THE NEWS & OBSERVER

by Vicki Lee Parker Staff Writer

Companies testing and training to cut medical costs

Those strong legs and biceps that many people admire about UPS drivers, beverage deliverers and other workers who perform physical demanding jobs come at a high price -- millions of dollars in medical and workers' compensation costs.

An on-the-job back injury that requires surgery could easily cost \$100,000, reports WorkSteps, an employment testing company in Austin, Texas. An ankle reconstruction surgery would average about \$35,000. A shoulder injury could also cost \$35,000.

grams to make sure they stay fit.

For example, last month, UPS distributed to all of its hubs videos that showed drivers proper stretching techniques, said spokesman Dan McMackin. The package delivery company also set up stretching stations at many of its locations. The efforts to keep workers in shape has paid off. UPS reported an \$80 million savings in workers' compensation in the third quarter, compared with the year-ago period.

Debra Lord with Job Ready Services uses a small gauge, called an inclinometer, to see how much motion Brian Lowery has in various parts of his body.

Those amounts do not include the cost that companies must pay to hire a new employee to do the job that an injured worker can no longer perform.

"It's very expensive," said Kevin Beauregard, assistant deputy commissioner with N.C. Department of Labor. "You want to make sure that if you hire somebody, they can do the job."

That's why lately, companies have been doing some beefing up of their own.

Some are requiring, as a condition of being hired, that applicants pass a physical test that replicates the work they would be doing. Others are encouraging existing employees to participate in training pro-

UPS is not the only company racking up savings by having fit employees.

Since April, Gregory Poole Equipment Co. in Raleigh, which services Caterpillar machines, has contracted with Job Ready Services, a Raleigh employment testing firm, to test applicants' physical limits before they begin work.

So far, about 24 candidates have gone through the testing. Of those, 20 were found to be capable of the work required, while four were not. One had two medical restrictions. Another had a rotator-cuff sprain in his shoulder. The other two employees failed to meet the physical requirements of the job.

Gary Schaffer, the safety manager at Poole, estimates that the company saved about \$170,000 on potential workers' compensation by weeding out those four workers.

"It's better to find out up front to avoid any kind of confrontation later," Schaffer said.

A number of companies have turned to Job Ready Service, which is run by Debra Lord and Michelle Morgan. At their office on Westinghouse Boulevard in Raleigh, Morgan, physical therapist Lord and Ernie Lopez, an exercise physiologist, conduct detailed musculoskeletal exams and physical tests.

Strenuous testing

This month, Ari Davis of Raleigh was sent to their office by a local beverage distribution company. He spent the first few minutes answering medical questions and reviewing paperwork.

Then he changed into a T-shirt and shorts, and the musculoskeletal exam began. Lord prodded, poked and squeezed along different parts of Davis' body, including his spine, shoulder blades, legs, arms and joints.

Davis was asked to perform different physical movements, including tilting his head from side to side, holding his knee to his chest while balancing on one leg, and bending his arm behind his back to see how far it would stretch.

Lord eventually turned Davis over to Lopez, who conducted a three-minute cardiovascular test, during which Davis had to walk up and down on a box. Next, Lopez tested Davis' grip, then did what Lopez called the Superman test. It is actually called the Sorensontest, during which a person lies face down across a narrow bench while lifting the chest and legs. Davis had to hold that position for at least two minutes.

Sweat dripped down Davis' face. It was time for the strenuous part of the test to start.

Davis was told to stand near a stack of weights. He was instructed to lift a wooden box from the floor up to his chest. Each time Davis put down the box, Lopez asked Davis, "Can you lift more weights safely?" If Davis said yes, Lopez added more weight.

Lord watched Davis' posture to make sure he was lifting the weights correctly and safely. When Davis' body showed a sign that he had reached his limit, Lord stopped that part of the exam, but not before Davis was able to meet the lifting requirement for the job.

During the last half of the test, Davis had to demonstrate that he could maneuver a hand truck loaded with cases of beverages and also lift a full-size keg.

When the exam was over, Davis said that he was surprised by how involved it was, but that he was glad to get a real idea of what he would be doing at his new job.

"If I would have started this job without this heads-up ... I don't know," Davis said. "This gives me a kick to get in shape."

Companies that use Job Ready Services say they save hundreds of thousands of dollars by making sure employees can actually perform the jobs they are hired to do.

Kellee Amerman, a health-risk manager at AIMCO, a Denver property management company that has properties in the Triangle, estimates that her company has saved about \$5,000 per claim since it started working with Job Ready Services and similar companies across the country.

"Our employees have to physically move appliances and furniture," Amerman said. "We have to make sure that when the position calls for them to do physical labor, they are able to do it safely."

Legal screening

Lord said that one of the hurdles she faces with potential clients is helping them to understand that it's legal to require employees to pass the physical exam as a condition of being hired.

"It's the same as when you hire someone contingent upon them passing a drug test," Lord said.

As long as the physical exam is tailored specifically to the job that the employee is expected to perform, then the exam is legal, Lord said.

So, for example, a company couldn't require someone to lift 120 pounds to



Ernie Lopez, top, an exercise physiologist with Job Ready Services, monitors Brian Lowery during strength tests. Lowery is trying for a job as a generator tech.

qualify for a job where the maximum weight involved is 50 pounds, she said. That, she said, would be discriminatory and illegal.

Lord said that once a company sees how much it can save in workers' compensation, its leaders are usually sold on the idea of testing.

Workers' compensation can be a major corporate expense. Each year, state regulators handle about 66,000

claims. Last year, the total settlements were worth \$1.2 billion, reports the N.C. Industrial Commission, the agency that oversees workers' compensation claims in the state.

In addition to being responsible for medical expenses when an employee is injured, companies also have to pay wages to the injured worker while he or she is out of work. The costs can add up quickly, Lord said.

"Before, companies would look at someone and determine if they were fit," Lord said. "They had no idea what was underneath the skin."

If that person became injured the first day on the job, even if the worker had a pre-existing condition, the company would be responsible, she said.

"Testing employees up front takes the guesswork out of it," she said.

Another benefit that companies enjoy is increased worker morale.

Ken B. Donleycott, who works at the UPS hub off Atlantic Avenue in Raleigh, likes that his company cares about helping him stay fit.

For years, Donleycott worked out on his own, but since UPS set up the stretching station, he does his warm-ups at work.

"It's fantastic," he said.

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WORKERS' COMPENSATION

The government requires workers' compensation as insurance to cover workers injured in job-related incidents. The cost is based on a number of factors, including salaries, company history and risk of occupation.

In North Carolina, workers' compensation is regulated by the N.C. Industrial Commission, which handles about 66,000 claims a year. Last year, total settlements were worth \$1.2 billion. Any employer with three or more workers is required to have coverage.

Workers' compensation reimburses employees for 2/3 of their average weekly wage, within limits. The minimum weekly benefit is \$30. The maximum for this year is \$730. That will increase to \$754 as of Jan. 1.

For details, contact the Industrial Commission at www.comp.state.nc.us/, (800) 688-8349 or (919) 807-2501.