International Encyclopedia of Rehabilitation

Center for International Rehabilitation Research Information and Exchange (CIRRIE)
515 Kimball Tower
University at Buffalo, The State University of New York
Buffalo, NY 14214
E-mail: ub-cirrie@buffalo.edu
Web: http://cirrie.buffalo.edu

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Private Sector Rehabilitation

Roger O. Weed, Ph.D.

Debra E. Berens, M.S.
Georgia State University

Historical Perspective

Historically, private sector rehabilitation typically has referred to services provided by privately owned or proprietary (for-profit) organizations, paid for by private sources such as insurance companies, for purposes of medical case management and vocational rehabilitation, with the goal of providing prompt and cost effective rehabilitation services, reducing medical costs and benefit payments (such as workers' compensation and long term disability), as well as settling personal injury litigation lawsuits (Vencil 1995; Weed and Field 2001). Private sector rehabilitation services began primarily in the United States in an attempt to control the rising costs of workers' compensation claims, which, by 2004, had reached USD$56 BILLION in medical and compensation payments to injured workers (U. S. Census Bureau 2004), and by 2005, more than 19 million Americans were listed as having a work disability (U. S. Census Bureau 2005). As early as 1970, INA Insurance Company employed "rehabilitation nurses" to oversee medical case management, review case records for over-payments to hospitals and doctors, and help facilitate returning workers with injuries to employment by consulting with physicians in order to obtain medical releases based on job duty requirements (Welch 1979).

Later in the 1970s, many insurance companies noted that publicly funded rehabilitation counselors (usually employed by federal/state agencies) were placing industrially injured workers into training programs of two or more year's duration, thereby obligating insurance carriers to continue compensation payments until clients had completed the training programs. In response to the rising costs of medical expenses and payment of lost wages for these clients, a number of insurance carriers began to search for ways to contain costs as well as to exercise more control over the medical and vocational rehabilitation of injured workers (Weed and Field 2001). Following the INA insurance company's lead, other insurance companies hired nurses and rehabilitation counselors. One such company, Crawford and Company claims management, was one of most aggressive in terms of providing private sector rehabilitation and, in 2008, had offices in 63 countries around the world (Crawford and Company 2008).

Seizing the apparent opportunity, entrepreneurial nurses, vocational counselors, and job placement "specialists" approached insurance companies with the promise that their claims costs could be reduced by paying private sector rehabilitation professionals to help manage their cases. Savings were realized by settling cases (closing cases by paying an agreed upon amount of money to the injured worker), or through returning the worker to gainful employment within weeks or months thus often saving thousands of dollars in monthly benefits. As might be expected, many of the beginning private sector

rehabilitation consultants were initially employed by insurance companies but soon learned that they could be more financially successful as well as have more flexibility and freedom by entering private practice, often as a sole proprietor or small business owner. It is also noteworthy that many larger businesses foresaw the benefit of employing their own "in-house" private rehabilitation professionals to coordinate the medical and rehabilitative care and return to work of an industrially injured employee.

At the outset, privately held insurance companies could choose to retain private sector professionals – or not – depending on what made the most business sense. However, within a few years, many U.S. state governments passed legislation that mandated medical case management and rehabilitation evaluations (primarily vocational) for industrially injured workers which prompted a nationwide surge in private sector rehabilitation companies (Weed and Field 2001). Over the years, however, most states have reversed the "mandated" rehabilitation services laws (primarily workers' compensation laws) and such services are, at the time of this writing, primarily mandated to be provided to workers whose injuries or impairments meet the particular state's definition of "catastrophically injured."

However, the United States continued to be a leader in private sector rehabilitation and services expanded into other disability related private sector roles (Matkin 1987). Such example services include vocational counseling, job analysis, job placement, job development, case monitoring and follow up, labor market surveys, ergonomic and workplace accessibility consulting, vocational and psychological evaluations, medical case management, expert witness in litigation cases, social security disability insurance vocational expert testimony, job restructuring consultation, job seeking skills training, employee assistance program (EAP) counseling and consultation, counseling of various disorders (personal, injury related adjustment, family and marriage, substance abuse, pain and stress, psychiatric/emotional, etc.), personnel selection consultation, program evaluation, rehabilitation or disability management consultation, labor union negotiations, and medical bill auditing.

