

A SEDGWICK PUBLICATION

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Sedgwick is proud to share the seventeenth issue of the **edge**, our publication dedicated to shining a light on leading-edge topics that shape our industry's collective future.

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## The changing face of auto: fresh perspective meets new technology

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It's the call we're hearing across the country: help needed. And the auto industry is no different; from regional carriers who simply don't have enough people on hand to keep up with demands of the business, to corporate partners with large fleets working overtime to keep up with changing technology, the question is the same — how do we keep up with ever-changing industry advancements?

For the problem solvers and the quick thinkers, this opens up an opportunity for partnership, choosing partners who are focused on people and technology, with the capacity and expertise to supply a bundled solution that creates efficiencies and cost savings.





## THE [MISSING] TALENT FACTOR

From long-term workers nearing retirement age to flagging recruitment efforts to bring new talent into the fold, there is now — and will continue to be, for the foreseeable future — a gap in human resources throughout the auto industry. And it's impossible to ignore or avoid how labor shortages, exacerbated by the still-raging pandemic, have affected the marketplace as well.

That leaves us with an aging demographic of industry insiders, a younger demographic looking elsewhere (perhaps not even aware that opportunities in the auto industry exist) and a swath of people who have found their way into claims rather than setting that as their primary career path.

So how can we mirror our industry reflection to the changing face of the young professional? To turn the tide, we can and should be reaching across the talent gap with:

- College development training programs that authentically welcome new perspectives and fresh faces into the fold
- Social media campaigns that reach younger candidates where they are, and can teach them about career paths in claims handling
- Holistic benefits that speak directly to them — like purpose-driven work, flexibility in their workplace environment, and an organization that will take care of them mentally, physically, financially and professionally



## TECHNOLOGY ADVANCES AND OPPORTUNITIES

Along with new faces and fresh perspectives, adding to this changing face of the auto industry is a different approach to how we're using technology.

There aren't a lot of places where "one size fits all" turns out to be true — it certainly isn't in claims. Where before all claims went to one place, through one process, we know now that all-or-nothing approach is rarely what's best for customers. Instead, smaller carriers and fleets would benefit from modeling the programs and processes of the larger, tier-one carriers, in terms of making sure they're using the right type of loss adjustment expense (LAE) and lowering their overall indemnity costs.

Fueled by technology, we're seeing a necessary shift at the adjuster level when it comes to determining method of inspection (MOI), based on information found through the first notice of loss and damage description. Field appraisers are saving time with technology by managing their workload and overall work process directly from the field via mobile applications; for the adjuster, repair triage tools that can identify what type of loss goes through what type of repair process (e.g., photo estimatics or total loss processing) are done at the first notice of loss or the desk level.

## Types of loss

- Low severity (no intention to repair)
- Medium severity (vehicle will be repaired)
- High severity (border or potential total loss)

Basing a recommended MOI on the type of loss – rather than draping it with a blanket solution – increases customer satisfaction, drives down LAE cost and severity, and streamlines and simplifies the whole process.

By triaging correctly up front, you've got more quality control over your claims as well. As many carriers work through shortages with staffing and recruitment efforts that are more competitive than ever, they're turning more frequently to outsourcing as an efficient way to manage the end-to-end claims piece.

Other industry trends we're seeing:

- **Telematics**

In a *people first, tech forward* environment, nothing aids our experts more than expedited access to data in order to control claim costs. By merging the information we get from telematics and cellular technology, we're able to access real-time claim data at an accident scene.

- **Direct repair programs**

Through a national network of shops, clients can choose a repair facility and submit claims directly after capturing basic claim details, toggle between preferred network or chosen repair facilities to compare labor rates, and view repair facility ratings based on KPI metrics (e.g., cost containment, cycle time, customer satisfaction).





#### ▪ End-to-end auto solutions

From accident to settlement: An end-to-end auto solution will cover everything from end-user mobile applications to full-service vendor management to complete claims management. It'll provide adjusters an actual triage model, walking them through whether something needs field support or if it should go to a direct repair program, for example. The right technology will guide the adjuster through the process, helping to determine if a claim can be photo estimated, or if it's a total loss that will require "boots on the ground."

#### TALENT + TECHNOLOGY + TOOLS

With a robust blueprint of what you're trying to accomplish, from challenges you're currently facing to areas of future growth, we can build a strong foundation — one that will continue to support strategic growth through customized technology and expanded solutions.

An end-to-end auto story needs to incorporate both seamless process and exceptional technology, keeping it effortless for consumers throughout the lifecycle of a claim. And behind it all should be a talented, knowledgeable team of experts, busy matching solutions to needs.

#### What to look for in an end-to-end auto solution:

- A seamless, efficient process, which will lead to a direct reduction in costs
- Agility via a customizable workflow, either through end-to-end handling or as a tailored supplement to existing first notice of loss and policy verification processes
- Technology that ensures a fast cycle and response time, minimizing frustrations for the consumer when they're in the midst of a challenging, often stressful time
- Robust auditing and oversight protocols to ensure accurate estimates
- Insight and transparency into costs and work cycle through detailed reports

#### RESOURCE

Williams, A. People get ready: recruitment and retention in a complex automotive industry. Automotive Manufacturing Solutions. April 20, 2020. <https://www.automotivemanufacturingsolutions.com/kaizen/people-get-ready-recruitment-and-retention-in-a-complex-automotive-industry/40497.article>

# From satellites to bots and beyond: the evolution of property claims technology

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We'll admit it's true: The insurance industry, historically, has not been known for its rapid adoption of technology. But we're seeing real change begin within some sectors — and on the property side, in particular — as over the past decade the industry has begun to embrace and actualize new and advancing technologies. With that, of course, has come the ups and downs of lessons learned: some real high points, and some missed expectations.

As we take a holistic look at the latest technology aiding in property claims, we're eager to see where the evolution is headed; identifying the technologies that can provide tangible, meaningful benefits will start with exploring what's worked, what hasn't, and what is necessary to ensure optimal claim processing, adjudication, settlement and customer satisfaction.



WHERE IT ALL BEGAN

When the property claims marketplace began to adopt drones around 2010, the “cool new toy” quickly proved its value. Today drones are routine in many property settings, having advanced beyond traditional visual imaging to include thermography (a non-invasive imaging system used to show hidden damage) and accurate physical measurements of damaged property.

Technological advances in drones continue to make them well-suited for certain applications; still, there are limitations. For example, using an adjuster for wind damage to a home’s roof may be the most economical approach to ensure an accurate analysis of what is typically a simple claim. However, when a claim requires more detailed analysis from an engineer, drones can provide important data and insights, especially related to structural and hidden damage.

After drones, satellites have become the next focus for property claims. While they’re great for looking at large-scale damages over a wide area or extensive commercial properties, they can’t provide granular detail, and poor clarity and image focus make it difficult to ensure accurate interpretation of the cause of damage. And availability is limited — satellites may only fly over an area a few times a year and pinpointing a specific location is costly.

