

# Vocational rehabilitation return-to-work wage analysis July 2023

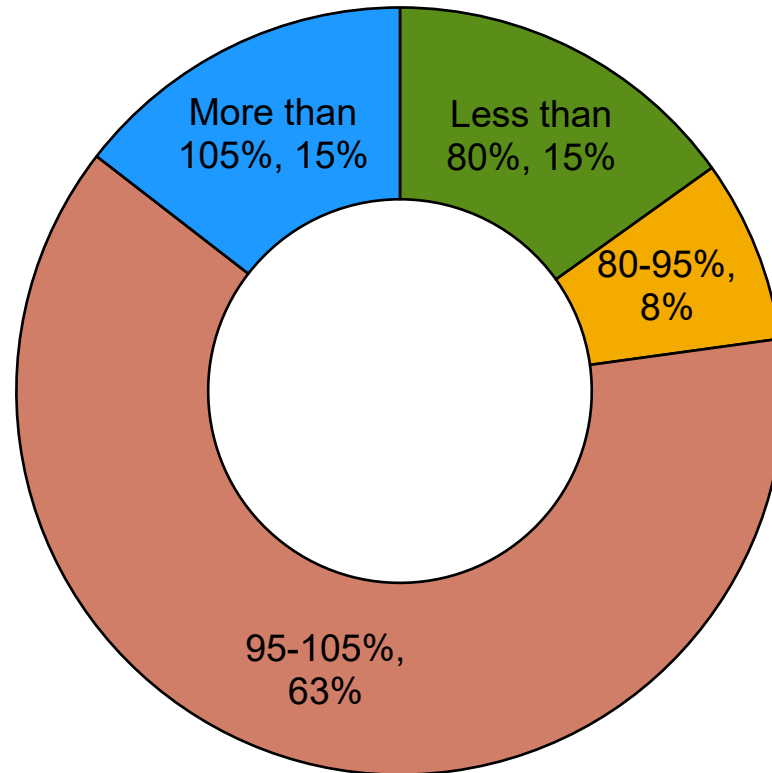
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# Technical notes about the wage ratio analysis

- The wage ratio is the ratio of the weekly wage at plan closure (return-to-work wage) to the pre-injury weekly wage, calculated for workers returning to work.
- Results are shown for plan-closure years 2020 through 2022 combined. Plan-closure years start in October and end in September of the year number. These results cover plans closed from October 2019 through September 2022.
- Extremely low and high wage ratios were removed, and other edits removed cases indicating likely errors in reported wages.
- There were 8,110 closed plans with a return-to-work and a usable wage ratio.
- Wages were not adjusted for inflation.

# Half the workers have return-to-work wages at or near their pre-injury wage

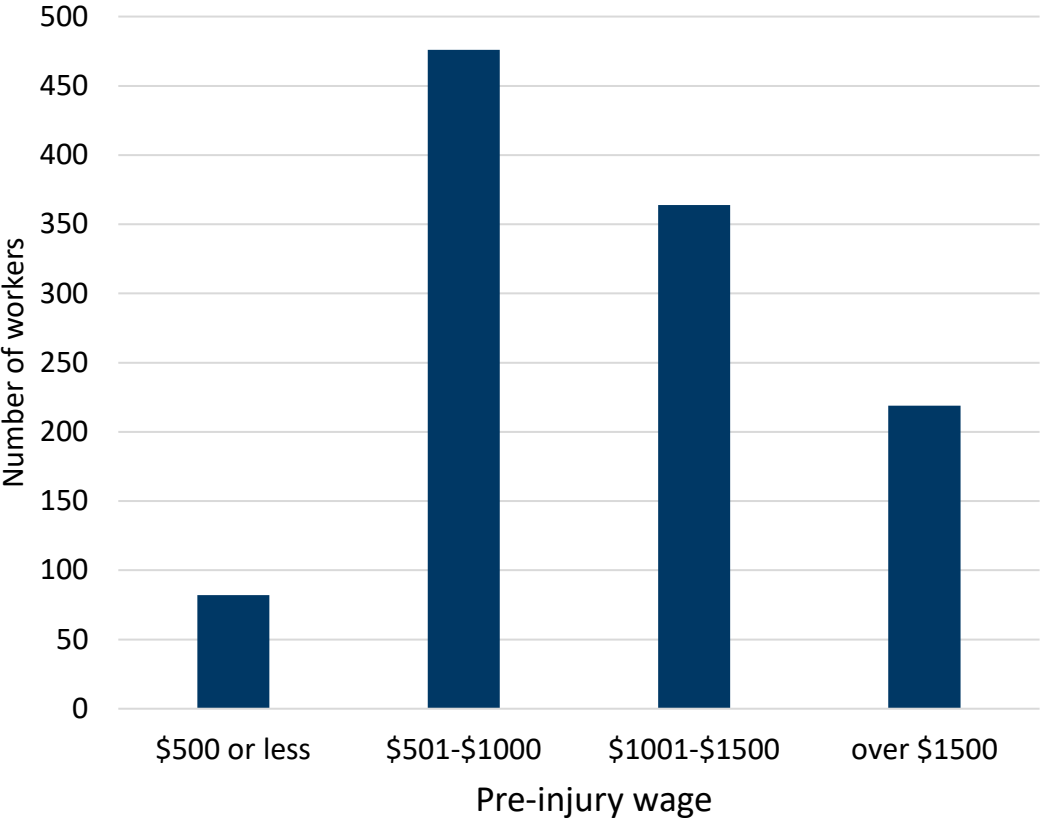
Ratio of return-to-work wage to pre-injury



