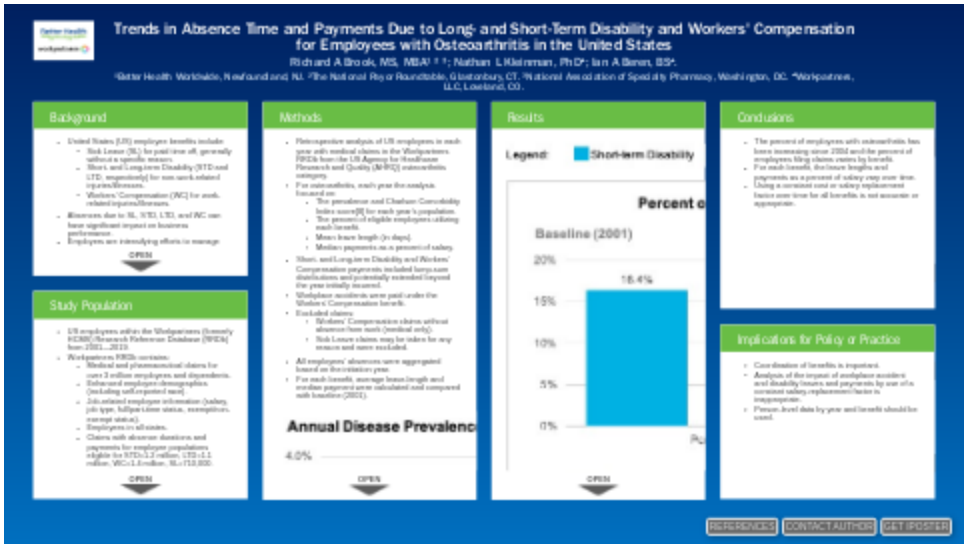
Trends in Absence Time and Payments Due to Long- and Short-Term Disability and Workers' Compensation for Employees with Osteoarthritis in the United States



Richard A Brook, MS, MBA[1 2 3]; Nathan L Kleinman, PhD[4]; Ian A Beren, BS[4].

[1]Better Health Worldwide, Newfoundland, NJ. [2]The National Payor Roundtable, Glastonbury, CT. [3]National Association of Specialty Pharmacy, Washington, DC. [4]Workpartners, LLC, Loveland, CO.

PRESENTED AT:

Virtual Poster Sponsor: PHAR

VIRTUAL ISPOR 2021

BACKGROUND

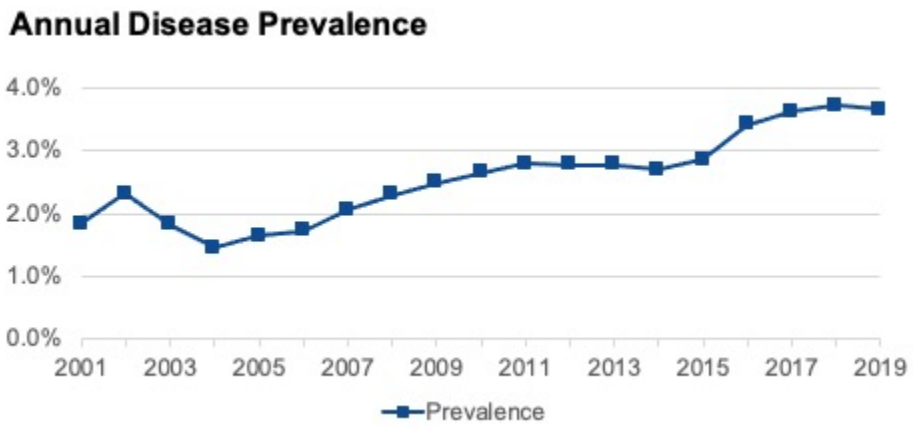
- United States (US) employee benefits include:
  - Sick Leave (SL) for paid time off, generally without a specific reason.
  - Short- and Long-term Disability (STD and LTD, respectively) for non-work-related injuries/illnesses.
  - Workers' Compensation (WC) for work-related injuries/illnesses.
- Absences due to SL, STD, LTD, and WC can have significant impact on business performance.
- Employers are intensifying efforts to manage these benefits and make connections with employee health.
- The 2020 Kaiser Family Foundation survey on employer health benefits[1] provides an excellent overview of typical employer coverage for direct medical and prescription costs.
  - It did not include any information on Sick Leave, Short- and Long-term Disability or Workers' Compensation.
- Published research on absence costs and lost time often inappropriately uses:
  - Proxies and subjective data (from surveys) to estimate absences, which:
    - Are subject to recall issues.
    - May report absences or impairments that didn't occur during their work hours.
  - Constant dollars and fixed salary-replacement percentages to estimate absence costs across benefits and diseases.
- This study compares all-cause STD, LTD, and WC utilization and explores changes from baseline for employees with osteoarthritis.

