

Risk Advisor



FALL 2018

Supply Chain Risk Management

When managers think of supply chain risk management they usually think of manufacturing companies that depend on long lines of supplies that may come from all over the world. For instance, cell phone manufacturers depend on rare earth minerals that come almost exclusively from China. Supply chain risk for the cell phone manufacturer is the risk of disruption of the supply of rare earth minerals that are essential in the function of the cell phone. The disruption can occur at any point along the chain from the mining of minerals to transport across the Pacific Ocean to damage to a warehouse or manufacturing facility in the United States. A hurricane in the Gulf of Mexico disrupts the supply chain of refineries along the Gulf coast as offshore production platforms are shut in as the storm approaches. This leads to a shortage of crude oil, refineries shutting down and a subsequent spike in gasoline or other refined petroleum product prices.

On a smaller scale in the supply chain story are Texas community centers that rely on products to treat and support their clients. For instance, the supply of basic necessities such as food, paper consumables and utilities are vital to facilities like group homes or crisis units. Disruption of their supply can put clients at risk especially when widespread emergencies like hurricanes impact transportation and utility services over large areas.

Another supply chain risk is the of pharmaceuticals crucial to and intellectual disability groups implementation of integrated risk by broadening the types necessary for center patients. supply chain risk is the supply sources through Behavioral Health Network operation in Lufkin. Other emerged and the whole become more concentrated drugstore chains and other

When most community center for their drugs the risk was more by one event. Now, when most drugs in a local geographic area can disrupt the disruption can occur all along the chain of supply the central dispensing pharmacy or at the community center. What can the center do to minimize this risk?



potential disruption of the supply treatment in both mental health served by community centers. The health care has increased the of drugs and medical supplies Another factor increasing centralization of drug and entities such as the East Texas with their central pharmacy cooperative groups have pharmaceutical industry has through the big national providers.

clients relied on local pharmacies diffuse and less subject to disruption come from one source, a single event usually reliable daily delivery service. The from the manufacturer, distribution centers, and

A basic risk management technique for supply chain disruption is to identify alternative sources of supply. The network pharmacy that now dominates most center pharmaceutical supply operations should be questioned about their measures to insure adequate supply in the event of a disruption. Look at your own pharmacy operation for adequate reserve supply and measures they might take to find alternative supplies locally or from other community centers. Inventory and enumerate the supplies of vital drugs that may be scattered throughout the center in group homes, satellite clinics or crisis units. Local pharmacies could provide back-up services in the event of disruption of supplies from the network pharmacy.

Individual consumers might encounter difficulties with documentation or insurance related issues if they had to go to a local pharmacy after a disaster. The center pharmacist or medical director should make contact with selected local pharmacies to discuss the contingencies of temporary supply after the disaster. Develop a plan to provide consumers with the ability to get drugs without unanticipated cost from local pharmacies just as they do now. Also, begin a discussion with local psychiatric hospitals about contingency plans in the event of disaster affecting your area.

Stockpiling supplies may not always be feasible with pharmaceuticals but it should be considered for consumables used in group homes, respite facilities, crisis units, clinics and offices. There are often alternative sources for basics like toilet paper, cleaning supplies, medical supplies and non-perishable food. In the aftermath of Harvey, however, many alternative sources were inaccessible or under water. Emergency plans should consider reserve supplies of necessities for consumers during an evacuation or maintaining them in their homes while recovery proceeds.

Another disruptive effect of an event like Harvey is a center's inability to provide services in the facilities it used before the storm. Although this really is a disruption of the center's ability to supply services it is also a serious disruption in revenue that can affect the center's ability to resume services. Alternative locations should be identified beforehand as possible back-up sites for mental health and IDD services. Equipment needs should also be identified and arranged for if possible. The Fund provides "Extra Expense" coverage in its property coverage document that will help pay for additional expenses necessary to continue services during the period of restoration to the damaged property previously in use for those services. This could include higher rent, utilities, furniture or equipment rental and other costs that continue during the period of business interruption.

Planning for supply disruption should be part of the center's disaster plan. The local emergency network should be made aware of center needs for ongoing supply for residential and hospitalized consumers and stay behind employees if evacuation is not feasible.