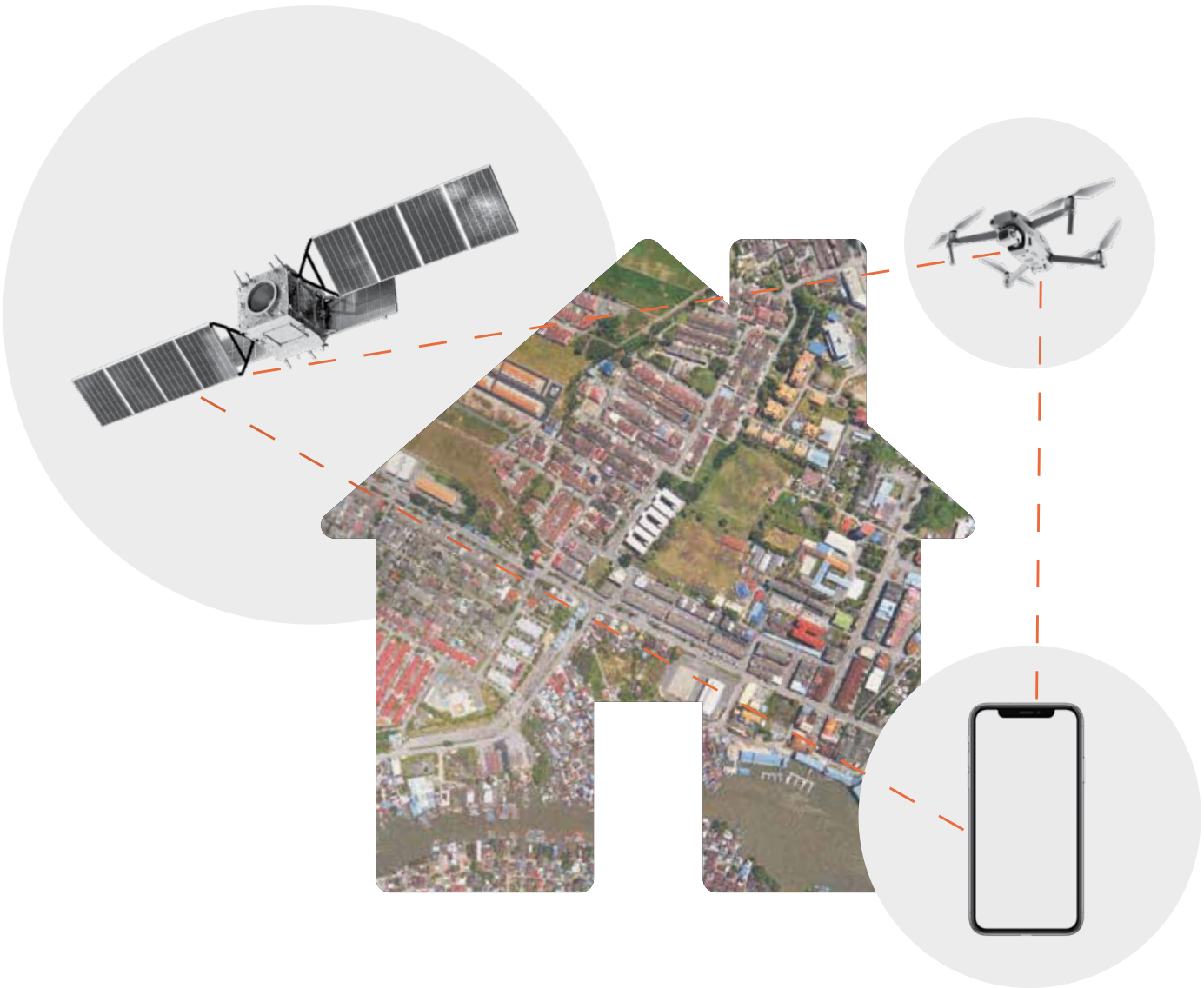
In recent years, the industry has adopted more emerging solutions, like track-mounted robots with wheels. About the size of a laptop, they can go into dangerous site conditions and be remote controlled to access areas like crawl spaces and floors damaged by fire. The robots are efficient, time-saving and ensure the safety of investigators who can avoid going into potentially unsafe buildings.

Another innovative solution, 3D imaging of loss locations has revolutionized how experts can graphically illustrate origin and cause of damage for a property claim. The technology not only helps with claims settlement, but also has proven remarkably effective in litigation settings; one camera takes millions of pictures and splices them together so that an adjuster, attorney or even jury can virtually walk through a property. Going one step further, it’s possible to use lasers to collect the photographs, along with space schematics and dimensions, to provide clear pre- and post-damage images.

This amount of data — even down to measuring the deflection of columns and beams in a damaged building — would take weeks to analyze through traditional methods. Imagine a jury that gets to virtually tour a building damaged by fire and can see 3D renderings of events that led to the loss; such visualizations can provide an important boost to the victorious side of a litigated claim.

THE RISE OF BOTS

Another promising advancement in property claims is the growing use of “bots” (robots that deploy an automated program which runs over the internet) to help triage claims, identify customer demographic information, policy data and deductibles, and even ensure a claim gets to the right customer service option or representative.





On the claims processing side, we can tell bots what to look for, such as the correct form for a specific claim. Bots are especially beneficial for high-frequency claims (e.g., roof damage) that have elements that can be standardized. We can even tell bots what to look for using photo recognition technology and, through that capability, enable remote adjusters to analyze and estimate damages.

In short, we can teach bots to learn so we can take on more complex elements of a claim. The value of this approach is that it drives automation, reduces cycle time and ultimately improves customer satisfaction.

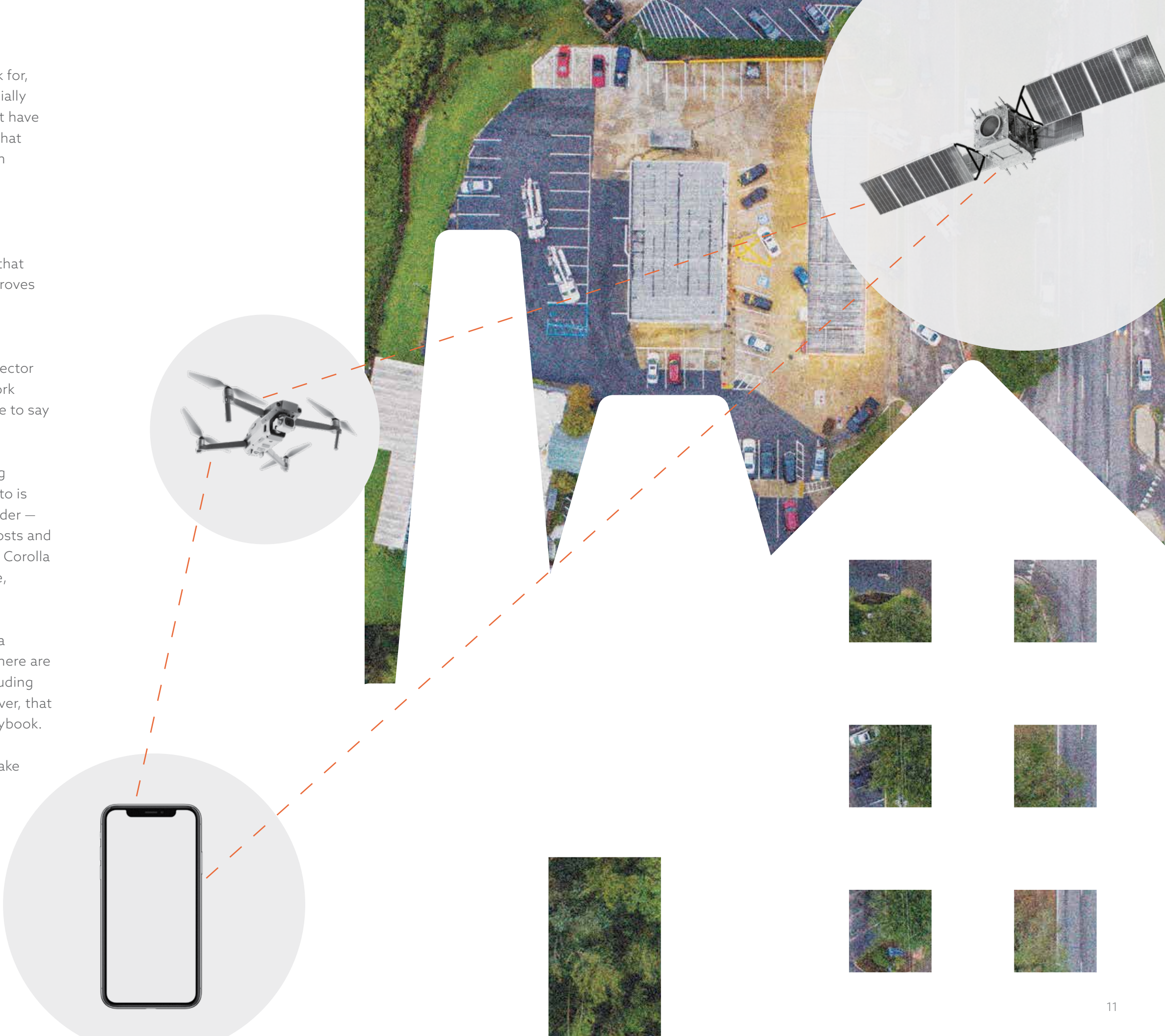
**TAKING A PAGE FROM AUTO TECH**

When it comes to implementing technology, the property sector would be wise to learn from its auto counterparts; as we work toward broader adoption of technology in our arena, it's safe to say our partners in the auto industry are years ahead of us.

