Vocational Improvement Project

2013 Report to the Legislature
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Executive Summary

This report describes the results of the Vocational Improvement Project (VIP) and other work in Washington's workers' compensation vocational rehabilitation, as required by RCW 51.32.099. At the recommendation of the vocational rehabilitation committee created in 2008, the Vocational Improvement Project was extended through June 2016.

This report is the sixth of eight annual reports to be provided to the legislature concerning Washington's workers' compensation vocational rehabilitation system. It provides an update on efforts aimed at reaching the legislature’s goal of “creat[ing] improved vocational outcomes for Washington state injured workers and employers” through changes made in the Vocational Improvement Project.

SUMMARY OF IMPROVEMENTS AND CHALLENGES

L&I has made significant improvements to Washington’s workers’ compensation vocational rehabilitation system, including:

- Increased variety of choices available for retraining
- Added accountability for participants
- Higher percent of training plans approved, with reduced recycling time
- Greater flexibility for workers to pursue training or alternatives on their own. New options are now available and appear to have worked well for some workers.

Unfortunately, challenges remain, related to increasing the percent of injured workers who successfully complete retraining plans and the employment rates and earnings after training. Some explanations of these continued difficulties may be that the longer training period allowed under VIP makes completing the training plan more difficult, which may be offsetting the positive impacts of a wider variety of programs that are available. In addition, the effects of the Great Recession make it difficult to compare employment outcomes before and after VIP. Finally, the short period of time that VIP has been in place means only a small number of injured workers have completed their vocational process and training. Therefore, data on post-training outcomes is not available. For these reasons, the department looks forward to future reports so that the full effects of the program may be fully understood.
The Vocational Improvement Project

The Vocational Improvement Project was created originally by the legislature in 2008. However, since its creation, the subcommittee created with the original pilot has twice recommended changes to the statute that have been enacted into law. In 2011, the law was changed to clarify and improve aspects of the law. In 2013, legislation was passed to extend the period of the pilot through 2016.

Consistent with its mandate, the subcommittee continues to review its enabling legislation. The specific charge to the subcommittee includes:

1. Recommend to the director and the legislature any additional statutory changes needed;

2. Provide recommendations for additional changes or incentives for injured workers to return to work with their employer of injury;

3. In collaboration with the department, shall develop an annual report concerning Washington’s workers’ compensation vocational rehabilitation system;

4. Consider options that, under limited circumstances, would allow injured workers to attend baccalaureate institutions under their vocational rehabilitee plans, and provide recommendations to the director and the legislature on statutory changes needed to develop those options.

This report provides a brief overview of the vocational rehabilitation system and addresses the first three statutory mandates listed above. The final requirement, that the subcommittee consider options for training at baccalaureate institutions, is provided under separate cover. The report also includes an overview of vocational services, an
introduction to the subcommittee, updated outcomes of the UW study, and highlights of Option 2, increased access and retraining plan completion rate. At this time, the subcommittee is not recommending additional changes to the law, either for the program as a whole or related to incentives for injured workers to return to work with their employer of injury.

OVERVIEW OF VOCATIONAL SERVICES

Eligibility determination and plan development

A worker is eligible for vocational services when the Department of Labor & Industries (L&I) determines that:

1. He or she is not employable due to the effects of the industrial injury or occupational disease,
2. The worker is physically able to participate in training, and
3. Training is both necessary and likely to make the worker employable.

About 2 percent of all injured workers, or 6 percent of those entitled to time-loss benefits, are found eligible for vocational services annually. In fiscal year 2013, this included nearly 1,800 workers covered by L&I and just over 200 workers covered by self-insured employers. Although this is a very small proportion of all workers who filed claims, these claims are generally among the most complex, with significant incidence of long-term disability. Building the knowledge and skill of these workers through formal vocational training is critical to restoring them to the workforce.

Private vocational rehabilitation counselors (VRCs) assist the department in determining whether a worker is eligible for vocational services. They work directly with eligible workers to develop a formal training plan that is submitted to the department for approval. Developing a plan is a complex challenge: the plan must address the worker’s medical conditions and restrictions (both those caused by the injury and those that are unrelated or pre-existing), and resolve all barriers to returning to work including lack of education and experience, lack of skills, language difficulties, and availability of employment in the worker’s labor market.

