Reducing high sickness absence levels: More responsibilities for the employer?

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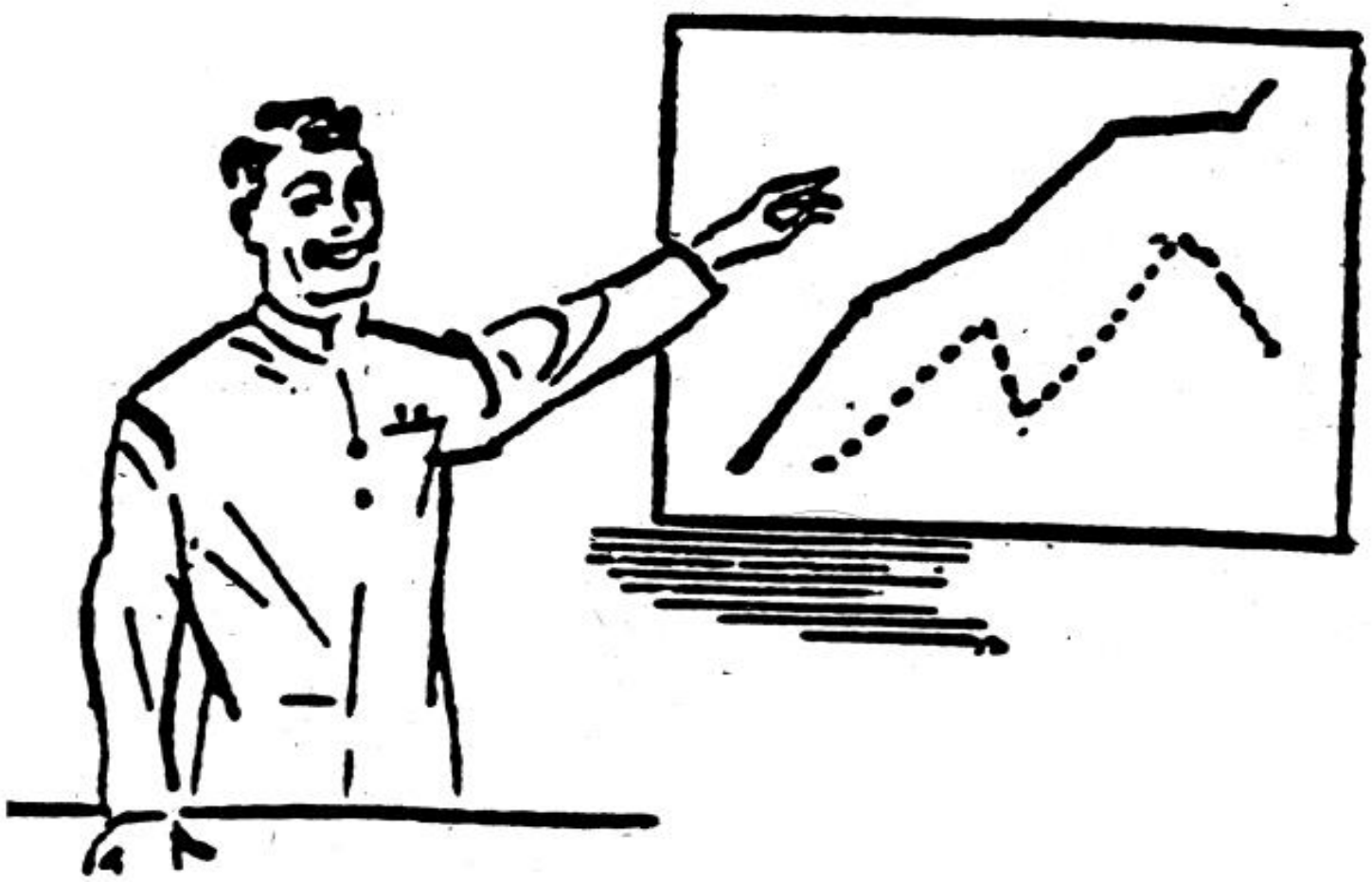
Faculty Disclosure

X	No, nothing to disclose
	Yes, please specify:



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Themes

- Controlling sickness absence: the traditional actors and tools
- Increasing employer's responsibilities in return to work (RTW):
  - Backgrounds
  - Tools/Measures attempted
  - “Extreme case”: the Netherlands
- Barriers and conditions for greater employer involvement

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Actors and (traditional) tools 1

- Employee:
  - Waiting days
  - Certification rules
  - Sickness benefit level < wage level
  - Eligibility criteria and pathways to disability pension
  - Health promotion / education
- Treating physician:
  - Diagnosis, treatment → recovery
  - Certification of legitimacy and (expected) work resumption dayy
  - Advise

