Occupational Health in Massachusetts

Barriers to use of Workers' Compensation insurance for patient care: The Experience in Community Health Centers

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Occupational Health Surveillance Program
Massachusetts Department of Public Health

Introduction

Community health centers (CHCs) work in partnership with the Massachusetts Department of Public Health (MDPH) to provide high quality health care for Massachusetts residents, especially the underserved. One key resource for patients is workers' compensation insurance, which is designed to cover health care costs for work-related illnesses and injuries, as well as partial wage replacement when such conditions cause people to miss work.

CHCs and other health care providers play a crucial role in helping patients use workers' compensation (WC). A provider's assessment that work is a major (but not necessarily predominant) cause of disability or need for treatment is often the key to qualifying the patient for benefits.[1] Providers and staff can also educate patients about obtaining WC benefits.

Patient access to WC benefits is also important for public health. WC claims are a major source of data that helps the MDPH Occupational Health Surveillance Program (OHSP) identify hazardous industries, exposures, and workplaces and then target efforts to improve workplace safety and health.

There is increasing evidence that many workers eligible for WC do not to receive it, either because they don't apply or are denied coverage. In Massachusetts, a 2007 survey of more than 4,000 adults found that 4.2% reported being injured seriously enough while on the job during the previous 12 months that they required medical advice or treatment, but of these, less than 60% reported that WC paid for the care. Some were even unable to obtain treatment. Findings were similar in other states.[2] These results raise concern about access to WC benefits for workers treated in CHCs as well as other health care settings.

It is widely recognized that low income workers, including many immigrant and minority workers, the populations often served by CHCs, are disportionately employed in dangerous jobs.[3] Over the last several years, OHSP has worked with a number of CHCs to improve their capacity to identify and address occupational health needs of their patients. These CHCs have alerted OHSP to a number of barriers they face in using WC. If such barriers are widespread, they may present problems both for patients' access to benefits and for occupational health data collection. Underutilization of WC benefits can also shift costs to other forms of insurance or publically supported care.

In 2008-2009, OHSP surveyed administrators and medical directors at 76 CHCs across the state to learn more about the barriers they face in using WC. This report presents the results of that survey based on responses by 56 CHCs. It includes recommendations to improve CHCs' ability to secure WC benefits for their patients when appropriate.

Workers' Compensation Insurance: A Crucial Resource for Patients

Workers' compensation insurance (WC) covers the costs of health care for illnesses or injuries that are caused or exacerbated by patients' jobs. Unlike most other forms of coverage, WC involves no co-pays, deductibles, or premium payments by patients, and covers travel to medical visits as well as all medical care and prescriptions necessary to treat work-related injuries or illnesses. [1]

In Massachusetts, WC also entitles employees to as much as 60% of their average weekly wage if they miss five or more full or partial work days because of a work-related injury or illness. WC can cover rehabilitation costs and provide disability payments when patients are disabled and unable to return their jobs for extended periods. When necessary, WC provides benefits for loss of body parts and may provide death benefits to the families of workers killed on the job.[1]

Finally, it is important to understand that coverage of a condition by WC can affect a patient's access to services for life. WC, once awarded, covers the affected worker for subsequent care and/or wage loss if future ill health is connected to the original problem. If, however, the original problem is *not* covered by WC, it can be difficult to obtain this coverage for treatment, services, or lost wages that may be required in the future.

Almost all Massachusetts employees are covered by WC regardless of their work schedule, length of time on the job, other benefits, or immigration status. Practically all employers are required by law to carry WC for all employees. When employers fail to do so, coverage is available through the Workers' Compensation Trust Fund administered by the Massachusetts Department of Industrial Accidents.[1]

Notably, workers compensation is a "no fault" insurance system. Workers do not have to prove employer negligence in order to receive benefits, only that the health condition was caused or made worse by work. The legal trade off is that (with rare exception) workers do not have the legal right to sue their employers for work-related injuries or illnesses.

Workers' Compensation at Community Health Centers

CHCs strive to provide access to excellent services for patients in the greatest need. As with other types of available benefits, CHCs have the opportunity and responsibility to ensure patient access to WC whenever warranted.