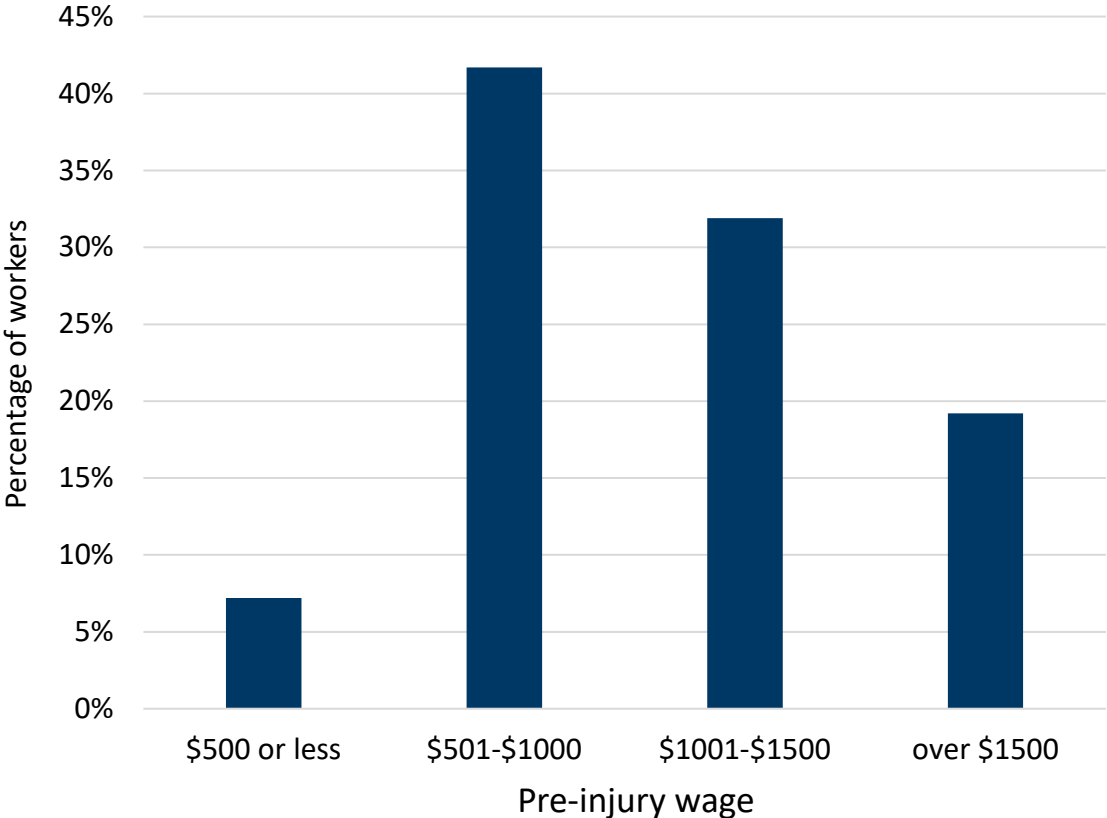
- Average wage ratio: 97%
- Median wage ratio: 100%
- Average return-to-work wage rates also vary with plan duration. For 2020 through 2022 closures, the average return-to-work wage ratio was 99% for vocational rehabilitation plans of fewer than 12 months duration, 96% for plans between 12 and 18 months, and 92% for plans with longer service durations.

# Workers returned to work at wages less than 80% of their pre-injury wage for 2020-2022 closures = 1,141

Number of workers earning less than 80% of pre-injury wage by pre-injury wage level