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Actors and (traditional) tools 2

- Employer:
  - Impose certification obligations (during wage payment)
  - Request assessment of work incapacity
  - Return to work policy
  - Prevention and adaptation working time/conditions
  - Dismissal policy (job protection regulations)

- Social security agency:
  - Monitor sickness certificates (and cert. physicians)
  - Monitor and assess (prolonged) work incapacity
  - Advice/initiate return to work measures, rehabilitation
  - Provide employer subsidies (e.g. work site adaptations)

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Why larger role for Employers? (1)

1. **Application/adaptation of known measures: limited/no success:**
   - do not (enough) affect rising rates
   - often: opposition to adaptations (by social partners, physicians, workers/insured)

   Examples of adaptations (with varying success):
   - Reduction of benefit levels,
   - Extending period compulsory wage payment
   - Employer co-payment on benefits
   - Certification rules for GPs
   - Promotion of partial sick leave

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Why larger role for Employers? (2)

2. **Changing focus/thinking on health and work** (incapacity):
   - No longer focus on Work **INcapacity** but on: **Remaining** capacities → utilize remaining capacities
   - "Early intervention": do not wait with work resumption till 100% recovery
   - "Work is good for your health" → stepwise return to work

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Current attempts to strengthen employer involvement

- **Compulsory contact** (“dialogue”), after 6-8 weeks work incapacity:
  - Employer-worker (NL, NO- proposal?):
  - Employer-worker-social security agency (SE, DK)
  - Employer-worker- workers representative, others (DE, but voluntary for worker)
- **Compulsory return to work plan**
  - Employer & worker (NO-proposal? within 8 weeks)
  - Employer & worker (NL, after 8 weeks)

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Example: More steps taken in the Netherlands

Leading idea:

- financial incentives to employers AND workers ….
- ….. to do more (themselves) to prevent and reduce sickness absence and inflow into disability benefit scheme

→ Abolishment of public sickness benefit scheme (except some categories):

- Extended wage payment
- Lower compensation levels
- Experience rated premiums disability insurance

→ Compulsory protocol

- for actions by employer and employee
- supported by occupational health care
- monitored/evaluated by social security agency

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Netherlands: Reforms (Sickness absence)

- 1994: Employer: introduction 2- 6 weeks wage payment
- 1996: Employer: max. 52 weeks wage payment
- 2002: Improved Gatekeeper Law: return to work policy: compulsory
- 2004: Compulsory wage payment: max. 2 year
  - 1st year: minimally 70% of wage (-> 80-100%)
  - 2nd year: 70%

