THE Advisor

July 2003

A Publication of the Department of Personnel & Administration

Fitness Center to Open: DPA Awards Wellness Contract

The contract for the management of the fitness center at 1570 Grant has been awarded to HEALTHBREAK, Inc. HEALTHBREAK is a health promotion management company that provides consulting, wellness program management, and fitness center management services. For more information on their company, see www.healthbreakinc.com.

> "This contract is a way to bring fitness and wellness programs to our employees in order to help them lead healthier lives." – Troy Eid, Executive Director DPA

HEALTHBREAK used the results from the employee interest survey that was administered last June to State employees in the Capitol Complex area as a strong determinate in all decisions. Over the next few months, HEALTHBREAK will begin the process of opening the wellness center as well as offering other wellness programs to all State employees. They will be forming a State Wellness Committee in order to provide input and direction for the overall program initiative.

The targeted opening for the wellness facility in the Grant Building is mid-August. Here is a quick overview of what is coming:

- Open Hours Monday thru Friday, 5:30 a.m.-6:30 p.m. and Saturdays, 8:00 a.m. to noon.
- State-of-the-Art Cardiovascular & Strength Equipment
- Certified Health Professionals on Staff
- Membership Fee Only $25 Per Month
- Group Exercise Classes
- Personal Training

HEALTHBREAK will also be offering other fee-for-service programs like wellness incentive programs, weight management, smoking cessation, and health screenings.

DPA is excited to bring a wellness facility and wellness program to State employees at no cost to the State. According to Troy Eid, Executive Director of DPA, "this is a win-win situation for us. This contract is a way to bring fitness and wellness programs to our employees in order to help them lead healthier lives. Having a fitness facility in the Capitol Complex area will provide a low-cost and convenient way for employees to maintain or improve their overall health."

We will keep you updated with more information about the wellness facility and wellness programs, including an employee walk through, the exact opening date of the center, and how you can join.

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Bulletin News Briefs

- DHR has some noteworhty staff changes that are effective July 1. Following the retirement of John Cook, Cristina Valencia is now the supervisor of the State Risk Management Office and can be reached at 303-866-3846. Please address rules questions toPat Romero who has replaced Cristina as the lead rules interpeter. Pat is available at 303-866-5383. Brad Mallon accepted a position in the Workforce and Staffing Consultants unit and Susana Villescas is now the supervisor of the training unit. Brad and Susana can both be reached at their former numbers.

- Job Evaluation Training Offered – The Personnel Certificate Program course in Job Evaluation will be offered on Friday and Monday, August 15th and 18th in room 220 at 1313 Sherman St., Denver. Classes will begin at 9:00 am each day. This course is geared toward human resource employees who perform job evaluation functions. Preparation and materials are not needed for the course. Anyone interested in attending the class should contact Judi Karg at 303-866-2391 or judi.karg@state.co.us by August 8th to reserve a space. There is no cost and space is limited to the first 15 enrollees. Specific questions about the course should be directed to Don Fowler at 303-866-4250 or don.fowler@state.co.us.

- State Risk Management has scheduled the following Ergonomics Train-The-Trainer classes: July 17th, 10 am - 3 pm at Pinnacol Assurance, 7501 East Lowry Boulevard, Denver. September 17th, 1 pm - 4 pm at Front Range Community College, Westminster. Classes are free of charge and are offered to all state employees. Please contact Brenda Hardwick at brenda.hardwick@state.co.us or 303-866-4292.

- C-SEAP will be teaching an anger education class at Pueblo Community College on July 10 from 1:00 pm to 5:00 pm. Please call (719) 549-3079 to register. There is no cost to participants.

- The official compensation plan for FY 2003 - 2004 has been released and is effective July 1, 2003 through June 30, 2004. The plan includes salary schedules for all occupational groups.

- DHR has published the new *State Personnel System Employee Handbook*. This year's handbook does not include the appendix of executive orders and policies affecting the state workforce, which is now available as a stand alone document under "Rules and Technical Guidance."

To learn more about these and other human resources, risk management, benefits, and C-SEAP policies and issues, go to www.colorado.gov/dpa/dhr and be sure to check the "News Archive" section under "Quick Links."

DHR to Recognize the Achievements of State HR Professionals

The DPA Division of Human Resources is initiating the annual Human Resources Awards. The awards are designed to recognize the achievements of state HR professionals. Award categories are as follows:

Distinguished Service Award – honoring a group or an individual who has given outstanding long-term HR service to the state and whose impact extends beyond a single agency.

Innovative HR Program Award – recognizing a group or an individual for significant contributions in developing an innovative departmental HR program.

Human Resources Hero Award – acknowledging an individual professional who inspires and encourages us to become better in our profession.