Private Sector Rehabilitation Professional Organizations and Related Issues

In the early years of private sector rehabilitation, there were few networking opportunities due to a lack of organizations specific to private sector rehabilitation service delivery. In the late 1970s, the National Association of Rehabilitation Professionals in the Private Sector/NARPPS (now known as the International Association of Rehabilitation Professionals/IARP) was formed and incorporated in 1981. Soon thereafter, state chapters were located throughout the United States, then chapters were expanded into Canada and Ireland (IARP 2008). As the professional field matured, so did IARP by forming special interest sections relating to subspecialties of private sector rehabilitation practice. (Note: There are multiple organizations that have emerged over the years representing specialized segments of practice and a few of these will be listed in the resources section later in this entry. Since IARP is international in focus, as well as multi-disciplinary and non-disability specific, special interest sections are included here as representative of some of the contemporary trends in private sector rehabilitation

practice.). The four special interest sections listed below are representative of the majority of active private sector rehabilitation practice in the United States:

- Case management section representing case managers has been a valued service since the beginning of private sector rehabilitation. Work settings include sole private practice, for-profit case management companies, major business corporations, heath insurance companies, hospitals, attorney offices, and others. Medical case management services generally are provided for people with catastrophic injuries, chronic illness, prenatal risks, complex medical conditions (such as HIV, organ transplants, cancer, and diabetes), as well as elder care for senior adults, social case management, psychological case management, disease management, and patient safety education (Commission on Case Management Certification 2008).

- Forensic section represents rehabilitation professionals who provide expert witness testimony and consulting with regard to litigation or workers' compensation. Such professionals commonly conduct assessments regarding the effects of injury or disability on a person's ability to work as well as help determine "damages" associated with an incident or injury. Private sector rehabilitation within a forensic setting is complex and requires knowledge of rules specific to the jurisdiction in which the services are being provided. For example, in the United States, there are multiple venues for potential litigation. Each state and the federal government all have different "rules" for how people injured on the job or injured through another person or entity's negligence or fault are to be treated and compensated. Likewise, railroad employees are covered under a separate law (Federal Employees Liability Act/FELA), as do long shore workers or people employed to work on boats in the fishing industry (Jones Act). Similarly, people involved in divorce action, contract law, and multiple other forensic settings have their own set of rules to which the private sector rehabilitation practitioner must adhere (Weed and Field 2001). Personal injury litigation also has different rules for each state except for litigation that qualifies as a Federal case or in instances of personal injury litigation against the military. Further, in each state, there may be differences in automobile related litigation (e.g., "no fault"), medical malpractice or general personal injury litigation laws (Weed 1990). Also included in this area of interest is vocational testimony for U.S. Social Security Disability Insurance claims. Professionals who are active in forensic cases should be well versed in litigation jurisdictions and their requirements as well as expert in disabilities and rehabilitation.

- Life care planning section is closely related to the forensic section in many instances, and is known as the "International Academy of Life Care Planners." A life care plan is defined as "a dynamic document based upon published standards of practice, comprehensive assessment, data analysis

and research, which provides an organized concise plan for current and future needs with associated costs, for individuals who have experienced catastrophic injury or have chronic health care needs" (as cited in Weed 2004 p 3). As one may expect, life care plans can be very important in identifying the needs of a person who has been involved in an injury caused by another party, so many life care planners also consult or testify in litigation (forensic) cases. Life care plans are also useful for identifying a plan of care and setting financial reserves for workers' compensation insurance companies, health insurance companies, elder care facilities, adoption of children with complex health needs, and estate planning for a family member who is severely impaired (injury or illness) and requires a life long projection of needs.

