

## ATLANTI JIF LESSONS LEARNED FROM LOSSES

### WHY TRANSITIONAL DUTY?

As claims against the Atlantic JIF highlight, the cost of workers' compensation continues to rise. In 2010, the wage replacement benefit, or TTD, will increase to **\$794.00** per week. With the increase in the TTD rate, it is more important than ever to aggressively manage worker's compensation claims.

One important area is maintaining a Transitional Duty program in each municipality.

The longer an employee is out of work due to a work-related injury, the more difficult it is to get an employee back to work. Likewise, a judge of compensation will assess the length of time an employee is out of work to measure the significance of an injury. Longer times out of work result in increased permanency awards.

Fortunately, Atlantic JIF members have actively embraced this aspect of claim management and cost reduction. In many claims presented against members, "transitional" duty was accommodated for employees allowed to return to work with temporary restrictions. In addition to the obvious savings in the reduction of temporary total disability benefits paid, accommodating "transitional" duty achieves the following:

- Employer gains control and increases the chance for a positive resolution to a claim
- Employer retains the services of valuable, trained employees
- Employer avoids employee replacement and training costs
- Employer reduces the chance of a permanent disability
- Employer discourages fraud
- Employer increases morale among injured worker and co-employees
- Employee fosters faster recoveries, both physical and psychological
- Employer resolves American with Disabilities Act compliance issues
- Employer achieves overall reduction in cost of the worker's compensation claim

