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# INTRODUCTION

**T**he information contained in this handbook describes the Workers' Compensation process and procedures from the departmental perspective. It is intended to make departmental personnel aware of their duties and responsibilities as they relate to the Workers' Compensation process, and to ensure compliance with all applicable State Workers' Compensation laws.

This handbook describes the appropriate personnel and payroll procedures to be followed to ensure that an employee who is injured or becomes ill as a result of a work-related injury or illness receives timely disability payments and any appropriate supplemental benefits, continues University-sponsored insurance plans, and accrues the appropriate amount of sick leave and vacation.

Through the information contained in this handbook, department personnel will be provided with the tools they need to manage Workers' Compensation cases. The materials have been divided into sections that describe the Workers' Compensation laws, what offices are responsible for administering the University's Workers' Compensation program, how the process works, what benefits are available, and what departmental personnel must do to make the process work.

# WHAT IS WORKERS' COMPENSATION?

**T**he laws pertaining to Workers' Compensation benefits are found in the California Labor Code. It is a state-mandated benefit that requires all employers to pay approved expenses connected with work-related injuries and diseases. Workers' Compensation is designed to be a "no fault" system. The issue is not whether an employee or the employer is at fault, but whether a compensable (payable) injury or illness has occurred.

**A work-related injury or occupational illness is one that results from work or working conditions and/or occurs when providing service to the employer.** An example of a work-related injury would be a broken arm from falling off a stepladder while on the job. An example of an occupational illness is a skin inflammation that results from exposure to chemicals or solvents on the job.

Once an occupational injury or illness is determined to be compensable, the amount of Workers' Compensation benefits are calculated, and benefits begin to be paid. Workers' Compensation benefits include all authorized medical and hospital expenses, partial replacement of income if the worker is temporarily disabled, vocational rehabilitation assistance if needed, permanent disability payments if there is permanent disability arising from the injury, and death benefits for financial dependents if the injury results in death.

## What is an Injury?

**A**ccording to the California Labor Code, the term "injury" includes an injury or illness **Arising Out of Employment and occurring in the Course of Employment (AOE/COE)**. The injury can result from either trauma or disease. Injuries can be categorized in three ways:

- **Specific:** Injury to one or more parts of the body resulting from a specific incident.
- **Cumulative:** Injury from repetitive traumatic activities over a period of time.
- **Aggravated:** A pre-existing condition or non-work-related condition aggravated by an occupational injury or illness.

## California Workers' Compensation Benefits

**C**alifornia Labor Code requires that employers carry Workers' Compensation Insurance, and sets the limits and benefits as outlined below:

- **Medical Treatment:** The ill or injured employee is entitled to reasonable treatment to cure or relieve the effects of a work-related injury or illness.
- **Temporary Disability (TD):** Money is to be paid to an employee who is temporarily unable to work because of a work-related injury or illness. Temporary disability is paid until the employee's medical condition is resolved or is determined to be "Permanent and Stationary" (P&S).
- **Permanent Disability (PD):** Once the injured worker is permanent and stationary, any remaining disability which reduces the employee's ability to compete in the open labor market may entitle the employee to a Permanent Disability rating, which results in a certain amount of money as compensation for the disability.
- **Vocational Rehabilitation (VR):** When the employee is unable to return to regular job duties as a result of her/his job injury, the employee will be contacted by the Vocational Rehabilitation Counselor. The VRC will assist the employee in possible work modification, or a formal training program and placement assistance into a new, more appropriate line of work.
- **Death Benefits:** Money is payable to the financial dependents of an employee who died as a result of a work-related injury.

## Types of Workers' Compensation Claims

**WW**orkers' Compensation claims are classified as: **First-Aid, Medical**

**Only and Indemnity.**

- **First Aid:** An example of a *First-Aid* claim is when an employee cuts her/his finger on the job and it is treated at the worksite. If the injury requires further attention, the employee should be referred to Occupational Health Facility (OHF).
- **Medical Only:** *Medical Only* claims involve medical payments for treatment rendered when the employee has NOT lost more than three calendar days from work as a result of the injury or illness, and is NOT receiving any other Workers' Compensation benefits.
- **Indemnity (Lost Time) Claim:** *Indemnity* claims involve Temporary Disability payments when an employee has lost more than three calendar days from work as a result of the occupational injury or illness. Medical reports from various physicians may need to be interpreted and all applicable benefits are coordinated.

# THE DEPARTMENTS INVOLVED IN THE WORKERS' COMPENSATION PROGRAM

## INSURANCE and RISK MANAGEMENT (OIRM)

10920 Wilshire Boulevard, Suite 860  
Mail Code: 135248  
Telephone: (310) 794-6952  
FAX: (310) 794-6957

The UCLA self-insured Workers' Compensation program is administered by the Office of Insurance and Risk Management.

- Coordinates UCLA's Workers' Compensation Program activities.
- Counsels department representatives and employees regarding Workers' Compensation principles, practices, and procedures.
- Ensures that an employee receives legally mandated Workers' Compensation notices.
- Provides training to departments on ways to reduce Workers' Compensation costs.
- Implements loss prevention and loss control programs.
- Determines Workers' Compensation employer rates based on loss experiences.
- Retrieves the medical information forms of an occupational injury/illness from the Occupational Health Facility.
- Processes and submits the "Employer's Report of Occupational Injury or Illness" to Octagon Risk Services.
- Processes the sick leave and vacation Extended Sick Leave (ESL) supplement forms.
- Reports the injury or illness to CAL-OSHA.
- Advises department representatives on Reasonable Accommodation and Return to Work procedures.