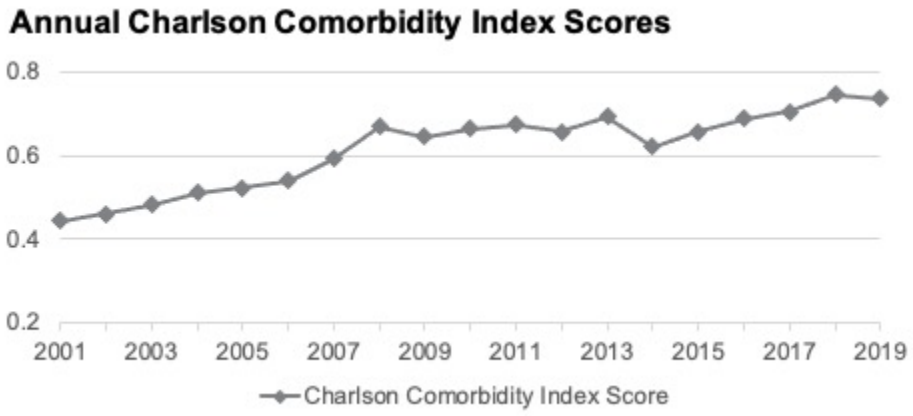
STUDY POPULATION

- US employees within the Workpartners (formerly HCMS) Research Reference Database (RRDb) from 2001—2019.
- Workpartners RRDb contains:
  - Medical and pharmaceutical claims for over 3 million employees and dependents.
  - Enhanced employee demographics (including self-reported race).
  - Job-related employee information (salary, job type, full/part-time status, exempt/non-exempt status).
  - Employees in all states.
  - Claims with absence durations and payments for employee populations eligible for STD=1.2 million, LTD=1.1 million, WC=1.4 million, SL=710,000.
- The Workpartners RRDb has been used for research in:
  - Rheumatoid arthritis[2] and gout[3] [4].
  - Specialty pharmacy-managed conditions such as Hepatitis-C[5] [6] and acromegaly[7].
  - Various other conditions.

