

# CLAIM SUPPRESSION:

## Definition, Mechanisms, and Costs & Benefits



### Short definition:

**Claim suppression refers to actions or systems that discourage, obstruct, or prevent injured workers from exercising their right to workers' compensation and accessing appropriate benefits, often to protect the employer's financial interests.**

### Full definition:

Claim suppression encompasses any action, policy, or practice, whether by acts or omission, that discourages, obstructs, or prevents a worker from exercising their right to workers' compensation and accessing appropriate benefits. It may be carried out directly by employers or their representatives, as well as by workers' compensation, health care, immigration, and other systems, and individuals operating within them. It may also be indirectly enabled through these systems or through the broader legal, sociocultural, and policy and economic contexts. Claim suppression can take place before, during, or after a work-related injury or illness, including after a claim has been accepted, when measures are taken to reduce benefits. Although certain practices may be legal, they may nevertheless constitute forms of claim suppression if they impede workers' ability to report injuries or obtain appropriate benefits. A primary driver of employer claim suppression is the experience rating system, which compares employers within the same industry and adjusts their premiums based on whether their workers' compensation costs are above or below the industry average.



# Mechanisms of Claim Suppression

## Pressure, Persuasion, or Coercion

**What is it?** Using threats, intimidation, or pressure to deter workers from filing or pursuing a claim.

**What does it look like?** Appealing to loyalty; making threats of deportation; blaming workers for their injuries.



## Retaliation

**What is it?** Punishing workers or witnesses for filing or supporting claims.

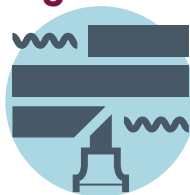
**What does it look like?** Terminating employment; reducing shifts; worsening working conditions; denying meaningful accommodations.



## Concealing or Misrepresenting Information

**What is it?** Failing to provide, or misrepresenting, injury, claim, or policy information to workers or workers' compensation.

**What does it look like?** Not reporting the injury or illness to workers' compensation; misrepresenting loss-time claims as no-loss-time; failing to inform workers about workers' compensation; misleading workers about what should be reported.



## Private Arrangements

**What is it?** Using informal agreements or payments to avoid claims.

**What does it look like?** Having workers sign a letter waving their rights; paying workers wages in lieu of filing a claim.



## Workplace Organizational Factors or Culture of Suppression

**What is it?** Fostering a workplace or industry culture that discourages injury reporting and claims.

**What does it look like?** Reacting negatively to reports of injury or illness; systematically contesting claims; instituting group-based incentives for lack of reporting; systematically drug testing after a report of injury.



## Healthcare Manipulation

**What is it?** Manipulating healthcare-related policies and processes to avoid reporting.

**What does it look like?** Providing in-house medical care that steers injured workers away from workers' compensation; attending medical appointments; accessing workers' medical records; failing to provide private health insurance to workers on closed work permits.



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## Return-to-Work Manipulation

**What is it?** Pushing return-to-work to prevent claims or limit benefits.

**What does it look like?** Pushing workers to return to work before it is advisable; making false promises of modified work.

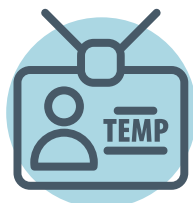


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## Employment Status Manipulation

**What is it?** Using employment arrangements that reduce or remove employer liability.

**What does it look like?** Hiring through temporary employment agencies; classifying workers as independent contractors.



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## Workers' Compensation System Factors

**What is it?** Policies or practices within workers' compensation systems that enable or cause claim suppression.

**What does it look like?** Imposing procedural obstacles like strict time limits and delays; establishing a difficult threshold to recognizing occupational illnesses; Failing to investigate certain claims or properly review return-to-work plans; establishing a culture that favours employers; overruling medical advice; establishing age cut-offs for benefits; denying benefits on the basis of a pre-existing condition; engaging in the practice of deeming; excluding workers from automatic coverage; highlighting the cost of claims to employers.



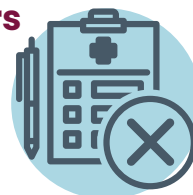
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## Health Care System Factors

**What is it?** Barriers within the medical system that prevent or undermine claims.

**What does it look like?**

Not enquiring about the work-relatedness of injuries and illnesses; not supporting workers in their claims; lack of coverage or access to medical care.



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## Legal System Factors

**What is it?** Weak legal protections and enforcement that fail to deter suppression.

**What does it look like?** Lack of legislative protection or narrow scope; high standard of proof; lack of enforcement mechanisms (lack of proactive investigations, lack of meaningful reporting mechanisms and follow-ups); low penalties or lack of penalties for violations; lack of remedies for workers.



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## Policy and Economic Factors

**What is it?** Broader labour market and policy conditions that increase worker vulnerability to suppression.

**What does it look like?** Government policies that promote precarious work and / or contribute to social vulnerability (e.g. temporary foreign workers program); low unionization; weak job market.



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## Sociocultural System Factors

**What is it?** Social norms or values that discourage reporting of injuries.

**What does it look like?** Ideals of masculinity that deter men from reporting injuries.



# Costs and Benefits of Claim Suppression

## Who Benefits?

### Employers

- Reduced premiums and deductibles
- Greater access to safety rebates
- Improved competitiveness in contract bidding and licensing processes
- Reduced risk of inspections and audits

### Workers' Compensation

- Lower administrative and staffing costs



## At What Cost?

### Employers

- Exposure to administrative penalties or prosecution, though low likelihood of enforcement and relatively low fines

### Workers & Families

- Delayed recovery and worsening health outcomes
- More complex and prolonged return to work
- Loss of benefits and services
- Material, physical, and psychological harm

### Society

- Transfer of the cost of workplace injuries and illnesses from employers to social assistance programs and the public health system
- Increased reliance on private insurers instead of employer funded compensation
- Distortion of workers' compensation data, undermining injury prevention efforts

**Clearly, employers and workers' compensation gain from claim suppression, whereas workers, their families, and society suffer the losses.**