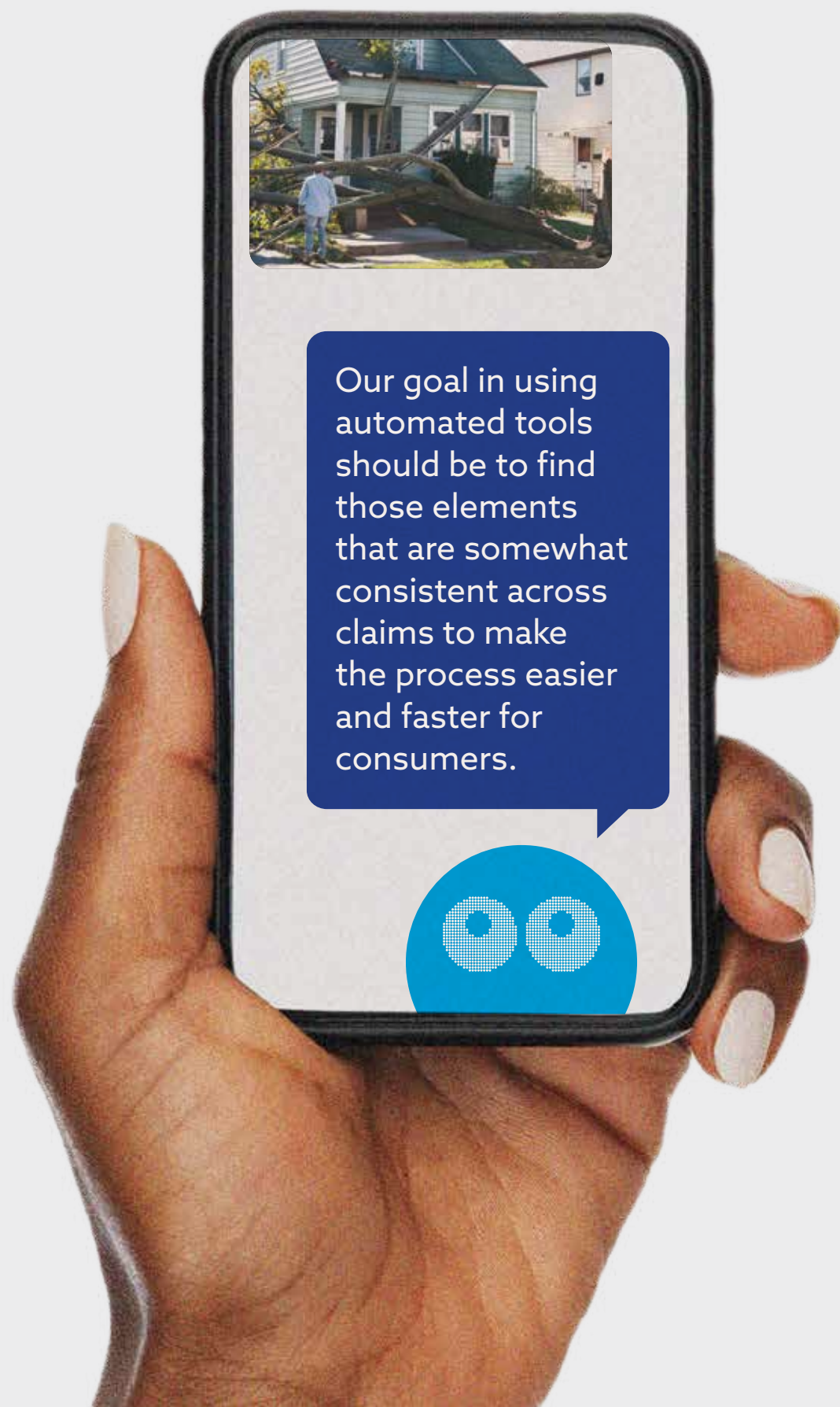
The most effective application of tech in auto claims is using smartphones to capture an image of the damage. That photo is sent to the adjuster and an estimate is produced in short order — often while the customer is on the phone. In auto claims, costs and damages are standardized: The cost of a bumper for a 2010 Corolla is the same in Akron or Albuquerque. The industry can rinse, wash and repeat its process for many claims.

Some believe that kind of rapid response isn't feasible with a property claim, which can be much harder to standardize; there are multiple variables to consider beyond just the damage, including the cost of the property, siding, paint, carpeting, etc. However, that doesn't mean we can't take a page from the auto claims playbook. Our goal in using automated tools should be to find those elements that are somewhat consistent across claims to make the process easier and faster for consumers.

One solution to help us do that is expanding our use of algorithms, artificial intelligence (AI) and machine learning (ML) platforms that can help aggregate data to identify which loss occurrences can be standardized.







For example, for a first notice of loss with an auto claim, the consumer is asked to respond to questions developed using analytics that identify the most common information needed following an accident. Once completed, the platform can identify where that claim needs to go — to a claim adjuster, or to a field adjuster if the accident is more complex — and simple claims can be settled while the consumer is on the phone.

Those involved in property claims management can also use AI and ML algorithms to standardize key claim elements. Adjusters can send a secure link to the customer, who in turn takes a video of the damage. If the loss is non-complex, it can go to the desk adjuster. If more involved, a field adjuster can provide an estimate and, in some instances, issue payment to the customer immediately. It's a streamlined, efficient and accurate way to manage the process.

### NEW TECHNOLOGIES ON THE HORIZON

One area industry insiders recommend watching is the emerging behavioral-based approach to managing claims. Using analytics, we can look at the type of questions posed by customers; then, as we learn areas of interest, we can integrate those features into the claims process workflow, enabling organizations to better align resources while securing improved results.

The integration of findings into the claims process can be challenging, depending on the level and kind of technology an organization has adopted. Currently, many systems in our industry are disparate and often housed in silos. The goal should be to create a single system for agents, underwriting, claims and restoration. If our industry could get customers on a single path — integrated into a single workflow — we would see tremendous benefits. The good news is, we're getting better at responding to the ever-changing environment and figuring out where new information and insights belong in the claims management process.

Texting has become increasingly common among a wide range of consumers; we use it as a way to connect with customers for scheduling, communicating claims status and more — a handful of innovators in our industry are integrating texting into all claims systems. Chatbots can help identify which customers will respond



best to text, and those who prefer more traditional outreach. Our industry can also apply lessons from sites like Facebook and Instagram, which use technology to track patterns on social media. We too can look at where people are shopping, if they are searching for replacement items for the home, if there's been a recent natural disaster in a given area, etc. Once a customer opts in, we can use those insights to identify who is impacted, who doesn't have a policy and who needs proactive outreach.

## TECHNOLOGY WILL CONTINUE TO RESHAPE PROPERTY CLAIMS

Consider that adjusters used to travel with ladders; now the must-have tool is a smartphone or tablet powered by apps. Safe to say, as baby boomers pass the torch, the insurance industry is entering a new era.

The recent pandemic has also impacted our industry's use of apps and automated tools. We know now that a wide range of technology is beneficial, adaptable and can help to inform, connect and engage while making us more efficient. As an industry, our task now becomes identifying those tools that offer the most value, quickly integrating them into our workflow and ensuring we know how to use each one wisely to ensure optimal outcomes.

## THE PEOPLE BEHIND THE TOOLS

Clearly there are many promising technologies used in property claims today, and more on the way. Even with a steady influx of technological advancements, though, the most influential component in property claims remains the same: the people behind the tools.

A satellite, for all its benefits, can't dig deeper. A drone can show surface damage, but it can't lift up the shingles and examine what's underneath. There's simply no replacement for the people who interpret the data, who make the phone call — who show up on site in the wake of a disaster, ready to do the work and, most importantly, offer support, comfort and hope.

## RESOURCE

Remote field adjusting is a tool with the human touch. Sedgwick Connection blog. June 14, 2021. <https://www.sedgwick.com/blog/2021/06/14/remote-field-adjusting-is-a-tool-with-the-human-touch>

# Global workforce absence management: balancing technology, compliance and empathy

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For the past many months we've been away from our desks, out of our chairs, and watching, albeit tentatively, as the world returned to work — all while emerging new strains of the coronavirus create uncertainty and demand flexibility.

As global employers strive to ramp up — and even improve upon — pre-pandemic employment trends, they share a common goal: to have a full complement of physically and mentally healthy and productive workers on the job. And really, that goal goes much farther than anything pandemic-related; from a productivity standpoint, employers are always eager to get people back in their "seats" and back to work, regardless of where the work is getting done, or the reason for their absence. The fuel to power that mission is an effective workforce absence management plan.



Developing a strategy for global workforce absence management in today's ever-changing marketplace can be challenging; it will need to include a well-thought-out formula that combines technology, sensitivity to employees' needs, awareness of local regulations and cultures, and a commitment to always doing what is best for the worker, and therefore, the organization.

While each organization is unique, as are the dynamics of individual countries, an understanding of common challenges and goals and an in-depth exploration of successful programs will provide the insights needed to develop comprehensive, effective and supportive workforce absence management initiatives.