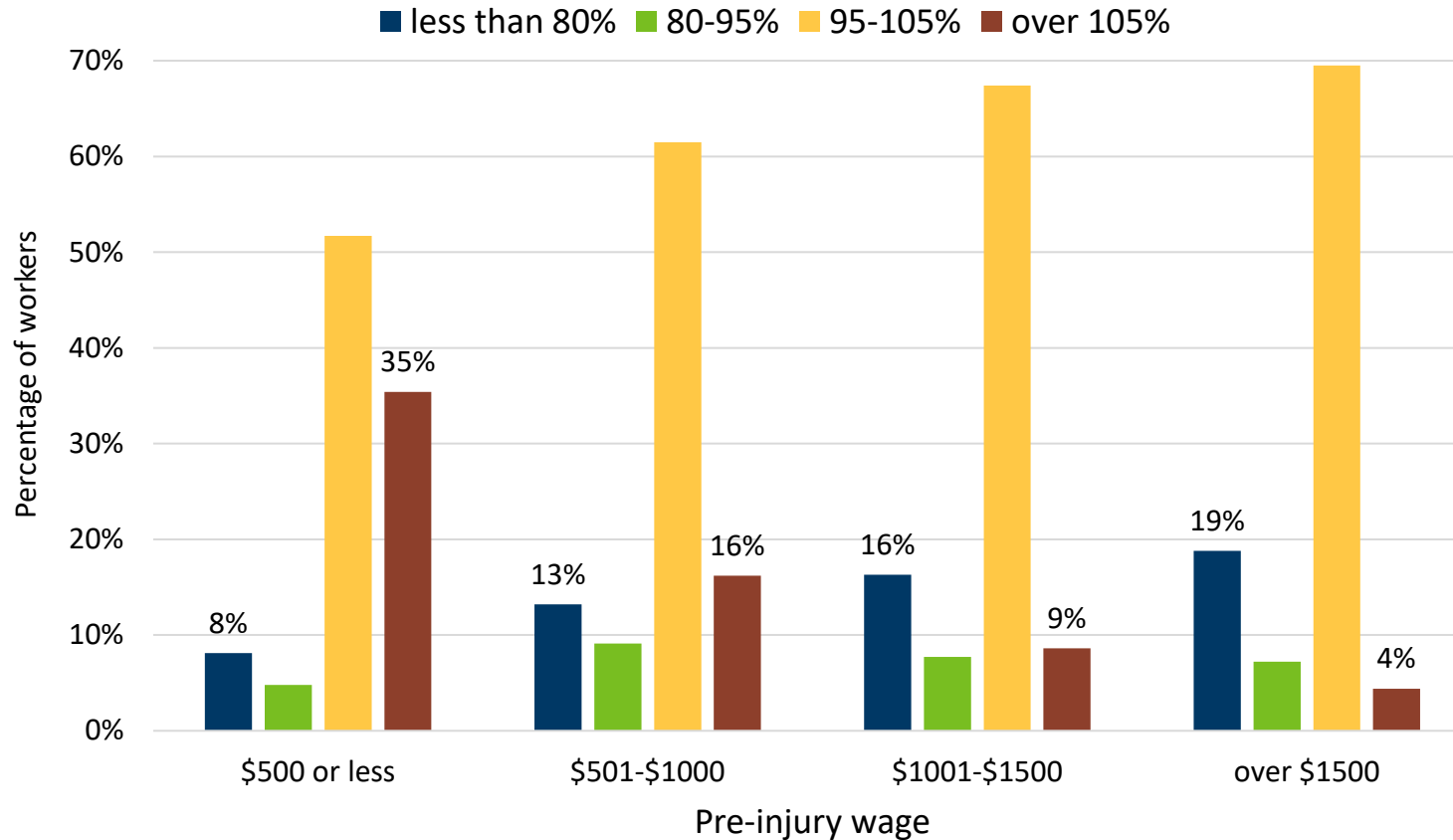


Percentage of workers earning less than 80% of pre-injury wage by pre-injury wage level



# Pattern of wage ratios varies by pre-injury wage

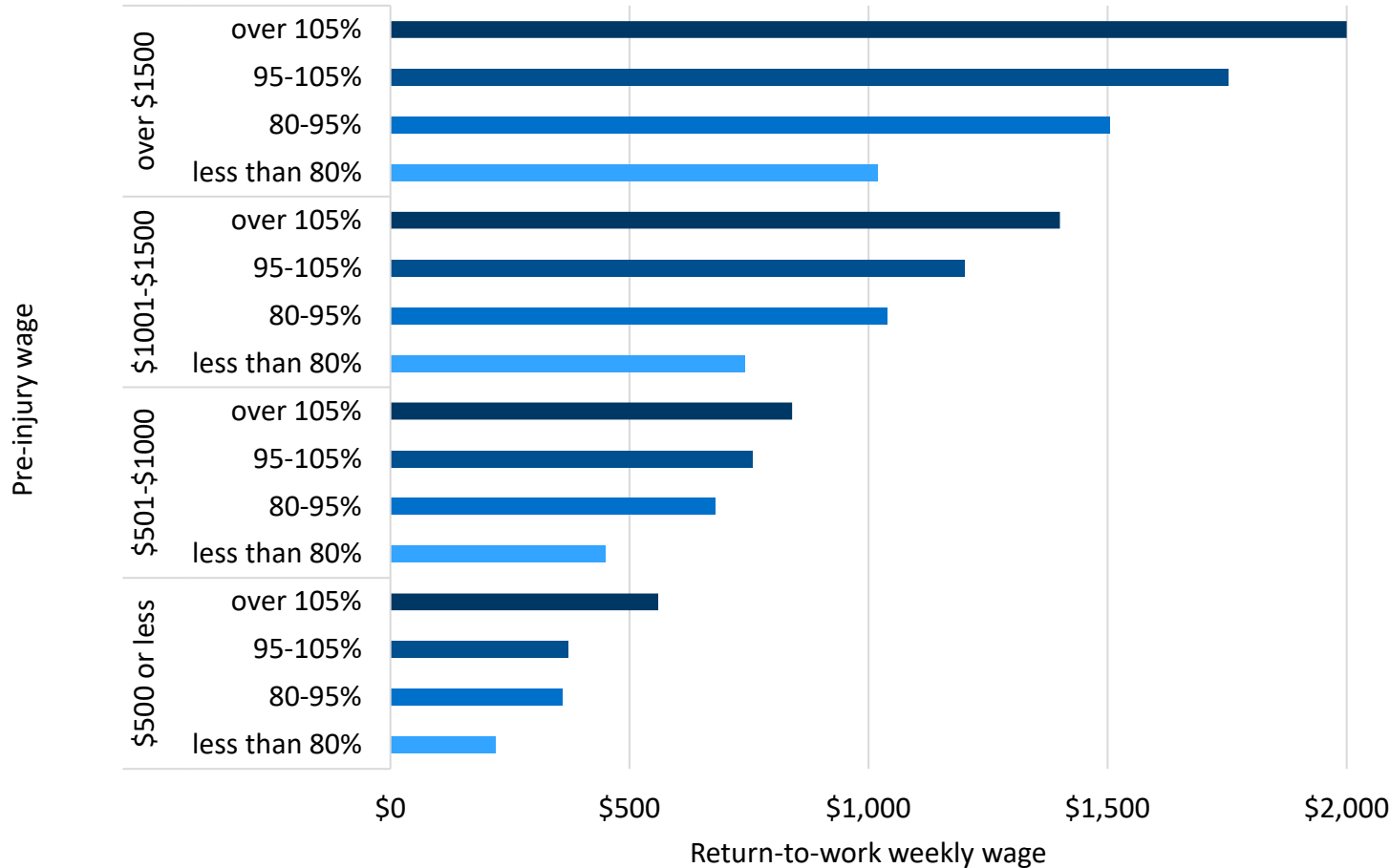
Return-to-work wage ratio by pre-injury weekly wage level



