

## ***Workers' Compensation in Minnesota***

### **THE FULL VALUE OF RETURN-TO-WORK PROGRAMS**

Your company's efforts to implement modified work programs for injured workers reduce costs to your organization beyond what may seem apparent. This is because indemnity paid to injured workers (wage loss and permanent disability) are tied to an assessment by the state of Minnesota.

The assessment is imposed and collected by the Special Compensation Fund (SCF) in order to fund Minnesota's workers' compensation system and programs. The assessment applies to every Minnesota insurance company and self-insured employer that pays workers' compensation benefits.

The assessment rate varies but is always a percentage of indemnity paid. The average rate over the past few years has been 24%. For example, on average, for every \$100.00 paid to an injured employee, the self-insured employer or insurer must pay an additional \$24.00 to the SCF. (Insurance companies generally pass this cost to employers by way of increased policy premium.)

The full value of return-to-work programs is not only economical. Return-to-work programs speed an injured worker's recovery by getting the employee back to a normal routine and averting the development of a disability mentality. Studies show that injured workers who get back to some type of a normal routine, improve at a faster rate and will return to work full duty sooner than workers whose normal routine is interrupted for a longer period of time.

By providing modified, light-duty or transitional work for your injured employees, either temporary or full-time, your company will realize the full value of keeping its workers' compensation matters under control. Remember by keeping your workers' compensation matters under control you are playing a vital role in helping to keep the Nonprofit Insurance Trust's workers' compensation matters under control.