

## TRUST CELEBRATES 25<sup>TH</sup> ANNIVERSARY

Many memorable events occurred in 1981. President Ronald Reagan and Pope Paul II were both shot in failed assassination attempts. 52 American hostages were finally freed after being held by Iranian militants in captivity for 444 days from the American Embassy in Terhan, Iran. Sandra Day O'Connor, the first female US Supreme Court Justice, was nominated and confirmed. The LA Dodgers defeated the NY Yankees in the World Series and MTV went on for the first time airing around the clock music videos creating a culture know today as the "MTV Generation."

Another memorable event occurred in 1981, one that had very little to do with world events, the legacies of political or religious leaders, or its impact on pop culture. 1981 witnessed the birth of a unique organization located in Wallingford, Connecticut with its sole mission of helping organizations in the healthcare industry reduce their workers' compensation insurance costs. In May 1981, the Connecticut Healthcare Workers' Compensation Trust, formerly known as the Connecticut Hospital Association Workers' Compensation Trust, was born.

The Trust was originally established with three Connecticut hospitals as the charter members. The principal reasons for the Trust's formation were to provide workers' compensation insurance for members at reduced costs, with superior claims

administration, loss control and managed care services. Twenty-five years later, with policies written for over 900 members, the Trust continues to adhere to our original mission and is now recognized as the leading provider of workers' compensation insurance to the Connecticut healthcare industry.

Over the upcoming months, the Trust will celebrate our twenty-five years of committed service to our members. An Anniversary Celebration for members, Trust staff and other invited guests will be held in May. More details will be distributed through upcoming mailings.

So, the next time you call the Trust, wish us a Happy Anniversary as we look forward to serving our members for the next 25 years and beyond!

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## **2005 A BUSY YEAR FOR SERVICES TO MEMBERS 2006 STARTS STRONG**



The 2005 year proved to be another busy and successful year as the Trust delivered a multitude of services to its members. Loss control led the way, performing a record 944 member contacts during the year. Services provided ranged from such basics as Safety & Health Committee Training and OSHA Compliance issues to more complex topics such as infection control and preventing workplace violence. In addition, Loss Control conducted numerous group training programs at the Trust educational training facility in Wallingford. Topics for these programs included National Safety Council Defensive Driving, OSHA 10 Hour General Industry Training, OSHA Inspection Process & Recordkeeping, among others.

The Loss Control Focus Groups continued to draw increasing participation from Trust members with very positive feedback from those attending. These groups are industry specific and provide a format for participants to share operational information, policies, procedures and work experiences with similar peer organizations. There are currently five focus groups serving the areas: Ambulance Services, Group Home/Community Organizations, Hospitals, Long Term Care Facilities, and VNA/Nursing/Home Health. If you would like to participate in one of these focus groups, please contact Alexandra Powitz, Director, Loss Control Services at (203) 678-0161.

The Trust continued its efforts to reduce the ever increasing medical costs of claims. This included contracting with nine free standing ambulatory care centers throughout the state to

discount facility fees on surgical procedures performed within the centers. In addition, the Trust experienced substantial savings in the area of complex medical imaging studies such as MRI's and Cat Scans using a national medical imaging network. Savings in this area were as high as 35% off of the Practitioner's Fee Schedule.

Meanwhile, the Trust is off to another good start for the 2006 calendar year. Over 140 Trust members' policies were up for renewal on January 1<sup>st</sup> and over 90% of those members renewed their policies with the Trust. In addition, five new members joined the Trust, effective January 1<sup>st</sup>, accounting for over \$1,400,000 in new business premium.

As always, we thank all of our members and brokers for their continued support of the Trust. We wish all of you a happy and prosperous 2006 and we look forward to servicing all of your workers' compensation needs.



### **NEW MEMBERS**

At-Home Care, LLC  
Rainbow Home Services, Inc.  
(dba St. Luke's Lifeworks)  
Laurel Ridge Health Care Center  
Quality Homemakers, Inc.  
Family Options, Inc.  
F.M.H. Services, Inc. &  
Fellowship House Ministries, Inc.  
ICES, Inc.

### **RETURNING MEMBERS**

Rushford Center, Inc.  
American Ambulance Service, Inc.  
Thames Valley Council for Community Action

**LOOKING FOR NEW WAYS TO  
FUND HEALTHCARE  
BENEFITS?  
CONSIDER A HEALTH  
SAVINGS ACCOUNT**



Managing the rising costs of healthcare benefits continues to be a consistent challenge for most employers, including the Trust. In an effort to take a different approach to this problem, last year the Trust implemented a Health Savings Account (HSA) plan for its employees. We are now into our second year of this plan and have found it to be more cost effective and beneficial to our employees than traditional plans.