In fact, CHCs serve many patients who might need and be entitled to WC benefits. In 2002-2003, the Massachusetts Department of Public Health (MDPH) Occupational Health Surveillance Program (OHSP) collaborated with five Massachusetts CHCs to conduct waiting room interviews with more than 1,400 patients about their occupational health. Common hazardous occupations held by patients were janitor/cleaner, nursing aide, orderly, laborer, and factory worker. One fifth of these respondents said they had experienced illnesses or injuries in the previous year that they thought were caused by their jobs, and two fifths reported some exposure or condition at work that could affect their health. Strikingly, 39% of all patients responding, including more than half of those born in other countries, reported that they had never heard of WC.[4]

When work is a major cause of disability or need for treatment, CHCs, like all health care facilities, are required to bill the WC insurer contracted by the patient's employer, rather than other types of insurance, public programs, or the patient. The patient's employer is required to provide information about their WC policy to employees and their health care providers.

Survey of Community Health Centers on Use of Workers' Compensation

To learn how common different barriers to using WC within CHCs are, OHSP developed a brief, anonymous survey for Massachusetts CHCs. The survey included questions on CHCs' current and previous use of WC, the perceived importance of various factors and categories of people in discouraging the use of WC, and types of educational materials needed to address some of the barriers.

Between November 2008 and March 2009, OHSP sent the questionnaire to CHC Medical Directors and Chief Financial Officers, or CHC staff with similar titles, at a total of 76 CHC. The questionnaires were coded in pairs to allow us to recognize multiple responses from the same site, but not to connect any questionnaire with a particular CHC. Respondents were asked to self-identify as "Medical Director," "Chief Financial Officer," or "Other". Further details on methods and results are available upon request from OHSP.

Results of the Survey

OHSP received completed questionnaires from medical directors, administrators, or both in one case, from almost three quarters of the CHCs included in the mailing (56 of the 76 sites).[5] Respondents included 27 medical directors or associate medical directors from 25 sites and 35 administrators from 32 sites, sometimes more than one for each of these job titles from the same site.[6]

Use of Workers' Compensation Insurance

Nearly all the CHCs (51 of 56, or 91%) reported accepting WC cases, with just three saying they did not and two answering "don't know." Recognizing that CHCs may decline to accept WC cases but still use WC if indicated during care for a patient, we asked: "Even if your health center tends to refer workers' compensation cases elsewhere, in some cases work-relatedness only becomes clear during the course of treatment. In such cases, is workers' compensation insurance currently used as a form of reimbursement at your health center?" Respondents from 45 (80%) of the sites replied "Yes" and those from just four (seven percent) said "No." Two who said "no" were from sites that did accept WC cases, and two were from sites that did not.

Barriers to using Workers' Compensation Insurance

The survey asked about factors that OHSP had heard CHC staff describe as discouraging use of WC. The factors most cited by the 62 respondents as "very much" or "somewhat" discouraging WC use were:

- Excessive paperwork: One third reported that it "very much" discourages their center's use of WC. In addition to these, 13 reported (21%) that this "somewhat" discourages their center's use of WC
- Lack of familiarity with WC system: 32% "very much," 29% "somewhat"
- Uncertainly about work-relatedness: 18% "very much," 47% "somewhat"

Participants made additional comments about lack of familiarity with the system: "*Confusion regarding patients with routine medical issues who also have work-related injury — should I write 2 notes*?" Another simply wrote, "*Confusion."*

About one quarter of respondents said that concern about legal hearings or ramifications discourage use of WC "very much" or "somewhat;" another quarter that this discourages "a little"; more than one third said "not at all," and 13% said "don't know."

Most respondents did not say that any category of people, including patients, providers, administrative staff, or upper management, discourage use of WC. Each of these categories, however, was identified by about one in five respondents to "very much" or "somewhat" discourage use of WC. Nineteen respondents (31%) said that patients themselves discourage use of WC at least "a little."

Reimbursement Issues

CHC administrators identified reimbursement issues as major obstacles to using WC:

- Delays in reimbursement: 13 of the 35 administrators (37%) reported that this "very much" discourages their center's use of WC, and 6 (17%) that this "somewhat" discourages their center's use of WC