- Percentage with less than 80% of pre-injury wage increases with pre-injury wage level
- Percentage earning same or similar wage also increases with wage level
- Percentage earning higher wages after vocational rehabilitation decreases with wage level

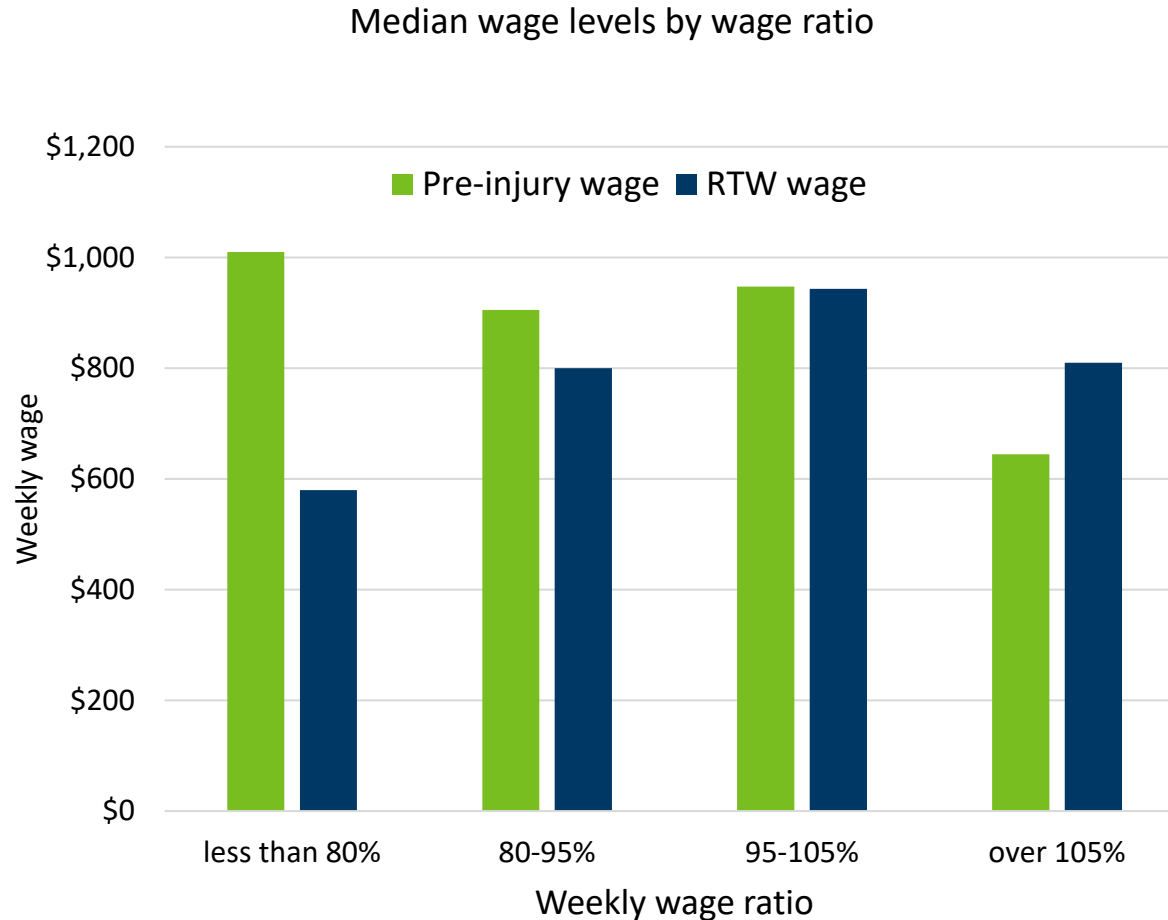
# Median return-to-work wages follow consistent pattern by pre-injury wage and wage ratio