- Disability management section attracts private sector rehabilitation providers who provide services to facilitate an industrially injured worker's physical recovery, rehabilitation treatment, and return-to-work while, concurrently, controlling the escalating costs of injury and disability for employers, insurance carriers and government (Commission on Disability Management Specialists 2008). The disability manager also is concerned with reducing lost work time by assisting employers with loss prevention education and training as well as safe return to work programs. An employer, rather than an insurance company, often uses the services of a disability manager in which labor and management assume joint responsibility as proactive decision makers, planners, and coordinators for work-based interventions and services. The delivery of disability management services involves a complex interplay among workers with disabilities, employers, insurance carriers, labor unions, medical service providers, government agencies, and disability managers. In general, disability managers must have the education and training to work within the system to accomplish a "win-win" situation for all persons involved (Weed and Hill 2008).

An additional topic relevant to private sector rehabilitation is that of certification. Although the details are beyond the scope of this encyclopedia entry, the reader should be aware that professionals in the United Stares, Canada, and to some extent other countries, have access to multiple certifications to assert credentials in their area(s) of specialty practice. In the U.S., national certifications relevant to private sector rehabilitation include rehabilitation counselor, vocational evaluator, legal nurse consultant, life care planner, vocational expert, rehabilitation nurse, and case manager. Some states also require licensure to practice certain professions, such as rehabilitation counseling, professional counseling, nursing, medicine, neuropsychology/psychology, occupational therapy, physical therapy, and speech and language therapy.

Another topic of relevance to private sector rehabilitation is that of ethical service delivery. Over the years, and consistent with other professional human service delivery areas, there have been claims of ethical challenges against individuals providing private

sector rehabilitation services (Weed and Field 2001). In response to the growing, changing, and evolving service delivery systems within private sector rehabilitation both in the U.S. and abroad, the IARP standards of practice and code of ethics has been updated and revised to be more applicable to contemporary rehabilitation service delivery (Barros-Bailey, Holloman, Berens, Taylor, and Lockhart 2005). Recognizing that rehabilitation services are provided within a variety of international, federal, local, and state laws or administrative codes, and in a variety of private sector and public sector venues, IARP acknowledges that different methods of service delivery may apply in various countries or jurisdictions as to the practice of medical case management, vocational assessment, rehabilitation plan development, job development and placement, on-the-job training, occupational retraining, and self-employment. To this end, IARP endorses that the methods used by the rehabilitation practitioner should be applicable to the specific area of practice or country/jurisdiction in which the services are being provided (IARP Code of Ethics and Standards of Practice and Competencies 2007). Further, in a study by Weed, Berens, and Pataky (2003), a review of actual claims filed with malpractice insurance companies and/or the Commission for Rehabilitation Counselor Certification (which certifies rehabilitation counselors in Canada and the U.S.) revealed that although private sector rehabilitation professionals were not immune to malpractice claims and ethics complaints, rehabilitation professionals overall had lower claims loss ratios than other professionals in human service occupations. One potential area that may be ethically challenging for the private sector rehabilitation professional who works with insurance companies may be the perception that rehabilitation professionals who receive direct payment are influenced by and/or more responsive to insurance company's requests. This may present professional conduct and ethical challenges which are not typically considered an issue for counterparts who work for public agencies. Even more complicating for the professional is an insurance company which directly employs the person.

International Presence

Internationally, there appear to be limited private sector rehabilitation activities although, as noted above, Canada has a number of rehabilitation counselors, life care planners, medical case managers, and disability case managers working in the private sector. Canada maintains a separate Canadian chapter of IARP and at least two certifying agencies offer a separate certification for Canadian Certified Rehabilitation Counselors and Canadian Certified Life Care Planners. Ireland also has an active IARP chapter and there are a few companies that offer private sector services such as case management and disability management related services (personal communication, B. Webster, May 10, 2008; M. Henderson, May 10, 2008), and employee assistance programs (EAP) (personal communication, M. Darmody, May 12, 2008).