Issues that existed prior to VIP

Prior to the VIP legislation, the existing legal framework presented several challenges to successful return to work:

- Training programs for workers were capped at one year and $4,000. This limited benefit did not allow access to the majority of programs available at community and vocational technical colleges.
There were no alternatives to allow workers to decline participation in training. Anecdotal evidence suggests that some workers were not motivated to complete retraining plans or that plans did not address their personal goals.

The system experienced unnecessary costs related to delays, unproductive attempts at retraining, and repeat referrals for plan development.

L&I had no established links to other organizations in the state primarily involved in helping people with employment and training needs (for example, WorkSource).

THE VIP LEGISLATION

The Vocational Improvement Project (VIP) — being piloted through June 30, 2016— is intended to “allow opportunities for eligible workers to participate in meaningful retraining in high demand occupations, improve successful return to work and achieve positive outcomes for workers, reduce the incidence of repeat vocational services, increase accountability and responsibility, and improve cost predictability.” ¹

The VIP legislation made sweeping changes to vocational retraining in the worker’s compensation system. These changes include:

- A significant increase in training benefit levels, both the time and dollar limits for retraining, to improve access to programs.
- A new option for workers (Option 2) to elect self-directed training as an alternative to participating in a formal retraining plan.
- Increased marketing of on-the-job training opportunities with employers.
- Increased accountability for the department, employers, workers, and vocational providers including time limits on plan development, employer-of-injury job offers, and the department review and approval of plans.
- Direction to develop return-to-work plans for high-demand occupations.
- Placement of L&I staff in Washington WorkSource locations to provide vocational services to workers.

Additionally, the VIP legislation mandated an independent review and study of the changes, focused on determining the pilot’s success at achieving several outcomes. As described later in this report, the outcomes to be evaluated included:

¹ RCW 51.32.099(1)(a).
- Improved percentage of workers completing their training plans
- Workers being retrained for higher-demand occupations
- Reduced cost to the system of delays and unproductive attempts at retraining
- Reduction of repeat attempts at training plan development services
- Partnerships with WorkSource to improve worker outcomes

**VOCATIONAL REHABILITATION SUBCOMMITTEE**

The Vocational Rehabilitation Subcommittee consists of four members appointed by the L&I director to provide the business and labor partnership called for in the legislation. The current subcommittee members are:

- Terry Peterson, Comprehensive Risk Management
- Lori Daigle, Sellen Construction
- Joe Kendo, Washington State Labor Council
- Terri Herring, Washington State Association for Justice

Since the passage of VIP, the subcommittee has met several times and has been instrumental in the development of rules, policies, and communications; selection of the independent researcher and identification of research elements; selection of WorkSource sites; and discussion of internal measures to track the effects of the VIP changes. This group is also charged with recommending statutory changes needed to accomplish the goals of the pilot, which can include extending the pilot period, and/or adopting some or all aspects of the pilot on a permanent basis.

The subcommittee is now focused on a number of issues, including employment and earnings outcomes during the extension period. These outcomes did not improve through the original VIP pilot (likely due to the effects of the Great Recession), and were an important reason for the pilot extension granted by the 2013 legislature.

The subcommittee is also exploring broadening its role to include other aspects of the vocational rehabilitation system, (for example, vocational assessment) and to become more involved with Labor & Industries return-to-work initiatives that are not necessarily a part of the VIP pilot.

The group will also continue to monitor the overall outcomes associated with the VIP pilot and to identify possible changes or incentives to improve outcomes.
OVERVIEW OF OUTCOMES TO DATE

Independent review and study

The University of Washington (UW) was chosen to perform the independent review and study of the VIP changes through 2012. Their last report was filed December 2012. Going forward, L&I will gather data, analyze it and report on results annually.

Summary of outcomes

1. **Improve the percentage of workers who successfully complete their training plan.**
   
   The percentage of workers who successfully complete a training plan has not increased. However, under the new system more workers attain skills to make them employable even if the plans (which are now longer on average) are not completed. In addition, a higher proportion of workers can now be held accountable when the plan fails due to their actions. These cases move to claim closure.