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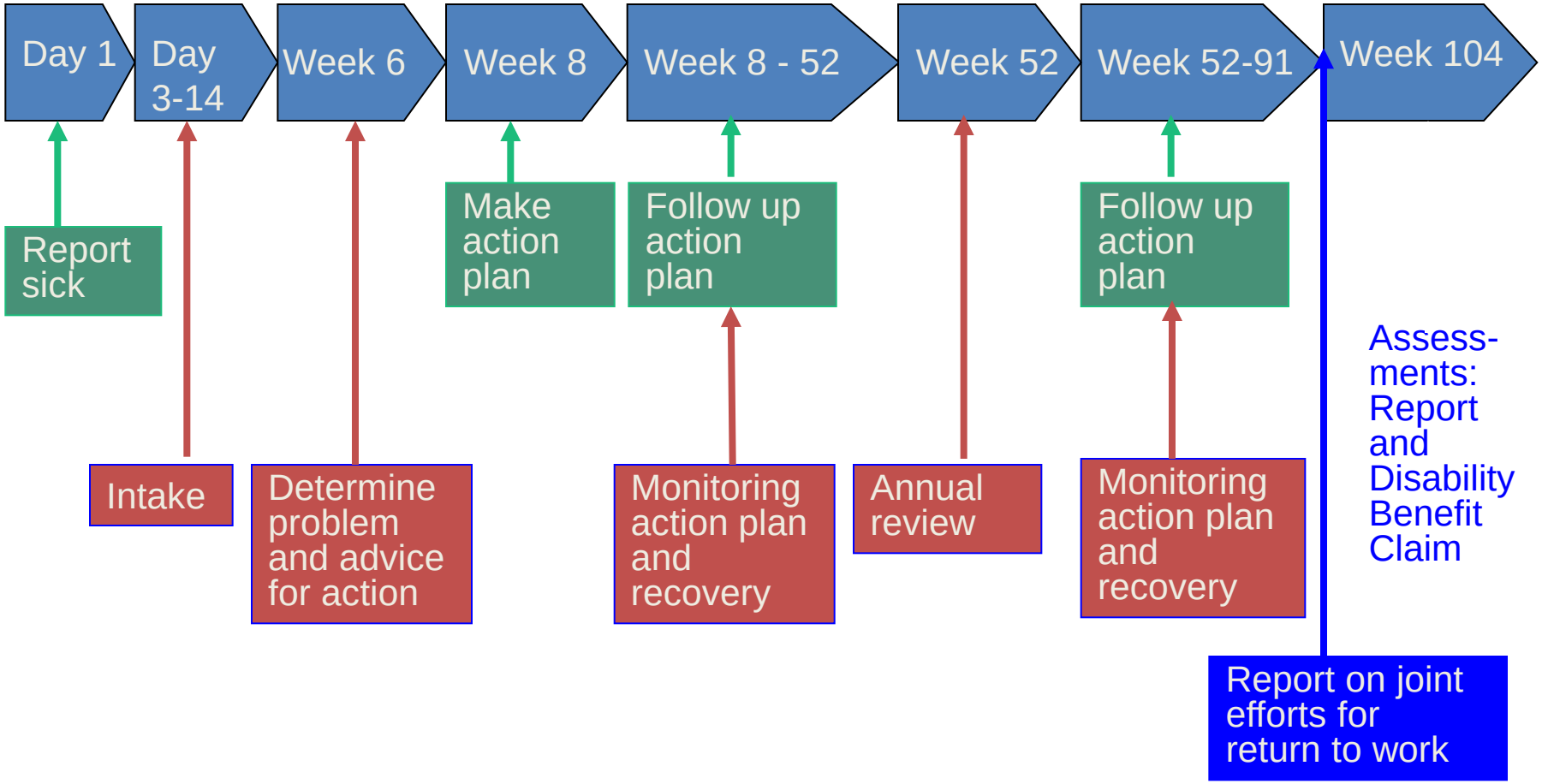
Gatekeeper Protocol



Role other actors

- Private insurers:
  - Insurance costs wage payment
  - Supporting services: sickness absence management / coordination
  - Mainly used by SME's
- Social security agency:
  - Evaluates RTW report before starting assessment of disability benefit claim
  - Penalties (continued wage payment) when report or efforts were insufficient (2012: 12.6%)

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Supporting conditions

- Pre-employment medical examinations not allowed (1998)
- *Compulsory* Occup. Safety and Health care (1998):
  - Also: support to employer and employee in sickness absence management, return to work, disability prevention
- Sick listed worker: protected against dismissal for 2 years
- Reforms in disability benefit scheme:
  - Eligibility criteria more strict / higher barriers for inflow
  - Financial incentives for employers (experience rating)

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Early evaluations (1)

- **Employers:**
  - More aware of costs
  - More interested in personnel policy, working conditions
  - Sickness absence dropped 18% (2001-2008)

- **Employees:**
  - More aware of active role in recovery and work resumption
  - More aware of financial risks of long term incapacity
  - More aware of financial consequences when passive in RTW

- **Government:**
  - Reduction public expenditures
  - Activating approach in sickness absence
  - Less inflow into disability scheme: -70% (2001-2008)

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Early evaluations (2)

- **Social insurance agency:**
  - Loss of tasks -> staff reductions
  - New tasks: evaluate employer and employee RTW actions
- **Occupational Health Services:**
  - More work
  - But also: less time for traditional occupational health tasks/prevention
  - Face mistrust from workers (independency reduced?)
- **Health care professionals:**
  - Slow acceptation of activating approach
  - Objections (too much “de- medicalization”)

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Some observations 10 years later

- Reforms: no impact on employment of job seekers with disabilities/ health condition
- Position/contract occupational physician in discussion (independency, accessibility; SME)
- SME employers:
  - less opportunities adapted work
  - more selective in recruitment personnel
- Risk avoiding behaviour by employers e.g. by using more temporary contracts? Limited?

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Societal conditions needed

- Shift in paradigm:
  - From: ***Medical Model*** of work incapacity, disability
    - Medical conditions in the individual → work incapacity
  - To: ***Social Model*** (ICF): work incapacity arises from
    - Interaction of a person's functional capacities
    - With physical, cultural and policy environment

- Address myths and stereotypes: e.g.:
  - *"You have to be 100% healthy for work" (NO)*
  - *"You should not start to work again until the doctors says it's OK" (NO)*

- Social dialogue and "win-win situation" for social partners

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Thanks !

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