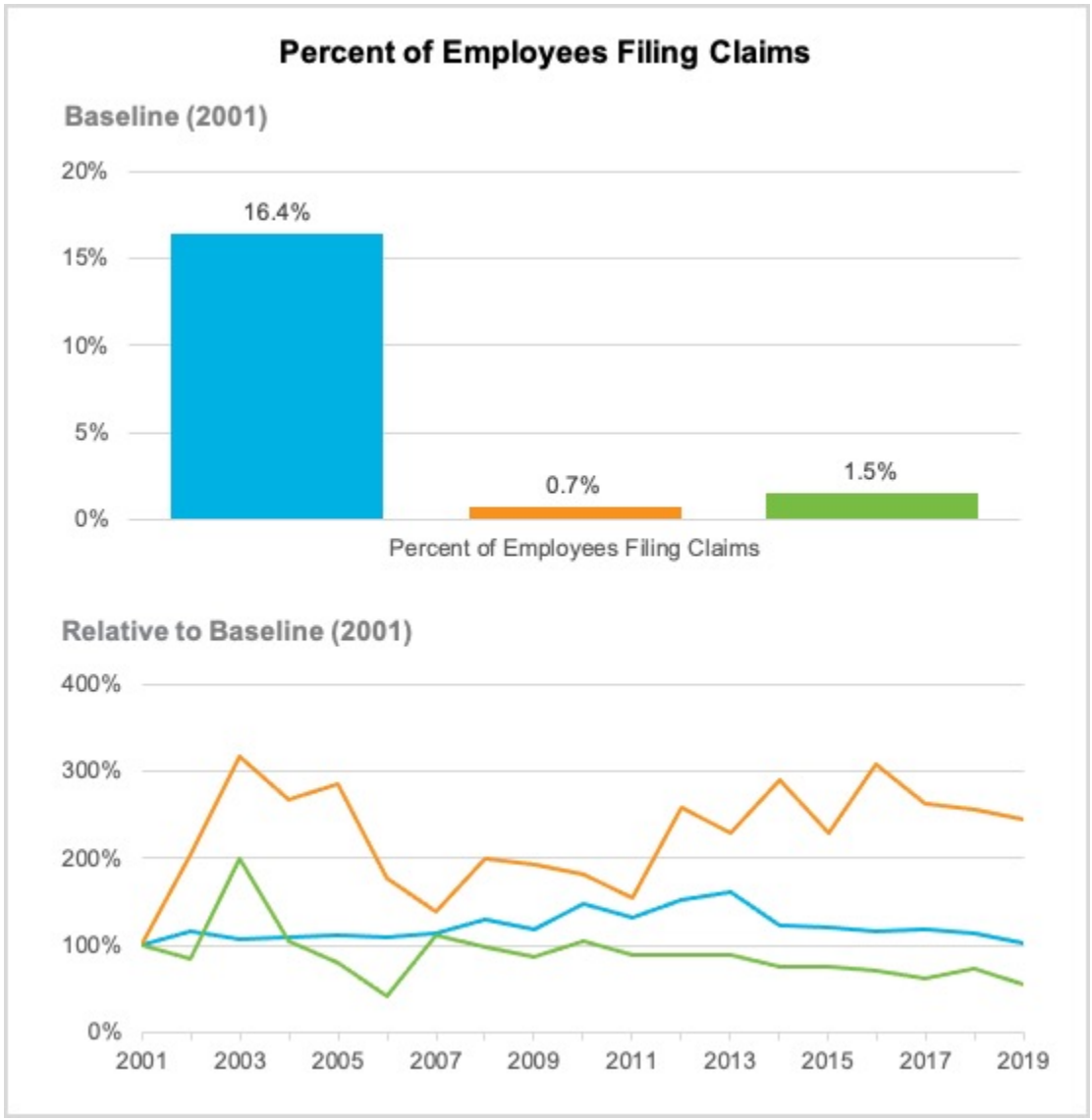
METHODS

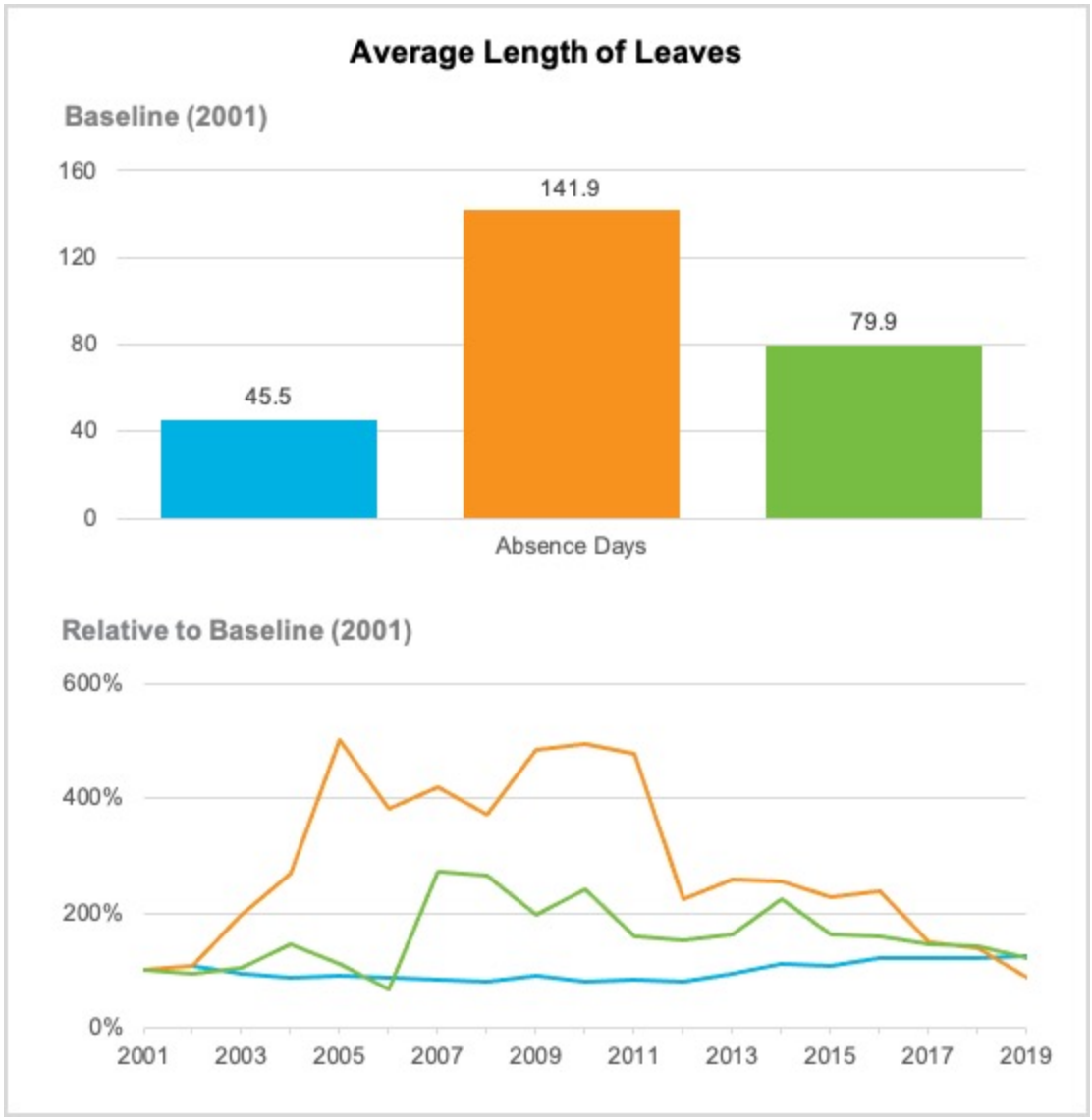
- Retrospective analysis of US employees in each year with medical claims in the Workpartners RRDb from the US Agency for Healthcare Research and Quality (AHRQ) osteoarthritis category.
- For osteoarthritis, each year the analysis focused on:
  - The prevalence and Charlson Comorbidity Index score[8] for each year's population.
  - The percent of eligible employees utilizing each benefit.
  - Mean leave length (in days).
  - Median payments as a percent of salary.
- Short- and Long-term Disability and Workers' Compensation payments included lump-sum distributions and potentially extended beyond the year initially incurred.
- Workplace accidents were paid under the Workers' Compensation benefit.
- Excluded claims:
  - Workers' Compensation claims without absence from work (medical only).
  - Sick Leave claims may be taken for any reason and were excluded.
- All employees' absences were aggregated based on the initiation year.
- For each benefit, average leave-length and median payment were calculated and compared with baseline (2001).