The HSA is a tax-free savings account combined with a qualified high deductible health plan (HDHP). The HDHP provides the catastrophic protection your employees need to manage health care issues. The HSA provides the funds to manage the high deductible. HSA's allow both the employer and the employee to contribute up to 100% of the deductible in a given year. HSA's are funded pre-tax, are employee owned, and the balance in the account rolls over from year to year, earning interest tax-free.

Funds may be used to pay for medical expenses tax-free. Leftover funds may be used to supplement income at retirement.

In addition to providing more control over the use of benefit dollars, HSA's are revolutionizing the way healthcare is provided. They allow employees to become better informed consumers in the healthcare marketplace as the employee is writing the check; not the insurance company.

If you are responsible for managing health insurance costs for your organization and

would like to learn more about HSA's, please join us at the following meeting:

**INFORMATIONAL MEETING  
MAY 2, 2006  
9:00 – 10:30 A.M.**

**Is A Health Savings Account Right For  
Your Organization?**

**Registration will begin at 8:30 and a  
continental breakfast will be served.  
There is no charge for Trust members.**

**To register, please contact Clare Aliberti  
via email at [aliberti@chwct.org](mailto:aliberti@chwct.org) or by  
telephone at (203) 678-0107.**

**TRUST SUCCESSFUL IN  
NEGOTIATING REDUCED FEES  
FOR NEW ARTIFICIAL DISC  
REPLACEMENT SURGERY**



In 2004, the U.S Food and Drug Administration (FDA) approved the CHARITE Artificial Disc, a device that treats severe low back pain by replacing a damaged or worn out spinal disc with an artificial one. In clinical trials, comparing artificial disc replacement to spinal surgery, the CHARITE Artificial Disc patients appear to have maintained or improved their range or motion, experienced pain relief sooner, had a quicker recovery and were satisfied with the procedure. This new medical technology is emerging as a new treatment option for some types of low back pain and a number of spine surgeons in Connecticut have been performing the disc replacement surgery over the past year. Since the technology is so new, the State Workers' Compensation Commission has not established a fee for this procedure in their latest 2005 Connecticut Practitioner Fee Schedule. Recently, the Trust experienced a situation in which a spine surgeon requested authorization to perform the surgery for an amount far in excess of what the Trust has paid to previous providers for the same type of surgery. Attempts to negotiate reasonable

*Continued on Page 4*

payment arrangements with the provider were unsuccessful and the matter ultimately went before a Workers' Compensation Commissioner at an informal hearing. The Trust presented a case that ultimately led to an agreed rate that was 55% less than what the provider originally requested for payment; which equated to thousands of dollars in savings to the claim.

This type of medical cost diligence will continue to save our members from paying more than necessary for quality medical care.

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### Holiday Food Drive



The Trust held a food drive over the holidays and was able to collect and donate several cartons of non-perishable goods along with a cash donation to **New Opportunities of Greater Meriden, Meriden, CT**. The food was well received as their shelves were nearly depleted.

### Quilt Donation



Members of Heritage Quilters of Greater Hartford met in the Trust's Conference Room, during off hours, to make lap quilts for wheel chair bound residents. Kathy Yeager, Claims Manager for the Trust and also a member of the Guild, presented twelve quilts to one of our Trust member's Lynne Winslow of the **Mattatuck Health Care Facility in Waterbury, CT** for use by their residents.

## The Legal Corner

John M. Letizia, Managing Partner  
Kate Casagrande, Attorney  
LETIZIA, AMBROSE & FALLS, PC  
New Haven, Connecticut

### WHEN EMPLOYEES NEED DISCIPLINE:

#### **Policies and Procedures for Investigating and Responding to Employee Misconduct**

Every employer has to deal with employee misconduct. Of course, this is a very broad term that can range from simple ignorance of a company policy to criminal behavior. Unfortunately, as almost every employer knows, disciplining employees for misconduct can easily lead to charges and accusations against the employer itself.

No employer wants to face a claim of harassment, discrimination or wrongful termination because it took steps to correct an employee's misconduct. While this cannot always be avoided, there are important steps that employers can take to minimize their liability for disciplining an employee. When employee misconduct occurs, it is essential for employers to R.E.A.C.T.

R=Report  
E=Evidence  
A= Action  
C=Consistency  
T=Training

#### REPORT

Employers can only fix problems that they know about. The first step to maintaining a healthy working environment is to have clear-cut policies in place that encourage employees to report problems. Employers should have anti-retaliation policies that protect employees who, in good faith, report a problem.

Misconduct can occur in many forms. While a violation of company policy is the most common type of misconduct, other actions or

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incidents that qualify for misconduct and require discipline include:

- Complaints made by other employees, customers, patients, etc.;
- Activities outside of work resulting in arrests or convictions;
- Improper conduct not specifically addressed in company policies.