Median RTW wage levels by pre-injury wage and wage ratio



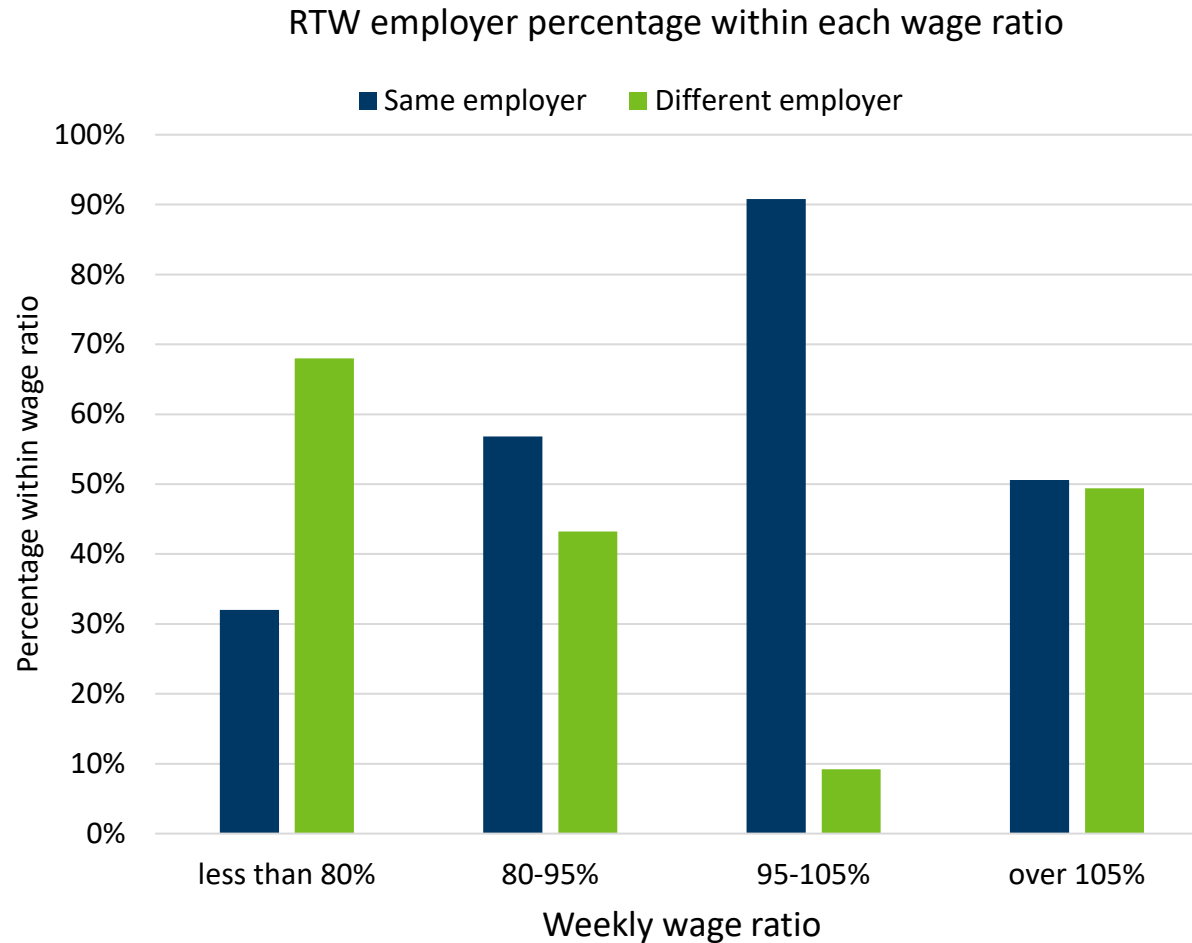
- For workers with pre-injury wages more than \$1,500, the median return-to-work wage was \$1,000 a week among workers with wage ratios below 80%
- For workers with pre-injury wages of \$500 or less, the median return-to-work wage was \$220 a week among workers with wage ratios below 80%

# Median pre-injury wage highest for workers at lowest wage ratios



- Median return-to-work wage levels similar for workers in 80-95% wage ratio and over 105% wage ratio groups.
- Median pre-injury wages were very similar for workers with wage ratios less than 105%.

