



Features

Chroniques

Ann Silversides is a freelance writer living in Toronto.

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## Disability management efforts can reduce number of injuries, improve bottom line

Ann Silversides

En bref

DEPUIS DEUX ANS, l'usine d'assemblage de mini-fourgonnettes de Chrysler Canada à Windsor (Ont.) attache plus d'importance à l'ergonomie et à la santé des employés. Résultat, l'absentéisme a diminué de 35 % et les coûts de prestations d'invalidité ont chuté. Les participants à un récent symposium sur la gestion de l'incapacité en milieu de travail ont appris comment on a obtenu ces résultats.

**A** strong commitment from top-level management is crucial to the success of workplace-disability management programs, a national symposium on employee health was told recently. And when that commitment exists, the savings, in both human and monetary terms, can be substantial, said Adrian Vido, plant manager for Chrysler Canada Ltd.'s Windsor assembly plant, which instituted a program in 1996.

Potential savings come not just from dealing with exposure to toxic products and ergonomic hazards that cause ill health and injuries in the workplace, added Terrence Sullivan, president of the Institute for Work and Health, which organized the roundtable discussion. "The breakthrough of the late 20th century has been the recognition . . . [that] decision latitude of the job, the complexity of the task and the pace of work, as well as social arrangements on the job, all affect the development of conditions ranging from heart disease to repetitive strain injury," he said.

Meanwhile, he told the 60 health care professionals and business and labour leaders attending the meeting that the economic burden of work-related disability is substantial.

In 1994/95, direct payroll-financed claims costs related to disability in Canada were about \$11.1 billion, said Sullivan. (Direct costs include items such as workers' compensation claims, Canada/Quebec Pension Plan and unemployment insurance disability benefits, as well as short- and long-term private health insurance benefits.) He said the most prevalent and expensive conditions affecting modern workplaces are soft-tissue conditions, including injuries of the lower back and upper extremities.

Vido told the Toronto symposium that in 1996 Chrysler's Windsor, Ont., assembly plant, which employs about 6000 people and operates 3 shifts a day, hired an ergonomist to suggest improvements in job design. In 1996 the plant was spending about 6.7% of total payroll on compensation expenses, including short- and long-term disability costs and workers' compensation charges at the plant, which produces Chrysler's popular minivans.

"We hired an ergonomist because we wanted to assess jobs to reduce injuries," said Vido. "We never fantasized that we'd see the other benefits."

These included a 35% drop in the absentee rate from 1996 to 1997, and an 18% drop in the plant's injury-frequency rate over the same period. Meanwhile, said plant ergonomist Scott Tolmie, the proportion of payroll costs devoted to disability compensation dropped from 6.7% in 1996 to 5.1% in 1997, and is holding at 3.6% in 1998.

Notably, the plant received a \$1.8-million rebate on its assessment from the Workers' Safety and Insurance Board in 1997 — the first time it has received one.



Vido attributes developments at the plant to upper-level management support and commitment and efforts made to educate workers at all levels about safe work. As well, he pointed out that it is crucial for management and union personnel to work together on safety issues.

"Too many times in the past union and management have tried to outrun and outfox each other," Vido said. "We did not move on anything until both management and union people understood what we were doing. After all, workers will turn to their representatives if they have questions or doubts."

After improvements had been made, physicians from the local occupational medical association were invited in to witness the changes, he said.

"We wanted them to see our new approaches, like longer break-in periods for jobs, exercise breaks and re-designed jobs," said Tolmie. "And we wanted to let them know about the modified work we made available to workers who had been injured."

CMA President Victor Dirnfeld told the symposium that the CMA's 1997 policy statement on the physician's role in helping patients return to work stresses cooperation between employers and employees and "a shift away from reliance on physician certification."

Symposium participants suggested that, with respect to educating small- and medium-sized businesses about disability management, the country's workers' compensation boards have a particularly important role to play. <sup>3</sup>

## National pharmacare plan starts to look attractive for worried businesses

When Quebec introduced legislation that forced companies to provide prescription drug benefits for all employees, many large Ontario companies began to pay much closer attention to the possibility of a national pharmacare program.

Victor Clive of the Employer Committee on Health Care — Ontario (ECHO), a group representing companies that employ about 10% of the province's workers, said Quebec introduced its law without consulting businesses. "I'm not sure pharmacare would top the list of employers' concerns," Clive told the Institute for Work and Health's recent National Leadership Roundtable on Employee Health. "But the fact that in Quebec once voluntary [drug-benefit] programs were now being cemented, without consultation . . . put pharmacare on the list for us."

ECHO, whose member companies include Stelco Inc., Dofasco Inc. and the Canadian Imperial Bank of Commerce, is "highly supportive of universal pharmacare," said Clive. "Canada is not served well when thousands [of benefits plans] are managed in a non-consistent fashion."

Quebec's Bill 33, which was designed to insure all Quebecers and at the same time reduce public spending on drugs, led to an estimated \$50-million increase in employer-related drug expenses in 1997, according to a background paper prepared for the roundtable.

CMA President Victor Dirnfeld is worried that pharmacare is attractive to industry simply because it will allow it to "off-load its costs," but Clive responded that industry has "stewardship rights and we think national pharmacare could increase efficiencies. . . . We're talking about quality health care."

Prescription drug costs represent 3% to 4% of payroll expenses for large Canadian corporations and have

been growing by 5% to 10% annually for many years, a background paper stated.

Health economist Robert Evans told participants that the costs of public drug plans have been controlled better than private-plan costs. "This is partly due to cost shifting from public to private plans, but not entirely," he noted.

As for the insurance industry, "our members are intermediaries in funding benefit plans, so we would lose jobs" with pharmacare, said Charles Black, senior adviser to the Canadian Life and Health Insurance Association.

However, if pharmacare succeeded in tracking drug use better and hence led to improved health for Canadians, "obviously there would be benefits for life and disability insurers."

The National Forum on Health, which was appointed by the federal government, recommended in 1997 that Canada extend public health insurance to include universal coverage for drugs. Changes in the delivery of health care, such as shorter hospital stays, have highlighted drug-cost issues because most Canadians are publicly insured only for medically necessary drugs used in hospital; the exceptions are welfare recipients and the elderly.

"If we believe in the principles of medicare, it's hard to see why the principles don't apply [to medically necessary prescription drugs]," argued Andre Juneau, assistant deputy minister for Health Canada.

Dirnfeld said the CMA has yet to take a formal position on pharmacare, and the subject is not on its agenda for consideration. He did acknowledge that patients who are unable to afford necessary prescription drugs face a serious problem, but is worried about "the intrusiveness of bureaucracy" that would accompany a national pharmacare program.