A report of misconduct is only the first step and is in no way a determination of misconduct. Before any conclusions can be made, there must be *evidence*, which comes from an investigation and documentation of the incident or conduct reported.

#### EVIDENCE

While employers are not expected to be CSI agents, there is a need to gather information and have clear documentation of all reports of employee misconduct. This most often requires a thorough investigation and will depend greatly on the nature of an incident.

For example, if an employee is consistently reporting to work late, it may be a simple investigation: review the employee's time sheets/cards, talk to the employee, and talk to other employees as needed. Document everything that is done, including the employee's statements.

Specific investigation policies and procedures are essential and should, at a minimum, address the following:

- Details about the nature of the incident or conduct resulting in the investigation (e.g. what, when, where);
- Names of witnesses or individuals involved in the incident or conduct;
- An explanation from the employee.

Additional information will be needed in most cases and the above only covers the preliminary questions to be asked. More detailed investigation procedures should be developed and used by supervisors when a

report of misconduct is made. Once an investigation is completed, the next step is to take action.

#### ACTION

“Action” may be as simple as deciding that nothing needs to be done, if the investigation reveals that there was no misconduct, or so severe as to immediately terminate someone's employment. For the most part, though, investigations result in the need for some form of discipline between these two extremes.

Many employers choose to have progressive discipline policies in place, which provide clear guidelines to discipline employees based on the nature of the incident, whether it is a first-time offense and whether any kind of training could have avoided the incident or action. Such a policy should state that the employer has the right to deviate from the step-by-step progressive discipline guidelines whenever it deems such action appropriate, and should approach discipline in the following gradual manner:

- Counseling, training or coaching;
- Verbal warning (noted in writing in the personnel file);
- Written warning;
- Second written warning;
- Suspension and/or final written warning;
- Termination.

#### CONSISTENCY

Probably the single, most important step in the discipline process is *consistency*. Consistency is what will give many employers a defense to discrimination claims. It requires having clear-cut policies that are always followed, detailed and documented investigations, and a “punishment that fits the crime” approach. This is why employers are encouraged to

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## STAFFING CHANGES

**Rose Zimmitti**  
**Claims System Administrator**

develop investigation procedures and progressive discipline policies. Of course, the key to implementing the policies and procedures is *training*.

### TRAINING

While the “T” is last in this acronym, training should not be. Training and education should always be a focus for employers. Supervisors must be trained to take all reports seriously and investigate claims in a uniform manner. More important, though, many reports of misconduct can be avoided by properly training employees to know and comply with company policies and conduct. Training should be ongoing and the existing policies and procedures should be reviewed from time to time with both new and veteran employees.

If you are interested in additional information regarding investigation and discipline policies and procedures and training employees and supervisors, please contact John Letizia or Andrew Cohen at Letizia, Ambrose & Falls, P.C., at (203) 787-7000, or e-mail us at [letizia@laflegal.com](mailto:letizia@laflegal.com) or [cohen@laflegal.com](mailto:cohen@laflegal.com)

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Rose joined the Trust with over 15 years experience in Information Technology. Her responsibilities include the support of the Claims application, the streamlining and automation of administrative tasks and the development of in-house applications. Rose has a strong background in systems design and support in the insurance industry.

**Anjie Dawkins-Jones**  
**Administrative Assistant, Loss Control**

Anjie Dawkins-Jones joined the Trust as an Administrative Assistant for Loss Control Services. Anjie has many years experience in office administration, accounting and customer service. She will be responsible for coordinating the activities of the Loss Control Representatives and the Members Meetings.

**WE WELCOME ROSE AND ANJIE TO THE TRUST!**

**LeeAnne Wambolt, CPC promoted to:  
Payment Reviewer**

LeeAnne was promoted to Payment Reviewer after successfully completing her Certified Professional Coder (CPC) program through the American Academy of Professional Coders. The CPC designation certifies that LeeAnne successfully passed an extensive written examination and has significant practical coding experience. LeeAnne is responsible for reviewing and ensuring medical bills are coded properly before payment is issued.

**THE TRUST CONGRATULATES  
LEEANNE ON HER PROMOTION!**



## WHOOPING COUGH!

Mark Russi, MD, MPH  
Medical Director



Have a bad cough that's gone on for weeks and weeks? It might be Pertussis. Pertussis, otherwise known as whooping cough, is not just a disease of children, and most of us no longer have protection against it from vaccines we received during childhood. Pertussis is also on the increase in the U.S., with more than 11,000 cases reported annually to the CDC. That, however, is likely only the tip of the iceberg. Several studies have shown that between 13 and 32 percent of adolescents and adults with an illness involving a cough of six days' duration or longer are infected with pertussis, and a recent study estimated that there are at least one million cases of pertussis per year in the U.S.

