Cost Concerns & Return to the Workplace Challenges
Manufacturers and COVID-19

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Our Panelists

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Clinical Review of COVID-19

Respiratory illness that can spread from person to person
First case diagnosed in the US on January 21, 2020

USA
1,171,510 TOTAL CASES
68,279 TOTAL DEATHS

Sarah Michaels, RN
How Does it Spread?

Respiratory droplets produced from coughing or sneezing
Close contact with one another (less than 6 ft apart)
Touching surface or objects, then touching your own mouth, nose or even eyes

Signs and Symptoms

Fever
Dry cough
Shortness of breath
Severe: pneumonia
Severe: persistent pain or pressure in chest
Severe: Bluish lips or face
Critical: Respiratory or multi-organ failure
Critical: Severe confusion
Critical: Inability to arouse
Who is at Risk?

Older adults and people of any age who have serious underlying medical conditions
People 65 years or older
People with chronic lung disease or moderate to severe asthma
People who have serious heart conditions
People who are immunocompromised, including those diagnosed with cancer
People with severe obesity
People with diabetes
People with chronic kidney disease
People with liver disease

How to Protect Ourselves

Stay home if possible
Wash hands frequently with soap and water (hand sanitizer only if no access to water)
Avoid touching your face
Practice physical distancing
Clean and disinfect frequently touched areas
No vaccine/no treatment currently
Returning to Work

What do we need to know?

Workplace Safety

Whenever possible, stay home or switch to virtual work
Phased approach when possible (accommodate changes to shifts- 2 instead of 3)
Stagger start/end times along with breaks
Create physical distancing and mark out 6 ft apart
Rearrange furniture and workstations
Workplace Safety (cont’d)

- Provide appropriate protective equipment (mask minimum and proper instructions)
- Temperature checks/stay home if sick
- Do not share equipment and supplies if possible (otherwise wipe down)
- Communicate, communicate, communicate
- Do what you say you’re going to do (safety first and make sure they see it!)
- Along with monitoring physical health, monitor mental well-being of your employees

Do Screenings and Tests Actually Work?

- Temperature checks – asymptomatic/meds
- PCR tests – active virus
- Antibody tests – immune system response post-infection
 Calling Employees Back to Work

Who do you call back?

Base first-to-return employees on objective, non-discriminatory basis

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**Do’s** | **Don’ts: Don’t just call back those who are “low risk”**
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Review and comply with your Handbook and Policies | Not calling those who are pregnant
Conduct anonymous surveys asking employees how you are best able to support them | Not calling back older workers
Recall by seniority/tenure/objective measures of merit | Not calling back those that are perceived to be more vulnerable to COVID
If the employee has reservations about why s/he has reservations about returning to the workplace | Don’t ask asymptomatic employees to disclose whether they have medical condition that could make them more vulnerable to COVID-19 complications
The Employee You Call Back Says:
“I don’t feel safe coming back to work”

“We are operating a safe workplace in accordance with state and local safety and health guidelines. Currently, there is no recognized health or safety hazard in our workplace”

If the employee refuses to return:
- They are not entitled to pay
- They are not entitled to PTO or vacation
- They may be eligible for state or local mandatory sick leave
- They should be disqualified from unemployment

A concerted refusal to return to work may be protected by Section 7 of the NLRA; check Collective Bargaining Agreement.

Break in Service Considerations

I-9 Compliance
If you rehire within three years from the date you completed their previous Form I-9, you may either use that form or complete a new one.

Benefit Enrollments – 401k
Waiting periods for benefits
Temperature Checks

Trained personnel

Privacy: If possible, perform the test in private

Proper record keeping

Refusal to perform temperature check?
   - Potential for a retaliation claim or a “regarded as disabled” theory

Removal of employees from the workplace
   - ADA does not interfere in removing employees with symptoms of COVID-19
   - OSHA ramifications of leaving a COVID-symptomatic individual in the workplace

Employees are Back

Now what?
Now What?

