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### **Work Comp...Where is it going?**

On the heels from the national celebration of the centennial anniversary of work comp this year, many of you may be wondering, "What is there to celebrate about work comp having this birthday"? The answer is - **Plenty**. One way to look at work comp advancements made within the last 20, 30, 40, or even 50 years is to think about work comp from the perspective of.....well, your position ( especially if you or one of your employees deal directly with work comp).

Of course, there is the familiarity with work comp's beginnings and how the state of Indiana handles work comp today. From the time the general assembly of Indiana adopted the workmen's compensation bill in 1915, many changes have taken place. There might be landmark cases that are referenced within your organization, or specific issues that are often cited. But what many do not think about are the positions, which have been incorporated within or (even created), due to the evolution of work comp. Those positions include: case managers, risk managers, safety managers, human resources, work comp coordinators, safety trainers, work comp marketing, TPA's, work comp researcher....these are just a handful of positions that did not exist within the work comp arena a mere 40 years ago.

### **So how did Work Comp Begin?**

Below is a partial listing of the History of Worker's Compensation Timeline. You may have viewed many of these dates/milestones in previous references. We have included some of the top issues believed to be of the greatest relevancy.

#### **History of Workers' Compensation Timeline**

- 1855 United States, Georgia passes Employer Liability Act in the state legislature. 26 other states pass similar acts between 1855-1907. These acts were simply permission to sue the employer if employee proved a negligent act or omission.
- 1880 England, Parliament passes "Employer's Liability Act".
- 1884 Germany passes "Industry Compensation Act".
- 1897 England repeals "Employer's Liability Act" and replaces with a "Working Man's Compensation Act".
- 1898 New York, the New York Social Club drafts a bill for "Partial Compensation for Workers". No action taken by state legislature. Largest opponent is labor unions.
- 1901 Maryland passes legislation for a "Cooperative Accident Insurance Fund".
- 1908 Federal Employer's Liability Act passed by the U.S. Congress at the urging of President Theodore Roosevelt. This is the first "workman's" compensation Law in the United States.
- 1911 Triangle Shirt Waist Company Fire in New York City, Workers, mostly female immigrants trapped in 10 story building, 146 jump to their deaths. Major safety reforms sweep New York and the country.
- 1912-1915 More than 20 states and territories pass work comp laws or adopt legislation
- 1938 First Medical and Surgical Fee Schedule
- 1948 All states in the union have "Workman's" Compensation Laws.

- 1955 Special Disability Trust Fund created.
- 1955 Rehabilitation and Medical Services Section established in the Bureau of "Workman's" Compensation
- 1970 Congress created the [Occupational Safety and Health Administration \(OSHA\)](#) to ensure safe and healthful working conditions for working men and women
- 1990 Bureau of Safety in the Division of Workers' Compensation upgraded to full division status within the Department of Labor and Employment Security.
- 2000 Department of Labor and Employment and Employment Security abolishment begins with various Divisions including Jobs and Benefits and Unemployment Compensation renamed and transferred to other State Agencies.
- 2002 Abolishment of the Department of Labor and Employment Security completed through Legislation. Agency for Health Care Administration (AHCA) receives Medical Services section of Division of Worker' Compensation Bureau of Rehabilitation and Medical Services. Rehabilitation portion transferred to Department of Education. Remainder of Division transferred to Department of Insurance effective July 1, 2002.
- 2003 Major Reform Act, changes to Permanent Total Disability, Permanent Total Supplement, Permanent Partial Benefits, Practice Parameters and Protocols mandatory in medical care, changes to Independent Medical Examinations, Attorney Fee Award structure, Compliance, Exemptions, elimination of Supplemental Benefits and other Legislative changes.

Sources: [OSHA](#) , [Workers Compensation, A Brief History](#), [Economic History Organization](#)

It hasn't just been the law advancing throughout the last century. Technology has advanced as well. How were work comp claims processed 10, 15, even 25 years ago? Many organizations still used typewriters or word processors, and all information on a claim was stored on paper. With the technological advances that have occurred over the last two decades, work comp is bound to continue in its evolution.

Think of the processes that have improved, streamlined or advanced within your industry over the last 5 years. Of course, technology brings change along the way and with any change (all industries included) comes concern, fear, obstacles, interest, embracing, training, retraining, rethinking, reworking of processes, and overall – learning, adapting and implementing. The only "known" in the future of work comp is that it will evolve.

A recent article in the [Insurance Journal](#) stated that the industry may want to focus on the development of strategies that identify cost drivers, and insurers may want to utilize predictive analytics. And will the obesity epidemic and aging workforce affect work comp significantly?

Though the answer to the above question and the future of work comp may be unknown, and with it positions and jobs may come and go, the constant is - the continual need for work comp, the importance of understanding and education and the acceptance of change.

#### References

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