The disease is highly contagious, with 90 percent of affected individuals' household contacts developing illness. It can also be clinically severe, beginning with 1-2 weeks of low-grade fever, runny nose, and mild cough, but progressing to 1-6 weeks of severe cough, sometimes followed by vomiting episodes. Rarely it may lead to pneumonia and even death, though more than 90% of pertussis-related deaths occur among infants.

Unfortunately, healthcare institutions have been the setting for several pertussis outbreaks, and spread from infected healthcare workers to vulnerable patients, as well spread from patients to healthcare workers, has been documented.

The good news is that for the first time, a pertussis vaccine licensed for use in adults has been approved, and the U.S. Centers for Disease Control and Prevention (CDC) recommends that it be administered to adults

according to the same schedule currently used for tetanus and diphtheria booster vaccinations, i.e. every 10 years. Under consideration this month by CDC's Advisory Committee on Immunization Practices is an additional recommendation that healthcare institutions administer the new pertussis vaccine as soon as feasible to healthcare workers with direct patient contact. It is expected that immunization of healthcare workers will reduce the chances of outbreaks in healthcare institutions, and enhance the safety of both healthcare workers and patients.

Vaccination of healthcare workers, to be sure, represents an added expense and operational burden to employers in the healthcare industry. However, a recent cost-benefit study suggests that the move will save money over the long-run, based on a reduction of illness among healthcare workers. Since the infrastructure for administering and tracking vaccination exists at occupational health or infection control units in most healthcare setting, it is anticipated that such infrastructure will be utilized for pertussis vaccine administration. Combining pertussis vaccine campaigns with influenza vaccine campaigns may also lessen the operational burden to employers. A tiered approach to pertussis vaccine administration, with earliest administration of vaccine to those who have contact with infants less than 12 months of age may be favored by some healthcare institutions.

Cost of the vaccine will be approximately \$30 per dose, and it is administered once every 10 years. As pertussis vaccination of the general population improves over the next several years in accordance with CDC guidelines, the need for pertussis vaccine administration by healthcare institutions to newly employed healthcare workers will likely decrease because many such individuals will have already received the vaccine.

## EDUCATIONAL CALENDAR

These programs are designed to assist our members in gaining knowledge of issues that surround and support the reduction of work related injuries and the associated claims. More detailed information will be sent to all members prior to the meeting. Your attendance is encouraged.

### **NATIONAL SAFETY COUNCIL DEFENSIVE DRIVING 4-HOUR COURSE**

APRIL 12, JUNE 21  
8:00 a.m. – 12:30 p.m.

### **OSHA HAZARD COMMUNICATION MARCH 9**

9:00 – 11:30 a.m.

### **BLOODBORNE PATHOGENS TRAIN-THE-TRAINER PROGRAM**

MARCH 23  
9:00 – 11:30 a.m.

### **OFFICE ERGONOMICS TRAIN-THE-TRAINER PROGRAM**

APRIL 4  
9:00 – 11:30 a.m.

### **CLAIMS SEMINAR**

APRIL 20  
9:00 a.m. – 3:30 p.m.

### **OSHA INSPECTION PROCESS**

APRIL 25  
9:00 a.m. – 3:30 p.m.

### **OSHA 10 HOUR GENERAL INDUSTRY SAFETY AND HEALTH OUTREACH TRAINING**

MAY 3, MAY 10  
9:00 a.m. – 3:30 p.m.

### **ACCIDENT INVESTIGATION**

MAY 24  
9:00 a.m. – 3:30 p.m.

### **OSHA TB AND RESPIRATORY PROTECTION**

JUNE 8  
9:00 – 11:30 a.m.

## FOCUS GROUP MEETING CALENDAR

The Trust has established the following industry specific focus groups. These groups meet on a regular basis and are designed to provide an opportunity for similar peer organizations to share operational information, policies, procedures and work experiences that assists their organizations in loss and claims reduction. This sharing of information among peer groups has been very well received. Participation in a focus group is free to members of the Trust.

The following Focus Groups have been scheduled for the 2006 year. If you would like to join a focus group, please contact Alexandra W. Powitz at (203) 678-0161 or e-mail: [powitz@chwct.org](mailto:powitz@chwct.org).

### **HOSPITAL FOCUS GROUP MARCH 7, JUNE 27, SEPTEMBER 26, DECEMBER 12**

9:00 – 11:00 a.m.

### **GROUP HOME/COMMUNITY ORGANIZATION FOCUS GROUP**

MARCH 16, JUNE 15, NOVEMBER 9  
9:00 – 11:00 a.m.

### **LONG TERM FACILITY FOCUS GROUP**

MARCH 30, OCTOBER 12  
9:00 – 11:00 a.m.

### **AMBULANCE FOCUS GROUP**

APRIL 14  
9:00 – 11:00 a.m.