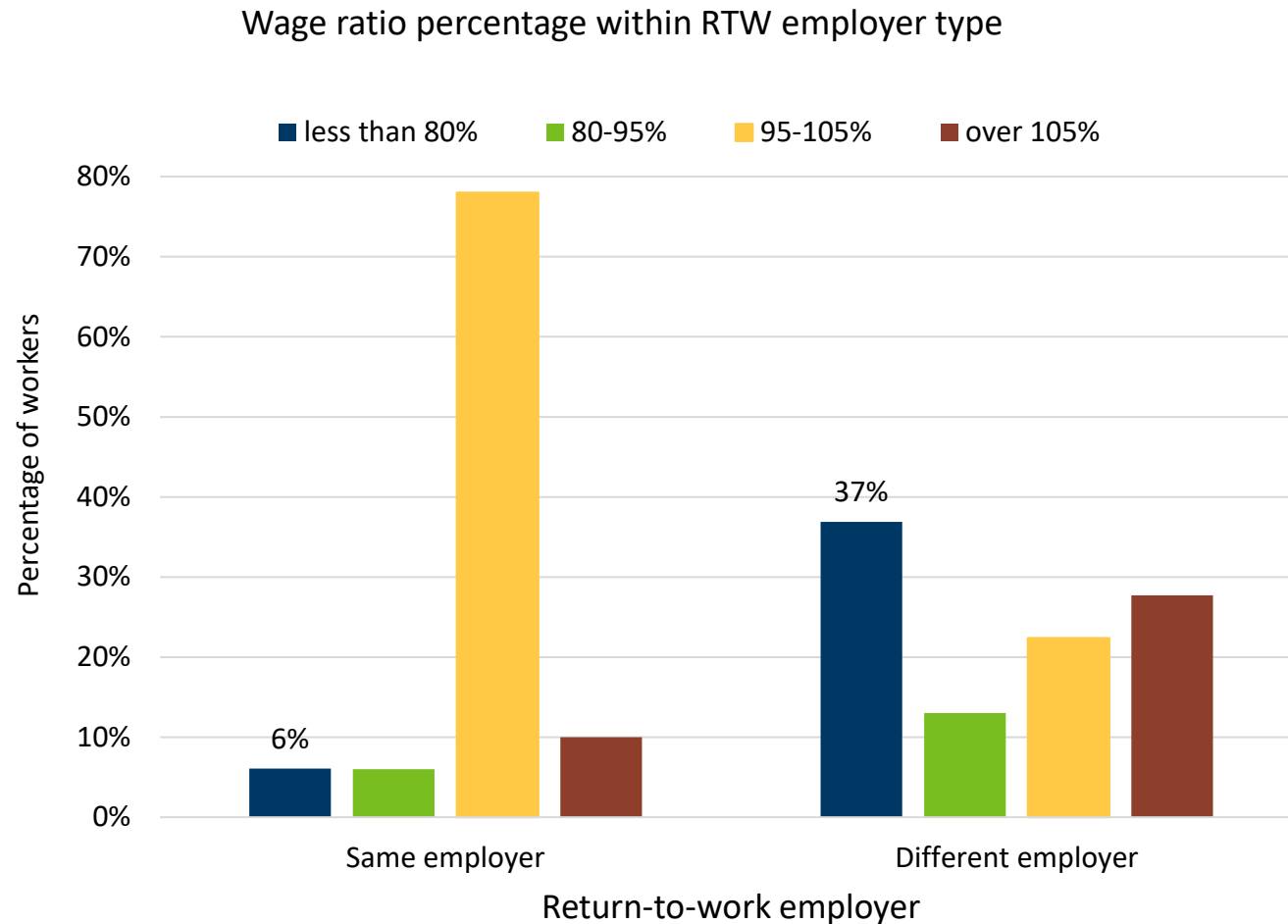
# Wage ratio groups have different return-to-work employer type splits



- Majority of workers earning less than 80% of pre-injury wage returned to work with a different employer
- Majority of workers in 80% to 95% wage ratio group returned to their pre-injury employer
- Almost all workers with wage ratio in 95-105% group returned to their pre-injury employer
- Near even split of post-injury employer for workers earning over 105% of pre-injury wage

