

# **RETURN-TO-WORK PATTERNS AND PROGRAMS FOR INJURED WORKERS COVERED BY TEXAS WORKERS' COMPENSATION INSURANCE**

**Summary Report**

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(Revised)

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## OVERVIEW

The Texas workers' compensation system has been in the public spotlight for several years. This attention and discussion ultimately led to the 1989 passage of the new Texas Workers' Compensation Act, of 1989. Key provisions of that act were implemented in 1991, bringing important changes to the workers' compensation environment in the state, including reducing the likelihood of litigation, restructuring workers' compensation benefits, streamlining the income benefits determination process, and creating a stronger Workers' Health and Safety Division. The act also called for gathering better information on vocational rehabilitation and related efforts for injured workers covered by workers' compensation in Texas.

The Center for the Study of Human Resources (U.T. Center), a research organization of the Lyndon Baines Johnson School of Public Affairs of The University of Texas at Austin, conducted a detailed exploration of postinjury return-to-work (RTW) patterns of Texas workers covered by workers' compensation and who were injured during the 1988-1991 period. The U.T. Center also examined RTW programs—programs and/or services designed to return an injured employee to work as early as medically feasible—available for covered Texas workers. Public and private employers, insurance carriers, and vocational rehabilitation providers were examined. All of these may be involved in the delivery of RTW programs or services.

The key research questions addressed in this exploratory research were as follows:

- What are the return-to-work patterns of injured Texas workers covered by workers' compensation insurance, under both the old and new law, over the 1988-1991 period? What are the differences and similarities of return-to-work patterns by industry, employer size, occupation, diagnostic group, and worker demographic characteristics, among other selected characteristics?
- What are the prevalence, characteristics, costs, benefits, and outcomes to covered employees of return-to-work programs provided by employers, private providers, insurance companies and the Texas Rehabilitation Commission (TRC)?
- How many covered workers might be in need of, participate in and complete return-to-work programs/services? What measures can be identified relating to the need for and appropriate design of return-to-work programs?

This phase of the research ultimately addressed questions concerning return-to-work patterns and gathered preliminary information on RTW programs in the state. The Texas Workers' Compensation Research Center (TWC Research Center) sponsored and funded this exploratory research which provides insights for improved policy and program formulation and suggests issues for further study. This report summarizes the larger project research report. (The table of contents for the larger report is attached.)

## METHODOLOGY AND DATA SOURCES

Four basic methodologies were used in this research: 1) descriptive statistical analysis of agency administrative data on workers' compensation, employment and earnings; 2) mail and telephone surveys of RTW programs and services; 3) case studies of selected RTW program providers; and 4) focus groups with injured workers who received RTW program services.

*Return-to-Work Patterns.* To examine pre- and postinjury return-to-work patterns, the universe of 573,576 individual indemnity claim records were provided by the Texas Workers' Compensation Commission (TWCC). These records were examined for the 1988-1991 period which spanned both the old and new law. The TWCC data were carefully matched to administrative records from the Texas Department of Insurance (TDI) and the Texas Employment Commission (TEC), using injured workers' Social Security numbers. TDI provided additional data for new-law indemnity claims, those involving \$5,000 or more in benefits paid (losses incurred). TEC provided employer information and detailed pre- and postinjury employment and earnings data reported under the federal/state Unemployment Insurance (UI) program—over 1.8 million earnings records in all—for these injured workers/claimants.

Return-to-work patterns for single-claim cases were studied from both comparative (interyear) and noncomparative (year-by-year) perspectives. The *comparative approach* contrasts patterns for one old-law year, 1989, with those for a new-law year, 1991. Only larger indemnity claims cases (i.e., those with \$5,000 or more in losses incurred) were examined in the comparative analysis. The *noncomparative approach* describes the patterns of a given period without reference to the patterns of others. Patterns for the individual years 1988, 1989, 1990 and 1991 were examined for all single-claims cases. Multiple claims—i.e., more than one claim filed per Social Security number—were analyzed for the 1988-1991 period as a whole.