**DIFFERENT APPROACHES, SAME GOALS**

At its essence, workforce absence management is an integrated effort to track all occupational and non-occupational absences within an organization. Program goals include:

- Helping employers better manage employee absences
- Safeguarding the health and wellness of employees
- Ensuring efficient operations
- Reducing disruptions to the workplace
- Avoiding non-compliance and related penalties
- Supporting effective return to work initiatives

The most effective approaches include emphasizing worker safety, respect for valued employees, a focus on proven programs that will help return employees to their jobs quickly and safely, and increasingly, an emphasis on mental and behavioral health needs.

**SHARED CHALLENGES**

According to the United Nations, about 1.3 billion workers worldwide are employed at businesses, corporations or government entities (another 1.6 billion work in the informal global economy). While the world's employers and their needs are diverse, there are universal commonalities. A high number of



employers today are facing an increasingly competitive field when it comes to hiring and retaining talent. Many positions, like those in skilled manufacturing, technology and sales, remain unfilled. As a result, a growing number of businesses face an unprecedented shortage of workers.

And that's where solid workforce absence management factors in, in a big way. How people are treated when they are ill — specifically by their frontline managers — can be a factor in recruitment. A check of online global workplace reviews reveals frequent comments from employees with negative experiences when ill or on leave; you can be sure potential employees are checking out these sites as well. Companies with flexible leave policies and active support for life events are often chosen by sought-after employees.

Of course, leave programs vary significantly by country, industry and company. Some businesses offer rich leave policies; others, often because of government regulations, do not. According to 2016 data from UNICEF, Sweden, Norway, Iceland, Estonia and Portugal rank highest for family-friendly policies (e.g., duration of family leave with full pay) within the Organization for Economic Cooperation and Development (OECD) and European Union (E.U. countries). Conversely, Switzerland, Greece, Cyprus, the United Kingdom and Ireland are among the lowest-ranking countries.

"Estonia offers mothers the longest duration of leave at full pay at 85 weeks, followed by Hungary (72 weeks) and Bulgaria (65 weeks). The United States is the only country included in the analysis with no national paid leave policy for mothers or fathers." Report – *Are the World's Richest Countries Family Friendly?* UNICEF, 2019



As every country has distinct regulations and guidelines, there is no one-size-fits-all solution for global workforce absence management. The process is especially arduous in places where frontline managers must track absence data and personnel manually, in addition to their many other responsibilities. This can lead to poor communication with workers, a lack of follow-up to engage in return to work outreach, and fewer insights into short- and long-term staffing needs. It also puts organizations at risk for lapses in compliance.

## EXPERIENCE OF EMPLOYERS IN U.S. CAN BENEFIT GLOBAL EMPLOYERS

Each of the 50 states has its own unique laws governing the workforce absence management process, plus rules from the federal government, unions and payers, not to mention separate laws on short- and long-term disability. The U.S. understands the complexity of workforce absence management and, as a result, has insights to share. Features of successful U.S. workforce absence management programs that have relevance on a global basis include:

- **Return to work accommodations**

- Transitional work placements and job modifications help accommodate employees who may not be able to return to their previous position after their leave ends by finding other roles where they can provide value.

- **Close collaboration with clinicians and care coordinators**

- Experienced providers and care managers look at both the needs of the organization and the physical and mental health of the employee to determine what open position at the company is most appropriate.





- **Proven technology with the flexibility and embedded insights to meet organizational needs**

- Optimal workforce absence management technology connects stakeholders and communicates critical information promptly (e.g., how long the employee has been out, when they will return to work). Technology must be configurable and adaptable by countries and the rules of the corporation. Technology can also help by automating tasks like scheduling, reporting and planning.

To help busy frontline managers track leaves, consider adopting technology that offers an interactive web-based portal. Managers can view their employees' claims to see who is off and confirm return to work at any time, making planning and budgeting simple and more efficient. Employees can use the portal to obtain notifications about key claim events, confirm return to work dates and get answers to other questions they may have.

- **Employee engagement and communication**

- Periodically engaging with employees on leave — even with a simple email or text — helps them to remain connected, encourages them on their road to wellness and ensures they are prepared to return to work.

- **Genuine empathy and caring for the employee's personal situation**

- While sending an email wishing a coworker well is important, it must also be authentic. Empathy can't be mandated, but it can be modeled and encouraged. Support frontline managers so they have the tools and guidance needed to show compassion and care to their colleagues on leave.

- **Strong training and education programs for managers and other key staff**

- Ongoing education can ensure department heads and managers understand their role, how to lessen strain and additional work on other staff, the importance of regulatory compliance, and how to seamlessly and efficiently manage the leave process.

- **Rigorous emphasis on compliance**

- For multinational corporations, the right technology can help support compliance efforts with automated system prompts and reminders if there are specific actions to take or reports to file.

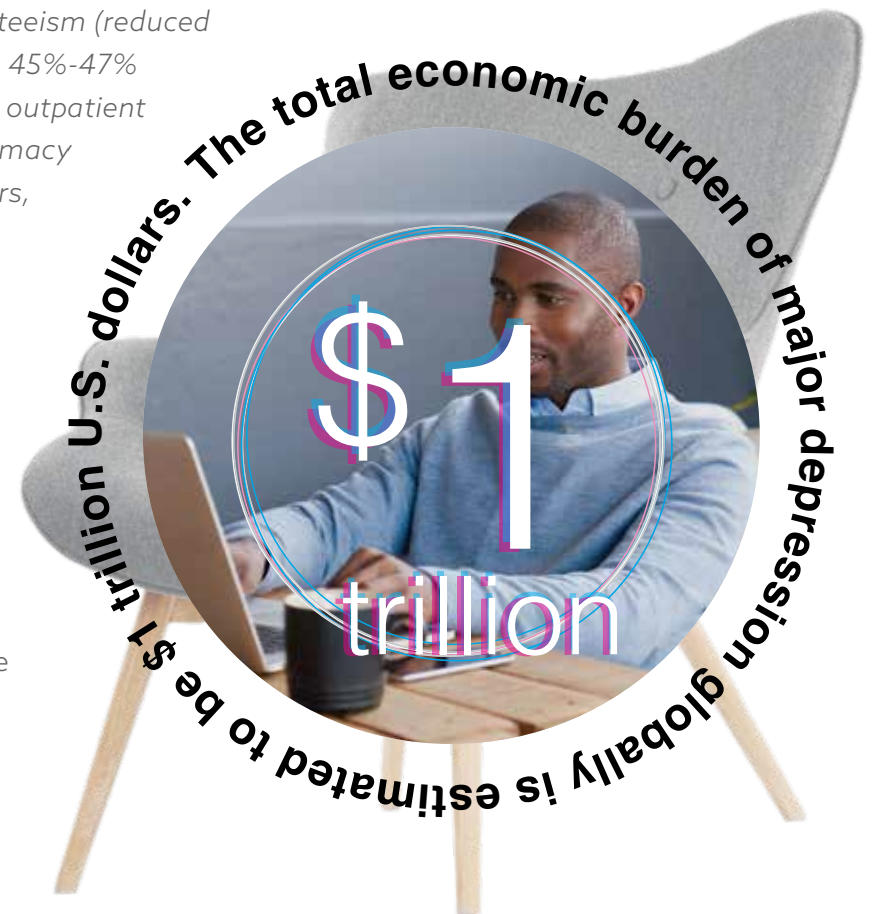
## **MENTAL HEALTH PROGRAMS ARE VITAL TO WORKFORCE ABSENCE MANAGEMENT**

Industry experts and public health leaders have been steadily more vocal in stating that strong workforce absence management begins with good employer-sponsored mental health programs. It's not simply a trend; it is crucial as employees worldwide struggle to manage demands of a global marketplace and the ongoing impact of a historic pandemic.

A recent study from the U.K. reported a 24% increase in depression since the start of the pandemic. In the report, the Center for Workplace Mental Health noted:

*"Nearly half (48%-50%) of [costs related to anxiety and depression] are attributed to the workplace, including absenteeism (missed days from work) and presenteeism (reduced productivity while at work), whereas 45%-47% are due to direct medical costs (e.g., outpatient and inpatient medical services, pharmacy costs), which are shared by employers, employees, and society."*

And the costs are significant. In the U.S. alone, the cost of major depression (MDD) within the past year rose to \$210.5 billion. All told, the total economic burden of MDD globally is now estimated to be \$1 trillion U.S. dollars. No matter where an organization is located, effective workforce absence management programs today must include a mental health component.