## OCTAGON RISK SERVICES (ORS)

10880 Wilshire Boulevard, Suite 850  
Mail Code: 691448  
Telephone: (310) 794-8247  
FAX: (310) 794-8269

Octagon Risk Services is an independent organization established to service the University of California Workers' Compensation Program.

- Claims Administrators determine the validity of occupational injury or illness claims.
- Determines eligibility for Workers' Compensation benefits (e.g., Temporary Disability, payment of medical expenses, and Vocational Rehabilitation costs).

## OCCUPATIONAL HEALTH FACILITY (OHF)

200 Med Plaza/Suite 224  
Mail Code: 172524  
Telephone: (310) 825-6771  
FAX: (310) 825-7076

- Provides medical treatment for employees who are injured or become ill during work hours.
- Performs initial medical examinations for employees reporting work-related injuries or illnesses.
- Completes the Doctor's First Report.  
Lastly, reviews and evaluates medical releases to return to work.

## **BENEFITS AND PERSONNEL SERVICES**

### **Campus Human Resources**

10920 Wilshire Boulevard  
Wilshire Center, Suite 200  
Mail Code: 146548  
Telephone: (310) 794-0830  
FAX: (310) 794-0835

- Administers the various University of California Employee Benefit Plans and Programs..
- Administers the University-sponsored Disability Plans (Employer and Employee-Paid).
- Administers the University-sponsored Health, Dental and Vision Care Programs.
- Provides consultation and information regarding the University of California Retirement and Disability Income Plan (UCRP).
- Processes direct premium payments from employees to continue University-sponsored health and welfare benefits.

- Conducts environmental surveys.
- Responds to hazardous materials spills.
- Provides the following services: safety engineering, sanitation, radiation safety, biological/chemical safety, fire safety, industrial hygiene, emergency planning and training programs.

## **ENVIRONMENT, HEALTH AND SAFETY (EH&S)**

501 Westwood Plaza  
4<sup>th</sup> Floor  
Mail Code: 160458  
Telephone: (310) 825-5689  
FAX: (310) 825-7076

- Ensures that the University complies with all health and safety and environmental regulations.
- Coordinates and assists the efforts of other campus departments involved in similar activities.
- Strives to maintain a safe environment in all areas of University operations.
- Inspects campus locations and operations for hazardous conditions.
- Provides consultation on safety-related matters.

# HOW IS THE WORKERS' COMPENSATION PROGRAM ADMINISTERED?

## Program Funding

**T**he University of California is self-insured for **Workers' Compensation**. Costs associated with claims and the management of the program are paid out of a trust fund into which each campus contributes premiums.

Premium payments made into the trust fund are based on the payroll, loss experience, and future loss projections associated with each campus. Within the UCLA campus, cost centers are assessed a certain amount per \$100 of salary for each employee in the department. **Funding for this program is a departmental expense. Department managers and supervisors play a key role in controlling departmental costs by providing a safe work environment for employees and responding promptly when injuries occur.**

## Coordination of Medical Care

**T**he injured employee should be seen at OHF. They may treat the employee during the entire course of their medical care, or refer them to an outside specialist approved by ORS. Medical reports are continually sent to ORS.

ORS will pay for all medical care necessary to cure or relieve the effects of the industrial injury or illness, including physician's visits, hospital costs, and supplies. There are no deductibles under Workers' Compensation. Payments are made directly to the health care provider, avoiding out-of-pocket costs to the employee.

## Claims Investigation

**S**ome claims require investigation to verify compensability. For example, stress claims and cumulative trauma claims such as carpal tunnel syndrome may or may not be caused by the employee's work. Octagon Risk Services (ORS) administers the claims and will make the determination of whether the claim is compensable. They consult with the Workers' Compensation Office within the Office of Insurance and Risk Management, as needed.

ORS may use any of the following procedures to determine compensability when they investigate claims:

1. Interview the employee and supervisor(s) and if necessary, take their statements.
2. Review the employee's personnel file.
3. Talk with appropriate co-workers.
4. Visit the worksite.
5. Obtain prior and current medical records.
6. Review medical records to determine whether causes exist for the injury or illness that are not work-related.
7. Arrange for expert medical examinations to determine proper diagnosis and care.

# WHEN AN INJURY OCCURS

**P**rompt medical care is essential to a quick recovery from an injury or illness. Quality medical care and medical follow-up can often mean the difference between complete recovery from an injury or illness or lasting physical disability. If an employee is injured at work, they should receive **MEDICAL CARE IMMEDIATELY**.

 The Departmental Personnel and/or Payroll Representative should be notified of the employee's time off from work.

## Supervisor's Checklist

 The employee should report the injury or illness to her/his supervisor **immediately**.

 Once notified of a possible injury, the employee must be given an *Employee's Claim Form for Workers' Compensation Benefits* (see Appendix "A"). **State Law requires that this form MUST be given to the employee within one working day of notice of an injury or illness, or face possible penalties.** A copy of the completed form must also be faxed to ext. 46957 to the OIRM Workers' Compensation Office at **10920 Wilshire Boulevard, Suite 860, Mail Code 135248** within one working day.