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Early Return to Work

Proponents of an early return to work program, also called a modified duty program tout the savings in productivity and workers' compensation costs as the reason for implementing it. However, the best reasons are more fundamental and relate to the human aspects of employment. Employees who "lose" their jobs due to an on the job injury can suffer enormous disruption to their family life, loss of social connectedness with friends and fellow employees, sometimes severe financial consequences and often a complete loss of employment. Studies have shown that employees who stay off work due to a workers' compensation injury for twelve months almost never return to their former job. An early return to work program may completely eliminate these negative effects or shorten their duration significantly.

A well structured and fully implemented early return to work program can often get an injured worker back on the job within a few days instead of months. Early return to work is based on the premise that most workers' compensation injuries do not create total disability. An injured employee can usually perform some work duties if the employer is willing to accommodate the injured worker's medical restrictions. The return to full pay in the early return to work program helps prevent financial problems due to reduced income and loss of benefits including retirement program contributions and matches. An early return to work usually poses less disruption to family life and keeps the employee connected to his or her fellow workers and the workplace. This connection helps retain the experience and knowledge an employee contributes to the mission of the employer. Other benefits include a quicker medical recovery when the continued activity of going to work and doing a job prevents the negative effects a suddenly sedentary existence can have during recovery. The

combination of the positive benefits to the injured worker and the employer's savings creates a win-win situation.

A fully developed and supported Early Return to Work program is a comprehensive approach to getting the injured worker back to work in a productive job that benefits them and the employer. To be successful an early return to work program must have several components including the full commitment of management and supervisors, some internal infrastructure, help from the workers' compensation claim adjuster and a cooperative medical provider. A strongly established expectation in the employer's culture that an on the job injury results in a quick return to work that accommodates the doctor's medical restriction is an underlying foundation for the program

Management Commitment is the most important element of an effective early return to work program. Everyone in the chain of command and in the workforce must understand that if you are injured on the job the expectation is that you will be back to work in some capacity as soon as you are able to perform the work that accommodates your medical restrictions. There can be no expectation that an employee will be out of work until they are able to perform all functions of their job, nor are they on vacation. The old supervisor's excuse that we can't bring an employee back to work unless they can do all of their job cannot be tolerated in a comprehensive early return to work program. Management commitment extends to everyone in the employee's reporting chain, especially immediate supervisors. The supervisor is crucial because they will help structure the work and make sure it complies with the doctor's medical restrictions. They will also help modify the job as the employee recovers and is able to tolerate more activity.

PART III: ACTIVITY RESTRICTIONS* (ONLY COMPLETE IF BOX 13(b) IS CHECKED)					
14. POSTURE RESTRICTIONS (if any):		17. MOTION RESTRICTIONS (if any):		19. MISC. RESTRICTIONS (if any):	
Max Hours per day: 0 2 4 6 8	Other	Max Hours per day: 0 2 4 6 8	Other	<input type="checkbox"/> Max hours per day of work: _____ <input type="checkbox"/> Sit/Stretch breaks of _____ per _____ <input type="checkbox"/> Must wear splint/cast at work <input type="checkbox"/> Must use crutches at all times <input type="checkbox"/> No driving/operating heavy equipment <input type="checkbox"/> Can only drive automatic transmission <input type="checkbox"/> No work / _____ hours/day work: <input type="checkbox"/> in extreme hot/cold environments <input type="checkbox"/> at heights or on scaffolding <input type="checkbox"/> Must keep _____ <input type="checkbox"/> elevated <input type="checkbox"/> clean & dry <input type="checkbox"/> No skin contact with: _____ <input type="checkbox"/> Dressing changes necessary at work <input type="checkbox"/> No running	
Standing <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Walking <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
Sitting <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Climbing stairs/ladders <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
Kneeling/Squatting <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Grasping/Squeezing <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
Bending/Stooping <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Wrist flexion/extension <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
Pushing/Pulling <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Reaching <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
Twisting <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Overhead Reaching <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
Other: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Keyboarding <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
15. RESTRICTIONS SPECIFIC TO (if applicable):		18. LIFT/CARRY RESTRICTIONS (if any):		20. MEDICATION RESTRICTIONS (if any):	
<input type="checkbox"/> Left Hand/Wrist <input type="checkbox"/> Left Leg <input type="checkbox"/> Right Hand/Wrist <input type="checkbox"/> Right Leg <input type="checkbox"/> Left Arm <input type="checkbox"/> Back <input type="checkbox"/> Right Arm <input type="checkbox"/> Left Foot/Ankle <input type="checkbox"/> Neck <input type="checkbox"/> Right Foot/Ankle		<input type="checkbox"/> May not lift/carry objects more than _____ lbs. for more than _____ hours per day <input type="checkbox"/> May not perform any lifting/carrying		<input type="checkbox"/> Must take prescription medication(s) <input type="checkbox"/> Advised to take over-the-counter meds <input type="checkbox"/> Medication may make drowsy (possible safety/driving issues)	
16. OTHER RESTRICTIONS (if any):		Other:			