Distracted Employees in Manufacturing are Dangerous Employees
- Communicate the steps you’re taking to ensure a safe workplace
- Educate employees on relaxation exercises
- Increase frequency of breaks
- Re-educate on EAPs
- Allow for workplace flexibility regarding telehealth
- Sensory swag for use on breaks

Alphabet Soup

Americans with Disabilities Act (ADA)

Scenario: Machinist John would like to work from home because he is majorly depressed due to COVID. He’d like to adjust his medication. His doctor thinks it’d be best if he remained home during that time.

- Engage in the interactive process
- Discuss reasonable accommodations
- Before the request is denied, perform an undue hardship analysis
Alphabet Soup

Title VII

Scenario: An Asian line worker comes to you to say that she is being harassed about being a carrier for COVID, due to her ethnicity/nationality.

She just made a discrimination/harassment complaint

Investigate and address the situation immediately

Alphabet Soup

OSHA’s Recordkeeping Requirements

COVID-19 is a recordable illness and employers are responsible for recording cases of COVID-19 if the case:

1. is confirmed as a COVID-19 illness;
2. is work-related as defined by 29 CFR 1904.5 (your identity may have a waiver for 1904; please review with your safety professionals); and
3. involves one or more of the general recording criteria in 29 CFR 1904.7, such as medical treatment beyond first aid or days away from work.
Alphabet Soup

OSHA Whistleblower Retaliation Claims

Employees should never be disciplined or terminated because they raised or escalated complaints about a potential violation of health and safety laws or procedures, including concerns regarding the employer’s response to COVID-19.

1. The specifics of health and safety complaints should be appropriately documented
2. Confirm and update the company’s procedures for referring or escalating health and safety complaints
3. Remind managers to objectively listen and appropriately escalate concerns

What is the Risk of Contracting Covid-19?

Relatively small.
NYC current infection rate of 2.3%
Elsewhere the risk is varies from lower to much lower
Marion County 0.6%
While the risk is low, if it involves a hospitalization, the cost can be significant.
Risk + Manufacturing

The type of industry, and office/plant layout can impact the underlying risk to the employer.

Careful plans are required or else an employer can inadvertently create a “hot spot” within their company.

Cass County: over 3.7% (NYC 2.3%)

Tyson Plant: over 40% (huge health and financial ramifications)

Cash Flow Impact

FULLY INSURED
The simpler situation. You simply continue to pay your premium.
If employees get tested, there will be NO cost to either the employee or the employer.

RENEWAL
How will COVID impact your fully insured renewal?
Cash Flow: Self-Funded Employers

**The short-term impact on medical claims cash flow:**

1. Hospitals and other providers stopped performing all elective procedures.
2. Outpatient visits have dropped by 60%
3. Non-Emergency Admission have stopped.
4. Many ER visits have stopped.
5. Most laboratory testing has stopped.
6. Urgent Care & Physician visits have stopped or turned into tele-visits.

Long-Term Impact

The Shutdown was immediate, in contrast it will be a much more gradual ramp up to normal patterns.

**Costs fall into 3 categories:**

1. Eliminated costs (dollars saved forever)
2. Postponed costs
   1. Elective procedures rescheduled
   2. Older and “at risk” patients will choose further delay until they are comfortable with the risk.
### Long-Term Impact

3. **New Costs**
   
a. Higher mental health services cost due to COVID-19 related stress either related to health and/or finances.

b. Some “at risk” individuals will not have had adequate care during the “shut down,” their health has deteriorated; they will incur higher costs in order to stabilize them.

c. **COVID-19 Costs**
   - Testing: “Free”
   - Physician Visit: $100-$150
   - ER Visit: $800-$2,000
   - Hospital admission: $30,000
   - ICU with ventilator: $130,000

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### What does all this mean to an employer’s budget?

The answer is, “It’s complicated.”
COVID-19 Impact

These changes will impact BOTH an employer’s cash flow and their renewal (whether fully insured or self-funded).

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Questions?

Thank you for attending.

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