



Group health insurance – not workers’ compensation insurance – covers some costs resulting from work-related injuries

Background:

- Many workers injured on the job do not receive workers’ compensation benefits. This may occur because the workers don’t report their injuries or because employers don’t recognize them as work-related. For these workers, the costs of lost income and medical care fall outside the workers’ compensation system.
- For workers who receive workers’ compensation benefits, these benefits are supposed to cover all medical costs related to their injuries or illnesses.

Research Conducted:

- Researchers were seeking to estimate the extent to which medical costs associated with work-related injuries acknowledged by employers are paid for by group health insurance instead of workers’ compensation.
- Employer data on OSHA-recordable injuries were obtained for female hospital patient care workers (nurses and aides), and group health insurance expenditures were collected for three and six month periods before and after an injury.
- Changes in group health insurance expenditures were compared for injured and uninjured workers.

Results:

- Injury is significantly associated with the odds of having additional group health insurance expenditures both three and six months following injury. Compared with uninjured individuals, injured workers spent \$275 more over three months and \$587 more over six months.

Why this is important:

- Employers are concerned about the cost of both workers’ compensation and group health insurance, so it is important to better understand the extent to which work-related injuries contribute to higher medical expenditures paid for by group health insurance.
- Workers’ compensation costs are often used as one key indicator of the impact of occupational injuries and illnesses. To the extent that we understate their true medical costs, we understate their importance as preventable conditions.

Implications:

- By law, all medical expenditures associated with work-related injuries should be covered by workers’ compensation insurance; despite this, at least some of the medical costs are borne by group health insurance plans rather than the workers’ compensation system.
- By replicating this type of data collection and analysis, employers may be able to determine the extent to which group health insurance costs are affected by occupational injuries and illnesses.
- Additional costs may fall on injured workers and their families or social insurance systems. Evidence about the magnitude of these costs is not yet available.

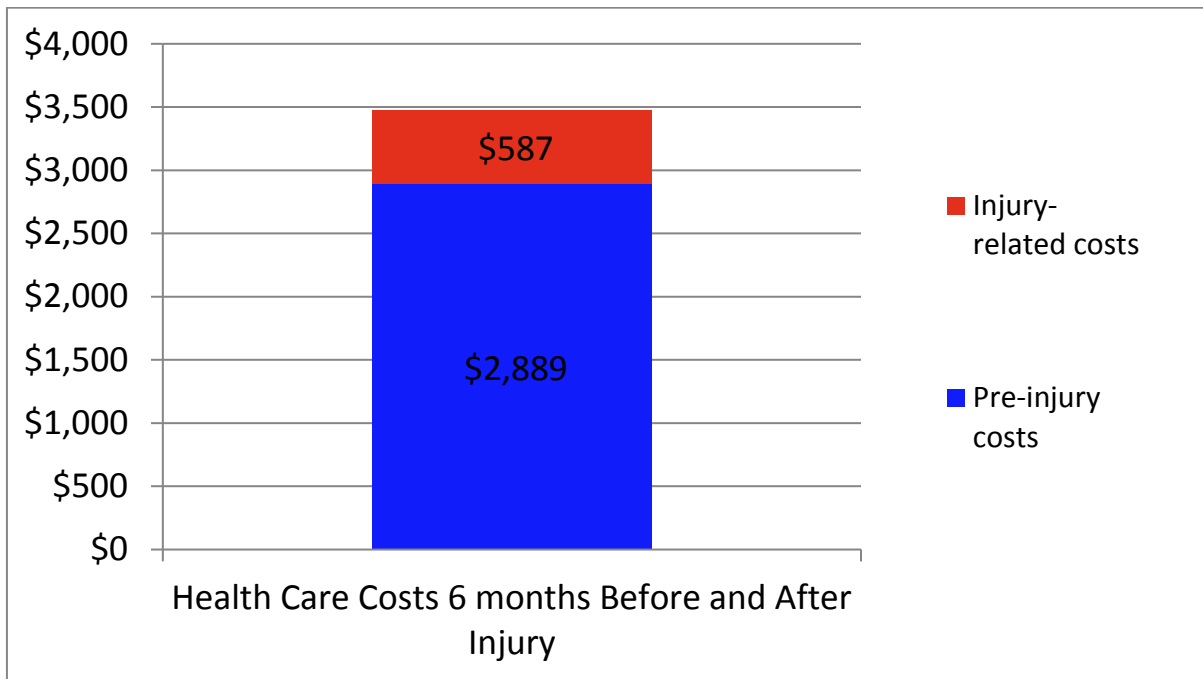
Summary based on the following paper:

Williams JA, Sorensen G, Hashimoto D, Hopcia K, Wagner GR, Boden LI. Impact of Occupational Injuries on Nonworkers’ Compensation Medical Costs of Patient-Care Workers. *J Occup Environ Med.* 2017; 59(6):e119-24.

For more information, please see the Center’s website: centerforworkhealth.sph.harvard.edu.

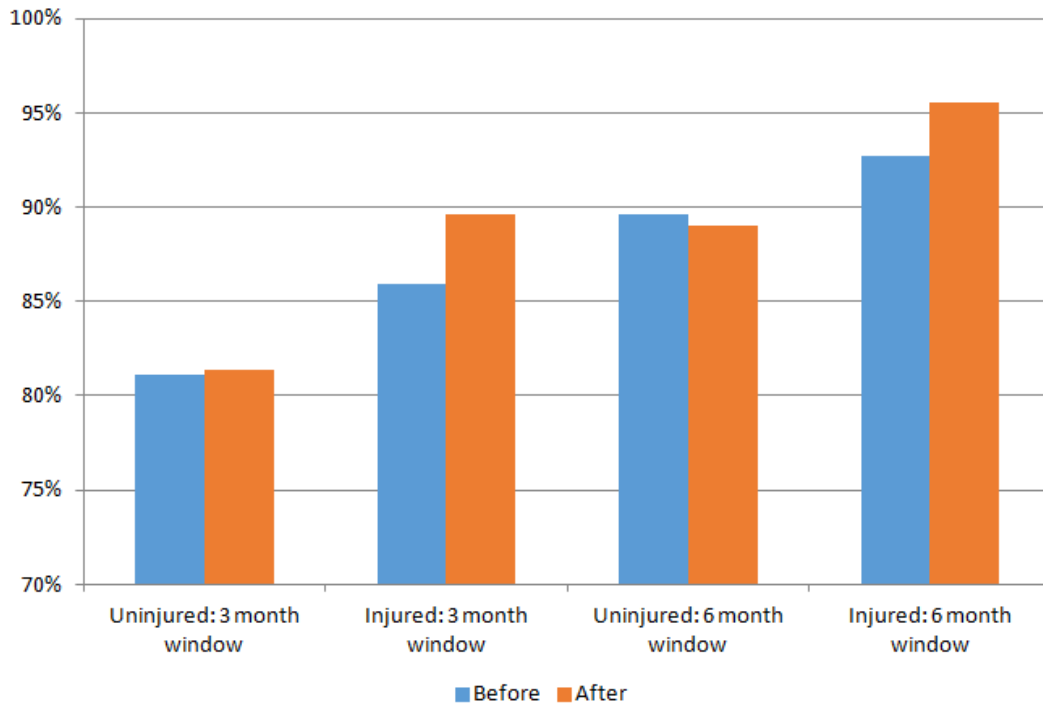
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Reported Injuries Lead to Increases in Group Health Insurance Costs;
Workers' Compensation Pays Only a Fraction



Williams et al. (2017)

Percent of Patient Care Workers with Medical Expenditures Greater than Zero Based on 3 and 6 Month Periods Before and After Injury



Williams et al. (2017)