



The High Cost of Delayed Workers' Compensation Claims

Mark Pew

Provost, Founding Partner

WorkCompCollege.com

mpew@WorkCompCollege.com

LinkedIn: markpew



Why This Topic Matters Right Now

- Public entities face staffing shortages and operational strain
- Early intervention (or lack thereof) influences medical, indemnity, litigation, and RTW outcomes
- “Manageable injuries” often become “complex claims” because of delay
- Delay damages trust between employee(s) and employer

2026 WEBINAR SERIES



A seemingly minor event can become a five-year problem because the system moved too slowly or stakeholders ignored warning signs

For example ...

A police officer back injury



Question

What is the MOST common reason employees delay reporting injuries in your organization?

- Fear of discipline?
- Fear of appearing weak?
- Unsure if injury is serious?
- Supervisor delay?
- Administrative complexity or lack of understanding?
- Other ...

Why Employees Delay Reporting

- “It’s probably nothing”
- Delayed symptom onset
- (you can influence)
- Fear of retaliation or stigma
- Overtime / staffing pressures
- Peer pressure (“rub some dirt on it”)
- Lack of understanding about reporting requirements
- Concern about impact on career advancement



Why Supervisors and Organizations Delay

- Waiting “to see if it gets better”
- Incomplete documentation
- Unclear workflow ownership
- Failure to identify & escalate red flags
- Delays in arranging medical treatment
- Delayed communication with TPA / carrier
- Fragmented communication between HR, risk, and department leadership



Delayed Medical Treatment = Delayed Recovery

- Earlier treatment often improves outcomes
 - Delayed care can increase chronicity risk
- Pain escalation increases psychosocial risk
 - Anxiety, isolation, catastrophizing
- Employees lose confidence in employer responsiveness
 - i.e. Litigation ...



Question

What is the most damaging delay in your opinion?

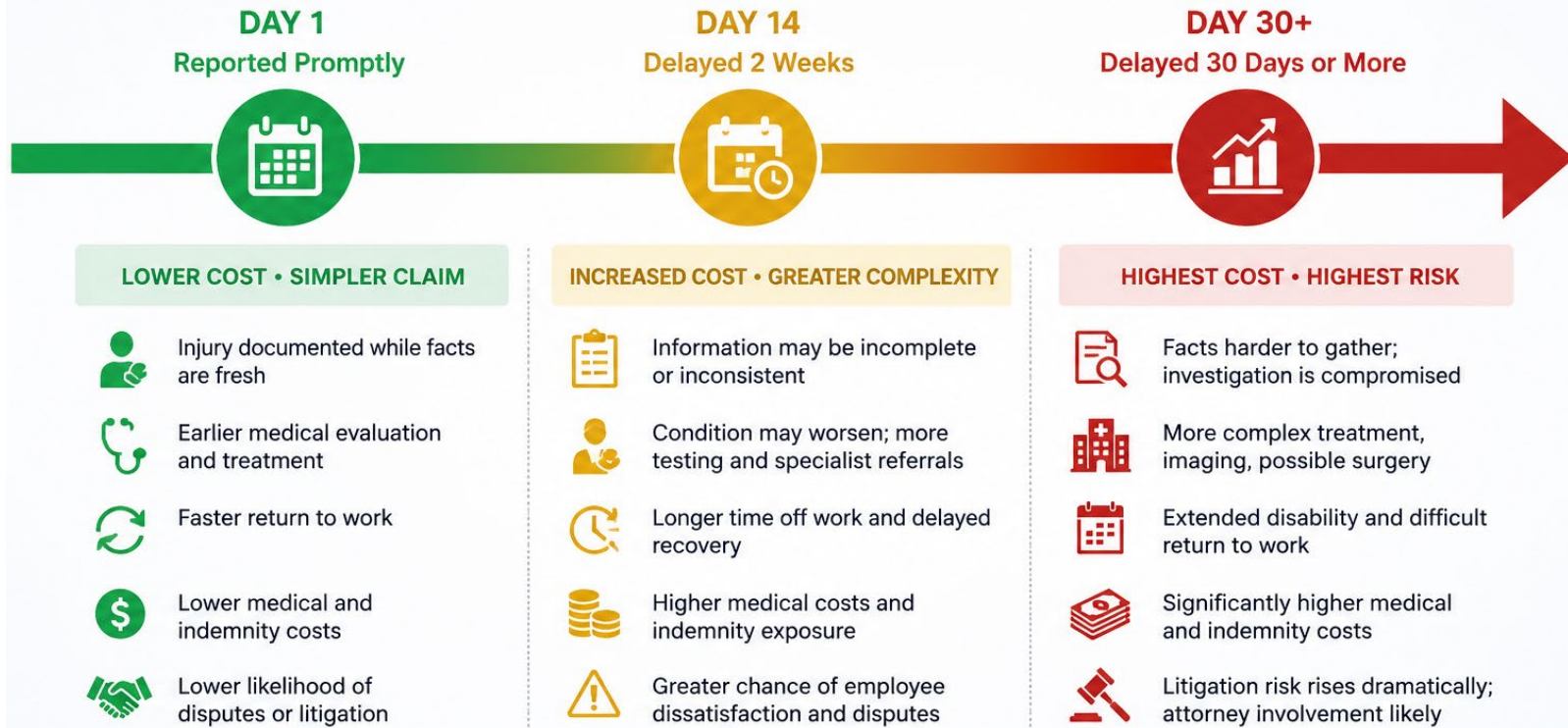
- Delayed reporting
- Delayed treatment
- Delayed communication
- Delayed return-to-work
- Delayed claim acceptance