In both approaches, RTW patterns are expressed in terms of *two basic measures*, as follows: 1) quarters of postinjury employment/nonemployment, and 2) pre- and postinjury average weekly gross earnings (AWGE). Postinjury employment patterns are defined as the sequence of quarters of employment and/or nonemployment after the *quarter of injury* (QOI). A quarter of employment, designated as "E", consists of a post-QOI quarter with *any* gross earnings. A quarter of nonemployment, designated as "N", is defined as a post-QOI quarter with *zero* gross earnings. Nonemployment is not strictly the same as unemployment, but technically means not employed in a *UI-covered* job. If a worker were employed in a non-UI-covered position or out of state, gross earnings registered by TEC would be zero. At the aggregate level, postinjury employment patterns are characterized as the *modal (most common) pattern*.

Pre- and postinjury wages have been computed at the individual level by a surrogate: *average weekly gross earnings* for quarters in which any gross earnings appear. Since UI-based earnings data are only available by quarter, data were converted to weekly averages by formula. *Median* values of the individual average weekly gross earnings figures have been used.

Single-claim fatal cases were eliminated from the comparative and noncomparative analyses since return to work prior to death would be extremely rare in the event that such death did not occur immediately or soon after the injury. For analysis of multiple-claim cases, however, employment and earnings data for the period between the penultimate (nonfatal) and ultimate (fatal) QOIs is included.

Two types of analysis were performed as well. *Unstratified analysis* considers relevant claims as a whole within a given timeframe. *Stratified analysis* presents patterns disaggregated by various demographic, industrial, occupational and other groups within the overall population or sample. Claims data were stratified and then analyzed for their RTW patterns.

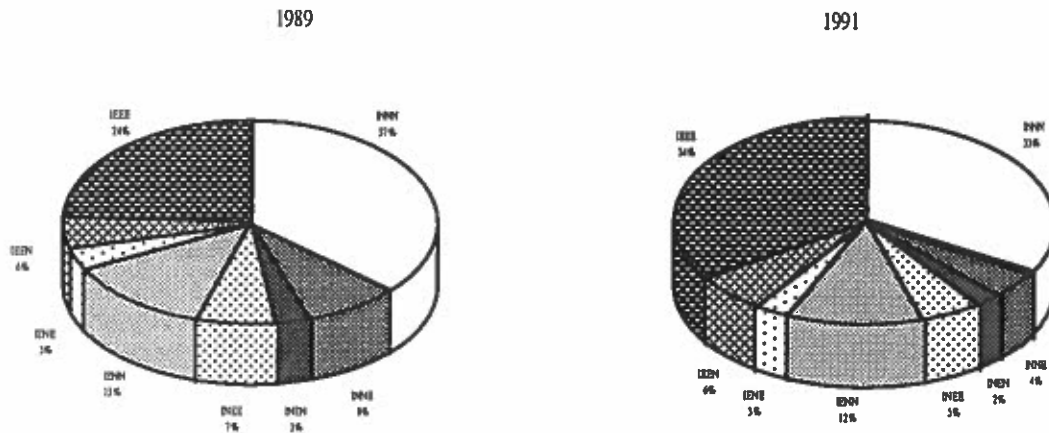
Under the comparative (interyear) approach, a *significant subuniverse* of single-claim cases was studied for injuries occurring in the first three quarters of both 1989 and 1991. The subuniverse of cases selected for each year consists of those indemnity claims cases involving at least \$5,000 in benefits paid or reserved (losses incurred). For 1989, these claims represented only 20 percent of all cases but almost 52 percent of the value of all claims for that year. For 1991, such claims represented only 14 percent of all cases. (For technical reasons, the share of claims by value could not be readily determined for 1991.) For the noncomparative (year-by-year) approach, old-law years 1988, 1989, 1990, and new-law year 1991 were chosen. Since available employment and earnings data span the 1988:1 (i.e., the first quarter of 1988) through 1992:2 period, pre- and postinjury employment and earnings data available for each year vary considerably. The discussion of single-claim cases focuses only on those pre- and postinjury quarters of earnings data and on those postinjury quarters of employment data which all QOIs have in common.

Multiple-claim cases may span any part of the four-year period. Thus, all inter-QOI quarters were considered in determining employment and earnings patterns. In addition, all pre-injury quarters before the *earliest* QOI and all postinjury quarters following the *latest* QOI were considered for RTW patterns. The possibility of more than one claim occurring per QOI necessitates two levels of measurement for distribution patterns: the QOI and the individual claim. The multiple-claim analysis concentrated on two—claim cases only; these cases account for 84 percent of all multiple claims in the 1988-1991 period.