Trumpet the merits of a colleague or group of colleagues with a nomination. The nomination deadline is September 1, 2003. The nomination form is included on the final page of this issue and is at www.colorado.gov/dpa/dhr. Awards will be presented at the DPA Conference on October 17, 2003.

For more information contact Pat Romero at pat.romero@state.co.us or 303-866-5383.

Family/Medical Leave Corner

By Laurie Benallo
State FMLA Coordinator

Please share this information with FMLA Coordinators, payroll/benefits staff, risk staff, and any others who work with the FMLA.

On The Legal Front

Mathews v. Fairview Health Services (D. Minn., April 2003)
Facts: In October 1999, Mathews took FMLA leave to have a pacemaker installed. His job required him to drive commercial vehicles, load and unload carts, carry up to 50 lbs., and push or pull wheeled carts up to 100 lbs. At the end of November, Mathews presented a medical release from his doctor that stated he could return to work without restrictions and he should not work over 40 hours in a week. His supervisor told him a Department of Transportation (DOT) physical was required before he could return to work. He was examined by an occupational medicine specialist and found to meet the DOT specifications but marginal for handling other duties; the recommendation was that he not be approved for full duty until examined by his cardiologist. When Mathews tried to return, his supervisor told him he would not be allowed to return until he presented a release from his cardiologist. Mathews was placed in a custodial position with lower wages, different schedule, and longer hours. Mathews filed suit claiming he was denied his right to reinstate despite his medical releases.

Results: Employee is proceeding. The court found that once a statement of an employee's ability to return to work is presented, the employer may not postpone the return to work while waiting for clarification. The employer's solicitation of an opinion by the occupational medicine specialist and the second demand for documentation from a cardiologist before reinstating Mathews is prohibited by FMLA.

Pharakhone v. Nissan (6th Circuit, April 2003)
Facts: Pharakhone's wife had a baby and he requested four weeks off to care for his wife and baby and to manage his wife's restaurant. The leave was approved and the employee told the supervisor he could be reached at his wife's restaurant. Nissan has a documented policy in its employee handbook that prohibits any unauthorized work while an employee is on leave. The supervisor informed Pharakhone of the policy; Pharakhone called the HR manager who confirmed the policy. The HR manager followed up with a memo to Pharakhone informing him that he was "not allowed to perform work of any kind without prior approval" and warning that doing so would be grounds for termination. The employee continued to work at his wife's restaurant during his leave because there was no one else to fill in. Nissan found out that he was working and terminated his employment.

Results: Employer upheld. Pharakhone argued that when he first mentioned his intent to work during his paternity leave, his supervisor did not mention the policy, which amounted to his approval. Pharakhone contended that he relied on what he understood to be his supervisor's approval to his detriment. The court disagreed and found it was undisputed that Nissan had a documented policy prohibiting unauthorized work and both the supervisor and the HR manager advised the employee that he was not allowed to work during his leave. The FMLA was not designed to afford relief in such a situation.

If you have any questions, contact Laurie Benallo at 303-866-4247 or laurie.benallo@state.co.us.

Getting a Handle on Adverse Selection

By Vinita Biddle, CEBS
Employee Benefits Unit

You've heard the term adverse selection bandied about by insurance agents and benefits managers, but what does adverse selection in benefits really mean and why should it concern you?

Adverse selection is the phenomenon whereby individuals who have higher than average potentially insurable risks "select against" the insurance plan. That is, those with the greatest probability of loss, and who therefore need insurance more than the average insured, are most likely to seek coverage. This tendency can result in a disproportionate number of individuals within the insured group who experience greater losses (claims) than would normally be anticipated. Adverse selection can also result from the tendency of those with the least probability of loss to forgo coverage.

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Psst! State Risk Management Office Helps Departments Control Costs

By Mark Gelband
DHR Employee Relations & Communications

As many state risk professionals know, John Cook recently retired as the state's risk manager. During John's tenure he and his staff: Loss Control – Tom Bell, Brenda Hardwick and Phil Savage; Claims Management – Betty Crist and Justine Gomez; Risk Analysis – Eric Wiant, have worked hard to raise awareness about the value of sound risk management practices in helping protect the state's assets. Newly appointed state risk manager, Cristina Valencia, sees the opportunity to build on John's success and help raise awareness among state departments about how state risk management office (SRMO) staff can help departments save money.

Valencia believes that communication will play a vital role in helping bring about a new coordinated effort in addressing risk issues in state government. She believes it is important for departments to get reacquainted with the mission of the state risk management office and how staff can help departments achieve that mission: *SRMO protects the state's human resource and property assets through the administration of liability, property, workers' compensation and loss control programs*.