 The Departmental Representative **MUST** also complete the *Employee's Referral Slip for Industrial Injury* immediately upon the first notice of injury (see Appendix "B"). This form serves two very important purposes: (1) it authorizes treatment for employees who need medical attention, and (2) it helps gather information critical to the prompt delivery of Workers' Compensation benefits. **A copy of the completed form must be faxed to ext. 46957 to the OIRM Workers' Compensation Office at 10920 Wilshire Boulevard, Suite 860, Mail Code 135248.**

 If the employee requires medical attention, the employee should present the referral form to OHF. If the employee does not require medical attention, the completed form should be sent to the Workers' Compensation office as soon as possible.

✓ Supervisors are encouraged to maintain contact with injured employees while they are off work and to show an understanding attitude towards the injury. The employee should be told that modified work may be available.

✓ **When the employee returns to work:**

1. The employee must provide the supervisor or departmental personnel representative with a disability status report signed by OHF.
2. The supervisor or departmental personnel representative must inform the Workers' Compensation Office (at extension **46952**) as soon as the employee returns to work to avoid overpayment of Workers' Compensation benefits.

✓ For each injury, the department will receive a copy of the *Employer's Report of Occupational Injury or Illness* report (Appendix "C"). This form should be reviewed upon receipt. If corrections are needed, contact the Workers' Compensation Office.

✓ In consultation with Employee Relations, "eligible" employees should be placed on Family and Medical Leave (FMLA). Contact Employee Relations at (310) 794-0870 for eligibility criteria.

✓ When a decision to administer Workers' Compensation benefits is delayed because of an investigation or other cause, ORS will notify the employee as to when a decision will be made on their Workers' Compensation claim.

Employees should telephone Benefits and Personnel Services at extension 40830 to apply for Employee-Paid Temporary Disability (paid by Liberty Mutual Insurance Company) during this interim period.

## Location of Medical Facilities

### *On-Campus Injuries or Illnesses:*

Employees who sustain **On-Campus** injuries or illnesses should be referred to OHF:



#### **Occupational Health Facility (OHF)**

200 Medical Plaza/Suite 224

Telephone: (310) 825-6771

Hours: 8:00am to 4:30pm Monday through Friday, except holidays.

**If the injury or illness is serious or OHF is closed, the employee should be referred to the Emergency Medicine Center.**



#### **UCLA Emergency Medicine Center**

BE-144 CHS (southeast corner of the "B" floor)

Telephone: (310) 825-2111

Hours: Open 24 hours

Employees treated at the Emergency Medicine Center should have any follow-up care at OHF.

### *Off-Campus Injuries or Illnesses:*

If the employee is injured off-campus and emergency treatment is required, the employee should be taken to the nearest emergency facility. All other injuries, when possible, should be treated at OHF.

Employees who work off-campus should check with their Departmental Personnel Representative for the designated off-site medical treatment facility. This information is available in the Workers' Compensation office at (310) 794-6952, ORS at (310) 794-8247, or OHF at (310) 825-6771.

## Continued Medical Care

If the employee requires further medical care, OHF (or the designated on-site medical facility) can make such arrangements. If the employee has a special medical problem, OHF or the on-site facility will refer them to a local medical specialist with Octagon Risk Services' prior authorization.

Thirty (30) days after reporting the injury or illness to the University, the employee may choose their own attending physician. Such choices should be made wisely. Employees should report any change in attending physician to ORS as soon as possible so that medical bills can be properly considered for payment.

Employees may also "pre"-designate a physician (*one who has treated them in the past and has their medical records*) to treat them for the entire period of their injury or illness, including the 30 day period after the injury or illness was reported. In this event, the employee should have a written notice (Appendix "D") on file with the University prior to the injury or illness (preferably 30 days or more before the injury or illness occurred). If the employee does not file a designation, the University will arrange for her/his medical care as explained above.

# WHEN INJURY RESULTS IN TIME AWAY FROM WORK

## **Lost Time Injuries**

When an employee's injury has resulted in time away from work for more than three days, the Workers' Compensation office will send the employee an *Option Letter* with an Option card enclosed. This letter describes the payment process and the benefits available while the employee is off work and on Workers' Compensation.

The option card must be completed and returned to the Workers' Compensation office within ten (10) days of the date on the letter. If the employee fails to respond to this notice, **Option 2** (the use of sick leave only) is automatically selected. Information describing the various options is presented below.

**It is important that employees understand that the option they select could affect their University-sponsored medical plan benefits. For more information about the continuation of medical plan benefits while on Workers' Compensation, contact Benefits and Personnel Services at (310) 794-0830.**

Supervisors will also receive a copy of the Option Letter sent to the employee. Later, the supervisors are sent *Instruction Sheets* on how to process the employee's pay and the sick leave/vacation used while off from work and on Workers' Compensation. These instruction sheets are based on the employee's option choice.

## **Pay Process for Workers' Compensation**

Supervisors should follow the payroll instructions indicated on the Instruction Sheets, and send them to the Payroll Office to adjust the employee's pay. **EDB online preparers should also follow those procedures for placing an employee on Workers' Compensation (refer to the EDB manual or call the EDB Hotline at 794-0840).**

The Pay Process for Workers' Compensation is as follows:

1. The Workers' Compensation office sends the employee the Option Letter and option card.

2. The employee chooses an option selection and returns the card to the Workers' Compensation office.
3. The Workers' Compensation office processes the instruction sheet based on the employee's option selection, and sends the instruction sheet to the employee's department.
4. The Department processes payroll forms and enters the information on-line promptly to avoid overpayments.
5. The Payroll Office makes the adjustments on the employee's paycheck and issues an adjusted paycheck.