**Return-to-Work Programs.** The analysis of Texas RTW programs and services was limited by data availability and accessibility constraints. Aside from the actual services offered through special pilot efforts sponsored by TRC, little was known about the extent, nature and distribution of such RTW programs in Texas. Three methods were used to collect data on RTW programs. First, mail/telephone surveys of RTW services and providers were conducted of employer-based programs, insurance carriers, and other private providers. A total of almost 1,600 questionnaires were mailed to the three groups. Follow-up telephone calls were made to non-respondents. Ultimately, 233 usable responses were received: 182 from covered employers, 16 from insurance carriers and 35 from private providers. Response rates by group were 16 percent, 6 percent and 17 percent, respectively. Second, several case studies of selected programs, services, and providers were conducted to elicit additional insights not possible with the mail/telephone survey. Third, focus group sessions were held with injured workers who had received or were receiving RTW program services.

Figure 1—Postinjury Employment/Nonemployment Patterns  
 1989, 1991 Single-Claim Cases with \$5000 or More in Benefits  
 Quarters of Injury 1-3 as a Whole  
 Unstratified

LEGEND: I = Quarter of Injury(QOI), E = Quarter of Employment, N = Quarter of Nonemployment  
 Source: Appendix Table C.1; TWCC, TDI and TEC data



## RETURN-TO-WORK PATTERN FINDINGS

### Comparative (Interyear) Analysis—Larger-Indemnity/Single-Claim Cases, 1989/1991

#### *Postinjury Employment/Nonemployment Patterns*

Figure 1 reveals a clear contrast between 1989 and 1991 for the larger indemnity *unstratified*, single-claim cases. The most common postinjury patterns for each of the two years are exact opposites: nonemployment, INNN, and full employment, IEEE. To summarize:

- The most notable change in employment and nonemployment patterns between old and new law was a considerable increase in the likelihood of postinjury employment. While those injured in 1989 were most commonly *not* employed in the three-quarter postinjury period (37 percent INNN), by 1991 injured workers were slightly more likely (34 percent IEEE) to be employed in all three quarters.
- Nonemployment (33 percent INNN) was the second most common pattern in 1991, but just barely so; INNN exceeded IEEE by 13 percentage points in the earlier year.
- There may be a significant share of injured workers for whom early return to work may not be so productive; that is, injured workers who return to work quickly only to experience nonemployment after a period of time. The combined share for these IENN and IEEN patterns remained roughly the same in both years (18-19 percent).

Interesting postinjury employment patterns among the 1989/1991 *stratifications* examined for these larger-indemnity, single-claim cases were:

- **Sex.** There was a large increase in the share of those employed in the postinjury quarters for both females and males in 1991. This effect was much stronger for females, who were 1.6 times more likely to be fully employed postinjury (IEEE) in 1991. Though the rise in IEEE cases for males was substantial (from 24 to 34 percent), nonemployment (INNN) remained the most common 1991 pattern for men by a small margin.
- **Age.** Full employment (IEEE) became the most common pattern in 1991 for four out of the six age groups of workers 18 years of age and over, and for all but the two younger age groups (18-19 and 20-29 years). IEEE's advantage over INNN grows in each succeeding age group, likely reflecting increasing economic pressures facing workers as they mature, assume greater financial responsibility and prepare for retirement. The trend to full employment with increasing age appears in both years but is stronger in 1991.
- **Injury-Nature/Body-Part.** For the top ten injury-nature/body-part combinations (ranked by frequency), not unexpectedly back sprains ranked highest in each year.<sup>1</sup> The full-employment (IEEE) pattern grew most for sprained backs (up 113 percent) and

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<sup>1</sup>In the top ten stratifications used for this analysis—including injury-nature/body-part, occupation, industry (both by frequency and incidence)—since the top ten *for each year* is reported, the total number may exceed ten when considering both years together.

trunks (up 80 percent). IEED replaced INNN as the modal pattern in four of the eleven specific 1991 combinations.