2. **Retrain workers for higher-demand occupations.**
   
   Of approved training goals, 78 percent are now for high- or balanced-demand occupations. This is up from 74 percent in the original study. A high-demand occupation is one that is estimated to have more job openings than there are qualified candidates in a particular Washington labor market. A balanced demand occupation means that the demand for workers in that occupation is approximately equal to the supply of workers. Baseline data prior to the pilot is not available for comparison.

3. **Reduce costs to the system and employers by eliminating delays and unproductive attempts at vocational plan development and training.**
   
   VIP requires that training plans be developed and submitted within 90 days, and allows extensions only for good cause. The median time to submit a plan has dropped from 182 days prior to the implementation to 127 days for the one-year period ending June 30, 2013. Using average time-loss costs of about $65 per day, and assuming an average reduction of 55 days for each case referred for plan development, reduced system costs are estimated to be $6.4 million for the nearly 1,800 cases receiving these services in fiscal year 2013. Extensions are requested and allowed in 47 percent of cases; 53 percent of plans are submitted within 90 days.

Option 2, explained below, allows workers with an approved plan the opportunity to move toward immediate claim closure and to pursue self-directed training. This has resulted in more options for workers and savings for the system.
4. **Reduce repeat referrals.**

A second assignment for plan development can add significantly to the cost of a claim. The *repeat referral* rate prior to VIP was nearly 35 percent. Under VIP, the rate has dropped to less than 25 percent. This means that about 180 workers annually do not require a second attempt at developing a plan. This is a savings of about $27,000 per case, or $5 million annually.\(^2\)

5. **Create partnerships with WorkSource to improve worker outcomes.**

Vocational services specialists are now helping workers at six WorkSource locations: Mt. Vernon, Renton, Tacoma, Tumwater, Spokane, and Kennewick. The specialists guide workers to WorkSource resources, including workshops on resume writing, interviewing techniques, and using the computer for job searches. Results so far suggest that workers are obtaining better outcomes when served under the WorkSource model.

**IN-DEPTH DISCUSSION OF SELF-DIRECTED RETRAINING ALTERNATIVE: OPTION 2**

A worker who is eligible for training is assigned a vocational counselor for development of a training plan. After the plan is approved by L&I, the worker has 15 days to choose either **Option 1** or **Option 2**. A worker who chooses Option 1 will participate in the approved training with oversight by the assigned VRC and the claim will remain open until training is completed. A worker who chooses Option 2 elects to receive a vocational award equivalent to six months’ of time-loss benefits and will have access to training funds for self-directed training for up to five years. The worker’s claim is closed.

A comparison of claim costs for State Fund workers selecting an option in 2008 shows significantly decreased costs for those choosing Option 2 compared to those choosing Option 1. This is likely due to a variety of factors, including:

- The difference between the Option 2 vocational award, which is equivalent to six months’ time-loss benefits, and the average length of a training plan. The difference is about 460 days of time-loss benefits;
- Reduced average training costs, as not all those workers that have chosen Option 2 have used their available training funds to date; and
- Lower costs for vocational counselor services as Option 2 workers participate in self-directed training

\(^2\) Based on fiscal year 2013 data.
Overall, the current average claim cost compared to the average cost at the time of option choice showed Option 1 claims higher by more than $47,000. Over time, this difference will change as cost data is further developed.

Between January 2008 and June 30, 2013, nearly 2,600 workers, or about 28 percent of those with approved plans, have selected Option 2. About 13 percent of these workers have begun utilizing their training funds. Of these workers, nearly 2,300 are insured with the State Fund. As of June 30, 2013, 200 (or 9 percent) workers have filed for reopening of their claim and new claims were filed by about 240 (10 percent) of these workers. To date, the rates for reopening are comparable to baseline data prior to the availability of Option 2 and the incidence of new claims is lower. This may change with additional time.