* These restrictions are based on the doctor's best understanding of the employee's essential job functions. If a particular restriction does not apply, it should be disregarded. If modified duty that meets these restrictions is not available, the patient should be considered to be off work. Note - these restrictions should be followed outside of work as well as at work.

A second important element in the early return to work system is the employer's infrastructure to handle the process. When a first report of injury is submitted to the Fund, the claims adjuster should recognize the opportunity to start the early return to work process by advising the medical provider of the availability of work that will accommodate medical restrictions. This process is facilitated by the DWC 73 form that must be filed by the employee's physician "after the initial examination of the injured employee." When the doctor sets the medical restrictions on the DWC 73 the employee's supervisor and the employer's claims administrator begin determining how the injured worker's job can be modified. For instance, a medical restriction against lifting over 20 pounds might mean that a worker can't lift a consumer while helping them enter or exit a bathtub. If another employee can help with this function and the employee can do most other parts of their job, then the return to work without loss of pay or benefits can be accomplished. As the employee continues treatment the employer will request the medical provider to comment on whether restrictions can be modified. If they can, the employee will begin to do more and more of their original job until they have reached maximum medical improvement and can return to their original job.

The medical provider should be given a detailed description of the employee's job that clearly indicates the physical activity required. This will help the doctor in formulating specific restrictions.

The claims adjuster also plays an important role in the return to work process. They help coordinate the mailing of a certified, return receipt requested letter to the injured worker extending a "bona fide" offer of employment that meets the medical restrictions imposed by the worker's doctor. This letter from the employer is required by the Division of Workers' Compensation and imposes the requirement that the injured worker must accept the offer of employment in writing that provides them with a real job they can perform with consideration of their medical restrictions. According to the Texas Department of Insurance, the bona fide offer letter must include:

- ★ A copy of work status report (DWC Form-073) that the offer is based upon.
- ★ The location, schedule and pay for the job.
- ★ The physical and time requirements of the position.
- ★ A statement that the employer will only give tasks within the employee's physical abilities, knowledge and skill, and will provide training if necessary.

If the worker does not accept the offer, temporary income benefits can be terminated. A sample letter is posted on the Fund's website at tcrmf.org.

Caveats: the employer cannot retaliate against the injured worker for filing a workers' compensation claim. Although the modified job may change an employee's hours and location the changes are temporary and are designed to help accommodate the medical restrictions. If there is a reduction in earnings, workers' compensation temporary income benefits may make up the difference. However, if the center pays the employee's full salary the perception that the temporary job is somehow a punishment will be reduced. It is important to remember that the modified job is TEMPORARY. If there is any question about modifications becoming permanent as an accommodation under the Americans with Disabilities Act, the employer should consult counsel.

Additional benefits to the center relate to retaining an experienced and valuable employee in the workforce. Retention means there are no expenses for hiring or training a replacement, duties do not cascade onto other overworked staff and the productivity of the experienced worker continues to benefit the mission of the center. If you are interested in implementing an early return to work program contact your Loss Control Consultant.

Loss Control Briefs

The Fund has published an **Emergency Management Guidebook**. This guidebook is a compilation of information from several sources and provides information on the emergency management process in Texas. It also outlines the roles and responsibilities of local, state and federal response personnel and provides live links to training resources, disaster district maps and disaster district personnel at the local and state level.

You are encouraged to review this guidebook and take advantage of the information and training linked in this document. For example, there is free on-line emergency management training offered through the Federal Emergency Management Association (FEMA) to help prepare you, your staff and your organization for a man-made or natural disaster and understand the process of requesting support during and after a disaster.