- **Preinjury Occupation.** For the top ten major occupational groups (by frequency), by 1991 full employment (IEED) replaced nonemployment (INNN) as the most common pattern in five of the eight groups with substantial numbers of injured workers. IEED grew significantly, while INNN either declined or remained unchanged in all groups.
- **Preinjury Industry—High Frequency of Indemnity Cases.** For the top ten industry groups—ranked by decreasing indemnity case frequency for each year—the major trends were: 1) with only one exception (Executive, Legislative, General Government), all industry groups experienced substantial growth (ranging from 22 to 90 percent) in full employment postinjury; 2) IEED replaced INNN as the most common pattern in three (Educational Services; Health Services; and Motor Freight Transportation/Warehousing) and maintained its modal status in two others (Executive, Legislative, General Government; and Wholesale Trade-Durable Goods); and 3) INNN declined in nine of twelve but maintained its modal status in 1991 in seven out of the ten groups where INNN was the most common 1989 pattern.
- **Preinjury Industry—High Statewide Incidence Rates.** Postinjury patterns for the top ten industries—ranked by the (Bureau of Labor Statistics) incidence rates of work-related injuries and illnesses in Texas—were also examined. Four industries exchanged nonemployment for full employment as the most common pattern by 1991, while another four retained IEED as the modal pattern. Thus, for high-incidence industry groups as a whole, there was a shift towards greater postinjury employment by 1991.

### *Pre-/Postinjury Gross Earnings Patterns*

Pre- and postinjury average weekly gross earnings (AWGE) for workers injured in the first three quarters of 1989 and of 1991 were examined. (QOI is indicated by a shaded vertical bar in the figures.) All median earnings figures have been adjusted for inflation and represent constant fourth-quarter 1991 dollars. Postinjury earnings were compared with those in the most recent preinjury quarter, QOI-1. Figure 2 shows *unstratified*, quarter-by-quarter, pre- and postinjury median AWGE for 1989 and 1991. Key findings for the larger, single-claim cases are:

- Compared with 1989, 1991 cases experienced smaller initial postinjury earnings declines in the immediate postinjury quarter, in both constant dollars and the percentage of preinjury earnings.
- 1991 cases experienced more complete recovery of preinjury earnings. Median weekly earnings for the first postinjury quarter in 1991 dropped almost \$115 (or 41 percent) below the preinjury level of around \$282. By the third postinjury quarter, 1991 median earnings had risen to \$266—a 95 percent recovery of preinjury earnings compared with only an 88 percent recovery for the 1989 cases by that time.



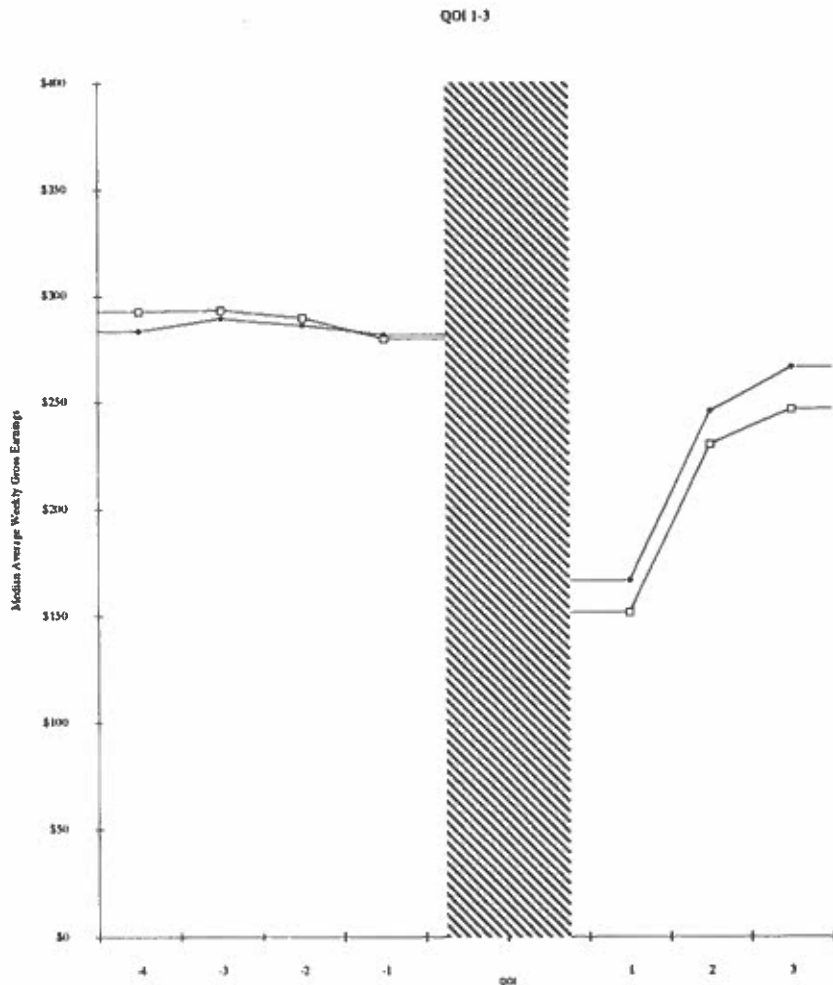
These patterns hold for most, but not all, *stratifications* examined as well. Key patterns observed in these stratifications include:

