed through the Bursar's office. If payments are not made for all premiums for which the employee is responsible, coverage will be canceled, including OSU-paid employee health. If the employee wishes to cancel coverage, it must be done within 30 days of a qualifying event, such as the onset of a WC leave of absence.

Life Insurance: Life premiums for the employee basic coverage are continued by OSU during WC leave and employees pay for voluntary employee coverage and dependent coverage, if applicable, either through payroll deduction or billing through the Bursar's office.

Long-Term Disability Insurance: Coverage ends after six months leave unless arrangements are made by the employee to pay the premium.

Long-Term Care: Long-term care premiums will be billed directly to the employee if there is no payroll to cover the deductions.

Retirement Benefits: OSU-paid retirement benefits are tied to OSU-paid salary. These benefits are continued only to the extent that OSU pay is continued.

Losing Benefits Entitlement: Certain situations could cause the employee to lose benefits entitlement. The most common is when an employee terminates employment and later files a WC claim. If the employee allowed the insurance coverage to terminate, then coverage could not be reinstated.

COORDINATING OSU PAY WITH WORKERS' COMPENSATION PAY

Pay During the First Three Days: Although not required by law, OSU continues pay at 100% of the regular pay rate (administrative leave) during the first three days (24 hours if a full-time employee) of absence due to a work-related injury or illness. Employees are not required to use sick or annual leave during this absence. Broadspire does not pay for any lost pay during the first three days of absence.

Pay beyond the First Three Days: After more than three days of absence, Broadspire pays 70% of regular pay up to a maximum weekly benefit amount. In most cases the maximum weekly payment would be \$577. The employee has the right to use accrued sick or annual leave to supplement the WC, so that the employee can receive 100% pay. Unless the department is notified by e-mail or letter that the employee wants to save sick and annual, WC pay will be supplemented. (If the employee qualifies for family medical leave, notification should be made after the employee is absent for three days.)

Leave of Absence: An employee should be placed on a leave of absence if the employee is off more than two weeks to ensure that benefits are coordinated properly. The *Leave of Absence* form should be routed through the normal signature channels, then to Human Resources, 106 Whitehurst. (If the employee qualifies for family medical leave, notification should be made after the employee is absent for three days.)

Timing of Pay from Broadspire: Broadspire pays employees for lost time wages each week. If the employee is using sporadic leave (such as for physical therapy appointments, or working a reduced schedule), Broadspire will need the timesheet before payment can be issued. Remember to fax the timesheets weekly (rather than biweekly when time is collected for the OSU payroll cycle).

PAYROLL PROCESSING “HOW TO”

The following information is a guide for ensuring that employees receive benefits and are paid correctly.

Biweekly paid employees (Job Codes P, Q, R, S, U, V, and W):

- First three days (24 hours) will be administrative leave and should be reported as *Other* on the UT1 Screen when reporting biweekly time for the employee.
- Employee should be notified if family medical leave is appropriate.
- After the first three days, 70% (up to a maximum of \$577) will be paid by Broadspire for compensable work-related injuries and illnesses.
- Leave of Absence form or EA must be completed for absence of two weeks or longer. This ensures that benefits are coordinated properly. If the employee has paid leave accrued, the employee would be kept at 1.0 FTE with a start code of M indicating WC. If the employee has no leave accrual balance, the employee is assigned 0.0 FTE with a start code of M.
- If the employee works sporadically, the hourly rate, number of hours worked and approved leave taken each week should be faxed to Broadspire (405-942-9986, Attn: Lisa Colbert). Broadspire will calculate and prepare the check for pay for time off.
- If an employee changes from sporadic time off to being off full-time, the department would notify Broadspire that the employee is off until further notice.
- If the employee wishes to supplement WC pay to ensure full pay and the employee’s pay rate is \$20.60/hour or less, the department will need to turn in sick/annual/comp leave equaling 30% (2.4 hours for each 8 hour day or 24 hours for the two-week period).
- If an employee paid biweekly wishes to supplement WC pay to ensure full pay and the employee makes more than \$20.60/hour, an additional calculation will need to be made to determine the correct pay (number of sick/annual hours) for the employee. For example, if the employee makes \$22.00/hour, his/her normal pay in a two-week period would be \$1,760. The employee will receive the maximum from Broadspire of \$1,154 (2 weeks at \$577 each week). This means that pay is short \$606. To receive \$606.00 to total 100% pay, the department would report use of 27.55 sick/annual/comp leave hours (606/22).
- OSU does not pay any supplement on students and temporaries because they do not have sick/annual leave.
- As long as an employee is being paid by OSU through paid leave, leave benefits (sick/annual) will continue to accrue. Once the employee’s leave is exhausted, the FTE would change to 0.0. No further leave will accrue. The department should notify Payroll Services to change the FTE.
- Employee will receive holiday pay from Broadspire. If employee was in pay status on the day before and the day after the holiday, then OSU would supplement the pay from Broadspire. This pay is charged as administrative leave.