Of just over 300 self-insured workers who chose Option 2 and whose claim was closed, 32 workers, or 11 percent, have reopened their claims. New claims were filed by 31 (10 percent) of these workers.

### INCREASED ACCESS

**Increased training benefit**

The pre-2008 training benefit of up to one year and $4,000 provided access to very few programs offered by community and vocational technical colleges.

VIP significantly increased the training benefit available so that injured workers would have access to a broader variety of programs. The intent was that this increased access would lead to broader skills, increased plan completion, and eventual employment at higher wages.

Specifically, in 2008 VIP allowed training costs of up to $12,000 for tuition, fees, and other costs, and up to two years of training time. The tuition/fees limit is indexed annually to increases in Washington’s community college tuition and has increased over time to the current level of $17,599. There was no change in 2013 because the community college tuition rates were frozen for that year.
Table 1. Schedule of maximum training benefits since VIP implementation

<table>
<thead>
<tr>
<th>For plans approved</th>
<th>Dollar limit</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 2008</td>
<td>$12,000</td>
<td>N/A</td>
</tr>
<tr>
<td>July 1, 2008</td>
<td>$12,240</td>
<td>2%</td>
</tr>
<tr>
<td>July 1, 2009</td>
<td>$13,096</td>
<td>7%</td>
</tr>
<tr>
<td>July 1, 2010</td>
<td>$14,029</td>
<td>7%</td>
</tr>
<tr>
<td>July 1, 2011</td>
<td>$15,713</td>
<td>12%</td>
</tr>
<tr>
<td>July 1, 2012</td>
<td>$17,599</td>
<td>11%</td>
</tr>
<tr>
<td>July 1, 2013</td>
<td>$17,599</td>
<td>No increase over 2012</td>
</tr>
</tbody>
</table>

Source: L&I Research and Data Services

As expected, both plan cost and duration has increased since the beginning of the pilot. In FY 2009, the average cost of a plan was about $9,000 for both State Fund and self-insured workers. It is currently at about $11,400 for State Fund and $10,800 for self-insured workers, likely due to annual increases in state tuition rates. Plan costs are slightly reduced for all employers from nearly $12,000 in 2012. The median duration for training plans remained at 640 days and has stayed relatively stable.

Valid pre-VIP average data concerning the duration and cost of training plans cannot be determined. This is because the law previously allowed for a second year and an additional $4,000 at the discretion of the Supervisor of Industrial Insurance in certain cases. In addition, training plans would stop and restart, allowing workers to take full advantage of the limited time available. During these breaks in training, time-loss benefits would continue to be paid. This is not allowed under the new system and, as a result, training more often continues through typical breaks such as summer quarters.

The increased benefit has significantly expanded access to training programs where costs exceeded the pre-VIP benefit. Examples of plan goals approved under VIP include:

- Graphic designer
- Computer network technician
- General office clerk
Higher-demand occupations

Seventy-eight percent of approved plans for State Fund and self-insured workers are for high- or balanced-demand job goals (62 percent high-demand and 16 percent balanced-demand). This is up from the high of 74 percent in 2012. A high-demand occupation is one that is projected to have more job openings than there are qualified candidates in a particular Washington labor market. A balanced-demand occupation means that the demand for workers in that occupation is projected to be approximately equal to the supply of workers. It should be noted that while workers and VRCs are encouraged to choose high-demand training goals, it is not a requirement.

The department has determined that while high demand jobs may indicate a higher likelihood of employment, they do not necessarily equate to higher-paying jobs. For example, the occupation of cashier is considered high demand in most labor markets even though the compensation for this work is typically at or just above the state minimum wage.

WorkSource partnerships

The pilot also directs L&I to establish partnerships at a number of WorkSource locations and to provide vocational services to injured workers from those locations. WorkSource is a nationally recognized system of one-stop career centers that offer employment and training services to job seekers and businesses through a partnership of government agencies, colleges, and non-profit organizations. The partnerships with WorkSource are intended to provide insight into whether services provided from this resource-rich, community environment result in better outcomes for workers.