- **Sex.** In 1991, both females and males experienced smaller initial earnings declines in the quarter immediately following the QOI, as well as more complete recovery of preinjury earnings by the third postinjury quarter. For women injured in 1991, AWGE for the first postinjury quarter dropped more than \$98 (43 percent) from their preinjury earnings of \$230. By the third postinjury quarter, 1991 female median earnings had recovered by 91 percent, compared with only a 75 percent 1989 recovery. Males' AWGE rose to \$305 in the same period, for a 96 percent recovery, compared to only 91 percent in 1989.
- **Age.** The 18-19 and 60-69 age groups experienced larger dollar declines, and for the 60-69 group, larger percent declines in initial postinjury earnings in 1991. All 1991 majority age groups enjoyed fuller recovery of preinjury AWGE than the same groups did in 1989.
- **Injury Nature/Body Part.** Seven of the eleven injury-nature/body-part combinations were exceptional in some way relative to the unstratified patterns. Workers with 1991 injuries involving sprains to the leg, trunk, arm, wrist, and ankle and those with abdominal hernias experienced *larger* dollar (and typically percentage) declines in postinjury earnings. Workers with sprained legs and ankles, multiple injuries, and hernias in 1991 also recovered a smaller share of preinjury earnings. The four nonexceptional combinations were sprains to the back, shoulders, neck and to multiple body parts.
- **Preinjury Occupation.** Half of the top eight occupation groups are also exceptional in some way. Workers injured in the Administrative Support, Transportation and Material Moving Equipment, and Farming/Forestry/Fishing Occupations experienced larger dollar *and* percentage declines in initial post-QOI earnings in 1991. Workers in Transportation and Material Moving Equipment and Precision Production, Craft and Repair Occupations injured in 1991 also recovered a smaller percentage of preinjury earnings than in 1989. Patterns for the other four occupations were similar to those in the unstratified analysis.
- **Preinjury Industry—High Frequency of Indemnity Cases.** Seven of the top ten industry groups by case frequency are exceptional in some way. Compared to 1989, workers injured in 1991 in the following industries experienced larger rather than smaller dollar declines in post-QOI earnings: Construction-Special Trade Contractors; Executive, Legislative, and General Government, except Finance; Motor Freight Transportation and Warehousing; Wholesale Trade-Durable Goods; Building Construction-General Contractors and Operative Builders; and Oil and Gas Extraction. Workers in Construction-Special Trade Contractors; Executive, Legislative, and General Government, except Finance; and Oil and Gas Extraction who were injured in 1991 also recovered a smaller percentage of preinjury earnings than in 1989. The other three industry major groups conformed to the trends in the unstratified analysis, that is, lower dollar and percentage declines in initial postinjury earnings and better recoveries.
- **Preinjury Industry—High Statewide Incidence Rates.** Half of the ten industries ranked by statewide 1990 injury/illness incidence rates are exceptional in some way with respect to the unstratified earnings patterns. Compared to 1989, workers injured in

1991 in four industries—Transportation by Air, Motor Freight Transportation and Warehousing, Primary Metals, and Construction-Special Trade Contractors—experienced larger rather than smaller dollar declines in initial postinjury earnings. For two of these (Transportation by Air and Primary Metals) these larger 1991 dollar declines represented larger *percentage* declines as well. Workers in the Transportation by Air, Primary Metals, and Construction-Special Trade Contractors industries who were injured in 1991 also recovered a smaller percentage of preinjury earnings than in 1989. The other five industry major groups largely conformed to the unstratified earnings trends.

