

Date: May 17, 1990

File #:

To: VARIOUS

From: MANAGER - SAFETY, HEALTH, AND CLAIMS

Subject: Controlling Workers' Compensation Costs



MANAGERS
DEPARTMENT HEADS

New workers' compensation standards and procedures for light duty work, and preferential consideration of permanently disabled employees for internal rehabilitation are attached. We are implementing them on a trial basis, effective June 1, 1990. They reflect the consensus achieved during my discussions with representatives from the Business Units and are consistent with the Workers' Compensation Section of the Corporate Policy Manual. These standards should assist us in moderating rising workers' compensation costs and improving productivity.

LIGHT DUTY WORK

The light duty work standard demonstrates the Company's commitment to industrially disabled employees by providing substantial incentives from Safety, Health, and Claims (SH&C) to encourage the return of partially disabled employees to work from the Workers' Compensation Payroll. Because employees returned to work under this standard will be paid 100% of wages from SH&C's Corporate Items budget and their headcount will retain inactive payroll status, your financial and headcount budgets will not be impacted adversely.

We have created a Light Duty Payroll to implement the light duty work standard. To transfer a qualified employee to the Light Duty Payroll, please prepare a Payroll Change Tag, including RC 67-295, Activity 3958, Subactivity 0010, and a 9000 series Position Code (example attached). When an employee is returned to his regular classification from the Light Duty Payroll, a new tag should be prepared. For accounting purposes, copies of these tags need to be sent to SH&C.

PREFERENTIAL CONSIDERATION

The preferential consideration of permanently industrially disabled employees standard provides a framework to ensure that these employees are considered for other PG&E jobs for which they are qualified. This should result in more internal placements and fewer costly outside rehabilitation plans in which we rehabilitate employees to go to work for another employer. This also will result in fewer transfers of industrially disabled employees to the Long Term Disability Payroll.

To implement the preferential consideration standard, we request that you notify Senior Workers' Compensation Rehabilitation Specialist

Managers et al.

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Sandra Williams, on Company telephone 223-3659, anytime you have an existing (or anticipated) job vacancy. This notification may be done in writing or by telephone. Sandra will review the list of permanently disabled employees, the requirements of the vacancy, and refer all qualified candidates to you for consideration. She will be sensitive to timeliness concerns when referring candidates to you. Please let her know your needs.

If you have any questions about the new standards and implementation procedures or want more information concerning ideas for application of these new principles, please contact Susan Commins, Acting Director of the Workers' Compensation Section, on Company telephone 223-3166. I also am available to help. Because these standards are being implemented on a trial basis, I would appreciate your assessing their effectiveness and communicating your thoughts to me after the program becomes operational. Your comments will help us to decide whether changes are needed to improve the program. Your thoughts are important because the best way to return an injured employee to work is to have a program which supports your needs while achieving the objectives of the Corporate Policy Manual. Thank you for your cooperation.



ETTIA G. HERBACH

EGH(3-3161):msw

cc: Officers
SH&C Personnel

Attachments

STANDARDS AND PROCEDURES FOR LIGHT DUTY
WORK AND PREFERENTIAL CONSIDERATION OF PERMANENTLY
DISABLED EMPLOYEES FOR INTERNAL REHABILITATION

LIGHT DUTY WORK

STANDARD: Industrially injured employees released for light duty work will be returned to work within whatever temporary physical and/or mental limitations may be imposed by the medical provider.

PROCEDURE: Safety, Health, and Claims will pay 100 percent of wages (exclusive of overtime) from its Corporate Items budget to partially disabled employees returned to light duty work from the Workers' Compensation Payroll until they are released for regular work, become medically stationary and rateable, or are temporarily partially disabled for more than 365 days; employee headcount will retain inactive payroll status, thus not impacting Business Unit headcount. In appropriate cases, the Vice President and General Counsel may return employees to light duty work.

PREFERENTIAL CONSIDERATION OF PERMANENTLY DISABLED
EMPLOYEES FOR INTERNAL REHABILITATION

STANDARD: Industrially injured employees who are permanently precluded from performing their regular job duties as a result of the effects of the injury will receive preferential consideration for all job vacancies for which they are qualified.

PROCEDURE: The Business Unit will notify Safety, Health, and Claims' Senior Workers' Compensation Rehabilitation Specialist (SWCRS) of any existing (or anticipated) job vacancy as soon as it becomes known. The SWCRS will review the list of permanently disabled employees, the requirements of the vacancy, and refer all qualified candidates to the Business Unit for preferential consideration.