



# Worker's Compensation Policy

Policy Number: PP 2-10

Effective Date: July 1, 2017

Approved By: Roger L. Stancil, Town Manager

## POLICY

In accordance with the North Carolina Workers' Compensation Act, as defined under NC General Statute, Chapter 97, and rules administered by the North Carolina Industrial Commission (NCIC), the Town provides for the medical treatment, payment of medical expenses and wage loss to employees who experience a compensable work-related injury or occupational disease.

## PURPOSE

The Town is committed to making the workplace a safe and healthy environment and to preventing work-related accidents. The Town is also committed to the treatment, care, and return to work of employees injured on the job. Under the North Carolina Workers' Compensation Act, the Town is required to pay for employees' medical treatment or care, and wage replacement arising from a compensable work-related injury or disease.

Providing for these important needs provides employees with a measure of financial and physical security. The Town has an Ethical responsibility to assist employees during this difficult life event. The Risk Manager and Director of Human Resource Development are authorized to issue procedures consistent with this policy.

## R.E.S.P.E.C.T. VALUES



**Ethics:** We conduct ourselves in a way that is consistent with and deserving of the level of trust that has been placed in us by the community members of Chapel Hill.

## APPROVAL

Roger L. Stancil, Town Manager



# Worker's Compensation Procedure

Policy Number: PP 2-10

Effective Date: July 1, 2017

Approved By: Cliff Turner, Human Resources Development Director

## Workers' Compensation Procedures

**These procedures are issued by the Risk Manager and Director of Human Resource Development to implement the Workers' Compensation Policy, PP 2-10, issued by the Chapel Hill Town Manager. These procedures may be periodically updated.**

A. General Information about Workers' Compensation:

1. Coverage: All employees of the Town (regular full-time, regular part time, and temporary) are covered under the provisions of the North Carolina's Workers' Compensation Act.
2. Responsibility of Employees: All employees are required to report all injuries arising out of and in the course of employment to their immediate supervisor at the time of the injury in order that appropriate action may be taken at once. Failure to report a work-related injury or illness within 30 days of occurrence could result in denial of the employee's workers' compensation claim. Employees are responsible for cooperating with Risk Management, Human Resource Development staff in coordination of treatment, recovery and return to work phases of the workers' compensation process. It is the employee's responsibility to immediately provide written documentation, including any work restrictions or subsequent changes related to their work status to his or her supervisor immediately. Employees must follow the physical restrictions imposed by the designated health care provider and understand their benefits and responsibilities under the North Carolina Workers' Compensation Act and other rules as defined by the North Carolina Industrial Commission.
3. Decisions and Payments: The Town's insurance carrier, North Carolina League of Municipalities, Workers' Compensation Department makes all decisions related to compensable injuries or illnesses and makes payments for benefits and to employees for those injuries and illnesses deemed compensable.
4. Benefit Amounts: The North Carolina Industrial Commission (NCIC) establishes benefits, which includes weekly disability compensation, the maximum weekly benefit and reimbursable expenses.

B. When an injury/illness occurs on the job:

1. Reporting: Employees injured on the job must immediately report all on the job accidents/injuries/illnesses to their supervisor, who must then immediately notify the Risk Manager

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2. Medical Treatment: Employees must seek treatment from the Town's designated medical providers which are listed on the Town's website. A violation of this procedure may result in denial of workers' compensation benefits.
3. Written Statement from Medical Provider: The employee must obtain a written statement from the Town's medical provider of the injury/illness and when they may return to work, with or without restrictions. The written statement must be presented to the supervisor within 24 hours after visiting the Town's medical provider. The Medical Provider will provide a summary report of the injury to the Claim Manager for North Carolina League of Municipalities and the Risk Manager.
4. Supervisor to Complete NCIC-FORM 19: The Supervisor will complete NC Industrial Commission FORM 19 Employer's Report Of Employee's Injury Or Occupational Disease and forward it to the Town's Risk Manager.
5. Supervisor to Complete TOCH Accident Report: Immediately following the notification of an employee accident/incident/illnesses the supervisor will complete the TOCH Accident Report and provide a copy to the Risk Manager.