**THE TIME TO FOCUS ON WORKFORCE  
ABSENCE MANAGEMENT IS NOW**

The future of the global marketplace remains in constant flux. There are many challenges. It's a complex task, but it's one every organization must undertake; without a strong and healthy workforce, employers, countries and individuals won't succeed.

The talent war is global, as is the need to address the mental health of a workforce battered by a pandemic. To effectively manage the needs of today's workforce, there's a need for better programs, better technology, better focus on core problems and for true compassion and care for what employees on leave may face.

**Workforce absence management technology checklist**

Look for technology that offers the following features:

- Tracking of employee leave status, including estimated return to work dates
- Data coordination of basic employee information, address, contact info, job role
- Dashboard reporting for managers as well as detailed reporting when needed
- Up-to-date database on country-specific leave rules
- Streamlined absence reporting so that frontline managers don't have to take on that time-consuming responsibility
- Customization and configurability by country and business unit to ensure specific rules and requirements are met

**RESOURCES**

Nearly half of global workforce at risk as job losses increase due to COVID-19: UN labour agency. UN News. April 28, 2020. <https://news.un.org/en/story/2020/04/1062792>

Sweden, Norway, Iceland, Estonia and Portugal rank highest for family-friendly policies in OECD and EU countries. UNICEF press release. June 12, 2019. <https://www.unicef.org/press-releases/sweden-norway-iceland-and-estonia-rank-highest-family-friendly-policies-oecd-and-eu>

Are the World's Richest Countries Family Friendly? Family-friendly policies report. UNICEF. 2019. <https://www.unicef-irc.org/family-friendly>

Study shows pandemic increased global depression and anxiety levels. Diabetes.co.uk. April 6, 2021. <https://www.diabetes.co.uk/news/2021/apr/study-shows-pandemic-increased-global-depression-and-anxiety-levels.html>

Center for Workplace Mental Health. <https://www.workplacementalhealth.org/>

Investing in treatment for depression and anxiety leads to fourfold return, World Health Organization news release, April 13, 2016. <https://www.who.int/news/item/13-04-2016-investing-in-treatment-for-depression-and-anxiety-leads-to-fourfold-return>

**CASE STUDY**

**Pilot program:  
How Sedgwick rolled  
out a global workforce  
absence management  
solution — starting  
with our own Ireland-  
based colleagues**

**OVERVIEW**

In Ireland, absence has traditionally been managed by either in-house human resources departments or by insurers. Sedgwick recognized an opportunity to fine-tune workforce absence management here, modeling the solution we've long offered in the United States.



## CHALLENGES

The Sedgwick brand is recognizable worldwide — though in Ireland, we're known mostly for our work in the loss adjusting vertical. So while we didn't have the challenges of introducing a new brand, we did have to figure out how to introduce a new concept, and reacquaint ourselves with a new swath of clients who may have viewed us in a particular light.

We needed organizations to recognize that outsourcing their absence management to Sedgwick's experts — nurses, physicians, consultants — means more employees returning to work, and doing so more quickly.

And we needed to make sure our propositions are right for each territory: the team, the coverage, the management. Localizing the solution meant understanding the nuances of a particular area's language and terminology, how legislation differs across territories (much as it does across states), which rules we have to comply with when managing absenteeism and more.

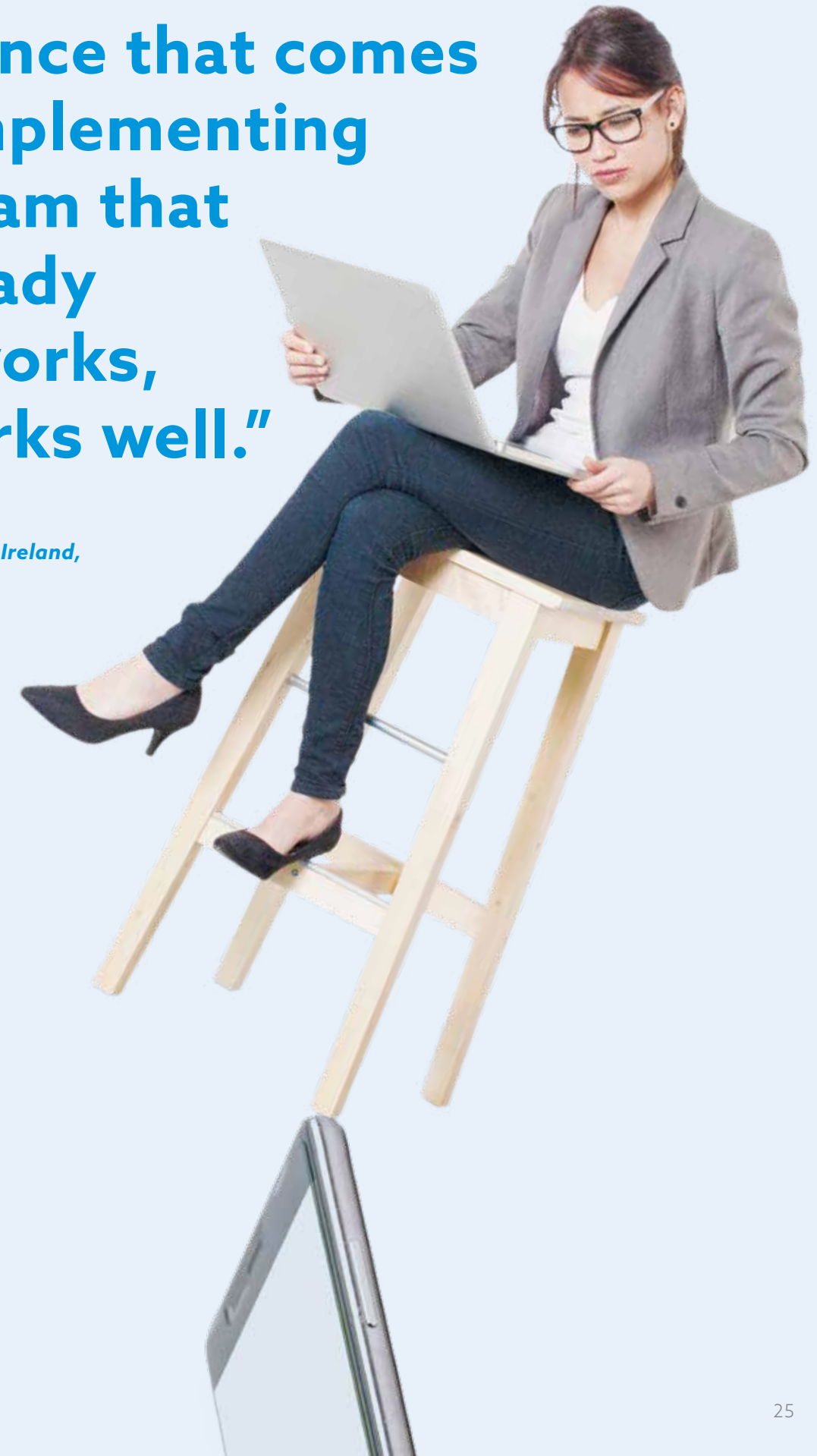
## Approach

- **Follow the blueprint.** Because Sedgwick's workforce absence management solutions in the U.S. have been tried, tested and proven successful, we were lucky enough in Ireland to not be starting from scratch. The internal pilot would allow us to look at local policies and processes, and to apply the operational model that best fits the culture, style, market, etc. for each territory.
- **People first. Tech forward.** Access to Sedgwick's innovative technology means we have a system that allows us to efficiently manage claims, generate reports, provide analysis — as outsource providers, we have a tremendous amount of marketplace information to draw from.

But where technology gives us speed and efficiency, it's really here to support our people — the true caregivers. Our clients, in any line of business, expect a certain standard from Sedgwick. By supporting our expert team of people with state-of-the-art technology, we're giving our clients what they deserve, want and expect from Sedgwick. As Ruth explains, "We call it 'the blue hue' here in Ireland, and it means that everything we do is client- and

**"There's a lot of confidence that comes from implementing a program that we already know works, and works well."**

**RUTH LEGGETT**  
*chief executive officer, Ireland,  
Sedgwick Global*



customer-focused. We're in the business of resources; technology assists us, but it'll never lead the way like our people can."

By understanding how legal regulations support both employees and employers, we are well positioned to get the proposition right, and all the contributing factors that will ensure the product we're offering is the best one for both the employee and the employer.

### WHAT'S WORKING

As we near the end of the pilot program, what we're seeing most is, quite simply, more active management of not just claims, but employees. Where before the environment often meant a case was "being managed" through monthly check-ins, we're instead seeing cases receiving day-to-day attention. This is directly leading a quicker return to office for employees.

