

Employee Productivity Strategies

EMPLOYEE BENEFITS PLANNING ASSOCIATION **EBPA**

Prudential
Real Challenges. Real Solutions. Real Results.

The Prudential Insurance Company of America
Prudential.com

Today's Discussion

- Introductions
- New Disability Research Findings:
- Worker Productivity as the Next Frontier in Benefits Cost Management
- Sideline Workers: Strategies for Getting Them Back in the Game
- New Disability Research Findings:
- The Market for Integrated Health Care & Disability Management
- Integrated Benefit Reporting & Analytics
- How Can We Help You?

2 Real Challenges. Real Solutions. Real Results. Prudential

New Disability Research Findings
Worker Productivity as the Next Frontier
in Benefits Cost Management


EMPLOYEE BENEFITS PLANNING ASSOCIATION **EBPA**

Prudential
Real Challenges. Real Solutions. Real Results.

New Research on Employee Benefits

Fifth Annual Study of Employee Benefits: Today & Beyond

- **When:** March – April 2010
- **Who:**
 - 1,400 Plan Sponsors
 - 1,200 Plan Participants
 - 700 Brokers / Consultants
- **How:** Online Surveys



Conducted for Prudential by the Center for Strategy Research, an independent market research firm.

4 Real Challenges. Real Solutions. Real Results. Prudential

Study of Employee Benefits—Today and Beyond

Key Themes


- The Rise of the Employee-Driven Benefits Model
- **Worker Productivity as the Next Frontier in Benefits Cost Management**
- Redefining Benefits Enrollment to Help Workers Make Better Choices
- Addressing the Benefits Needs of an Increasingly Diverse Workforce
- The Realities of Getting Ready for a Secure Retirement

Source: Study of Employee Benefits: Today & Beyond, The Prudential Insurance Company of America, 2010.

5 Real Challenges. Real Solutions. Real Results. Prudential

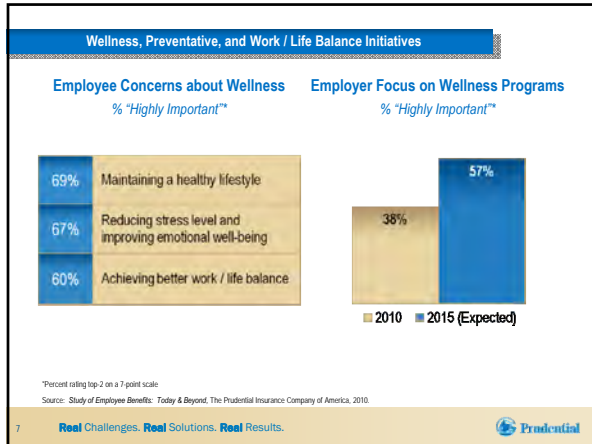
Study of Employee Benefits—Today and Beyond

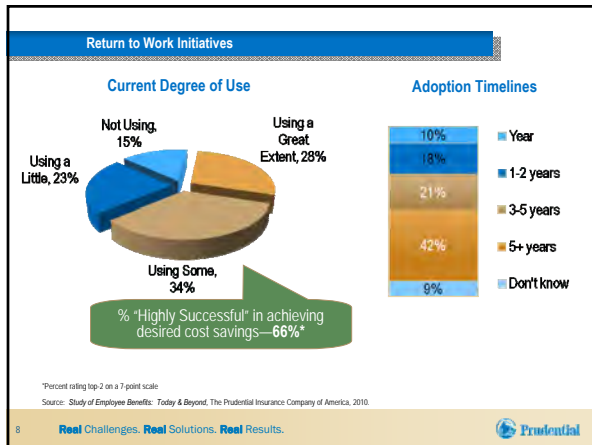
Employee Benefits Objectives

1. Control health care costs
2. Retain valued employees
3. Reduce benefits administration
4. **Increase employee productivity** 

Source: Study of Employee Benefits: Today & Beyond, The Prudential Insurance Company of America, 2010.