Risk Manager to Forward Information to insurance carrier: The Town's Risk Manager will forward the Form 19 and TOCH Accident Report to the North Carolina League of Municipalities (NCLM). If a claim is filed with the North Carolina Industrial Commission the NCLM will ensure that the employee receives a copy of NCIC FORM 18: Notice of Accident to Employer and Claim of Employee, Representative, or Dependent.

C. Pay Provisions:

1. Day of Injury: No leave is charged on the day of injury if the Town's medical provider instructs the employee not to return to work.
2. Waiting Period: If the employee cannot return to work due to disability, the employee must go on Workers' Compensation leave without pay for the first seven (7) calendar days of disability, which is the waiting period required by law.
3. Use of Leave during Wait Period: During the seven (7) calendar day waiting period, employees may use compensatory time, sick, vacation or holiday leave in order to receive compensation.
4. Source of Benefits: On day eight (8) of the authorized absence, the employee will begin receiving weekly disability benefits directly from North Carolina League of Municipalities (NCLM) if the injury/illness meets their eligibility guidelines.
5. Taking Leave while on Workers' Compensation: The employee has the option to supplement weekly disability payments with the use of leave to cover other expenses normally paid through payroll deductions.

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6. After All Leave is exhausted: Once all leave is exhausted, the employee will only receive the weekly disability benefit under Workers' Compensation from North Carolina League of Municipalities.
7. Payment of Employee Share of Town Benefits while on Workers' Comp: Employees will be responsible for payment of benefits normally paid through payroll deductions.
8. Retroactive Pay after Twenty-One (21) Missed Days of Work: Employees will receive retroactive disability pay for scheduled work days missed during the seven (7) calendar day wait period once they have been out of work twenty-one (21) calendar days or more. This payment is received directly from the North Carolina League of Municipalities. Employees out of work fewer than twenty-one (21) calendar days are not eligible to receive retroactive disability pay from the North Carolina League of Municipalities for the seven (7) calendar day wait period
9. Leave Buy Back: Employees may buy back any leave time used during the seven (7) calendar day wait period by signing their retroactive pay over to the Town.
10. One Seven (7) Day Waiting Period per Claim: There is only one seven (7) calendar day waiting period for each separate Workers' Compensation injury/illness claim even if multiple leaves of absence are required for the treatment for the same injury.

D. Managed Return to Work:

The Town requires managed return to work or modified duty for all employees who experience work related injuries or illness. To facilitate the managed return to work process all departments and employees will follow the procedures outlined below.

1. Report Next Scheduled Day after Release: Once the Town is in receipt of the medical provider's release to return to regular work or modified duty assignment, employees must report for their next scheduled work day.
2. Returning on Modified Duty: If the designated healthcare provider determines that the injured employee cannot return to his or her job without restrictions, a modified work assignment of the regular job or reassignment to a different job may occur. Every attempt should be made to modify the employee's current job assignment to meet the stated restrictions.
3. Modifications to Comply with Healthcare Provider Recommendations: Any modified duty or job reassignment must comply with the recommended job restrictions indicated by the designated healthcare provider.
4. Identifying Modified Duty Opportunities: In all cases, managers and supervisors are expected to work with the employee to identify modified duty opportunities. The primary focus is returning the employee to his or her regular job. In some cases, departments will make reasonable accommodations to return the employee to his or her regular job. Modified duties may include a temporary modified work schedule, or temporary reduction of work hours. As with any change to a job assignment, the employee's job description should reflect any modified duty assignments made that may be different from regular performance objectives.