You are also encouraged to contact the Texas Division of Emergency Management (TDEM) requesting to be added to their email distribution list for situation reports and critical information distributed by the Jack Colley State Operations Center before, during and after disasters and other incidents that may impact your area.

The Texas Council Risk Management Fund (TCRMF) is happy to provide this resource document and dedicated to providing our members with resources to assist with preparation, response and recovery from a man-made or natural disaster.

Updated Flood Maps

The Fund now has access to the most up to date FEMA flood zone maps that can help you determine if an old or new building is in a flood plain. Since the recent revision of flood maps many locations have changed their flood plain designation. As you know, buildings and business contents located in Flood Zone A, the 100 year flood plain are not covered by the Fund. The only way to provide this coverage is through the National Flood Insurance Program, a part of the Federal Emergency Management Administration (FEMA). The Fund does provide coverage for locations in the 500 year flood plain up to \$10,000,000.

As part of the renewal of coverage process the Fund checks flood plain exposure and will advise you if a designation has changed. We will also help arrange coverage through the NFIP if necessary or help you discontinue coverage through them if a location is no longer in Flood Zone A. Contact your Customer Service representative at 800-519-8500.

Flu Season Approaches

The Centers for Disease Control and Prevention warns that this flu season could be more severe than previous years. They are recommending that anyone over the age of 6 months get a flu shot by the end of October. An early warning occurred in mid-September when three flights from the middle east arrived in the United States with several sick passengers, most of whom were diagnosed with this year's flu strain. For additional information consult the CDC's flu website at www.cdc.gov/flu.

Security Assessments

Recently the Fund's Loss Control and Risk Management Consultants have been providing Security Assessments for selected locations at the request of members. One of the key findings during this process is wide variation in the security arrangements found in clinic lobbies. Especially in the morning, clinic lobbies are crowded and sometimes chaotic. Some of the lobbies have very good security arrangements to help maintain order in the lobby and prevent access to offices and treatment areas beyond the lobby area. Based on the accumulating observations from the assessment process the following basic measures would help enhance security at center lobbies:

- ✧ Secure doors into treatment areas with buzz-in capability and accompaniment of the consumer by a staff member
- ✧ Reception staff separated from the lobby by a desk structure that may be open or with a glass barrier
- ✧ Center staff in the lobby includes a security guard, a roving ambassador who helps direct people and listen to their concerns and a professional staff member who observes the consumers for signs of distress, lack of medication or frustration

- ✧ Restroom entrances observable by staff
- ✧ Camera placement so there are no blind spots
- ✧ Orderly queuing in front of the reception desk
- ✧ A process to manage the expectations of walk-ins

Other measures such as law enforcement presence or metal detectors may be warranted by increased security concerns at specific locations.

TCRMF Coming Events

TCRMF Safety workshop

The remaining date and location of the seminar is:
**October 10, 2018 – MHMR of Tarrant County,
Fort Worth, Texas**

Topics covered by the Workshop will be:

- ✧ Claims Analysis: An in depth look at the Fund's claims over the last five years.
- ✧ Active Shooter - Workplace Violence: Participants will learn safety and security planning for active shooter and other threatening situations.
- ✧ Emergency Preparedness: An opportunity to discuss elements of center emergency plans, emergency drills and emergency action plans, and share your lessons learned from actual emergency situations.
- ✧ Falls: Will discuss fall hazard identification and how to reduce your risk.
- ✧ Infectious Disease and Other Exposures: Learn how to reduce your risk of exposure to infectious disease, blood-borne pathogens and other exposure risks.

Register online at tcrmf.org.

“Contracts and Purchasing” Liability Workshop

**October 19, 2018, at the St. Anthony Hotel,
San Antonio, Texas**

Topics covered by the Workshop will be:

- ✧ Practical Contracts Management
- ✧ Real Estate - Procurement Requirements
- ✧ Conflicts of Interest
- ✧ Collaborative Relationships
- ✧ Procurement-Related Public Information Act Requests
- ✧ Provider Network Procurement and Contracting Issues
- ✧ Register online at tcrmf.org.