More dedicated resources means that absence management is being given the time it deserves, rather than being something on a long list of tasks for an already stretched-thin frontline manager. And when the right resources are in place — experts who are trained specifically on how best to handle the complex reasons behind so many workforce absences — those managers can devote themselves to what they do best, whether that's managing a team, leading operations, etc. When you've got someone who is trained in absence specifically, you get both the empathy and the expertise so critical to providing the best care possible.

What we've done successfully with the pilot in Ireland is to more thoroughly understand what workforce absence management is, and to translate that into a product that will make sense for our clients here.

### WHAT'S NEXT

There's no reason that what has worked so well in the U.S., and is working so well here in Ireland, won't succeed around the world. Every country has employees, every country has absence to deal with, and every absence comes with a cost. As there are here, there will be variances everywhere; Sedgwick's ability to manage those differences on a global scale means employers will have the best chance at getting employees back to work as quickly and safely as possible.

## Expert view

*An interview with Josephine Copeland,  
senior vice president, product design and strategy, Sedgwick*

#### edge:

*Before we dive in, tell us a bit about this new role with Sedgwick's managed care division... and why you were the right person to fill it!*

#### Jo:

Sedgwick's leaders are always looking toward the future — as any innovative organization must — and always considering how to best drive the most optimal outcomes, both for clients and for ill or injured employees. Sedgwick's innovation and leadership were a big part of my decision to come on board; I wanted to be surrounded by industry thought leaders in technology, innovation, cost containment.

I knew when I joined Sedgwick's managed care leadership team, I'd be diving right in to find new opportunities to provide our clients with the tools they need to get their employees back to health and work, as safely and as quickly as possible.

And just as importantly, our values aligned: When Sedgwick says, "taking care of people is at the heart of everything we do," they mean it.

#### edge:

*What will you be focusing on as you look to find those new opportunities?*

#### Jo:

Everything my team is driving toward falls under one of two tasks: improving user experience, whether that user is an ill or injured employee, customer or claim examiner; and lowering the cost of risk.

When it comes to user experience, my top priority has been — and will continue to be — introducing new concepts into workers' compensation, including those that already exist outside the industry. People are not at their best when they're injured; they deserve to get the best from us. Care is a journey, and humanizing workers' compensation is a good thing.



An imperative. We have to be thinking about all the factors — age, geography, culture, severity — that go into assigning a case manager, and asking how we can conform case management to the injured worker, delivering solutions that are patient-centric and personalized. When injured employees trust their case managers, their engagement in their own recovery and return to work is measurably enhanced.

There are lots of participants in the healthcare ecosystem, and all have different experiences with us. We need to consider each and every one of those

people — from the injured employee and medical provider to the risk manager — keeping in mind their individual experiences and critical goals.

I'm always asking, "What if we did *this*?" If we're asking ourselves that while we consider both user experience and cost of risk, we'll find that's the real marriage of innovation and strategy. The challenge is to become comfortable with examining what may seem too crazy or out of reach...embrace opportunities for bold change.

**"The challenge is to become comfortable with examining what may seem too crazy or out of reach...embrace opportunities for bold change."**

**JOSEPHINE COPELAND**

**edge:**  
When it comes to that marriage of innovation and strategy, how do you see those two processes complementing one another?

**Jo:**  
I actually think there's a real benefit in separating the two. Everyone has to be able to participate and contribute in their own ways to make a marriage work, right? Operations has a certain rhythm to it. You can't afford constant interruptions. Strategy, on the other hand, doesn't necessarily move to any particular beat. It's go/stop/now go faster/now slow down. The pattern is iterative and responsive to new findings over time.

Those are two very different mindsets and it's unfair to ask them to conform to one way of doing things. It's unfair to ask your operations team to maintain that rhythm, stay in the moment, but also look into the future. You need strategic resources who can collaborate with operations, look for areas ripe for improvement and marry that with what's happening in the industry to ensure our services continue to be highly competitive, while looking to the horizon for new solutions and setting the organization up for meaningful evolution. That's where I come in.

**edge:**  
And what do you see as key initiatives for your team, as far as new solutions on the horizon?

**Jo:**  
First, we're looking at ways technology can help shorten the timeframe between service referral and actual service delivery. Getting injured workers the care they need as quickly as possible places them on the road to recovery faster and helps to reduce lost time days.

Secondly, we're following Medicare's push for 100% value-based provider contracting by 2025 so we consider and are prepared for any impact to workers' compensation in the future.

And we're also working on something that builds upon our existing decision optimization model — we believe it will revolutionize case management and I'm excited to share more about that in the near future.

I'm a firm believer that if we continue talking about the need, the solution will follow. The question is always: How do we most effectively drive change?

**edge:**  
What needs are you seeing in the market that we should be paying attention to?

**Jo:**  
Right now, for example, workers' compensation has not yet fully embraced what can be accomplished through digital healthcare. We talk about telemedicine, certain wearables, but in workers' comp we tend to think of disparate solutions for specific problems, rather than thinking about addressing overarching recovery needs and lowering the total cost



of risk. If we think of an open wound example, where a patient is bedridden and wound management is so critical: What if his mattress could track and report back on his movement? We'd have better insight into when he's feeling pain, ensuring his home healthcare worker is doing what they should, etc. Monitoring may seem small, but it's critical; there are just so many places recovery can go off the rails.

Also, and unfortunately, so much data today just isn't digestible; it's used to get to predictors. But it needs to be about more than just getting or having the data — it's what we do with the information it provides us that makes all the difference. That's why we're focused on decision optimization, not just predictive analytics. There's so much more we can be doing on the healthcare side, like helping us see where we can help our nurses — whom we rely so heavily upon — optimize their skills.

**edge:**  
Any industry trends you're particularly tuned into right now?

**Jo:**  
In the midst of the pandemic, we've seen a tremendous rise in attention being paid to mental health. I'm concerned that as we start to swing back to work and back to the office — back to "normal" — we should not dismiss the lessons we've learned about trauma, resilience and mindfulness. I hope the industry can incorporate these lessons into creating an environment that is COVID-safe, but more broadly, an environment that supports employees as they look to create balance in their lives.

We were just getting to understand how much mental health impacts recovery. I know our behavioral health team will continue to highlight that correlation and continue to work hard to make sure employers understand the significance and importance of understanding and honoring their workers' mental health and life balance. In that same vein, I'm curious to see how claims might look different as people work

differently — injuries in a remote work environment will just naturally be different from those on site. And that will obviously change how we prepare for them. We have approximately 18 months of retrospective claim data that is most likely driven in part by a remote workforce. This can be a baseline for examining and planning for the "new normal" workplaces.

**edge:**  
You've served on several panels focused on diversity and inclusion, like at the *Business Insurance Women to Watch Diversity & Inclusion event* and *National Workers' Compensation & Disability Conference*. Can you tell us a bit about what those programs mean to you, and how you see them affecting the industry?

**Jo:**  
For women and people of color in our industry — like in so many — there's a funnel, but it's upside down: lots of diversity at the bottom, then less and less as you move up. Representation is so important. It's a message that, thankfully, we're hearing more and more recently, but we need to keep pushing it forward. People need to see themselves in certain spaces to understand and believe those places —

whatever, wherever they are — are for them. Even in the talent gap we're experiencing right now, there are fewer people of color, fewer women. We have a tremendous opportunity to show women and people of color that this is a powerful industry, one where you can make significant, meaningful contributions. At the end of the day, diversity is about different perspectives,

and the more we have the better. Injured employees are better off when more people are bringing their perspectives to the table. Organizations and leaders are better off, too, when they surround themselves with the people who can bring in what they don't have themselves. Beyond race or gender, it's our filters and experiences that are so important.

**JOSEPHINE COPELAND**

As senior vice president of product design and strategy for Sedgwick's managed care division, Jo leads the group's efforts to develop innovative, state-of-the-art managed care and medical cost containment solutions that drive optimal outcomes for clients and claimants. With more than 20 years in the industry, her comprehensive management background includes experience in workers' compensation, auto and group health PPO networks, medical bill review and managed care organizations.

She was recently recognized as a *Business Insurance Women to Watch* honoree and has served on panels at the *BI Women to Watch Diversity & Inclusion event* and *National Workers' Compensation & Disability Conference*.