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5. Modified Duty in other Departments: If a suitable modified duty position cannot be found within the employee's department, Human Resource Development or the Office of Risk Management will work to find a suitable modified duty position within another department. Salaries, wages and benefits will be charged to the cost center of the employee's original work assignment.
6. Supervision if Assigned to Different Department: Employees participating in a modified duty assignment may be assigned a new supervisor if moved to a different department. The employee will be subject to the same work rules and regulations as any other employee in that work unit, and will be required to perform work within the limitations established by the designated healthcare provider. In no circumstances will the employee be required to perform work outside the limitations established by the designated healthcare provider. All parties involved will be given written instructions on the designated healthcare providers' limitations for the employee.
7. Employees Responsible to Provide Updated Information: Employees are responsible for providing their supervisors with written notice of the designated healthcare provider's change in restrictions.

E. End of Modified Duty:

1. Provisions: The modified duty assignment will end when any of the following occur:
  - The employee is released to pre-injury job status by the designated Healthcare provider.
  - The workers' compensation claim is closed.
  - The employee has accepted an alternate position.
  - The employee reaches maximum medical improvement.
2. Maximum Medical Improvement and Return to Work: If the employee reaches maximum medical improvement (MMI) but cannot return to the original job, Human Resources will work directly with the employee regarding other available options.
3. Additional Fit for Duty Exam: The Town may require, at its sole discretion, an additional fit for duty examination by another medical provider prior to the employee returning to their current position.
4. Light Duty: The Department will make reasonable efforts to accommodate a return to light duty if the employee has been released to light duty. The Risk Manager will assist departments in identifying light duty opportunities.

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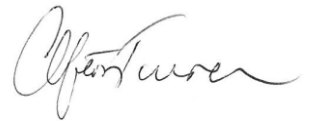
5. Maximum Medical Improvement: When the employee reaches Maximum Medical Improvement (MMI)\* (see below) and has been released to return to work with or without restrictions by the medical provider, the Town will:
- Determine if a fit for duty examination is required for the employee to return to their current position.
  - Attempt to place the employee in another position if s/he is unable to perform the essential functions of their former position.
  - If there is no position available and separation occurs, the Town will assist the employee in obtaining all available benefits, including benefits through Workers' Compensation, disability programs, and/or the Local Government Employees' Retirement System.

D. Compliance with Act

- Employee Acts which May Negate Rights to Workers' Compensation: Under the Act, employees give up their right to Workers' Compensation benefits during the period they refuse suitable employment or do not follow the prescribed treatment plan.
- Town may Exercise Legal Rights: If employees fail to comply with any of these procedures, the Town may exercise its legal rights under the Workers' Compensation Act, including disciplinary action, up to and including termination.
- Risk Manager a Resource: Employees who have questions should contact the Risk Manager and/or the Occupational Health and Safety Officer.

PROCEDURES  
APPROVED BY

Cliff Turner, Human Resources Development Director



ADDITIONAL  
CONTACTS

Human Resource Development - 919-968-2700 or [HR@townofchapelhill.org](mailto:HR@townofchapelhill.org)  
Ombuds office - 919-265-0806 or [Ombuds@townofchapelhill.org](mailto:Ombuds@townofchapelhill.org)  
Payroll - 919-968-2712

FORMS/  
INSTRUCTIONS

**FORM 19 Employer's Report of Employee's Injury Or Occupational Disease To The Industrial Commission** The employer fills this form out, forwards it to the Town's insurance carrier, and provides a copy to the employee.

**FORM 18 Notice Of Accident To Employer And Claim Of Employee, Representative, Or Dependent** the affected employee or his representative fills out this form and sends it to North Carolina Industrial Commission

Town of Chapel Hill Accident/Incident Report

This report is to be completed by the injured employee's supervisor or designee and sent to the Officer of Risk Management and insurance carrier.