Monthly paid employees (Job Codes A, B, C, D, E, G, H, I, J, K, N, and O):

- First three days (24 hours) will be administrative leave.
- Employee should be notified if family medical leave is appropriate.
- After the first three days, 70% (up to a maximum of \$577) will be paid by Broadspire for compensable work-related injuries and illnesses.
- Leave of Absence form or EA must be completed if the employee will be absent two weeks or longer. This ensures that benefits are coordinated appropriately. If the employee has a leave accrual balance, the employee would be kept at 1.0 FTE with a start code of M indicating WC. If the employee has no leave accrual balance, the employee is assigned 0.0 FTE with a start code of M indicating WC.
- If the employee wishes to use sick or annual leave to supplement WC, the department must enter LWOP each month for the amount that they are not responsible for paying. (This would normally be 70% of pay but could be less for higher paid employees; it would never be more). To determine the percentage the department is not responsible for, determine the employee's normal weekly salary by multiplying the monthly salary by appointment period and dividing by 52. Divide this amount into \$577 to obtain a percentage and limit it to no more than 70%. For example, if a monthly employee makes \$3,800/month, the percentage calculation would be as follows: $\$3,800 * 12 \text{ months} / 52 \text{ weeks} = \$876.92/\text{week}$. $\$577 / 876.92 = 65.80\%$ which would be limited to 70% of the hours not worked turned in as LWOP. 13.68 hours would be reported as LWOP.
- If the employee is working sporadically, the department would use the above LWOP calculation method to adjust pay for any hours for which the department is not responsible. In addition, the department would fax to Broadspire the time worked and any approved sick or annual leave taken.
- The department must turn in sick/annual leave confirmations to account for the pay to the employee. The number of hours turned in for sick and annual should be the difference between the number of hours not worked and the number of hours turned in on LWOP above. In other words, the number of hours turned in as leave, plus the number of hours turned in as LWOP, should equal the number of hours the employee did not work during the month.
- While an employee is being paid by OSU through paid leave, leave continues to accrue. Once the employee's leave is exhausted, there will be no further leave accrual. The department should notify Payroll Services to change the employee's earnings code to a non-leave accruing earnings code.

TERMINATION OF WORKERS' COMPENSATION BENEFITS

The departmental representative should remain in touch with Broadspire to stay informed of the status of the claim. When a WC claim ends, several scenarios are possible, such as:

Employee Released for Full Duty: The employee should bring a medical release to the supervisor and return to work, indicating ability to resume full duties. It is important for the supervisor to be sure that the doctor understood the job duties. If in doubt, work with your HR Partner to provide a detailed description of the job duties for the doctor. Also, if one doctor provided a medical statement placing the employee on WC leave and a different doctor writes a release to return to work, discuss with your HR Partner.

Employee Released for Restricted Duty: If the employee presents a medical release with restrictions, the department determines if the restrictions can be accommodated. The department should decide if restrictions will be accommodated indefinitely or for a limited time and such decision should be communicated clearly to the employee.

Employee Awarded Vocational Rehabilitation Benefits: If an employee is awarded Vocational Rehabilitation Benefits, it means that the employee is training to work in a different position and will be unable to return to the existing position. Your HR Partner in Human Resources should be contacted to ensure that OSU procedures and separation notifications, if applicable, are handled appropriately. Upon receipt of the separation notice in Human Resources, benefits would be discontinued. The employee should be informed of other possible benefits entitlements, such as long-term disability.

Employee Resigns: An employee may resign at any time before or after the WC benefits have terminated. Typically, a resignation might be desirable to the employee if the employee wanted access to retirement contributions. If the employee resigns verbally, a written resignation should be requested. A separation notice would then be issued and benefits would be discontinued.

Employee Approved for Long-Term Disability (LTD): If an employee will be disabled for more than six months and is covered by long-term disability insurance, the employee should apply for LTD. WC benefits will be used as an offset against the income that the employee would otherwise receive through the LTD program. If the employee qualifies for LTD, a separation notice would not be issued until the LTD benefits cease. The employee would continue in disability status with related benefits.

OSU Human Resources developed this information for the convenience of OSU employees. It is a brief interpretation of more detailed and complex materials. If further clarification is needed, the actual law, policy, and contract should be consulted as the authoritative source. OSU continually monitors benefits, policy, and procedures and reserves the right to change, modify, amend, or terminate benefit programs at any time.