SRMO services include (but are not limited to) accident investigation, legal defense, safety training, hazard mitigation, building inspections, contract review, insurance procurement, property valuation, risk financing, claim evaluation, seminar presentation, workers' compensation medical management, statistical analysis, data collection and premium assessment. SRMO serves all state agencies, higher education and employees (except the University of Colorado system). SRMO Safety and Loss Control staff consulting services are available without charge to all state departments. A keener understanding of the value of these services will help save costs. "From experience, we know that a good risk management program controls insurance premium costs up front, but, more importantly, it curtails the soft costs associated with absenteeism and lost productivity," says Tom Bell, SRMO Safety and Loss Control Specialist. "Look at workers' comp. The cost of the medical payouts in most cases pales in comparison to the cost of lost time and productivity, or worse yet, having to rehire and train. Our value is that we can come into an organization and show them ways to avoid such losses."

SRMO Safety & Loss Control specialist Brenda Hardwick concurs, "The value of an outside perspective in these matters cannot be underestimated. We look at potential risk situations with a more objective and experienced eye. Untrained office workers see a tear in the carpet and get duct tape. We see the same tear and start calculating the cost of one employee who breaks a leg, misses work and increases the exposure to injury for the other employees who have to pick up the slack, as compared to the cost of replacing that section of carpet. People who work in 'risky' environments, such as correctional facilities or places with hazardous materials, are often more aware of the risks because they are right

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For an employee benefit plan to be acceptable to employees, the premium must be reasonable relative to the risk. It is not hard to see why higher-risk employees are more likely to accept relatively higher premiums than are lower-risk employees. Higher-risk employees include not only those with known health conditions, but those with a family history of disease, those with chronic or multiple disorders, those with less healthy lifestyles, those who engage in risky behavior, and those who are older than the average age of the workforce.

When an employer offers several plans from which an employee may choose, adverse selection may be exacerbated, especially if there are significant price or benefit differences between the plan options. Employees with known health conditions will be drawn to the "richer" plan while the healthiest employees will gravitate toward the lowest cost plan. The richer plan, having been selected against, will experience higher than expected losses which may in turn lead to higher than expected premium increases.

Although counter-intuitive, one of the best tools against adverse selection, in addition to increasing employer contributions, is to limit the number of plans offered. Other strategies include limiting enrollment opportunities, imposing waiting periods, eliminating mid-year election changes (except as required by law) and tightening up eligibility. The pros and cons of all of these strategies will be considered in the battle to hold down costs.

For more information contact Vinita Biddle at vinita.biddle@state.co.us or at 303-866-2477.

Risky News

Where Workplace Litigation, Insurance, Safety and Loss Control are Important Personnel Matters

By Tom Bell
Safety & Loss Control Specialist

Sunburns Can Be Serious

Sunburns can be serious to state employees who work outdoors. They can lead to malignant melanomas, a fatal kind of skin cancer. With one million new skin cancer cases every year, it is an important safety precaution to prevent sunburn on the job.

Safety professions were recently given a train-the-trainer presentation on preventing sun exposure by the Colorado Department of Public Health & Environment (CDPHE) and Klein Buendel, a training consultant.

Speakers included Sara Miller from CDPHE and Tom Bell from the Department of Personnel and Administration, State Risk Management office. Sara Miller discussed malignant melanomas and how easy it is to get them from repeated sunburns. Tom Bell discussed occupational safety and health implications of sun exposure on the job.

Although there have been no workers' compensation cases for sun exposure with Colorado state employees, there have been cases in other states where courts have awarded benefits. Melanoma medical treatment can cost up to $150,000 per patient, with an average cost of $59,000, and this does not include lost time from work or other costs. Medical costs for treatment of melanoma are estimated at almost $3 billion a year in the U.S. alone.

The Occupational Safety and Health Administration (OSHA) recommends the following precautions to prevent sun exposure:

- Wear protective clothing that does not transmit visible light
- Frequently apply sunscreen with a Sun Protection Factor of 15 or higher
- Wear broad-brimmed hats that protect the face, ears and neck.
- Wear sunglasses that block UV rays
- Seek shade, if possible, when the sun's intensity is at its peak – between 10 am and 4 pm
- Be aware of the signs and symptoms of skin cancers and see a health-care clinician if an unusual skin change occurs

The Sun-Safe Worksite Guide and Sun-Safe Worksite Training are available from State Risk Management by contacting Tom Bell at 303-866-4393 or tom.bell@state.co.us. These are free of charge. The guide contains a checklist so you can evaluate your agency's sun safety.

A Sun Safety poster is available from the Pinnacol Assurance website at www.pinnacol.com/pdf/Poster-Sun.

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in their face every day. It's the less obvious places and everyday work situations that tend to get overlooked and end up costing."