Beginning in 2008, L&I has placed vocational services specialists on site at six WorkSource locations: Mt. Vernon, Renton, Tacoma, Tumwater, Spokane, and Kennewick. These specialists are assessing workers’ ability to work and helping them identify return-to-work options. They explain WorkSource resources, including workshops on resume writing, interviewing techniques and using the computer for job searches. Examples of vocational outcomes that are being measured:

- Workers who are assisted in return to work
- The speed of services delivered

The following tables compare outcomes of vocational services achieved by staff at WorkSource with services provided through the traditional one-on-one model involving a private VRC. These results suggest that vocational services provided by WorkSource staff are timelier and achieve a higher return-to-work rate.
Table 2. Median duration (days) by referral type
(all referrals since 1/1/08)

<table>
<thead>
<tr>
<th></th>
<th>WorkSource</th>
<th>Traditional Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Intervention</td>
<td>80</td>
<td>86</td>
</tr>
<tr>
<td>Ability to Work Assessment</td>
<td>72</td>
<td>168</td>
</tr>
</tbody>
</table>

Source: L&I Research and Data Services

Table 3. Percentage of return-to-work outcomes by referral type
(all referrals since 1/1/08)

<table>
<thead>
<tr>
<th></th>
<th>WorkSource</th>
<th>Traditional Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Intervention</td>
<td>38</td>
<td>23</td>
</tr>
<tr>
<td>Ability to Work Assessment</td>
<td>10</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: L&I Research and Data Services

In addition to providing vocational services to injured workers, the department has raised the awareness of all injured workers and VRCs about the services offered at WorkSource by providing open house events for local VRCs, updating the web site, communicating to workers, and referring them to WorkSource for help.

On-the-job training opportunities

Some workers are better suited to hands-on training rather than a classroom. The pilot calls for L&I to work with employers to market the benefits of on-the-job training (OJT) programs for injured workers and their employers, so these opportunities can be shared with VRCs and workers to consider when developing a training plan. Regional L&I staff located across the state market employers about the benefits of training and hiring injured workers. A brochure has been developed, “Are You an Employer Who Can Provide On-the-job Training?” and a web site has been set up for sharing these opportunities: [http://www.lni.wa.gov/ClaimsIns/Voc/Ojt/Default.asp](http://www.lni.wa.gov/ClaimsIns/Voc/Ojt/Default.asp)

To date, OJT plans represent a relatively small proportion of all approved training plans (2 percent for both State Fund and self-insured). This is compared to a pre-VIP baseline of about 5 percent. Vocational counselors report that they are less likely to pursue OJT because of the statutory expectation that plans be developed within 90 days. VRCs tell us that it takes longer to develop an OJT. The department has attempted to mitigate this concern by considering development of an OJT
as valid criteria for granting an extension to the 90-day requirement. In addition, the economic recession may have had a negative effect on employers’ willingness to provide OJT opportunities. To date, the use of OJTs as an alternative to formal training has not been successfully increased.

Reserved slots with community colleges for high-demand programs

The VIP legislation envisioned the development of reserved slots with training institutions that could be utilized for eligible injured workers. This concept was explored with representatives of the state college system and with private vocational counselors, but a viable method to make this concept work was not found. The primary reason is one of individual choice: the system does not allow L&I or a self-insured employer to direct workers to attend specific programs, unlike some other entities that provide adult training. Because the training institutions cannot be guaranteed that slots will be filled, they are unwilling to hold them open.

Additional vocational assistance

The VIP law allows for additional time and/or training benefits to be expended, beyond the statutory limit, in cases where it is necessary to support the successful completion of a plan that will provide the worker with skills to become employable and avoid a total permanent disability pension. The decision to allow additional time and/or costs is at the director’s discretion. Since implementation of VIP, a total of 108 State Fund workers and 3 self-insured workers have received additional vocational assistance. The majority of these cases were due to tuition increases that occurred during the student’s program. Others were necessary because of changes in school curriculum. The average additional cost granted per person was slightly over $1,800, up from $1,400 in 2012. The average additional time granted was 47 days, also increased from 2012’s period of one month.