## ADDITIONAL CONTACTS

Human Resource Development 919-968-2700 or [HR@townofchapelhill.org](mailto:HR@townofchapelhill.org)  
Town of Chapel Hill Risk Manager 919-969-5035 [rallen@townofchapelhill.org](mailto:rallen@townofchapelhill.org)  
[North Carolina League of Municipalities 1-800-561-1083](http://www.nclm.org)

## DEFINITIONS

- A. **North Carolina League of Municipalities (NCLM)** The Town's insurance carrier for Workers' Compensation. The NCLM communicates directly with the employee about workers' compensation claims and benefits.
- B. **North Carolina Workers' Compensation Act:** a state statute that governs workers' compensation in North Carolina. The Town provides Workers' Compensation insurance to Town employees. The insurance carrier makes all decisions related to compensable injuries or illnesses and makes payments for benefits and to employees for those injuries and illnesses deemed compensable. The North Carolina Industrial Commission establishes benefits, which includes weekly disability compensation, the maximum weekly benefit and reimbursable expenses.
- C. **Waiting Period:** the seven (7) day period between the employees first day of absence due to a workplace injury/illness and the first day the employee is eligible to receive workers' compensation benefits. Employees may use other paid leave to cover this period.
- D. **Maximum Medical Improvement (MMI)** is a treatment plateau in each person's healing process. It can mean that the patient has fully recovered from the injury/illness or that the patient's medical condition has stabilized to the point that no major medical or emotional change can be expected in the injured workers' condition. This occurs despite continuing medical treatment or participation in ongoing rehabilitative programs.
- E.

## RESPONSIBILITIES

### All Employees are expected to:

- Promptly report any workplace injury or illness
- Communicate as requested or required with the Town and the Town's insurance carrier
- Comply with Doctor's Orders
- Provide requested information to the Town, the insurance carrier, and the treating physician.
- Use Workers' Compensation only for its intended purpose.
- Work to prevent workplace injuries and illnesses by identifying and reporting workplace hazards, providing appropriate equipment, and getting training or other guidance about possible workplace hazards.
- Report workplace hazards

### All Supervisors/Managers and Department Heads are expected to:

- Promptly report any workplace injury or illness involving a member of their staff
- Fill out requested paperwork
- Keep reasonable documentation about workplace injuries or possible illnesses

<div>RESPONSIBILITIES</div> <div>CONT.</div>	<div> <ul style="list-style-type: none"> <li>d) Work to prevent workplace injuries and illnesses by identifying and reporting workplace hazards, providing appropriate equipment, and getting training or other guidance about possible workplace hazards.</li> <li>e) Report Workplace hazards</li> </ul> </div> <div> <p><b>The Risk Manager is expected to:</b></p> <ul style="list-style-type: none"> <li>a) Assist all employees, supervisors, managers, and department heads with workers' compensation claims</li> <li>b) Act as the Town's chief resource for Workers' Compensation claims and questions</li> <li>c) Report the status of all Workers Compensation claims to the appropriate managerial staff</li> <li>d) Help identify light duty options or other reasonable accommodations for injured employees in various departments</li> <li>e) Complete mandatory reporting on all workers compensation for the Town.</li> </ul> </div>
<div>APPENDICES</div>	<div>None.</div>
<div>FAQ</div>	<div>None.</div>
<div>SCOPE</div>	<div>This policy covers all Town employees.</div>
<div>RELATED</div> <div>INFORMATION</div>	<div> <a href="#">Family and Medical Leave Act</a>  <a href="#">PP 2-6 Sick Leave Policy</a>  <a href="#">PP 2-13 Medical Leave Policy</a>  <a href="#">North Carolina Workers Compensation Act</a>  <a href="#">Town of Chapel Hill Code of Ordinances Chapter 14, Article VII, Section 14-63</a> </div>
<div>POLICY</div> <div>HISTORY</div>	<div> <p>Adopted November 30, 1997</p> <p>Reissued November 2000</p> <p>Revised and Reissued July 1, 2017 to include role of Risk Manager</p> </div> <div> <p>This policy replaces and supersedes any previous Town policies, departmental policies, handbooks, or unwritten policies or practices covering the same subject. Departmental policies in compliance with this policy are referenced in Section XI <b>Related Information</b>. In the event of any disparity between this policy and the Town's Code of Ordinances and/or applicable local, state, or federal laws, the Town's Ordinance and/or applicable laws shall prevail.</p> </div>