Hardwick and her colleagues conceived and implemented the very successful and award-winning Repetitive Motion Injury Cost Reduction Program. She points to these office type work-related injuries as an excellent example of how resistance to SRMO services costs departments. "Five years ago no one wanted to discuss ergonomics and ergonomic solutions to repetitive motion injuries such as carpal tunnel syndrome. But throughout the 90's these claims grew and were the largest percentage of workers' compensation claims in the state. Those claims certainly resulted in lost productivity and missed time as well. Ergonomic information and training has significantly reduced costs."

SRMO Risk Analyst Eric Wiant sums it up well: "Every job has a severity or occurrence rating, but it doesn't matter whether it's a correctional officer in Canyon City or an administrative assistant in the executive director's office, an enhanced awareness of potential risks will save money. In the case of workplace violence, it may save a life."

Says Valencia, "Risk management is often a forgotten component in a truly cooperative and integrated approach to addressing the potential liability issues of day-to-day business and new business decisions. By taking an integrated approach to such decisions, getting HR professionals and folks from risk, budget, and benefits involved earlier in the process, we can certainly mitigate risk. We can also do a better job of looking to our internal resources, such as the employee assistance program and state employee mediation program, to help resolve issues before they become big payouts."

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A New Day...

The sun has set on the status quo.

Fiscal constraints, increased risks, impending retirements, streamlining, technology, outsourcing, and civil service reform are changing the way the state does business.

Right now, it is even more imperative that all appointing authorities, supervisors, human resource professionals, and risk, fleet and facilities managers work together to find innovative solutions to the challenges facing us.

The Annual State Risk Management & Personnel Conference

Sponsored by the DPA Division of Human Resources

- **Attend one day of the most cost-effective and valuable training available to state professionals**
- **Learn more about the critical nexus of effective risk management and sound human resources management decisions**
- **Discover innovative ways to manage your business, motivate your employees and ensure the safety of your operations**
- **Mark your calendars today!!!**

Friday, October 17, 2003

The Arvada Center for the Arts & Humanities

Only $35 (includes lunch)

2003 Fall Conference

DPA State Employee Wellness Center

Operated by HEALTHBREAK, Inc.

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Wellness Center in Grant Building Opening August 2003

– State-of-the-Art Equipment
– Cardiovascular & Strength Training
– Certified Health Professionals on Staff
– Membership Fee Only $25 Per Month
– Group Exercise Classes
– Fitness Testing and Personal Training

Wellness Programs Open to All State Employees

– Weight Management & Smoking Cessation
– Wellness Incentive Programs
– Health Screenings and Much More!

Stay tuned for more details!

HEALTHBREAK Mission:
"We are committed to providing quality health promotion programs in order to develop a healthier, more productive workforce through health education, nutrition, and fitness."

DPA Division of Human Resources
Annual Human Resources Awards

Nomination Form

Distinguished Service Award

Live one day at a time empathizing ethics rather than rules. ~ Wayne Dyer

Format

Nominations must be no longer than 2 pages (8-1/2 X 11, double spaced, 12-point font) and include the award name, the name, email address and phone number for the nominee and the nominator, and a narrative answer for each of the following questions.

Questions

1. Describe the nominee's sustained leadership in promoting the human resources profession.
2. Describe how the nominee has demonstrated exceptional leadership in the field of human resource management beyond his/her agency.
3. Describe human resource management programs or initiatives that were successful because of the nominee's involvement.

Innovative Human Resources Program(s) Award

What is originality? To see something that is as yet without a name, that is as yet impossible to designate, even though it stares us in the face. The way it usually is with people, it is a thing's name that makes it perceptible to them in the first place. For the most part, the original ones have also been the name-givers. ~ Friedrich Nietzsche

Format

Nominations must be no longer than 2 pages (8-1/2 X 11, double spaced, 12-point font) and include the award name, the name, email address and phone number for the nominee and the nominator, and a narrative answer for each of the following questions. Also include a brief program summary, not to exceed one page.

Questions

1. Provide a brief description of this program.
2. How long has this program been operational?
3. Why was this program created? What problem(s) or issue(s) does it address?
4. Why is this program a new and creative method?
5. How is the success of this program measured?

Human Resource Hero Award

Courage is in the air in bracing whiffs/Better than all the stalemate an's and ifs.
~ Robert Frost, "For John F. Kennedy His Inauguration."

Format

Nominations must be no longer than 2 pages (8-1/2 X 11, double spaced, 12-point font) and include the award name, the name, email address and phone number for the nominee and the nominator, and a narrative answer for each of the following questions.

Questions

1. Describe how the nominee inspires us to become better at what we do?
2. Describe how the nominee models high ethical standards, e.g., raises difficult ethical issues at personal risk.
3. Describe the difficulties of the obstacles the nominee has overcome and the consequences of those efforts.

Submit nominations to jacque.morley@state.co.us by September 1, 2003. Awards will be presented at the annual DPA conference on Friday, October 17, 2003.