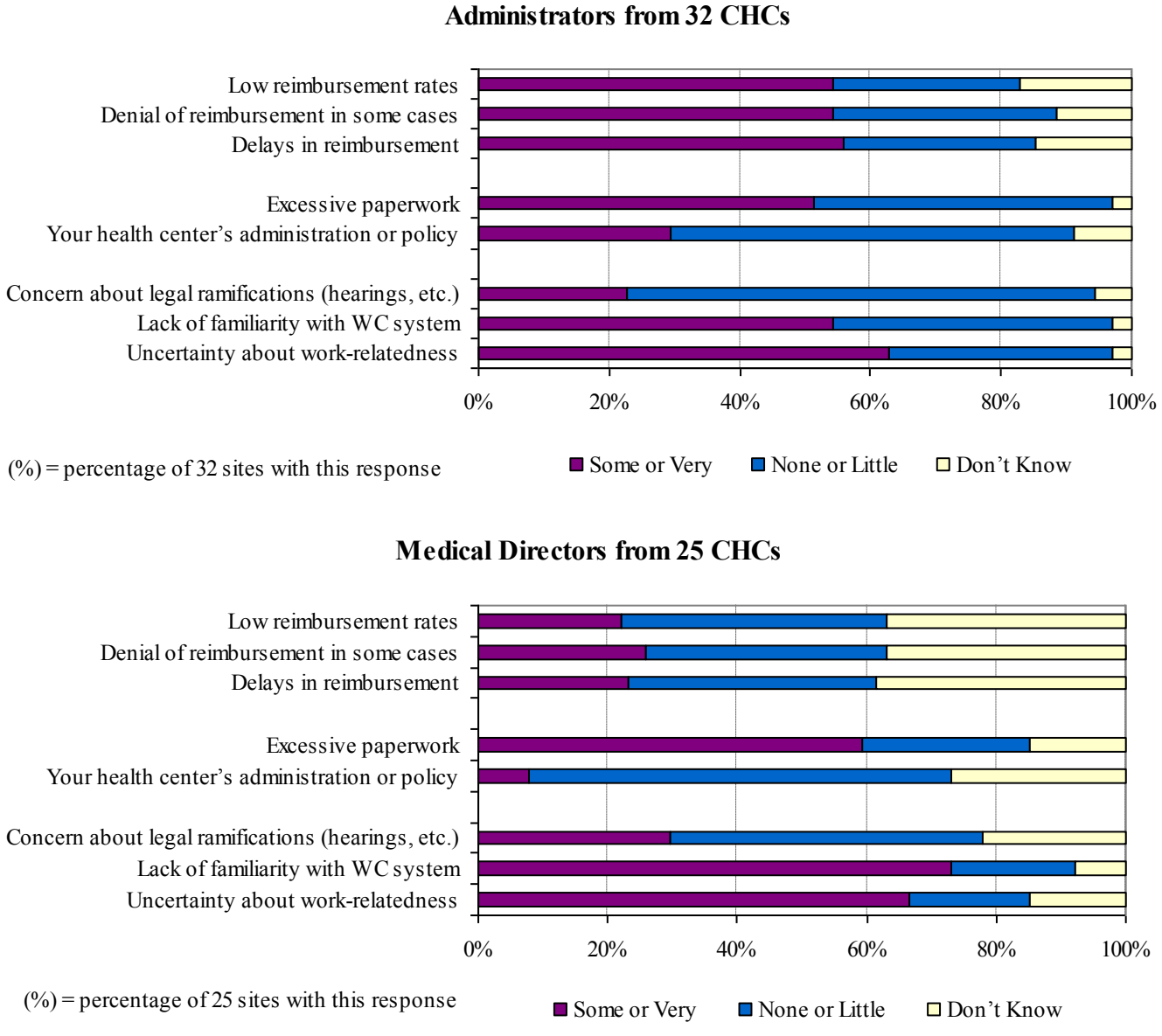
- Denial of reimbursement: 34% "very much," 20% "somewhat"
- Low reimbursement rates: 20% "very much," 34% "somewhat"

Medical directors, on the other hand, were much less likely to list these reimbursement issues as major obstacles. Each was listed as "very much" or "somewhat" discouraging by only six or seven (22-26%) of these 27 respondents but over one third didn't know whether reimbursement was a factor.

(Figure 1 summarizes results about obstacles, separated by medical directors and administrators.)

An explanation for the difference between the administrators' and the medical directors' perceptions of reimbursement issues was given by one respondent: "*Our system separates the billing functions from providers and providers are hardly aware of insurance status (unless drugs/services get rejected).*"

Figure 1. Responses to the question: "For each of the following, please indicate how much it discourages your health center's use of workers compensation insurance," by medical directors and administrators



Multiple Barriers to Using Workers' Compensation Insurance

Five of the 62 respondents answered that *all* listed factors "very much" or "somewhat" discourage use of WC, and a sixth answered "very much" or "somewhat" for all factors except "your health center's administration or policy."