Figure 2—Median Pre- and Postinjury Average Weekly Gross Earnings  
 1989, 1991 Single-Claim Cases with \$5000 or More in Benefits  
 Preinjury 4-Quarter/Postinjury 3-Quarter Periods, Quarter by Quarter  
 Quarters of Injury 1-3 as a Whole  
 Unstratified  
 Constant 1991:4 Dollars

LEGEND: QOI = Quarter of Injury, X-Axis = QOI and Surrounding Quarters  
 White Markers = 1989, Black Markers = 1991  
 Source: Appendix Table D.1; TWCC, TDI and TEC data



## Noncomparative (Year-by-Year) Analysis—All Indemnity Claims Cases, 1988-1991

The noncomparative analysis presents both postinjury employment/nonemployment and pre-/postinjury earnings patterns for *all* indemnity claims cases regardless of claim amount in each of the years, 1988-1991. These patterns are shown primarily for the sake of illustration. For several reasons, little weight should be given any apparent differences in these patterns. The primary problem is that, while postinjury employment and earnings data are abundant for 1988 and 1989 the same is clearly not true for 1991. Pattern differences for each of these years, thus, may simply represent artifacts of the data now available. With the passage of time, patterns for injured 1991 workers may come to resemble 1988 patterns—or they may *not*. There is simply no way to know how these more recent patterns will look for the same postinjury timeframes given the availability of additional quarters of employment and earnings data. Only *unstratified* patterns are presented.<sup>2</sup>

### *Postinjury Employment/Nonemployment Patterns*

The main patterns emerging from the year-by-year noncomparative analysis of postinjury employment/nonemployment patterns for the years, 1988-1991, are:

- Rapid returns to work followed by sustained long-term employment—the IEEEEEE... patterns—were the most common patterns for each of these years, whether under the old or new law, accounting for 28 percent of the total in 1988, 35 percent in 1989, 42 percent in 1990 and 64 percent in 1991.
- The modal full-employment pattern far surpassed the next most common pattern—nonemployment, INN>NNN...—by wide margins in all four years. INN>NNN... patterns represented fewer than 8 percent of the total in 1988, around 9 percent in 1989, 14 percent in 1990 and just under 19 percent in 1991.

Many other patterns characterize these years. However, with 16 possible quarters of injury and subsequent employment and earnings, and two alternative statuses (E and N), the number of possibilities is too large to summarize adequately here. Moreover, the more recent injury and RTW patterns have yet to unfold completely.

### *Pre-/Postinjury Gross Earnings Patterns*

Figure 3 shows pre- and postinjury earnings for the *unstratified* 1988-1991 indemnity claims cases, for as many quarters of data as are available for each year. For all four years, there

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<sup>2</sup>The extensive stratified patterns for the comparative analysis are fully documented in the report's appendix tables.

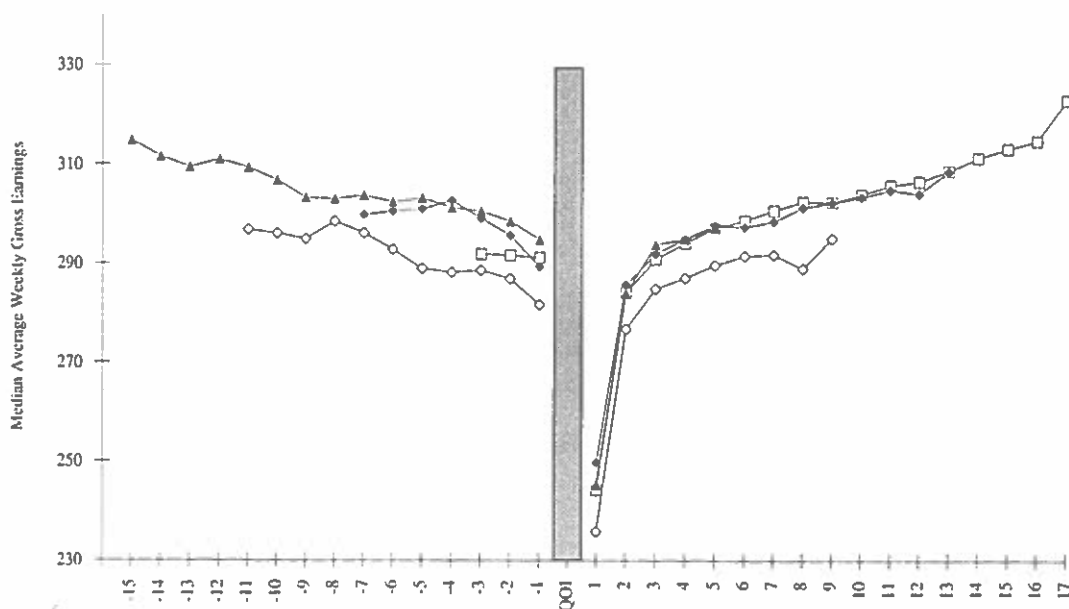
are substantial declines in real preinjury earnings, largely indicating relatively steady nominal earnings as adjusted for inflation. Once most of the initial postinjury earnings decline has been overcome, postinjury median AWGE gains mirror the preinjury declines, with real earnings increasing at about the same rate as preinjury earnings declined for each year.