6 Real Challenges. Real Solutions. Real Results. Prudential





Sidelined Workers:

Strategies for Getting Them Back in the Game

9 **Real Challenges. Real Solutions. Real Results.**

Today's Discussion

- **The Value Proposition:**
The Costs and Consequences of Disability Absence
- **A Real Solution:**
Strategies to Help Strengthen the Management Link
- **A Real Solution:**
Absence & Productivity Program
- **Questions & Answers**

10 Real Challenges. Real Solutions. Real Results. Prudential

The Value Proposition:
The Costs and Consequences of Disability Absence

11 Real Challenges. Real Solutions. Real Results. Prudential

The Costs and Consequences of Disability Absence

What is the cost of absence?

1	15% of payroll?
2	28% of payroll?
3	36% of payroll?

Source: Survey on the Total Financial Impact of Employee Absences, Mercer, October 2008.


12 Real Challenges. Real Solutions. Real Results. Prudential

The Costs and Consequences of Disability Absence

Direct Costs	<ul style="list-style-type: none">▪ Disability premiums▪ Disability benefits payments▪ Continuing other benefits▪ Wages to replacement workers
Indirect Costs	<ul style="list-style-type: none">▪ Reduced productivity▪ Increased hours and stress—managers and staff▪ Recruitment and training for replacement workers▪ Higher medical costs▪ Administrative costs

13 Real Challenges. Real Solutions. Real Results. Prudential

The Benefits of Prompt RTW—Employers




- Helps reduce or end benefits costs
- Helps lower medical costs
- Retains trained work force
- Avoids replacement and training costs
- Pays wages for work instead of paying for benefits
- Helps reduce premiums

14 Real Challenges. Real Solutions. Real Results. Prudential

The Benefits of Prompt RTW—Employees

- Shortens recovery time
- Reduces likelihood of secondary complications
- Averts loss of physical fitness due to inactivity
- Requires less medical care and medication

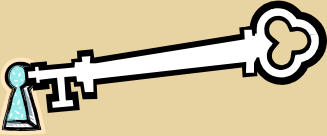


- Retains job skills
- Brings income closer to pre-disability level
- Maintains company benefits and seniority
- Eliminates concerns about continued employment

15 Real Challenges. Real Solutions. Real Results. Prudential

A Real Solution:
Strategies to Help Strengthen the Management Link

16 Real Challenges. Real Solutions. Real Results. Prudential



1. Add a RTW Commitment
to the Company's Culture

17 Real Challenges. Real Solutions. Real Results. Prudential

RTW Policy Statement

To All Employees:

[Company] is committed to providing a safe workplace for our employees.

If an illness or injury should occur, our policy is to provide opportunities for every employee to remain at work or to return to work as soon as medically possible. If you are not able to do all or part of your regular work while you are recovering, we will attempt to provide other work assignments in accordance with your doctor's instructions.

You are urged to talk with your supervisor to determine what opportunities there are to continue working or what might be done that would allow a return to work following an illness or injury.

[Signature of President / CEO / Manager]
[Title] [Date]

18 Real Challenges. Real Solutions. Real Results. Prudential

Develop a Successful RTW Program

1	Define the company policy <ul style="list-style-type: none">• Roles and responsibilities for company, supervisor, and employee• Definitions of light duty / transitional work• Clear and consistent timelines• Coordination with other policies and regulations
2	Create job descriptions <ul style="list-style-type: none">• Essential job functions• Physical and cognitive requirements
3	Develop RTW tools <ul style="list-style-type: none">• Job task analysis• Possible job modifications for improved safety and productivity

19 Real Challenges. Real Solutions. Real Results. Prudential

Develop a Successful RTW Program (cont'd)

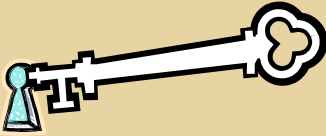
4	Appoint RTW coordinator / vendor manager <ul style="list-style-type: none">• Information exchange (supervisor, employee, vendor)• RTW coordination
5	Track absences and RTW activity <ul style="list-style-type: none">• Compliance with policy• Success stories• Program evaluation

20 Real Challenges. Real Solutions. Real Results. Prudential

Develop a Successful RTW Program (cont'd)

6	Tell employees what to do and what to expect <ul style="list-style-type: none">• How and when to report an absence• How to file a disability claim• How company policies and FMLA regulations impact absences• Keep in touch• Talk to their doctor about RTW plans• Expect calls from supervisor and vendor• Give assurance that doctor instructions will be followed• Advise that the insurance vendor will investigate claims
---	---