Other countries that offer case management, vocational rehabilitation, and disability management services (and are growing professions) are the United Kingdom, much of Europe, Israel, New Zealand, Australia, most Caribbean Islands, United State Trust territories, as well as some case management in South Africa (Shrey and Grannemann 2004; personal communication, P. Deutsch, May 8, 2008; personal communication, D. Shrey, April 15, 2008; personal communication M. Henderson, May 10, 2008). Also,

several Asian countries have indicated an interest in disability management concepts by seeking "Western" experts to present training on the concepts, but, at the time of this writing, most services are still provided by, or paid by the government (personal communication, D. Shrey, April 15, 2008). For a detailed survey of international disability management related occupations and information, the reader is referred to the report issued by Shrey and Grannemann in 2004.

Conclusion

In summary, the United States appears to be the primary provider of the various forms of private sector rehabilitation, although many other countries seem to be a fertile source of business potential, with some entrepreneurs gaining a foothold. Some international companies such as the General Electric Corporation (personal communication, M. Henderson, May 10, 2008) and Crawford and Company claims management services have in-house experts who have introduced private sector rehabilitation concepts to companies in many countries as a potential service for their employees and business associates. Because of the responsiveness and entrepreneurial spirit of private sector professionals, and the proven benefit of providing quality, timely, and cost effective services, it is predicted that, as time progresses, so will private sector rehabilitation into a more global market.

Selected Resources

Disability Management

www.cdms.org

Disability Management Employer Coalition (International)

www.DMEC.org

Case Management

www.ccmcertification.org

International Academy of Life Care Planners

www.ialcp.org

International Association of Rehabilitation Professionals

www.rehabpro.org

Life Care Planning

www.ichcc.org (U.S. and Canadian certification)
www.aanlcp.org (nurses only)

Rehabilitation Counseling

www.crccertification.com (U.S. and Canadian certification)
www.abve.org (U.S. based litigation related certification)

http://nrca-net.org (U.S. based)
www.rcaa.org.au (Australian)

Biographies

Roger O. Weed, Ph.D., LPC, CRC, CDMS, CCM, FNRCA, FIALCP

Roger O. Weed, spent several years working in the private sector including owning his our company before becoming professor and graduate rehabilitation counseling coordinator at Georgia State University. He is a Licensed Professional Counselor, Certified Rehabilitation Counselor, Certified Disability Management Specialist, Certified Case Manager, Fellow of International Academy of Life Care Planners, and Fellow of the National Rehabilitation Counseling Association. He has authored or co-authored approximately 150 books, reviews, articles and book chapters.

Dr. Weed has been honored several times for his work including the 2006 *Distinguished Professor Award* from Georgia State University's Alumni Association, 2005 *Lifetime Achievement Award*, from the sponsors of the International Life Care Planning Conference, 2004 *Lifetime Achievement Award* from the International Association of Rehabilitation Professionals, the 1993 *National Professional Services Award* from the American Rehabilitation Counseling Association, and the 2003 Research Excellence Award from the College of Education at Georgia State University.

Debra E. Berens, MS, CRC, CCM, CLCP

Debra E. Berens is a certified rehabilitation counselor, certified case manager, and certified life care planner in private practice in Atlanta, Georgia. Her career in private sector rehabilitation spans two decades and includes providing case management and disability management services, vocational evaluations, loss of earnings capacity and transferable work skills assessments, job placement and job retention services for clients who sustain an industrial injury, Social Security disability evaluations, long term disability evaluations, and EAP counseling. Her practice currently specializes in life care planning for children and adults with catastrophic injuries and disabilities. She is also a part-time instructor in the graduate rehabilitation counseling program at Georgia State University and served a five year term as an IARP representative to the Commission on Rehabilitation Counselor Certification. She has contributed over 40 publications and presentations on topics related to private sector rehabilitation and currently serves as Editor-in-Chief of the *Journal of Life Care Planning*.

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