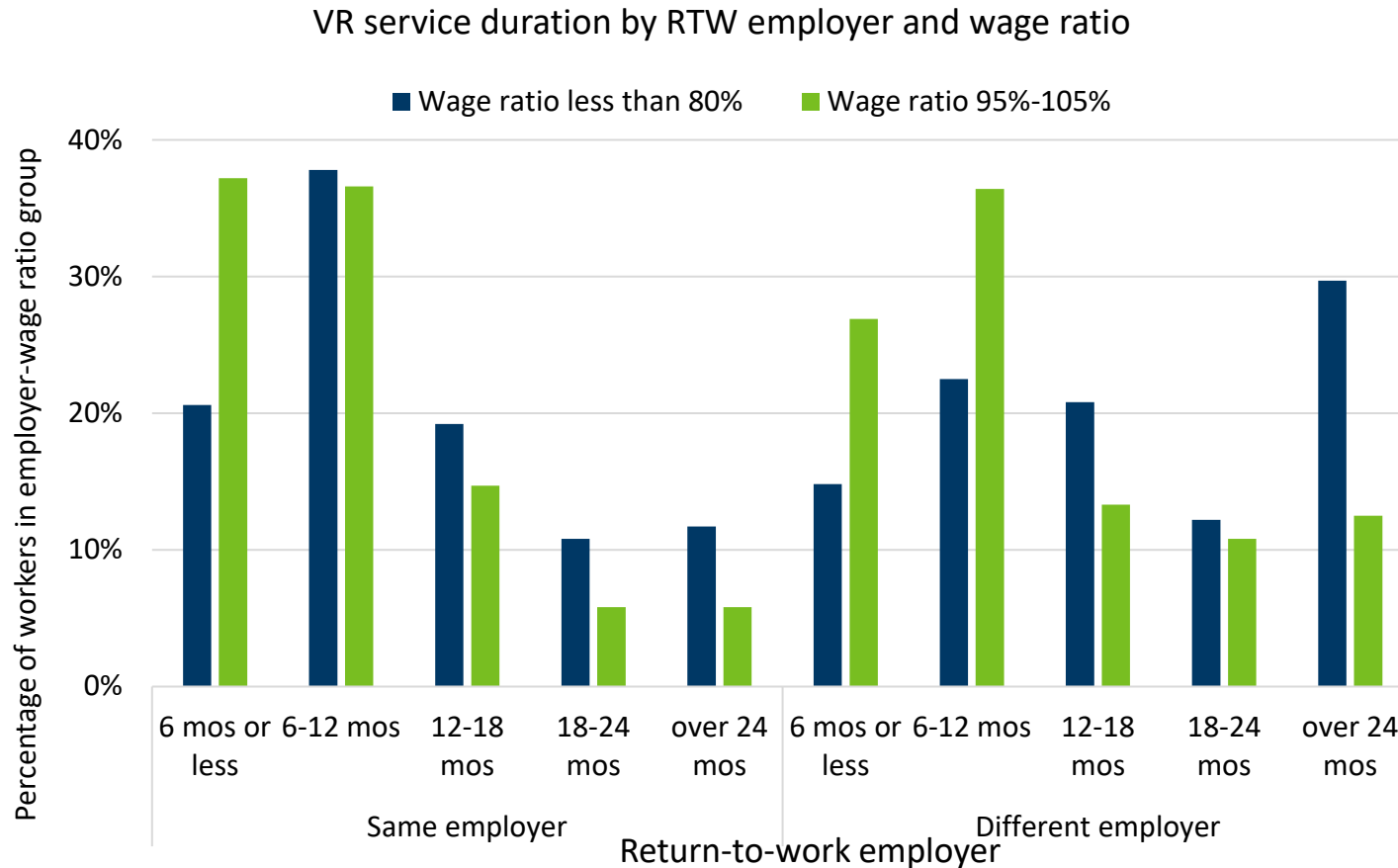


# Different wage ratio patterns for return-to-work employer types



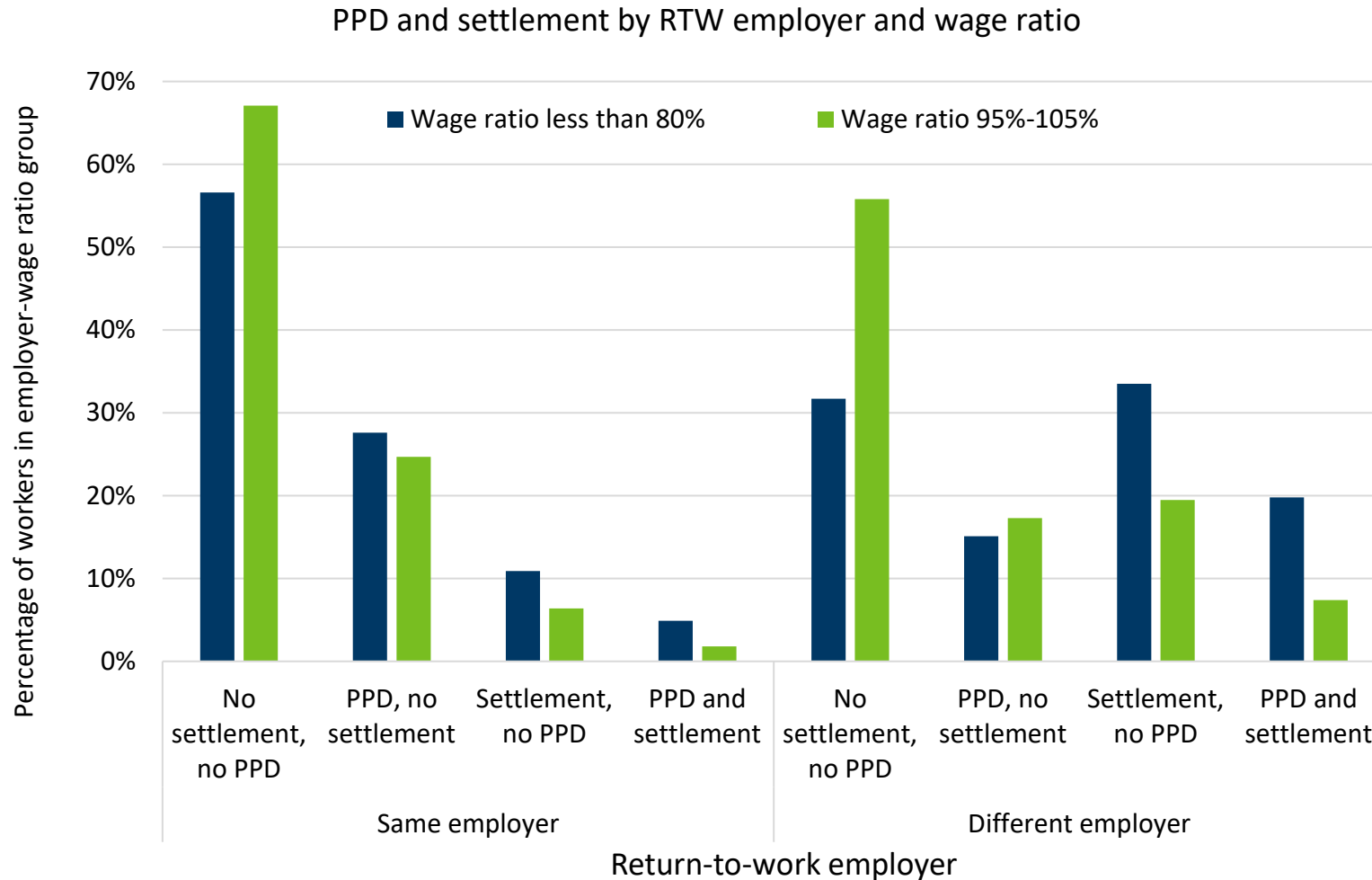
- Most workers returning to the same employer return to the same or a similar wage
- Thirty-seven percent of workers returning to a different employer have a wage ratio of less than 80%
- Second-largest group of workers returning to a different employer have wage ratios of over 105%