## **Supplemental Workers' Compensation Benefits**

Temporary Disability (TD) is a cash salary replacement used to assist the disabled employee in meeting her/his expenses. The payments normally begin on the fourth day after the injury or illness occurs. If the disability lasts beyond the 14<sup>th</sup> day, or the employee is hospitalized as an in-patient, the three day waiting period is waived.

**Temporary Disability payments are never reimbursed for the day of the injury.** An employee is eligible for two-thirds of their averaged salary, to a maximum of \$86.00 per day or \$602.00 per week. These Workers' Compensation benefits will continue until the employee is able to return to work or the condition stabilizes. The maximum benefit period is 240 weeks, and it is tax-exempt.

## **Workers' Compensation Supplemental Benefit Options**

The injured employee must select one of the options described in the Option Letter sent by the Workers' Compensation office, and indicate her/his selection on the enclosed option card. The employee must return the completed card to the Workers' Compensation office within 10 days. Since option 1 is automatically recorded if the employee does NOT return the option card, the employee's salary and/or medical insurance benefits will be affected.

# Comparison of Benefit Options

	OPTION 1	OPTION 2	OPTION 3
<b>Eligibility</b>	All University employees	University employees who accrue sick leave	University employees who accrue sick leave and vacation
<b>Temporary Disability Payments</b>	66-2/3% salary (to a maximum of \$602.00 per week). ORS mails checks directly to the disabled employee's home.	100% of salary while sick leave accruals are used to supplement ORS benefits; 80% extended salary after sick leave is exhausted (80% salary paid for a maximum of 26 weeks). If still disabled, ARM benefit will continue after 80% is exhausted.	100% of salary while sick leave and vacation accruals are used to supplement ORS benefits; 80% extended salary after sick leave and vacation is exhausted (80% salary paid for a maximum of 26 weeks). If still disabled ORS benefit will continue after 80% is exhausted.
<b>Optional Employee-Paid Disability (EPD)</b>	Not applicable.	66-2/3% salary (to a maximum of \$490.00 per week) plus EPD supplement to 70% of salary (maximum of \$10,000 per month). Paid only AFTER the 80% ESL benefit is exhausted.	66-2/3% salary (to a maximum of \$490.00 per week) plus EPD supplement to 70% of salary (maximum of \$10,000 per month). Paid only AFTER the 80% ESL benefit is exhausted.
<b>Taxability</b>	ORS payments are not taxable.	ORS payments are not taxable. University salary in excess of ORS payments is taxable. EPD benefits may be taxable.	ORS payments are not taxable. University salary in excess of ORS payments is taxable. EPD benefits may be taxable.
<b>Credit for Vacation and Sick Leave</b>	Sick leave and vacation are accrued for this period and may only be used after returning to work.	Accrued and used for this period. ESL is accrued at 80% and only used upon return to work.	Accrued and used for this period. ESL is accrued at 80% and only used upon return to work.
<b>Voluntary Deductions</b> (e.g., Health, Life, Dental, Credit Union)	<p><b>IF THE EMPLOYEE IS ELIGIBLE FOR FMLA:</b> Regents' contributions toward Health insurance for up to 12 weeks. After 12 weeks on FMLA, the employee must make direct payments of FULL premium to Benefits and Personnel Services. All additional voluntary coverage, and any employee health contributions must be paid directly to Benefits and Personnel Services..</p> <p><b>IF THE EMPLOYEE IS NOT ELIGIBLE FOR FMLA:</b> Full payment of all premiums must be made to Benefits and Personnel Services to continue coverage. <b>No Regents contributions will apply.</b></p>	<p>Automatic deduction from University salary, with Regents' contributions, while using sick leave or ESL benefits. Direct payments of full premium available after 80% ESL benefits exhaust. (May be eligible for Health Contingency Benefits.)</p> <p><b>IF THE EMPLOYEE IS ELIGIBLE FOR FMLA:</b> Work absences will be counted as FMLA, taken for the current calendar year. (Maximum of 12 workweeks are available during any calendar year.)</p>	<p>Automatic deduction from University salary, with Regents' contributions, while using sick leave, vacation, or ESL benefits. Direct payments of full premium available after 80% ESL benefits exhaust. (May be eligible for Health Contingency Benefits.)</p> <p><b>IF THE EMPLOYEE IS ELIGIBLE FOR FMLA:</b> Work absences will be counted as FMLA, taken for the current calendar year. (Maximum of 12 workweeks are available during any calendar year.)</p>
<b>University of California Retirement Plan (UCRP) or Public Employees' Retirement System (PERS) service credit</b>	Employee may buyback service credit for the period of absence when he/she returns to pay status. The employee will be required to pay both the employee and Regents' contributions.	Automatic contributions to UCRP are made while on 100% or 80% salary (credit is proportionate to the percentage of time on pay). The employee may buyback credit after the 80% ESL benefits exhaust, but	Automatic contributions to UCRP are made while on 100% or 80% salary (credit is proportionate to the percentage of time on pay). The employee may buyback credit after the 80% ESL benefits exhaust, but

		he/she must pay both the employee and Regents' contributions.	he/she must pay both the employee and Regents' contributions.
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**OPTION 1: The employee has elected NOT to use sick leave or vacation to supplement Workers' Compensation benefits.**

Sick leave or vacation will not be used to supplement temporary disability benefits paid by ORS. The employee will only receive temporary disability checks from ORS as described above.