Employer job offers

Considerable effort is made early in every claim to maintain the relationship of the worker and his or her employer. Employers have a legal right to offer work consistent with the worker’s restrictions. The worker is obligated to accept a valid offer of employment or risk losing their time-loss benefits. If a worker can return to work for his or her employer at injury, training is not needed.

The VIP law contains a provision that stops training plan development and time-loss benefits if the employer at injury makes a valid job offer within 15 days of the date of the determination that the worker is eligible for training. After that, the employer may offer work, but the worker is not obligated to accept it. This right is explained to employers and workers with letters notifying them of the worker’s eligibility for training plan development.

This provision was clarified with the passage of House Bill 1726 in 2011. Now, at the department’s discretion, an employer may be allowed an additional 10 days to amend a job offer. This change was made to address cases where an employer made a job offer in good faith, but the offer did not adequately address all job offer elements or the worker’s medical restrictions that may be corrected with additional time.
A total of 107 job offers have been made by employers since the VIP was implemented. This is about 1 percent of all workers found eligible during the period.

**Department accountability**

A rehabilitation plan submitted by a vocational counselor must be acted on (approved or disapproved) by the department within 15 days or it is “deemed approved.” In fiscal year 2013, approximately 1,600 plans were submitted. Out of over 9,000 plans submitted since the beginning of the pilot in 2008, (including both State Fund and self-insured employers) 15 have been deemed approved. In all other cases, department vocational staff have taken action on plans that were submitted. The average action by the department is in less than five days of receipt.

**RETRAINING PLAN COMPLETION RATE**

Under the pilot, 56 percent of workers who began a retraining plan completed it. The figure is 55 percent for self-insured workers who completed their plan. This compares to a baseline of 59 percent retraining plan completion, compared to a baseline of State Fund workers only. At the start of the pilot, the department assumed that access to better training and a higher emphasis on accountability would result in a higher proportion of workers completing their training plan. So far, this has not been the case. To determine possible causes, a study was undertaken in May 2011 to address the following questions:

- What worker characteristics are associated with plan non-completion?
- What is the incidence of plan non-completion for reasons beyond the worker’s control vs. for reasons within the worker’s control?

One-hundred seventeen cases were examined to find root causes for plan non-completion. These same elements were also reviewed in a sample of successfully completed plans. Following is an overview of the findings.

**Reasons associated with plan non-completion**

- 69 percent of plans that are not completed have medical issues as a contributing factor. Of those, about half were for medical issues that were not covered or related to the claim.
- In 63 percent of non-completed plans, workers have grade and/or attendance issues.
- Ongoing opioid use is more prevalent in non-completed plans (59 percent versus 29 percent).
- Psychological issues are more prevalent in non-completed plans (34 percent versus 21 percent).
- Other factors include access to courses (about 4 percent), and death of the worker or an immediate family member (about 3 percent).

Of non-completed plans that were examined, 76 percent had at least two factors that contributed to non-completion. Certain factors contributing to plan failure, such as the development of new
medical conditions, or the deterioration of them, could be related to the increased length of retraining plans (more time for these issues to arise).

Likewise, increased retraining time under VIP provides more opportunity for a number of potentially varied issues to arise that could interfere with successful retraining plan completion, such as grades and personal issues.

**Plan non-completion and claim closure**

The VIP law says that a vocational plan interruption (non-completion) is considered outside the control of the worker when it is due to the closure of the accredited institution, death in the worker's immediate family, or documented changes in the worker's medical conditions under the claim. Also included in the non-completion numbers are workers who passed away while in their training plan.

**Improvements in spite of low plan-completion rate**

Prior to the VIP changes, the system lacked a foundation for holding workers accountable for failed plans when the failure was due to the worker’s actions. Now, where appropriate, benefits are suspended and claims moved to closure. This is currently occurring in about 27 percent of all failed plans. Prior to the VIP, claim managers determined, based on the facts of the case, that benefits could be suspended due to failed plans less than 12 percent of the time.

In addition, a higher proportion of workers are now found to have gained sufficient skills to be considered employable in spite of plan non-completion. For fiscal year 2013, this rate was 13 percent compared to 10 percent of all non-completed plans prior to VIP.