21 Real Challenges. Real Solutions. Real Results. Prudential



2. Train Supervisors to Manage Absence and Productivity

22 Real Challenges. Real Solutions. Real Results. Prudential

RTW Best Practices for Supervisors

Create a Positive Atmosphere	<ul style="list-style-type: none">• Make expectations clear• Listen effectively and communicate clearly• Evaluate job fit• Acknowledge good work• Recognize problems proactively• Review management style periodically
Prepare for a Planned Absence	<ul style="list-style-type: none">• Answer questions about salary and benefits• Create a communication loop to keep connection to work• Make a plan together to cover employee's responsibilities

23 Real Challenges. Real Solutions. Real Results. Prudential

RTW Best Practices for Supervisors (cont'd)

Keep the Workplace Connection	<ul style="list-style-type: none">• Send a card• Make a phone call• Relay news about work projects and workplace• Learn about the employee's condition, if appropriate• Encourage return-to-work planning
Plan for the Return to Work	<ul style="list-style-type: none">• Foster productive return to work by talking to all parties• Consider temporary, flexible options—responsibilities/hours• Arrange technical support for short-term telecommuting• Set expectations clearly with co-workers

24 Real Challenges. Real Solutions. Real Results. Prudential

RTW Best Practices for Supervisors (cont'd)

Monitor the Return to Work	<ul style="list-style-type: none">• Solicit feedback regularly• Modify work assignment to suit changing abilities• Monitor the work team's morale and effectiveness
Build a Productive Work Team	<ul style="list-style-type: none">• Share responsibility• Involve employees in problem solving• Foster a sense of ownership and self-management• Strive to retain valued employees

25 Real Challenges. Real Solutions. Real Results. Prudential



3. Partner with the Disability Vendor

26 Real Challenges. Real Solutions. Real Results. Prudential

Clarify Company Expectations

The Primary Goal	<ul style="list-style-type: none">• Return injured / disabled employees to original job ASAP
Know the Reality	<ul style="list-style-type: none">• Most injuries are sprains, strains, and bruises• Rarely result in complete inability to perform any work• Rarely require any RTW expenditure by employer• Work is an important part of medical treatment

27 Real Challenges. Real Solutions. Real Results. Prudential

Support Collaborative RTW Planning

Vendor Resources

- Claim Manager
- Claim Team Leader
- Clinical Team
- Physician Team
- Voc / Rehab Team

Employee

Physician(s)

Employer

1. Set Expectations
2. Assess Capabilities
3. Identify Options
4. Build Partnerships
5. Educate Claimant
6. Communicate Plans

28 **Real Challenges. Real Solutions. Real Results.**

Identify the Right Work Assignment

Doctor's Input	• What can the employee do / not do?
Regular Job Requirements	• Review actual task requirements of regular job.
Temporary Alternative Work Assignment	<ul style="list-style-type: none"> • The bridge back to employment through regular job: <ul style="list-style-type: none"> • Schedule changes • Reduced hours • Sharing parts of work with others • Involve others to share job tasks with impaired employee.

29 **Real Challenges. Real Solutions. Real Results.**

Redesigned Tasks Can Speed RTW...

...and help prevent injury.

Minimize Body Motions	<ul style="list-style-type: none"> • Bending motions • Twisting motions • Reaching motions
Reduce Object Lifting	<ul style="list-style-type: none"> • The need to lift or lower • Hand distance
Reduce Object Pushing and Pulling	<ul style="list-style-type: none"> • The need to push or pull • Required force • Distance to push or pull

30 **Real Challenges. Real Solutions. Real Results.**

A Real Solution:
Absence & Productivity Program

31 Real Challenges. Real Solutions. Real Results. Prudential

Absence & Productivity: Practical Solutions for Managers

Manager's Kit
Managers Guide • Quick-Tips Text Card • Greeting Cards & Pin

Management Training Program
Facilitator's Guide • Training Presentation • Video • Table Exercises

Absence & Productivity: Practical Solutions for Managers was developed by The Prudential Insurance Company of America for its Group Disability Clients.