**No Regents' contributions for medical insurance coverage will be made; therefore the employee is responsible for contacting and making direct payments to Benefits and Personnel Services (794-0830) for the full premium, if the employee wants to continue coverage during her/his time off from work. (See FMLA for exception.)**

*Example: Workers' Compensation TD check is payable to a maximum of \$602.00 a week or up to 66-2/3% of the employee's salary, whichever is less.*

**OPTION 1 (Instructions) – APPENDIX "E"**

If the employee selects Option 1, the employee will receive a TD check from ORS mailed directly to her/his home address. The department will receive a Workers' Compensation instruction sheet advising that ORS has made direct payment to the employee, the benefit period (compensable days absent), and the amount of the check.

**Supervisor's Checklist – Option 1:**

✓ Remind employees that they are responsible for making direct payments for their continued University-sponsored medical insurance while on Workers' Compensation. They should be instructed to call Benefits and Personnel Services at (310) 794-0830.

✓ The Department Payroll Representative (the on-line preparer) should be notified in order that the employee's EDB record can be updated to reflect her/his absences. This will prevent overpayments. Employees on Subs 2, 5, or 7 should not have payroll records adjusted.

✓ Notify the Workers' Compensation office, Octagon Risk Services, Benefits and Personnel Services when the employee returns to work. EDB on-line records will need to reflect the employee's return to work.

✓ Adjust the employee's vacation and sick leave accruals upon the employee's return to work. Employees earn full sick leave and vacation accruals for the period they were on Workers' Compensation, **but these hours may only be used when the employee returns to work.** Employees who selected Option 1 will earn personnel service credit, but no retirement service credit while on Workers' Compensation.

✓ Call Workers' Compensation at (310) 794-6952 for questions regarding Workers' Compensation benefits, Benefits and Personnel Services at (310) 794-0830 regarding medical insurance or employee-paid disability benefits, and the Payroll Office at (310) 794-8724 regarding processing the employee's pay.

✓ **IF THE EMPLOYEE IS ELIGIBLE FOR FMLA:** Work absences will be counted as FMLA, taken for the current calendar year. (Maximum of 12 work weeks are available during any calendar year).

**OPTION 2: The employee elects to use accrued sick leave to supplement Workers' Compensation benefits.**

The employee will use accrued sick leave hours to supplement temporary disability benefits paid by ORS. Vacation hours will not be used. The Regents' contributions will be made during the period that sick leave is used (and during the 80% Extended Sick Leave benefit period described below).

*Example: Workers' Compensation TD check AND a University paycheck (for using sick leave) will be paid to 100% of the employee's regular salary.*

**OPTION 2 (Instructions) – APPENDIX "F"**

If the employee selects Option 2, or is defaulted into Option 2, he/she will receive a TD check from ORS mailed directly to her/his home address. The department

will receive a Workers' Compensation instruction sheet advising that ORS has made direct payment to the employee, the benefit period (compensable days absent), and the amount of the check.

In Column B of the instruction sheet, the number of hours represented by the ORS check (hours given) must be deducted from the total number of hours the employee would have worked (excluding holidays) in the check period (example: 6/5/97 - 6/18/97). The difference is the number of sick leave hours the employee should be paid. Column A should be used to keep track of the employee's sick leave balance, beginning with the first day of paid benefits (example: 6/5/97). Add any accruals that may fall within the given period.

This procedure should continue until the employee's sick leave balance is insufficient to cover the difference. At that time, the Workers' Compensation office **must** be notified to determine the start date for the ESL benefit.

### Supervisor's Checklist – Option 2:

✓ The Department Payroll Representative (the on-line preparer) should be notified as soon as the instruction sheet is received in order that the employee's EDB record can be updated to reflect her/his absences. This will prevent overpayments. The employee's department is responsible for providing accurate sick leave totals to the Workers' Compensation office.

✓ Adjust sick leave accruals on each instruction sheet.

✓ Notify the Workers' Compensation office, Octagon Risk Services, and Benefits and Personnel Services when the employee returns to work. EDB on-line records will need to reflect the employee's return to work.

✓ Adjust the employee's sick leave and vacation accruals when the employee returns to work. Employees earn and use sick leave and vacation accruals for the period they are on Workers' Compensation, **and when on ESL, these hours may only be used when they return to work.** Employees who chose Option 2 will earn personnel service credit, full UC retirement service credit while receiving 100% pay, and 80% while on ESL. No retirement service credit is earned while receiving TD and EPD benefits.

✓ Call Workers' Compensation at (310) 794-6952 for questions regarding Workers' Compensation benefits, Benefits and Personnel Services at (310) 794-0830 regarding medical insurance or employee-paid disability benefits, and the Payroll Office at (310) 794-8724 regarding processing the employee's pay.

✓ Remind employees that they are responsible for direct payments to Benefits and Personnel Services for all benefits premiums (except Health) after the 80% ESL is exhausted.

✓ **IF THE EMPLOYEE IS ELIGIBLE FOR FMLA:**  
Work absences will be counted as FMLA, taken for the current calendar year. (Maximum of 12 workweeks is available during any calendar year).

