

RESEARCH FLASH
Information Management Division
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Vocational assistance under workers' compensation
Oregon, 2000-2004

Vocational assistance may be available to injured workers who do not return to work with their employers at injury or aggravation. In 2004, insurers reported 756 new cases of vocational assistance. These cases represent workers eligible for a return-to-work plan on the basis of a substantial handicap to employment.

Insurers reported 631 cases closed in 2004. Vocational assistance benefits paid for these cases totaled \$10.5 million. This included \$1.8 million for purchases of goods and services, such as tuition, and \$3.3 million to authorized providers of assistance; and the department's estimate of \$5.4 million for temporary disability payable to workers during training. The average cost of these benefits was \$16,596 for cases closed in 2004, about 9 percent more than for cases closed in 2000.

Table 1. Vocational assistance cases and benefit costs for closed cases, 2000-2004

Year	New cases	Closed cases	Benefits	
			(\$ millions)	Average cost of benefits
2000	714	607	\$9.2	\$15,173
2001	756	607	\$9.2	\$15,105
2002	736	626	\$9.2	\$15,777
2003	778	588	\$9.7	\$16,571
2004	756	631	\$10.5	\$16,596

Of the 631 cases of vocational assistance reported closed in 2004, more than half (342) closed before development of a vocational assistance plan. Five cases involved a direct employment plan and 284 an authorized training plan.

Insurers reported 131 workers placed into jobs as the outcome for vocational assistance cases closed in 2004. There were 284 cases reported as closed due to claim disposition agreements. Most of the reported CDAs came before vocational assistance plans were developed, but there were 55 cases with CDAs following the development of training plans.

Table 2. Characteristics of vocational assistance cases closed, 2000-2004

Year	Vocational Plan Types			Outcomes		
	None	Direct employment	Training	Work	CDA	Other
2000	313	4	290	175	230	202
2001	332	4	271	159	253	195
2002	342	7	277	144	272	210
2003	323	7	258	131	262	195
2004	342	5	284	131	284	216

Research has found several hundred vocational assistance cases, as far back as 1995, with no closing report from insurers even though the claims had CDAs that ended their liability for vocational assistance. In 2004 there were 106 such cases. Though 631 closures were reported, there should have been 737 cases reported closed in 2004, of which 390 were CDAs. Assuming that these unreported closures averaged about \$3,000 in benefits paid, total costs for 737 cases closed in 2004 would be \$10.8 million, or \$14,640 per case.

Source: Information Management Division, Dept. of Consumer & Business Services.

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