**Workers who require more than one plan**

The VIP statute calls for the department to report on the number of workers who require more than one retraining plan and the industries that those workers were working in when injured, following the first plan. No new workers were identified in 2013. Therefore, to date, one worker has met this criterion.

**OTHER ASPECTS OF THE VOCATIONAL REHABILITATION SYSTEM**

As noted previously, a relatively small proportion of injured workers become eligible for training. For example, there were 93,500 State Fund claims that closed in fiscal year 2013. Of those, 74 percent, or just over 69,000 claims, were for medical treatment only. Nearly 24,400 claims included time-loss benefits, and among those claims:

- Nearly 11,000 returned to work without department assistance (12 percent of all claims filed).
- About 7,700 were assisted in return to work with their employer at injury (8 percent of all claims filed).
About 4,900 underwent an assessment of employability (5 percent of all claims filed).

1,700 were determined eligible for training (2 percent of all claims filed).

These categories are not mutually exclusive, which results in some claims being included in more than one category. For example, some workers may have been assisted in return to work, but subsequently received an assessment. Therefore, the numbers do not add to the total indicated above.

These figures are roughly comparable with claims closed in 2012.

L&I places primary emphasis on speedy and effective return-to-work assistance for workers and employers soon after an on-the-job injury. While these services are not part of the Vocational Improvement Project, they play a critical role in helping workers return quickly to gainful employment and helping employers maintain their skilled workforce while reducing overall costs.

Ability-to-work Assessment (AWA) is also not part of the VIP changes. AWA is a necessary step for adjudicating a worker’s claim when he or she does not return to work. It addresses whether the worker is able to work, or in need of training. The analysis is done by VRCs. About 700 AWA assignments are made each month. There are about 4,300 workers currently being assessed out of 18,500 active time-loss claims.

The average duration of an AWA has increased by about 100 days during the same period following adoption of the VIP changes. While VIP may be a contributing factor, it is not a primary cause of the increase in duration. The department currently has a Lean effort underway to reduce the time it takes to complete an AWA. Clear standards and expectations have been identified for claim staff and vocational counselors to quickly identify and deal with barriers. The effort began in 2011 and has already brought promising results. Since implementing Lean standards, the median time for new AWA completion has been reduced by 72 days.

New pilot efforts have also recently with WorkSource designed to assist workers who cannot return to work with their employer, and who need help finding a new job. The new program is voluntary and provides interested workers with work-readiness training and job-seeking assistance.
Conclusions

The Vocational Improvement Project (VIP) continues to pilot promising methods to achieve the legislature’s goal of “creat[ing] improved vocational outcomes for Washington state injured workers and employers.” Currently in its sixth year, the overall vocational system has been improved in a number of ways, primarily through the effects of VIP.

VIP HAS IMPROVED THE VOCATIONAL REHABILITATION SYSTEM

As a result of creating and clarifying time limitations and accountability, time required for plan development and re-referral rates has decreased, creating cost savings that offset any costs for longer training plans. The VIP changes have significantly expanded access for workers to gain broad skills development in high-demand occupations. The department has demonstrated that partnering with WorkSource can improve a worker’s access to employment. And, through VIP, a viable alternative has been created for workers who prefer to exit the system and pursue self-directed training.

SOME CHALLENGES CONTINUE

The use of on-the-job training as an alternative to formal training has not increased under VIP, as anticipated. L&I staff were unable to identify a viable way to implement the concept of “reserved slots” for workers within training institutions.

The department also has not seen improvement in the proportion of workers who successfully complete their plans. However, workers can now be held accountable when a plan failure is due to their own actions. The current success rate for retraining injured workers in Washington is comparable to success rates for similar organizations that provide retraining for adult populations.

VOCATIONAL SUBCOMMITTEE MAY BROADEN ITS ROLE

At this time, the subcommittee does not recommend further statutory changes. However, it may broaden its role to include other aspects of the vocational rehabilitation system, such as vocational assessment, and become more involved with L&I’s return-to-work initiatives that are not currently part of the VIP pilot.

The subcommittee also continues to monitor the overall outcomes associated with the VIP pilot and to consider possible changes or incentives to improve outcomes.