**OPTION 3: The employee elects to use sick leave AND vacation to supplement Workers' Compensation benefits.**

The employee will use accrued sick leave and vacation hours to supplement temporary disability benefits paid by ORS. The Regents' contributions will be made during the period that sick leave and vacation is used (and during the 80% Extended Sick Leave benefit period described below).

*Example:: Workers' Compensation TD check AND a University paycheck (for using sick leave and vacation) will be paid to 100% of the employee's regular salary or paid to 80% while on ESL.*

### **OPTION 3 (Instructions) - APPENDIX "G"**

If the employee selects Option 3, he/she will receive a TD check from ORS mailed directly to her/his home address. The department will receive a Workers' Compensation instruction sheet advising that ORS has made direct payment to the employee, the benefit period (compensable days absent), and the amount of the check.

In Column C of the instruction sheet, the number of hours represented by the ORS check (hours given) must be deducted from the total number of hours the employee would have worked (excluding holidays) in the check period (example: 6/5/97 - 6/18/97). The difference is the number of sick leave and vacation hours the employee should be paid. Columns A and B should be used to keep

track of the employee's sick leave and vacation balances, beginning with the first day of paid benefits (example: 6/5/97). Add any accruals that may fall within the given period.

This procedure should continue until the employee's sick leave and vacation balances are insufficient to cover the difference. At that time, the Workers' Compensation office **must** be notified to determine the start date for the Extended Sick Leave (ESL) benefit.

### Supervisor's Checklist – Option 3:

✓ The Department Payroll Representative (the on-line preparer) should be notified as soon as the instruction sheet is received in order that the employee's EDB record can be updated to reflect her/his absences. This will prevent overpayments. The employee's department is responsible for providing accurate sick leave and vacation totals to the Workers' Compensation office.

✓ Adjust sick leave and vacation accruals on each instruction sheet.

✓ Notify the Workers' Compensation office, Octagon Risk Services, and Benefits and Personnel Services when the employee returns to work. EDB on-line records will need to reflect the employee's return to work.

✓ Adjust the employee's sick leave and vacation accruals when the employee returns to work. Employees earn sick leave and vacation accruals for the period they are on Workers' Compensation, **and when on ESL, these hours may only be used when they return to work.** Employees who chose Option 3 will earn personnel service credit, full UC retirement service credit while receiving 100% pay, and 80% while on ESL. No retirement service credit is earned while receiving TD and EPD benefits.

✓ Call Workers' Compensation at (310) 794-6952 for questions regarding Workers' Compensation benefits, Benefits and Personnel Services at (310) 794-0830 regarding medical insurance or employee-paid disability benefits, and the Payroll Office at (310) 794-8724 regarding processing the employee's pay.

✓ Remind employees that they are responsible for direct payments to Benefits and Personnel Services for all benefits premiums (except Health) after the 80% ESL is exhausted.

✓ **IF THE EMPLOYEE IS ELIGIBLE FOR FMLA:**  
Work absences will be counted as FMLA, taken for the current calendar year. (Maximum of 12 workweeks are available during any calendar year).

### 80% Extended Sick Leave Benefit (ESL)

This benefit is **automatic IF** the employee selected either Option 2 or 3, and has exhausted all sick leave and/or vacation, depending on which option was selected. The ESL benefit is paid for a maximum of 26 weeks for each injury.

*Example:: Workers' Compensation TD check AND a University paycheck (for using sick leave) will be paid to 80% of the employee's regular salary.*

University retirement service credit is earned while on sick leave and vacation. Retirement service credit will also be credited at 80% while on ESL. Likewise, Regents' contributions toward medical insurance coverage will be made. (For more information about the continuation of employee benefits contact Benefits and Personnel Services at 794-0830.)

<p><b>80% Extended Sick Leave Benefit (Instructions)</b> <b>APPENDIX "H"</b></p>
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***Placing the Employee on 80% Pay Status:***

According to Personnel Policy and/or Agreements, an employee who is receiving temporary disability benefits and has exhausted all accrued sick leave shall receive extended sick leave payments from the University in an amount equal to the difference between the ORS payments and 80% of his base salary (plus any shift differential which the employee would have received), which is called the Extended Sick Leave Benefit (ESL). The total period of ESL is not to exceed twenty-six (26) weeks for any injury or illness.

The Workers' Compensation office will prepare a calculation, which pro-rates the balance of the employee's sick leave and/or vacation hours. The employee should remain on 80% pay status until the end of the 26 week period (the date that will be given to the department), or until he/she returns to work, whichever occurs first.

The employee will continue to receive a TD check from ORS, mailed directly to her/his home address. The department will receive an Instruction Sheet for determining the number of hours the employee would have worked in the check period (example: 6/5/97 - 6/18/97) at 80%. The procedure continues until the employee has exhausted the 80% ESL benefit or returns to work.

Sick leave and vacation are accrued at 80% during the compensable Workers' Compensation period, but they may only be used when the employee returns to work.

If the employee exhausts the 80% ESL, the employee is eligible (if enrolled) for Employee-Paid Disability (EPD). The Workers' Compensation office will process the required forms and forward them to Benefits and Personnel Services.

## Supervisor's Checklist -- Extended Sick Leave Benefit:

✓ The Department Payroll Representative (the on-line preparer) should be notified as soon as the instruction sheet is received in order that the employee's EDB record can be updated to reflect her/his absences. This will prevent overpayments. The employee's department is responsible for providing accurate sick leave totals to the Workers' Compensation office.