2026 WEBINAR SERIES



THE COST OF DELAY GROWS OVER TIME

Small delays create big consequences.



THE BOTTOM LINE: The longer we wait, the more it costs—financially, operationally, and culturally.

The first few days often determine the next few years.

2026 WEBINAR SERIES



TIME

NOV 21, 2012 4:00 PM ET

Unemployment is Hard on the Heart, and the Harm May Add Up

In a study published in the *Archives of Internal Medicine*, researchers report that repeated job losses may be as damaging to the heart health as smoking, high blood pressure, or diabetes. Among Americans aged 50 to 75, the unemployed suffer heart attacks at a rate that is 35% higher than that among employed people with otherwise similar risk factors, and the rate seems to rise with every new period of unemployment.

<https://time.com/archive/7137178/unemployment-is-hard-on-the-heart-and-the-harm-add-up/>



McGill

Men who lose their jobs at greater risk of dying prematurely

RTW is a life-or-death matter



The Human Cost of Delay

- Prolonged pain and disability
- Employee frustration and mistrust
- Family stress (relationships, financial)

- Isolation from workplace culture
- Anxiety regarding employment status
- Increased likelihood of adversarial relationships



Delayed RTW Creates Secondary Problems

- Physical deconditioning
- Loss of routine and identity
- Fear avoidance behaviors
- Harder reintegration into workforce
- Increased litigation potential
- Co-worker resentment / backfill fatigue



The Litigation Escalation Pathway

- Poor communication creates distrust
- Distrust drives attorney involvement
- Attorney involvement often increases friction
- Friction prolongs claim duration, increases cost

People rarely litigate because communication was excellent

What Is a “Watershed Moment”?

- A turning point where claim complexity accelerates
- The moment where recovery trajectory worsens
- Often obvious in hindsight
- Usually preceded by missed warning signs



Early Red Flags That Predict Escalation

- Repeated missed appointments
- Multiple specialists without coordination
- No clear RTW discussion within first weeks
- Escalating pain complaints
- Anger / frustration toward employer
- Lack of supervisor contact
- Silence between parties
- Sudden attorney representation

The employee is telling you something long before litigation occurs



Case Example – Minor Injury to Complex Claim

- Simple strain/sprain
- Delayed reporting
- Delayed modified duty conversation
- Employee feels unsupported
- Pain worsens
- Attorney becomes involved
- Claim duration expands dramatically



Question

What is the EARLIEST sign that a claim may be heading toward escalation?

- Silence from employee?
- Missed appointments?
- Anger / frustration?
- Attorney letter?
- Extended lost time?



Communication Is a Clinical Intervention

- Silence creates assumptions
- Anxiety changes behavior
- Trust influences outcomes

*Employees may not remember every form, but they **will** remember how they were treated
(and tell their co-workers)*



Practical Communication Tools

- 24-hour supervisor contact expectation
- Early nurse / case manager engagement
- Clear, written explanation of process
- Transitional duty conversations early
- Written expectations and next steps
- Empathetic communication by/with all stakeholders

Do what you say you'll do, when you said you'll do it



What does GOOD look like?

- Immediate reporting culture
- Supervisor accountability
- Same-day triage
- Frequent employee contact
- Early RTW planning
- Coordinated communication
- Escalation triggers monitored



Building a Culture of Early Action

- Early reporting should be normalized
- Supervisors shape claim culture
- Employees should feel psychologically safe when reporting injuries
- Explain your work comp process to everyone BEFORE an injury occurs



Self-Audit Checklist

- Are injuries reported same shift / day?
- Do supervisors know escalation procedures?
- Is medical access immediate?
- Is communication standardized?
- Are RTW discussions initiated early?



Four Key Takeaways

1. Delay is often cultural and operational, not intentional
2. Delays increase medical, indemnity, and litigation exposure
3. Escalation warning signs usually appear early
4. Communication and workflow discipline reduce claim complexity



Final Thought

- The first few days often determine the next few years
- Early action changes outcomes
- Small improvements in workflow create large downstream savings
- Risk managers can shape both cost and culture



The High Cost of Delayed Workers' Compensation Claims

Mark Pew

Provost, Founding Partner

WorkCompCollege.com

mpew@WorkCompCollege.com

LinkedIn: markpew