# Workers with wage ratios less than 80% had longer vocational rehabilitation service durations than workers returning to a similar wage



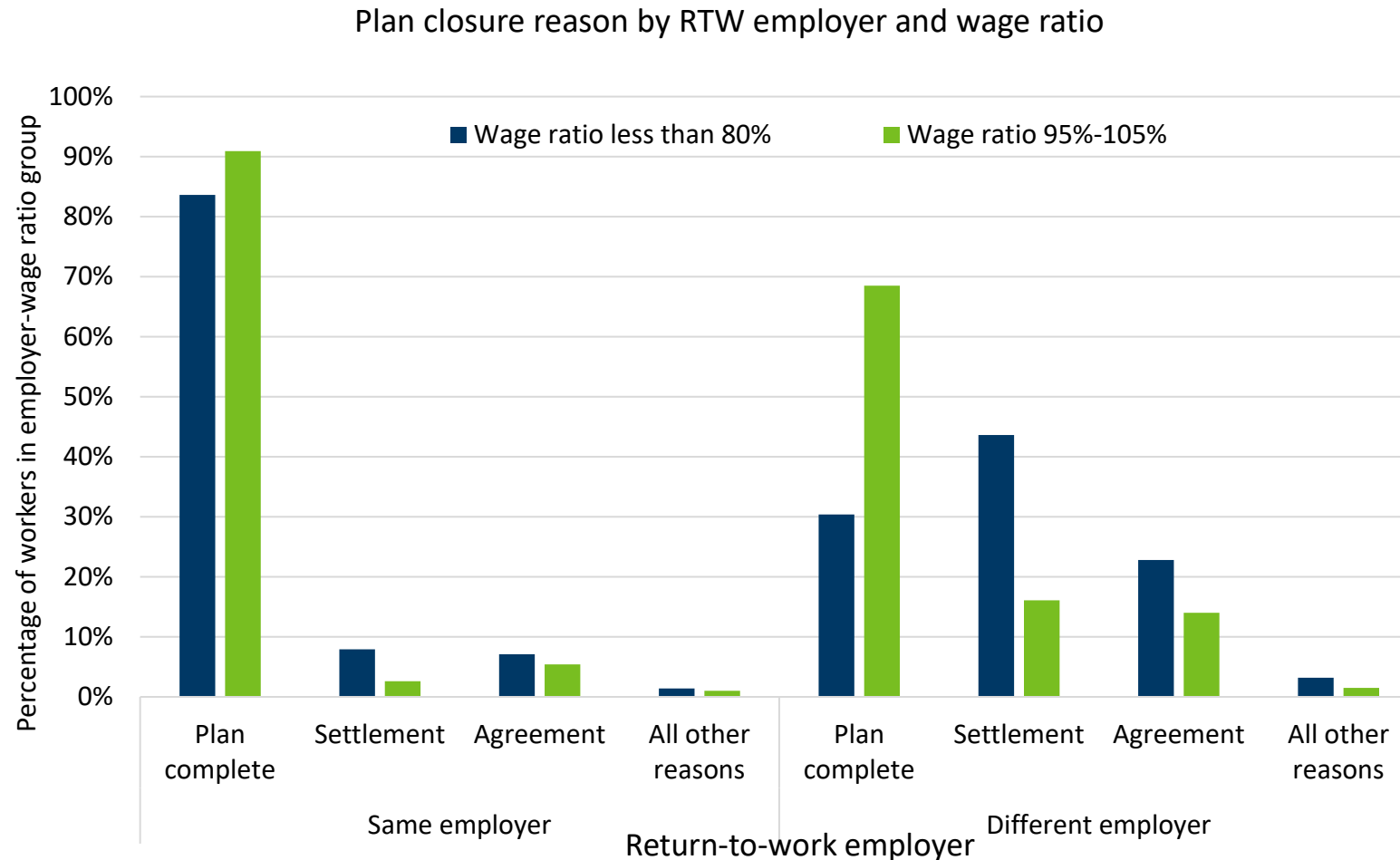
- Thirty-seven percent of workers returning to the same employer at the same or a similar wage completed vocational rehabilitation (VR) within six months, compared with 21% of workers with wage ratios less than 80%
- Six percent of workers returning to the same employer at the same or a similar wage received VR services for longer than 24 months, compared with 12% of workers with wage ratios less than 80%
- Thirteen percent of workers returning to the same employer at the same or a similar wage received VR services for longer than 24 months, compared with 30% of workers with wage ratios less than 80%

# Workers with wage ratios less than 80% more likely to have a permanent partial disability or a settlement than workers returning to a similar wage



- The majority of workers returning to the same employer had neither a settlement nor a permanent partial disability (PPD)
- The majority of workers returning to a different employer with a wage ratio 95% through 105% of the pre-injury wage had neither a settlement nor a PPD
- Fifty-four percent of workers returning to a different employer with wage ratios less than 80% had a settlement, with or without a PPD payment

# If returning to a different employer, workers with wage ratios less than 80% were more likely to close VR by settlement or agreement



- Little difference for wage ratio groups when returning to the same employer
- Sixty-nine percent of workers returning to a different employer with a wage ratio 95% through 105% of the pre-injury wage closed vocational rehabilitation with a completed plan
- Forty-four percent of workers returning to a different employer with wage ratios less than 80% had vocational rehabilitation close by a settlement and 23% closed by agreement

# Thank you