One explained "*We don't like workers' comp cases for all of the reasons described in your survey. However, our mission requires that we accept these patients, so we do. Most other - if not all - primary care practices here [named area] refuse.*" Another, indicating the list of potentially discouraging factors, wrote "*All of the above apply - but it doesn't allow us to not see workers' comp."*

One summarized barriers to WC use this way:

"*Difficulty for providers who are busy, seeing a patient with an injury (who has insurance anyway) and having to work at getting the payer identified. It's easier to let it go…."*

Need for Education and Information

Several respondents wrote comments about the need for patients to know more about WC and to provide CHCs with better information in order to bill WC:

> "*Often patients don't know they need to tell registration staff it is a work injury. Education needs to be in the workplace."*
>
> *"Our facility has not implemented a way in identifying a w/comp patient prior to their visit. It would be best if the patient presented upon check-in their comp insurance information. More often than not we are billing personal insurance in error because of this fact."*
>
> *"Patients do not provide sufficient information to bill."*

Responses also indicated that CHCs would benefit from having educational materials about WC in all the formats listed in the survey, i.e.

- short presentations to CHC staff,
- written information for providers,
- internet-accessible information for providers, and
- brochures for patients.

For each of the proposed formats, approximately half the medical directors indicated it would be "very" useful, while about one-fourth said it would be "somewhat" useful and the remaining quarter that it would be "not at all" useful. For the administrators, as well, each format was about equally popular.

Respondents named languages in which it would be useful to have patient brochures about WC:

- Spanish 24;
- Portuguese 14;
- Creole 5;
- Khmer 4;
- Russian 2;
- Vietnamese 2;
- Albanian, Arabic, French, Hindi, Khmer, Somali and Vietnamese:1 each.

Conclusions and Recommendations

OHSP received survey responses about barriers to use of WC from more than fifty CHC sites, providing a useful picture of the current situation in Massachusetts. A main finding was that nearly all CHCs reported accepting WC cases. In fact, almost no respondents reported that their CHC's administration or policy strongly discourages use of WC.

At the same time, several of the perceived obstacles previously described to OHSP proved common. These included issues intrinsic to the current WC system, such as excessive paperwork, delays in reimbursement, and denial of reimbursement.

The emphasis on ensuring that patients receive care, in combination with concerns about delays or denial of reimbursement as a barrier to using WC, highlights a possible conflict for CHCs. The importance of appropriately billing WC is that patients who qualify will receive the full benefits and services that they are entitled to under WC. On the other hand, delays and denials in reimbursement by WC strain the finances of CHCs and can leave patients responsible for the bills for their health care. This can result in patients going without needed care. Such concerns may lead CHCs to bill other types of insurance or public program as a more secure option for both the patient and CHC.

Fewer respondents reported low reimbursement rates as an important obstacle to use of WC. This may be related to the fact that in Massachusetts, WC reimbursement rates to CHCs are equal[7] or comparable[8-9] to rates for Medicaid, which reimburses large proportions of their general services.[10]

Other written comments reflect CHCs' commitment to serving patients regardless of insurance status, and to allowing their health care providers to focus on patient care rather than billing. This attitude may explain why many of the medical director respondents replied "don't know" about factors potentially discouraging use of WC, especially those related to reimbursement.

CHCs also reported that patients themselves are reluctant to use WC. This may stem partly from lack of protections for workers who admit to having work-related conditions, a problem described in other studies. For example, in a recent national survey of 504 occupational health medical providers, 47% reported that they had experienced pressure from patients with work-related conditions to downplay the injuries or illnesses,[11] and other researchers have described widespread patient fear of retaliation, including job loss, for using WC.[12 -13]

Other obstacles commonly reported relate to a need for education. Uncertainty about determining the work-relatedness of patients' conditions is a major issue for providers. Lack of familiarity with WC and how to use it emerged as a barrier for patients, providers, and administrators alike.

Most respondents said that educational materials on WC for providers and patients would be helpful; Spanish and Portuguese were the two languages most often mentioned. OHSP does have patient education materials on WC in these two languages. However, other discussions with health providers have suggested the need for shorter, very basic, one-page fact sheets for providers and patients, rather than OHSP's current booklet-length publications.

Findings underscore the need for the following to ensure full access to timely, appropriate care and services:

- Further efforts to systematically document and address aspects of the WC system that can reduce appropriate use of WC, such as excessive paperwork and delays in reimbursement, along with any associated effects on patients' access to care and cost-shifting to other forms of coverage.

- Increased training for health care providers in the recognition of occupational disease and work-related injuries, especially in clinics with medically underserved populations such as CHCs. Models providing primary care providers with access to occupational medicine experts for consultation should be explored.

- Increased outreach and education for health care administrators, providers and patients to help them become familiar with the WC system and use it appropriately. Resources should be developed in appropriate formats to meet CHCs' needs, and include face-to-face training or in-service sessions, and electronic and printed materials.

While the focus of this report has been on use of WC in CHCs, better understanding of the obstacles to using WC and increased outreach and education about the WC system and is important to improve access to benefits for patients treated in all health care settings.