# Community spotlight: offering a hand “up” to the food and beverage industry

BY **KIM KRAUSS**  
managing director, global marketing and  
communications, Sedgwick

As the coronavirus (COVID-19) spread to every corner of the world, its effects also seeped into nearly every industry, organization and home. Those in the food and beverage space were arguably some of the hardest hit during the ongoing pandemic: The impact of strict shutdowns and restrictions wiped out nearly 2.5 million jobs. Along with their paychecks, workers lost health insurance coverage. They exhausted childcare resources. Some were forced to forfeit their vehicles to make ends meet — a painful cycle that then made getting, and getting to, new work opportunities nearly impossible.

For the team at Southern Smoke, stories like these are far too familiar. And they are determined to change the narrative.

## BUILDING A SAFETY NET

Since 2015, the nonprofit Southern Smoke Foundation has served as a crisis organization for people under emergency situations in the food and beverage industry. Much like Sedgwick, Southern Smoke is focused on taking care of others when they need it most, whether it be after a natural disaster or during a health crisis. And the foundation stepped up quickly to expand its services at the onset of the pandemic, when they received 20,000 applications for assistance from food and beverage workers... *in the first week alone.*

## THE RIPPLE EFFECT

To bounce back after a crisis often requires a hand “up.” From friends and families. Employers and coworkers. And from our community. The Southern Smoke team knows just how true this is — many of them were furloughed from the industry themselves. It’s why, as founder Chris Shepherd explains, Southern Smoke was created in the first place: so the people and organizations in the food and beverage industry could “take care of our own.”

Side by side with the Southern Smoke “dream team” on the front lines of this important mission, Catarina Bill has witnessed the ripple effect unemployment has on a food and beverage workers’ livelihood. But thankfully, as the foundation’s director of case management and community partnerships, she is part of the solution.

When one unemployed individual suffered a major brain injury, Catarina and the Southern Smoke team were able to provide funding



The impact of strict  
shutdowns and  
restrictions wiped  
out nearly 2.5  
million jobs.



for him to be admitted to a rehab facility. Without health insurance, he would have been released from the hospital without a rehab option. It's just one example of the charitable work they're doing to protect and support the food and beverage community.

### JOIN THE MOVEMENT

Many food and beverage businesses are getting back up on their feet as COVID-19 restrictions lift, but we haven't

forgotten about the loss they endured throughout the last year and a half. Inspired by Southern Smoke's mission, Sedgwick donated to the foundation's Chicago Restaurant Workers Relief Fund. Colleagues and event attendees at this year's Chicago-based RIMS conference were encouraged to do their part by ordering local food for pick up or delivery, or safely visiting restaurants in the community to generate funds back into the industry.

You can hear firsthand about the power of the Southern Smoke Foundation and its Chicago Restaurant Workers Relief Fund in our video conversation with Catarina. If you'd like to support and provide relief for those impacted, we invite you to join us in donating to the Southern Smoke Foundation.

Together, we can continue to keep taking care of people at the heart of everything we do.



**Southern Smoke was created so the people and organizations in the food and beverage industry could "take care of our own."**

### RESOURCE

Southern Smoke Foundation  
<https://southernsmoke.org/>



## Edging up

*Short takes on emerging industry issues and service enhancements — paid leave program updates, our newly combined risk services offering, and the latest evolution of our intake and incident management technology*



# Risk services update

BY **RICH WIRTH**  
*senior vice president, specialty operations, Sedgwick*

Recently, Sedgwick combined its loss control, safety, ergonomics and OSHA recordkeeping services into a single risk services division. This consolidation enhances key service areas that help businesses reduce loss frequency and severity, lower the cost of risk and ensure safety compliance.

Our colleagues provide local, personalized loss control and risk management services and they have experience in all lines of coverage and virtually all industries. We help clients develop loss control strategies by completing a claims analysis, reviewing current and past claims, and providing cost/impact solutions that align with their goals and initiatives. In addition, we provide risk assessments, consultative

services, underwriting surveys and commercial property assessments for our insurance clients.

We work with employers to help strengthen workplace safety efforts by assisting with program analysis, development, implementation and training. Key areas that we help with include on-site evaluations, accident investigations, and reviews of safety procedures and protocols. In addition, our ergonomics team can review work process design and complete workstation assessments to ensure employees are using the right tools in the right way to accomplish tasks. They can also evaluate work methods and recommend reasonable, reliable ways to improve employee health and productivity.

Another primary area we assist with is regulatory compliance. We provide recordkeeping and related reporting services to help employers comply with

the Occupational Safety and Health Administration's (OSHA) regulations and avoid penalties. Our proprietary application, viaOne OSHA, helps employers reduce their workload by automating much of the reporting process. Options include a basic viaOne OSHA version, which documents information such as time away from work and restricted duty descriptions, and an advanced version with additional features and full-service recordkeeping updates handled by our team.

Sedgwick provides risk services for single and multiple location employers, public entities, self-insured groups, association and group captives, and insurance carriers and wholesalers. With our advanced technology, and experienced and knowledgeable colleagues, we create solutions for our clients that reduce their overall cost of risk. If you have questions or would like to learn more, please contact your client services director.

## RESOURCE

**Sedgwick website**  
<https://www.sedgwick.com/solutions/integrated-services#risk-services>

# Enhanced intake and automated resolution platform introduced

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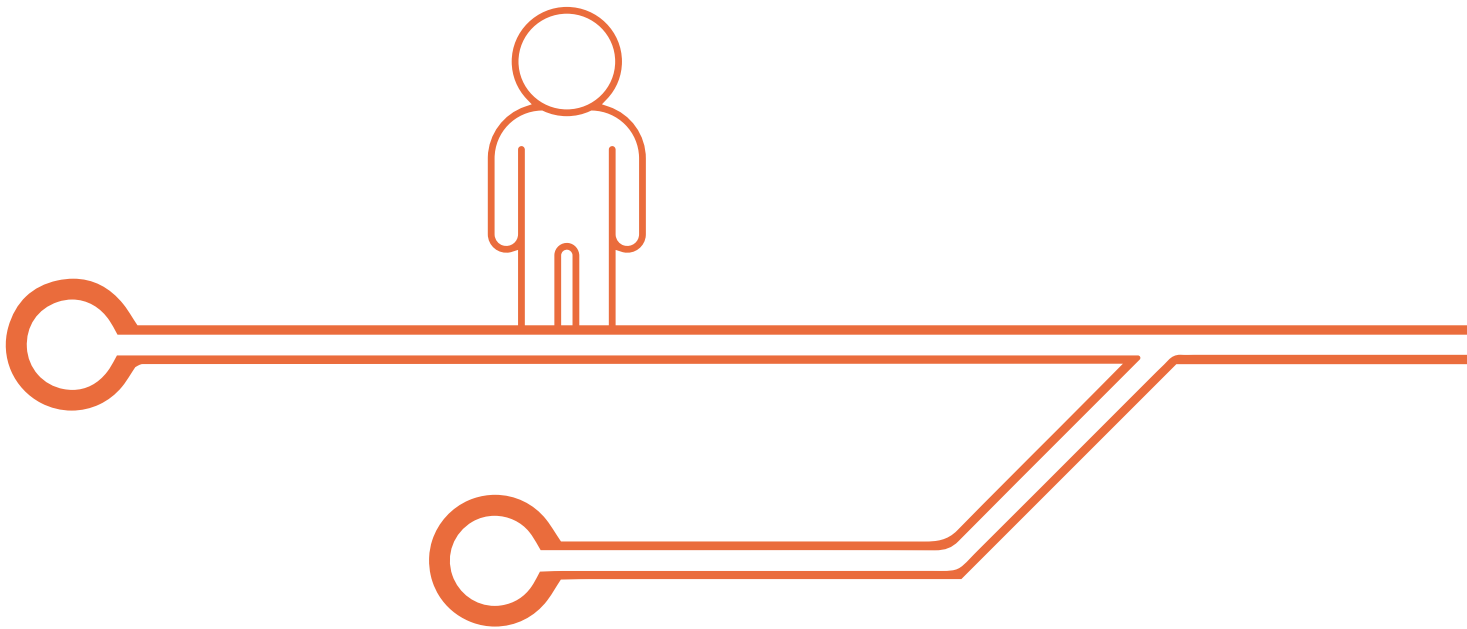
Sedgwick recently launched smart.ly, the latest evolution of our intake and incident management technology. This innovative, award-winning platform is designed to address a range of high-volume incidents or claim events. We introduced smart.ly, previously

known as global intake, after years of development and refinement to meet the needs of our clients and the marketplace. Smart.ly features a more illustrative, powerful and representative identity, reflecting how the global claims and incident intake process has evolved.