✓ Adjust sick leave and vacation accruals on each instruction sheet.

✓ Notify the Workers' Compensation office, Octagon Risk Services, and Benefits and Personnel Services when the employee returns to work. EDB on-line records will need to reflect the employee's return to work.

✓ Adjust the employee's vacation and sick leave accruals upon the employee's return to work. Employees earn full sick leave and vacation accruals for the period they were on Workers' Compensation, **but these hours may only be used when they return to work.**

Employees who selected Option 3 will earn personnel service credit, full UC retirement service credit while receiving 100% pay, and 80% while on ESL. No retirement service credit is earned while receiving TD and EPD benefits.

✓ Call Workers' Compensation at (310) 794-6952 for questions regarding Workers' Compensation benefits, Benefits and Personnel Services at (310) 794-0830 regarding medical insurance or employee-paid disability benefits, and the Payroll Office at (310) 794-8724 questions regarding processing the employee's pay.

✓ Remind employees that they are responsible for making direct payments to Benefits and Personnel Services for all benefits (except Health) after the 80% ESL is exhausted.

## Exhaustion of the 80% Extended Sick Leave Benefit

If the employee is still disabled after the 26 weeks at 80% salary, they are eligible for Employee-Paid Disability benefits (paid by Liberty Mutual) **if enrolled**. This benefit will supplement the Workers' Compensation payments to a maximum of 70% of the employee's regular salary (to a maximum of \$10,000 per month).

*Example:: Workers' Compensation TD check AND a Liberty Mutual check will be paid to 70% of the employee's regular salary (to a maximum of \$10,000 per month).*

### **Exhaustion of the 80% Extended Sick Leave Benefit (Instructions)**

The Workers' Compensation office will process the required forms and forward them to Benefits and Personnel Services. The department will also receive a copy of a form which explains when the employee's ESL benefits exhaust, and what procedures should be followed to ensure that employees who are enrolled in the EPD plan continue their University-sponsored medical plans without interruption.

A *Health Insurance Contingency Fund* form will be sent to Benefits and Personnel Services, and the Office of the President each month to continue health insurance. If at any time the employee's health premium is not paid, Workers' Compensation will notify the employee.

## Supervisor's Checklist -- When the ESL Benefits are Exhausted:

✓ Contact Benefits and Personnel Services at 794-0830 regarding the employee's Employee-paid Disability benefits.

✓ Call Workers' Compensation at (310) 794-6952 for questions regarding Workers' Compensation benefits, Benefits and Personnel Services at (310) 794-0830 regarding medical insurance or Employee-Paid Disability benefits, and the Payroll Office at (310) 794-8724 regarding processing the employee's pay.

✓ Remind employees that they are responsible for making direct payments to Benefits and Personnel Services for all benefits (except Health) after the 80% ESL is exhausted.

When the ESL period ends, if the employee has not returned to work or has not been separated, the employee may be eligible to have Regent's contributions for health insurance paid by the University Health Contingency Fund. The employee must make arrangements with Benefits and Personnel Services to continue any other University sponsored benefits.

In accordance with University personnel policies and agreements, employees who are on leave without pay (including worker's compensation) continues to accrue sick leave and vacation on the same basis as if regularly employed, however such accruals are credited to the employee only upon return to work. If the employee separates without returning to work, no payments shall be made for such vacation credit."

### Source of Workers' Compensation Benefits

Regardless of which option is selected, all Temporary Disability (TD) payments will be mailed directly to the injured or ill employee by ORS.

Supplemental benefits (sick leave and/or vacation or ESL) will be processed by the employee's department and the Payroll Office. The supplement check will be given to the employee in the form of a University paycheck.

Employee-Paid Disability (EPD) benefits will be processed by the employee's department, Benefits and Personnel Services office, and Liberty Mutual. Payments will be mailed directly to the injured or ill employee by Liberty Mutual.

## Key Workers' Compensation Forms

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### Employer's Report of Occupational Injury or Illness (Appendix "C")

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Department personnel should receive a copy of the *Employer's Report of Occupational Injury or Illness* form for each injury, which explains the nature of the employee's injury and how it occurred.

This form is to be reviewed, and if correct, filed in the employee's personnel file. If corrections are needed, please contact the Workers' Compensation office at (310) 794-6952.

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### Designation of Physician (Appendix "D")

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For those employees who want to be treated by their physician for a work-related injury, a *Designation of Physician* form must be on file in the department office **before** the injury or illness has been reported (preferably at least 30 days before). If the employee does not file a designation, the University will arrange for their medical care.

The employee, who chooses to pre-select a physician, should designate a physician who has treated him/her in the past and has the medical records. This form allows treatment for the entire period of the injury or illness, including the 30 day period immediately after the injury or illness is reported. The employee must report any change in treating physicians as soon as possible to ORS in order that medical bills can be properly considered for payment.

This form must be kept in the employee's personnel file for reference in the event an injury or illness occurs. **At the time an injury is reported**, the form must be photocopied, and forwarded to the Workers' Compensation office.

# FACTORS THAT MAY AFFECT THE EMPLOYEE'S RETURN TO WORK

## Staying in Contact with the Injured Employee

If the employee's injury or illness results in time away from work, maintain contact. Employees often are concerned about their finances or job security as they sit at home. These concerns can interfere with recovery. Employees may also worry that their injury might interfere with their ability to do the job well upon their return.