32 Real Challenges. Real Solutions. Real Results. Prudential

New Disability Research Findings
The Market for Integrated Health Care &
Disability Management

EMPLOYEE BENEFITS PLANNING ASSOCIATION
EBPA

33 Real Challenges. Real Solutions. Real Results. Prudential

Integrated Benefit Reporting & Analytics

EMPLOYEE BENEFITS PLANNING ASSOCIATION

40 Real Challenges. Real Solutions. Real Results. Prudential

Integrated Benefit Reporting & Analytics

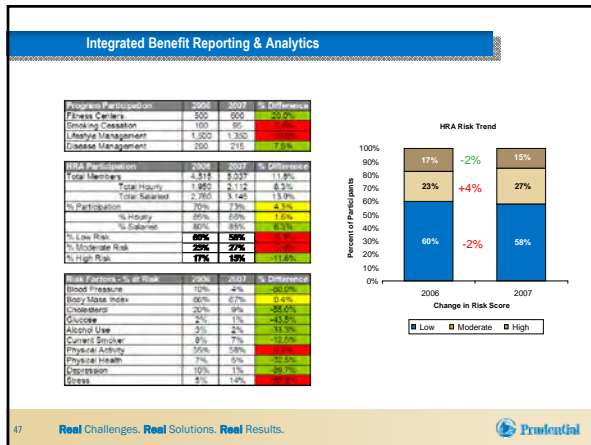
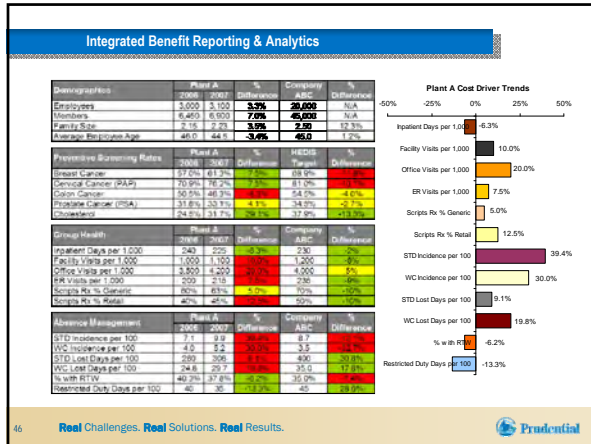
- To provide clients with **integrated reporting** which encompasses medical, workers' compensation, absence, disability, and other ancillary programs.
- To provide consultative services to clients through medical and disability **predictive modeling** and **benchmark data**.
- To support **recommendations** for plan, benefits, and policy changes to enable clients to improve overall benefit plan experience and reduce costs.
- To offer menu-based pricing for **consultative analytics** or **support consultants**.

41 Real Challenges. Real Solutions. Real Results. Prudential

Integrated Benefit Reporting & Analytics

Services	Highlight
Data File Management	<ul style="list-style-type: none"> ▪ Manage client program files (medical, pharmacy, WC, disease mgmt, wellness, etc.).
Data Integration	<ul style="list-style-type: none"> ▪ Consolidate data into Pru proprietary data base. ▪ Access to MarketScan database for benchmarking. ▪ Prudential full block of absence & disability data.
Reporting	<ul style="list-style-type: none"> ▪ Pru will support, define and deliver reports to clients using client specific and market data. ▪ Prudential will provide either directly to clients and/or in support of client consultant relationships comprehensive benefit plan analytics.

42 Real Challenges. Real Solutions. Real Results. Prudential



Questions and Answers

48 Real Challenges. Real Solutions. Real Results. Prudential

EPBA-Employee Productivity Strategies

FINAL

Group Disability Insurance coverages are issued by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102. This presentation is intended to be a summary of benefits and does not include all policy provisions, exclusions, and limitations. A Booklet-Certificate, with complete information, including limitations and exclusions, will be provided. If there is a discrepancy between this document and the Booklet-Certificate issued by Prudential, the terms of the Booklet-Certificate will govern. Contract Series 83500

This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department.

North Carolina Residents: THIS IS NOT A MEDICARE SUPPLEMENT PLAN. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare, which is available from the company.

© The Prudential Insurance Company of America.

Prudential, the Prudential logo and the Rock symbol are service marks of Prudential Financial, Inc. and its related entities, registered in many jurisdictions worldwide.

49 **Real** Challenges. **Real** Solutions. **Real** Results. 