Smart.ly integrates advanced technology behind the scenes so that the intake process is simple to the end user. Its intelligent capabilities, real-time system interactions, integrated artificial intelligence, optical image analysis and robotic process automation combine the latest technology, enabling automated claims adjudication and process fulfillment.

Smart.ly is powered by an embedded intelligent engine and guided by a rules-based structure, making it agile, efficient and clever. In addition to claim and incident reporting, smart.ly is also built for automated resolution, fast-track claims, customer service matters, health check surveys and vaccine tracking. A key feature of the dynamic smart.ly platform is that it can be implemented in a matter of hours, not days. That makes it an ideal channel for high-profile and time-sensitive events such as product recalls or other customer service scenarios.

This flexible, multilingual platform can be customized to meet the individual needs of each client, adding familiarity





for customers, managers or other users with custom branding and landing screen messaging, tailored scripting and data fields. Smart.ly's intuitive scripts make it easy to report an incident, and new scripts can be created quickly, making it highly adaptable. In addition, smart.ly's artificial intelligence and automation capabilities allow it to instantly obtain and share information between many sources, taking the approval process for a claim or case from days down to seconds.

Smart.ly offers a secure and easy way for customers, managers or other users to file new claims and resolve issues directly online. Our cloud-hosted platform guides the user through a series of reflexive questions that gather the appropriate information. This intuitive scripting ensures each question connects logically to the next, collecting only the data relevant to that specific event. In addition, smart.ly leverages application programming interfaces (APIs) to securely exchange information with external

**RESOURCE**  
**Sedgwick website**  
<https://www.sedgwick.com/smartly>

sources to validate requests and accelerate resolution. The rapid exchange of information enabled by APIs streamlines data accessibility and ensures accuracy.

With smart.ly, our goal is to find fresh ways to enhance the claims process and provide the best possible outcomes. Our people first, tech forward approach keeps us focused on what's most important. By creating powerful digital solutions, we can smartly support our colleagues and clients and provide a personalized, human-touch experience for employees, customers, policyholders in need of help.

Learn more at [sedgwick.com/smartly](https://www.sedgwick.com/smartly).

# **Paid leave program updates**

**BY BRIDGET CASWELL**  
*director of national technical compliance – absence management, Sedgwick*

Several states recently made significant updates to their paid leave programs. Below are the key changes in Oregon, Rhode Island and Washington.

**Oregon amends PFML timeline**  
Oregon has amended the implementation timeline for its paid family and medical leave (PFML) program. House Bill 3398, which became effective on September 25, 2021,

includes several date changes that will impact employers and their employees.

Previously, payroll contributions and employer notifications to employees were set to begin on January 1, 2022, and employees could begin using leave benefits on January 1, 2023. Under the amended law, employers and employees must begin making contributions to the program by January 1, 2023. Additionally, the discrimination, retaliation, recordkeeping, notice and penalties provisions of the law also become effective on January 1, 2023. The provision requiring employees to provide notice to employers before they

take leave becomes effective on August 3, 2023. Employees may begin using the leave and benefit portions of the law, and receive job protection benefits, on September 3, 2023.

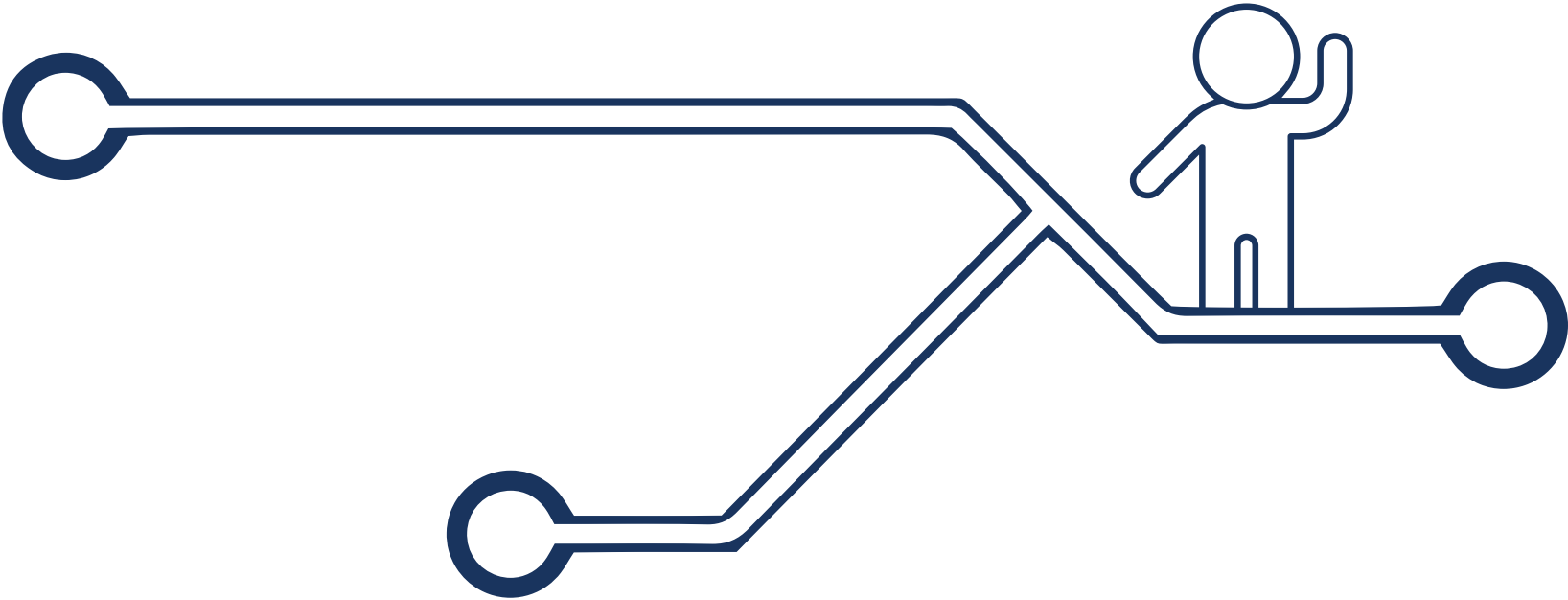
The state's PFML program, enacted in 2019, will provide eligible employees with up to 12 weeks of paid family, medical and safe leave benefits in certain circumstances.

**Rhode Island increases caregiver leave**  
Rhode Island's temporary caregiver insurance program has been amended to include additional weeks of paid leave.

The amendment in House Bill 6090/Senate Bill 688, which was enacted on July 6, 2021, will incrementally increase the number of weeks of paid leave available under the program. Beginning January 1, 2022, eligible employees may take up to five weeks in a benefit year; beginning January 1, 2023, they can take up to six weeks in a benefit year.

The state's current temporary caregiver insurance program provides eligible employees with up to four weeks of paid leave in order to bond with a newborn child or a child newly placed for adoption or foster care with the employee or domestic partner, or to care for a child, a parent, parent-in-law, grandparent, spouse or domestic partner who has a serious health condition.

**Washington expands PFML benefits**  
The state of Washington has amended its paid family and medical leave (PFML) law to permit additional workers to use the benefits in response to the coronavirus (COVID-19) pandemic. The provisions in House Bill 1073 are effective for claims from January 1, 2021 through March 31, 2022 or until the fund is drained.





Currently, employees are eligible for benefits after working at least 820 hours during a qualifying period. They can use paid leave benefits to care for their own or a family member’s serious health condition, to bond with a new baby or child in their family, or for events connected to a family member’s active duty military service.

Under the amended law, employees who meet all other eligibility requirements for leave, but do not meet the 820-hour requirement, will nonetheless be eligible for paid leave if they worked 820 hours during the first through fourth calendar quarters of 2019, or during the second through fourth calendar quarters of 2019 and the first calendar quarter of 2020. Employees who did not

meet the 820-hour requirement due to misconduct or voluntary separation unrelated to the COVID-19 pandemic are not eligible for paid leave. In addition, employees are not eligible for paid leave during weeks in which they receive unemployment compensation, workers’ compensation, or federal unemployment compensation, industrial insurance or disability compensation.



RESOURCES

**Oregon House Bill 3398**  
<https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB3398/Enrolled>

**Rhode Island House Bill 6090/Senate Bill 688**  
<http://webserver.rilin.state.ri.us/BillText21/HouseText21/H6090A.htm>

**Washington House Bill 1073**  
<http://lawfilesexternal.wa.gov/biennium/2021-22/htm/Bills/Session%20Laws/House/1073-S2.SL.htm?q=20210428200347>



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