Covered workers injured during 1991 suffered the steepest dollar and percentage earnings declines, losing almost \$50 in median weekly earnings between the immediate pre- and postinjury quarters. Workers injured in 1989 absorbed the smallest dollar and percentage declines (around \$40, or 14 percent). Initial postinjury earnings declined by 16 percent for both of the other years: around \$47 and \$46 for 1988 and 1990, respectively.

Earnings data for all four years were available for three quarters pre- and five quarters post-QOI. These common quarters served as benchmarks for measuring earnings recovery rates. By the fifth postinjury quarter, workers injured in 1988 had recovered 102 percent of their preinjury AWGE, the best rate of the four years. Rates for the remaining years were about equal (99-100 percent). Until additional quarters of earnings data become available for more recent years, the stability and durability of these postinjury earnings recovery patterns remain unknown.

Figure 3—Median Pre- and Postinjury Average Weekly Gross Earnings  
 1988-1991 Single Claim Cases, All Indemnity Benefit Amounts  
 Preinjury X-Quarter/Postinjury Y-Quarter Periods  
 Unstratified  
 Constant 1991:4 Dollars

LEGEND: White Square: 1988, Black Diamond: 1989, White Diamond: 1990, Black Triangle: 1991  
 Source: Appendix Table D.9; TWCC, TDI and TEC data



## Multiple-Claim Return-to-Work Patterns

Over 71,000 covered workers filed more than one indemnity claim during the 1988–1991 period; the vast majority of these (84 percent) only filed two separate claims. The detailed analysis of multiple-claim cases focused solely on these two-claim cases over the entire period, whether they were filed in a single quarter or in two separate quarters of injury. In the latter case, the two injury quarters could be back to back or separated by as many as 14 nonclaim quarters. For injured workers filing two claims in *separate* quarters (92 percent of two-claim cases), the key return-to-work findings were as follows:

- Postinjury employment patterns in the period following the first quarter of injury closely resembled those of single-claim cases: the most common pattern was for injured workers to obtain *initial and steady employment for the entire period*, while the second most common pattern was for them not to be employed initially, but to secure steady employment thereafter.
- Not surprisingly, the *occurrence of a second injury leads to less stable return-to-work patterns*: initial and steady employment remains the most common pattern, however, subsequent injury has the effect of considerably raising the likelihood of initial and steady nonemployment.

Eight percent of injured workers filed two claims in the *same* quarter over this period, and it is clear that having two injuries in such a short span of time diminishes the likelihood that these workers will return to work either quickly or permanently. Modal RTW patterns for workers filing two claims in the same quarter are mixed. For some injured workers' nonclaim spans, the most common pattern was initial, steady employment, while for others, it was initial, steady nonemployment.

In terms of real earnings, two-claim injured workers with claims in the same quarter tended to have lower preinjury earnings overall and sharper drops in initial postinjury earnings than those with claims in separate quarters. While these same-quarter claimants tended to recover their preinjury earnings at comparable rates, it took them far longer than for those with claims in separate quarters. Occupational and industrial employment differences partially account for this.