Occupational Health Resources for Health Care Providers

Occupational Health Surveillance Program, MA Department of Public Health
617-624-5632, www.mass.gov/dph/ohsp
OHSP provides surveillance reports on work-related injuries and illnesses in Massachusetts, and can offer technical assistance and training to health care providers on occupational health topics.

Publications for providers:
-Occupational Lung Disease Bulletin (quarterly)
-Reporting Occupational Diseases and Injuries
-Protecting Working Teens: A Guide for Healthcare Workers
-Occupational Health Information and Services in Massachusetts: A Resource Guide

Publications for workers:
-Workers' Compensation in Massachusetts (English/Spanish/Portuguese)
-Protecting Working Teens: A Guide for Parents
-Under 18 and Hurt on the Job: Information on Workers' Compensation
-Your Rights Under OSHA
-Occupational Health Information and Services in Massachusetts: A Resource Guide

Massachusetts Coalition for Occupational Safety and Health
Addressing Work-Related Illnesses and Injuries: A Guide for Primary Care Providers in Massachusetts. http://www.masscosh.org/files/MassCOSH_BookOrderForm_0.pdf

Endnotes

1. Massachusetts law requires all employers to carry WC for all employees, even if they have just one employee. This requirement applies regardless of the number of hours worked in any given week, except that domestic service employees must work a minimum of 16 hours per week in order to require coverage. A very few other occupational categories, such as seamen, real estate salespeople, professional athletes, and officers of corporations who own at least 25% of the stock in their corporations also are not required to have WC coverage (Massachusetts General Laws Chapter 152, Section 1, http://www.mass.gov/legis/laws/mgl/152-1.htm).

When employers fail to carry WC for all employees, their employees are eligible for coverage by the Workers' Compensation Trust Fund maintained by the Massachusetts Department of Industrial Accidents. For additional information see www.mass.gov/dia.

2. Centers for Disease Control and Prevention (CDC). Proportion of workers who were work-injured and payment by workers' compensation systems - 10 states. MMWR. Morbidity And Mortality Weekly Report 59(29):897-900; July 30 2010.

3. Murray LR. Sick and tired of being sick and tired: scientific evidence, methods, and research implications for racial and ethnic disparities in occupational health. American Journal of Public Health. 2003;93:221–226.

4. Massachusetts Department of Public Health. Occupational health and community health center (CHC) patients: A report on a survey conducted at five Massachusetts CHCs. Boston: Occupational Health Surveillance Program. April 2007. Available at www.mass.gov/Eeohhs2/docs/dph/occupational_health/ohsp_survey%20report_summary.pdf

5. One respondent defaced the code on the form. This analysis assumes that this questionnaire was not same site as any of the others.

6. The 35 administrators included 14 who circled "Chief Financial Officer"; 18 who circled "Other" and specified titles (e.g., CEO, Executive Director; Billing Manager, Director of Patient Accounts, Clinical Director, Medical Services Director, Operations Supervisor) or gave no title; and three who did not identify their role.

7. Commonwealth of Massachusetts. Code of Massachusetts Regulations 114.3 CMR 4.00. Rates for Community Health Centers. Regulation adopted August 20, 2009.

8. Eccleston S, Laszlo A, Zhao X, Watson M. *Benchmarks for Designing Workers' Compensation Medical Fee Schedules: 2001-2002.* Cambridge, Massachusetts: Workers' Compensation Research Institute, 2002.

9. Zuckerman S, Williams AF, Stockley KE. Trends in Medicaid physician fees, 2003–2008. Health Affairs, 28, no. 3 (2009): w510-w519 (Published online).

10. Takach M. Federal Community Health Centers and State Health Policy: A Primer for Policy Makers. Washington, DC: National Academy of State Health Policy. June, 2008. available at www.nashp.org/chc-primer, accessed October 14, 2010.

11. United States Government Accountability Office. Enhancing OSHA's Records Audit Process Could Improve the Accuracy of Worker Injury and Illness Data. GAO-10-10. Washington, DC: October 2009.

12. Lashuay N, Harrison R. Barriers to Occupational Health Services for Low-Wage Workers in California. San Francisco: University of California San Franciso, available at www.dir.ca.gov/chswc/reports/barriers_to_ohs.pdf, accessed December 7, 2010.

13. Galizzi M, Miesmaa P, Punnett L, Slatin C, The PHASE in Healthcare Research Team. Injured workers' underreporting in the health care industry: an analysis using quantitative, qualitative, and observational data. Industrial Relations: A Journal of Economy and Society 49(1): 22–43; 2010.

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