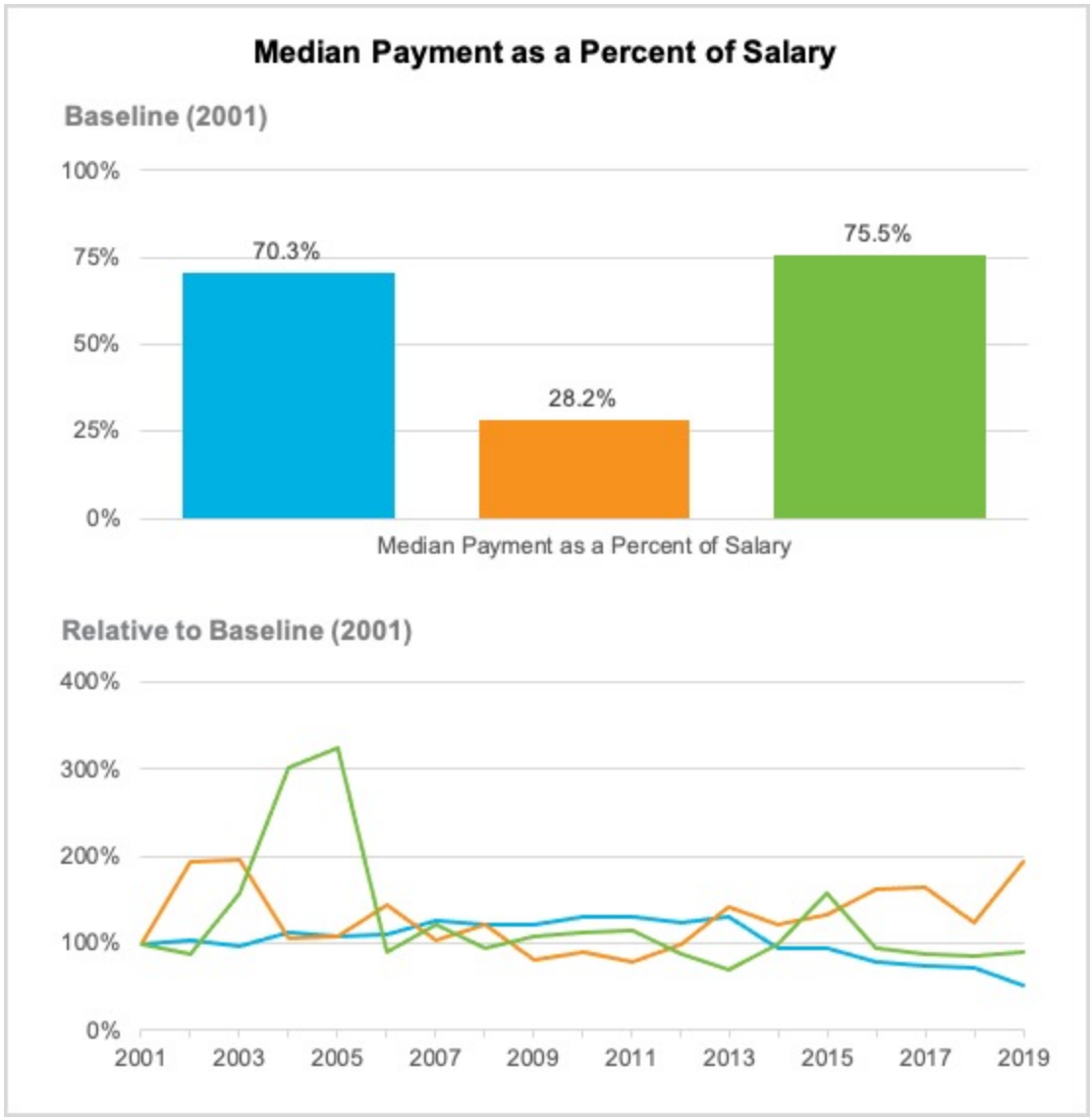




RESULTS


Legend:
Short-term Disability
Long-term Disability
Workers' Compensation
Percent of Employees Filing Claims
Baseline (2001)
20%
15%
10%
5%
0%
16.4%
0.7%
1.5%
Percent of Employees Filing Claims
Relative to Baseline (2001)
400%
300%
200%
100%
0%
2001
2003
2005
2007
2009
2011
2013
2015
2017
2019


Average Length of Leaves
Baseline (2001)
160
120
80
40
0
45.5
141.9
79.9
Absence Days
Relative to Baseline (2001)
600%
400%
200%
0%
2001
2003
2005
2007
2009
2011
2013
2015
2017
2019



Most Impacted Years

	STD	LTD	WC
Highest median payments	2011	2003	2005
Longest claim lengths	2019	2005	2007

CONCLUSIONS

- The percent of employees with osteoarthritis has been increasing since 2004 and the percent of employees filing claims varies by benefit.
- For each benefit, the leave lengths and payments as a percent of salary vary over time.
- Using a constant cost or salary replacement factor over time for all benefits is not accurate or appropriate.

IMPLICATIONS FOR POLICY OR PRACTICE

- Coordination of benefits is important.
- Analysis of the impact of workplace accident and disability leaves and payments by use of a constant salary-replacement factor is inappropriate.
- Person-level data by year and benefit should be used.

REFERENCES

1 The 2020 Kaiser Family Foundation Survey of Employer Health Benefits. Available at: http://files.kff.org/attachment/Report Employer-Health-Benefits-2020-Annual-Survey.pdf.

2 Kleinman NL, et al. J Occup Environ Med. 2013;55(3):240-4

3 Brook RA, et al. Curr Med Res Opin. 2006;22(7):1381-9.

4 Kleinman NL, et al. Value Health. 2007;10(4):231-7.

5 Su J, et al. Hepatology. 2010 Aug;52(2):436-42.

6 Baran RW, et al. J Med Econ. 2015;18(9):691-703.

7 Riberio-Oliveria A, Jr. J Medical Economics. 2021 In press.

8 Charlson ME, et al. J Chronic Dis. 1987;40:373-83.