Disability Management from a Risk Management Perspective

- Workers’ compensation makes up 65 percent of a typical employer’s total cost of risk.
- Musculoskeletal disorders (MSDs) are the largest workers’ comp cost driver, comprising 40 percent of all costs.
- MSDs include injuries that result from repetitive motions placing strain on the soft tissues and skeletal joints; examples are carpal tunnel, tendonitis and bursitis.
  - An average trunk injury costs an employer $33,800, or the equivalent of 12 months of work at the Michigan average rate for production occupations.
  - An average upper extremity MSD costs an employer $21,453, or the equivalent of new ergonomic chairs for 70 workers.
- Direct costs (medical, medical administration and indemnity) make up only 29 percent of total costs; indirect costs (lost productivity, wages and re-staffing) occur at a 2:1 ratio (71 percent).

Disability Management from a Production Perspective: “Lean Ergonomics”

<table>
<thead>
<tr>
<th>Lean Goals</th>
<th>Ergonomic Goals</th>
</tr>
</thead>
</table>
| Eliminate Waste | - Reduce Workers’ Compensation Costs
|               | - Reduce Turnover, Absenteeism
|               | - Limit Wasted Motions: Reaching, Twisting, Lifting, Bending, Material Handling
| Add Value | - Increase Production
|           | - Improve Efficiency
|           | - Improve Employee Morale

MRS Business Network Unit is Helping Employers:

- Identify physical job demands based on analysis by:
  - Utilizing video analysis and digital photography.
  - Performing physical measurement using tape measure, scale and push/pull force gauge.
  - Provide employers with physical demand analyses for each job as well as video records of each job.
- Generate accurate job descriptions using physical demands obtained onsite as well as interviews with employees, team leaders and supervisors.
- Can assist with returning injured employees to work and/or hiring individuals with disabilities.
- Perform work risk analysis to pinpoint risks of injury specific to key high-risk jobs.
- Identify multiple actions that could be taken to reduce risk-causing injuries
- Train managers, engineers, team leaders and key production personnel on:
  - Appropriate sitting posture.
  - Lifting techniques.
  - Stretching exercises.
  - Workspace organization.

MRS is funded 78.7% with USDOE-RSA Title I federal funds, and 21.3% with state and local funds.

Department of Human Services (DHS) will not discriminate against any individual or group because of race, religion, age, national origin, color, height, weight, marital status, sex, sexual orientation, gender identity or expression, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you are invited to make your needs known to a DHS office in your area.