TCRMF Board Meeting

November 3, 2018, Austin, Texas

Contact the Fund www.twcarmf.org

Program Executive Greg Womack

512-427-2309, greg.womack@yorkrsg.com

1-800-580-8922, extension 12309

TWCA Risk Management Fund, 10535 Boyer Blvd.,
Suite 100, Austin, Texas 78758

Greg is responsible for the oversight of the Fund's operations and services. He leads marketing efforts for prospective members and reviews coverage and claims issues. He also assists members in understanding coverage needs and promotes all lines of the Fund's loss control services.

Other Important Contacts

Ancillary Insurance products not provided by the Fund are available by contacting Shela Ferrell at York, 512-427-2487, 800-519-8500 extension 12487 and shela.ferrell@yorkrsg.com. Fax #: 512-427-2343. She places cyber liability, flood and wind coverage, director's bonds and other specialty coverages:

- ★ cyber liability
- ★ railroad protective
- ★ aircraft liability
- ★ environmental impairment liability
- ★ Public Employee Dishonesty Bonds
- ★ Public Officials Bond/Director's
- ★ Bond/Tax Collector Bond
- ★ Notary Bonds
- ★ Windstorm coverage for Tier 1 counties
- ★ Travel/Accident Policy
- ★ Flood Coverage

Loss Prevention services are provided by highly qualified Loss Control Consultants who visit members for facility safety inspections, direct consultations regarding specific safety issues, conduct safety training, coach safety committees and investigate serious accidents. For additional information about loss control services, including surveys and consultations, training, and property appraisals, contact Dan Hernandez at 800-580-6467, extension 12427, direct at 512-427-2427 and e-mail at dan.hernandez@yorkrsg.com. For safety resources (literature and training videos), information regarding seminars, loss reports and surveys contact Kathy Hulse, Communications and Client Services Specialist email: kathy.hulse@yorkrsg.com

Risk Management Consultations provided by the staff risk management consultant addresses contract issues, claim analysis, policies and procedures designed to improve risk management. He also conducts comprehensive on site risk management reviews and security assessments of center

facilities for members resulting in a report to management and recommendations for improvements. Richard Wigzell provides risk management consulting that looks at risk issues in all areas of center operations and policies. He can be reached at 800-580-6467, extension 12438, direct at 512-427-2438 or by e-mail at richard.wigzell@yorkrsg.com

Leadership Training for managers and supervisors is provided through three courses of significant learning:

- ★ Supertrain
- ★ It's About Respect
- ★ Managing Difficult People
- ★ Managing Across Generations
- ★ Coaching with Confidence
- ★ Surviving Change
- ★ Compassion Fatigue
- ★ Ethics for Managers
- ★ Managing Change
- ★ Time Management
- ★ Managing Generations
- ★ Effective Communication
- ★ Executive Leadership

Courses are taught at the center without cost to the member. Class size is limited to no more than 25. For information and scheduling for Leadership Training contact Dan Hernandez at 800-580-8922, extension 12427, direct at 512-427-2427 or e-mail at dan.hernandez@yorkrsg.com

Customer Service. For questions concerning your coverage or to make property or vehicle changes: Shela Ferrell at York, 512-427-2487, 800-580-6467 extension 12487 and shela.ferrell@yorkrsg.com or Margee Valdez at 512-427-2403, 800-580-6467, extension 12403 and margee.valdez@yorkrsg.com Fax #: 512-427-2343. For motor vehicle reports: Email: MVRs@yorkrsg.com. Fax #512-427-2343

Claims should be reported by workers compensation, liability or property line of coverage.

Our online workers' compensation claims reporting tool, Claims Opening Wizard (iCOW) gives Fund members an easy way to submit workers' compensation claims (DWC-1's only). YCEa is the Fund Administrator's claim system which can be used to electronically submit Employer's Wage Statement (DWC Form-3) and Supplemental Report of Injury (DWC Form-6).

For information on an existing claim: Alyssa Call, Medical Only Adjuster - alyssa.call@yorkrsg.com and Donna Smith, Indemnity Adjuster - donna.smith@yorkrsg.com

All Property & Liability Claims including Employer Liability or Errors & Omissions: Loss Notices can be found at <https://www.tcrmf.org/> under the Resources tab. Send loss notices or information to: OSCTexas@yorkrsg.com. Velvet Dixon, Adjuster, velvet.dixon@yorkrsg.com or Karyn Bartels, Adjuster, Karyn.bartels@yorkrsg.com