The Workers' Compensation program encourages contact between supervisors and employees during absences resulting from work-related injuries and illnesses. The type, frequency, and content of the contact will vary depending upon many factors, including the type of claim and the prior relationship between the supervisor and the employee.

The supervisor plays an important role in the employee's recovery and return to work. Employees' questions should be answered as quickly and accurately as possible. Employees should be informed about what is happening in the department. Supervisors should show interest in the welfare of the employee, and that they seriously want the employee to recover quickly and return to work as soon as medically possible. Employees should be made to feel important and needed during their recovery period.

## Permanent Disability

When the effects of a work-related injury or illness cause a loss of earning power, impairment of the normal use of a member, or a competitive handicap in the open market, there is some permanent disability.

The employee will be entitled to compensation based on the degree of disability from .25% to 100%. The disability rate is based on the nature of the disability, the age of the injured employee, and the employee's

occupation. Payments are made weekly for a specified period of weeks. If a disability is rated at 70% or higher, the employee is entitled to a lifetime pension as well.

Even if an employee is considered to have a permanent disability, he/she may still be eligible to continue University employment at full salary, depending on the type of disability and occupation.

## The Employee's Transition Back to Work

In most cases, the supervisor should know when the employee is expected back to work by keeping in contact with her/him. Often an employee may be recovered enough to return to work and perform modified duties before full duties can be performed. Supervisors have a responsibility to assist employees in making this transition back to work, even if it means that work assignments have to be temporarily adjusted.

## Return to Work

Before the employee returns to work, he/she must report to OHF for a *Release to Return to Work* form. This form will indicate whether the employee's medical documentation is adequate, and identify any restrictions associated with the employee's return to work. The employee must check with OHF EVEN IF he/she was released by an outside physician.

The department cannot allow an employee to return to work without first reviewing the *Release to Return to Work* form. If the employee has been released **with restrictions**, the supervisor should contact the Vocational Rehabilitation Counselor at (310) 794-6951. The Counselor will review pertinent medical reports and speak with the supervisor to determine if the restrictions can be accommodated.

## Work Restrictions

When an employee has the opportunity to return to work with temporary work restrictions, supervisors can help speed complete recovery by providing the needed accommodations. *Temporary transitional assignments should be encouraged and allowed where possible without a loss of pay.* Both the department and the employee usually benefit from accommodation to modified work, and a quicker return to normal duties is frequently the result.

**Furthermore, Federal law and staff personnel policies and collective bargaining agreements all require that efforts be made to provide reasonable accommodation.**

Typical work restrictions may include “no lifting or bending,” or “a 25 pound weight limitation,” or “limited standing.” The employee’s treating physician should give these restrictions to the employee **in writing**. These written work restrictions must be provided to the department before the employee is allowed to return to work.

Supervisors should review the work restrictions with the Vocational Rehabilitation Counselor **and** the employee to avoid any misunderstandings and to decide how the restrictions can best be accommodated. The supervisor and employee should not, however, modify the physician’s written work restrictions without consulting the Vocational Rehabilitation Counselor who will contact the physicians (and/or others) regarding what modifications, if any, can be made. It is important that job assignments stay within the employee’s abilities as stated in the restrictions.

Sometime portions of a job can be omitted or assigned to another worker temporarily, with lighter modified duties given to the injured worker. At other times, it may be appropriate to assign an injured worker to a different position temporarily.

Another option to consider is a simple modification to the work site. A different chair height or rearrangement of a work surface may enable the employee to return to work. The Vocational Rehabilitation Counselor can provide assistance with minor work site adjustments.

## Qualified Injured Worker (QIW)

If the injury precludes the worker from returning to her/his usual and customary job duties and their medical condition is permanent and stationary (P&S), or their condition is such that it is obvious the employee will not be able to return to work, notice shall be given in writing to the employee of whether the employer will be able to offer modified or alternative work.

If modified or alternative employment with the University is possible, the offer shall be made on a DWC Form RU-94. The injured worker has 30 calendar days to accept or reject the offer.

**Contact the Vocational Rehabilitation Counselor at (310) 794-6951 for more information.**

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# VOCATIONAL REHABILITATION

## The Vocational Rehabilitation Process

After 90 days of aggregate Workers' Compensation disability, a Qualified Rehabilitation Representative (QRR) will be assigned to the employee's case.

- The QRR will meet with the employee's supervisor and complete a *Functional Job Analysis Physical Assessment* form.
- The QRR will contact the employee and explain her/his rights and obligations under the rehabilitation program.
- The QRR will contact the treating physician to determine the medical status of the employee, and if the employee is medically eligible for rehabilitation.

## Vocational Rehabilitation Services

The following services are offered in consultation with the Employee Relations and Staff Employment units of Campus Human Resources:

1. **Retention** (including job modification, alternate employment accommodations, and reasonable accommodation).
2. **Re-Employment or Re-Appointment** (placement assistance) to facilitate rehire.
3. **Restoration to Employability** (including the development of a formal Workers' Compensation Rehabilitation Plan, with retraining and external placement assistance, as appropriate).

Emphasis will be placed on the rehabilitation options which are the most cost-effective and least time-consuming (e.g., Retention and Re-employment). Restoration services will only be used when all other means are not feasible.