## RETURN-TO-WORK PROGRAM/SERVICES FINDINGS

### RTW Program Survey Results

Obtaining sufficient information on the nature and extent of RTW programs and services available in the state proved difficult. Not only is there no central registry of such efforts, but up-

to-date mailing lists of employers subscribing to workers' compensation and offering RTW programs/services, insurance carriers writing workers' compensation policies and potential RTW providers were not available. In addition, the project budget limited the number of surveys possible. Given these constraints and the low survey response rate—an overall response rate of 18 percent—the RTW survey results reported here should be viewed as exploratory only. Any conclusions about the nature and extent of RTW programs/services for injured workers covered by workers' compensation in Texas based on these results should be weighed cautiously.

Most RTW survey respondents (78 percent) were employers; far fewer respondents were private providers (15 percent) or insurance carriers (7 percent). Employers offering RTW programs/services (38 percent of covered employer respondents) tended to be medium-to-large manufacturing and service-based employers who started their programs after 1985. Insurance carriers and private providers typically began offering these services during that time frame as well.

Most employers with RTW programs operate them in-house, rather than through carriers or private providers. Employer-based programs tended to offer a varying mix of services, including monitoring, case management and alternate placement, direct placement, OJT and counseling. Employers offered progressive duty and job modification—components which have received considerable attention in the literature as being particularly effective RTW services—less frequently.

Program outcome measures, such as participation and RTW success rates, were difficult to estimate due to the low response rates on these sections of the survey. However, the responses received suggested that employees who participated in RTW programs by and large successfully returned to work, typically at their preinjury pay rate. The costs of operating RTW programs by employers, insurance carriers and private providers were also difficult to determine. However all three respondent groups indicated that the *benefits of operating RTW programs far outweighed their costs*. Most employers indicated that not only did they gain from providing RTW services, but injured workers and their other employees benefited as well. Important RTW program benefits included reduced claim and premium costs, avoidance of costly litigation and improved public image for employers; improved moral, accelerated recovery and increased job security for injured employees; and improved employee morale, increased job security and better communication for other employees. Insurance carriers and private providers noted similar benefits, again reporting that RTW program benefits far outweighed their costs.

## RTW Case Studies and Focus Groups

Five RTW case studies were completed with public- and private-sector employers and one insurance carrier: Southwest Texas Methodist Hospital (San Antonio); Goodwill Industries (Austin); Mesquite Independent School District (Dallas); Golden Aluminum (San Antonio); and the Texas Workers' Compensation Insurance Fund. Two small focus groups were held with injured workers who had participated in RTW programs made available by Southwest Texas Methodist Hospital and Golden Aluminum. Observations and insights resulting from these case studies and focus groups included the following:

- RTW programs were implemented initially as *cost-saving measures*, largely in response to rapidly rising workers' compensation premium costs in the mid-to-late 1980s.
- RTW programs were well regarded by those involved. Early successes with these RTW programs led most organizations *not only to continue, but also to expand their efforts*.
- *Close, continuing contact* with the injured worker and *early intervention* on his/her behalf were noted as being particularly critical to the success of any RTW program.

## CONCLUDING OBSERVATIONS

Clearly, most injured workers covered under the Texas workers' compensation system are returning to work and recovering their preinjury earnings levels. Moreover, they are doing so more quickly and completely since the Texas Workers' Compensation Act of 1989 took effect—particularly those injured workers with indemnity claims valued at \$5,000 or more. It is not clear to what extent or which elements of that Act have contributed to the improvement in return-to-work patterns. It may well be that RTW program services—provided by employers, insurance carriers and private providers—have produced some portion of this improvement as well.

Further research should be conducted on a number of topics and issues. One such topic is the extent to which participation in such RTW programs—whether operated by TRC, employers or other groups—contributes to improvements in return-to-work patterns, *independent* of other factors (e.g., unemployment rates, employment growth, area wage rates). Another topic is the relative importance RTW programs and supporting Texas policies should give to reinforcing workers' job duration once they return to work rather than simply encouraging speedy returns, *per se*. Another issue in need of research is identifying those groups—by injury nature/body part, demographics, occupation, etc.—for whom early return to work is inappropriate and unproductive. There is a sizable group—perhaps approaching one-fifth of those injured—for whom early return to work may not be so productive.

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