

Integrated Disability and Management Programs

Disability management has been broadly described as initiatives that prevent disabilities from occurring and/or activities that minimize their impact on employers and employees. Shrey and Lacerte (1997) define Disability Management as:

"The proactive employer-centered process of coordinating the activities of labor management, insurance carriers, health care provided and vocational rehabilitation professionals for the purpose of minimizing the impact of injury, disability, or disease on a worker's capacity to successfully perform his or her job. (p. 611)."

Integrated Disability Management (DM) refers to efforts to coordinate the design and implementation of occupational, non-occupational, and other disability programs in order to improve overall effectiveness.

Objectives

- Prevent workplace injuries and illnesses.
- Promote rapid return-to-work.
- Maximize employee productivity.
- Contain program costs.
- Simplify program administration.

In an integrated DM system, worker's compensation, short-term and long-term disability, group health, injury and illness prevention programs, employee assistance programs (EAPs), case management, rehabilitation, and return-to-work programs are coordinated, clinically and administratively, to reduce the incidence and impact of employee disabilities. The primary components of integrated DM programs are identified below.

Components of Integrated Disability Management Programs

Workers' Compensation Provides for medical treatment and wage maintenance for individuals who sustain an injury or acquire a disease on the job.

Salary Continuance Provides 100 percent of salary during short periods of illness or disability through sick leave, paid leave of absence, or other mechanism.

Short-Term Disability (STD) Provides payment for portion of individual's wages during brief periods of illness or injury. Provided either through company benefit or state mandated SDI program. A short-term disability involves an absence from the workforce for 6 months or less. Examples include pregnancy and traumatic injury.

Long-Term Disability (LTD) Provides income replacement for individual who has sustained disabling illness or injury. LTD typically continues through age 65 and is coordinated with Social Security benefits. A long-term disability involves an absence from the labor force of 180 days or longer. Examples include back problems and cancer.

Group Health Plan/Disability Benefits Group health plan premiums are determined largely by the demographic characteristics of the group (e.g., sex and age). Group disability benefit plans typically provide limited income (perhaps 60 percent of wages) for employees who are absent from work due to disability.

Rehabilitation/Return-to-Work Programs These programs consist of a combination of evaluation, re-training, and counseling services begun as soon as possible during the

recovery period to facilitate early return to work. Examples include work-hardening programs, transitional work programs, rehabilitation counseling, and education.

Employee Assistance Programs EAPs are designed to assist employees who experience disability related performance problems. The employer sponsors professional services, treatments, and early interventions to help the employee regain productivity. Examples include substance abuse counseling and counseling for workers caring for an ill relative.

Injury/Illness Prevention Programs Workplace programs aim to prevent occupational injuries and illness through the elimination of worksite hazards, education on health and safety issues, and the promotion of healthier adaptation to work and life stresses. Examples include safety programs, wellness programs, and programs for the measurement and tracking of onsite disability rates.

Wellness Programs Workplace programs are those which help employees and their families adopt healthy lifestyles, detect health problems early, and address medical risk factors. Examples include smoking cessation and stress management programs.

The utilization of integrated DM programs is not widespread. In a recent survey of 375 employers conducted by Watson Wyatt Worldwide and the Washington Business Group on Health, only 36 percent of respondents indicated that they either have or plan to have integrated the disability programs. Those companies who have or plan to have programs tend to be larger (Watson & Wyatt, 1998). In many companies, various components of the DM process (risk management, EAPs, human resources, etc.) operate in isolation from each other, if they exist at all. It is estimated that only 20% of large companies are presently integrating disability with workers' compensation, while smaller companies are only beginning to consider the development of integrated DM programs.

For More Information Contact:

[The National Institute of Disability Management and Research \(NIDMAR\)](#) is committed to reducing the human, social and economic cost of disability to workers, employers, and society through education, training, and research. NIDMARs focus is on workplace-based reintegration. Research shows that this is the most effective way of restoring and maintaining a worker's abilities, while reducing the economic cost of disability to employers, government, and insurance carriers.

[The Risk and Insurance Management Society, Inc. \(RIMS\)](#) serves its member entities by proactively providing the highest quality products, services, and information to manage all forms of business risk.

[The Washington Business Group on Health](#) is the only national nonprofit organization exclusively devoted to the analysis of health policy and related worksite issues from the perspective of large employers. Business Group members, typically Fortune 500 and large public sector employers, include the nation's most innovative health care purchasers who provide health coverage for more than 35 million U.S. workers, retirees, and their families.