



## 30 Tips for Preventing Injuries, Reducing Workers' Compensation Costs, and Lowering Your EMR

Workers' compensation costs and Experience Modification Rate (EMR) ranking are two key components of any competitive bid. Experience has shown that it takes a total team effort from internal and external champions to be best in class. Here is a checklist of 30 ideas to help you succeed in reducing your premiums and EMR:

### CONTRACTORS' HR DEPARTMENT/PAYROLL

- Offer better health care options to employees to reduce workers' compensation premiums, and grant the employees coverage for "Weekend Warrior" injuries.
- Offer supplemental, voluntary benefits such as individual disability, cancer, hospital, AD&D plans to employees. For \$100 a month an employee can purchase protection individually to help fund the cost of non-work related injuries (so they don't become possible work injuries).
- Exercise medical control and use the Medical Provider Network offered by your workers' compensation insurer for all work related claims. The discounts provided by MPN doctors will significantly reduce your costs.
- Use pre-employment background checks, drug tests and post-offer physicals to weed out employees that will not fit your safety culture.
- Establish mandatory safety orientation program for all new employees. Include meetings with HR, Safety and Management to reinforce your safety culture and expectations. Some contractors have used, with success, in-house videos of owners and employees discussing and demonstrating their way of working safely.
- Have job descriptions for each category of work to assist physicians in evaluating work restrictions and return-to-work options.
- Make sure employees are properly classified. There are over 60 different workers' compensation codes that might apply. Also invoke strict rules on how time cards must be noted. It is important to make sure you stay current with employees as they change jobs within the firm.
- Implement a modified duty program. This program can be done in stages to assess employees' interest in returning to work. First two weeks in the office or shop, and the next two weeks in a modified duty role.

- Maintain records. Your personnel files can be of great assistance to your carrier in dealing with some cases. Information about an employee's job description, wages, previous work history, recreational activities, any current work problems, and previous injuries is essential when fighting disputed claims.
- Communicate regularly with your employees. Show them you care about their well being. If an employee sustains an injury, stay in touch throughout the recuperation period.

### **RISK MANAGEMENT/SAFETY/HR DEPARTMENT/DISPATCH**

- Establish a first aid protocol for minor injuries. Have the medical clinic send you the bills for first aid treatment. Refer to our *PentaRisk Perspectives* "First Aid" article for an elaboration on this important topic.
- Establish a relationship with a medical clinic that specializes in routine claims, drug testing, and pre/post-employment physicals. We can provide you with referrals to good clinics.
- Make sure new employees are trained on your safety standards and culture before they go to work. Use the 72-hour rule to verify that they are a good fit culturally and safety-wise for your firm. Give your field foreman the right to veto a crew member if they don't fit in.
- Before dispatching new employees to work, make sure that they are a good fit for the task at hand. Do they have the strength, mindset and skills to perform the work?

### **SAFETY/FIELD SUPERVISION**

- Make sure all employees use your supplied safety gear. Advertise your company's name on the gear rather than others. This ensures equipment in use meets your requirements. It also tells employees that they are part of your company.
- Make safety performance part of the bonus and pay raise structure. It is not uncommon to see safety contribute up to 25%+ of incentives for field supervision.
- Start each job with a daily safety huddle and plan, including daily stretch and flex, and keep focused on excellent housekeeping to keep morale high. Encourage reporting of near miss accidents as part of the weekly tailgate meetings and lessons learned from these situations and how to prevent them in the future. Avoid punitive action for reporting of near misses.

### **OWNERS/CHIEF OPERATING OFFICERS/ESTIMATORS**

- Bid the cost of safety equipment and safe practices into the job.
- Use a Safety Dashboard to benchmark your safety record, Incident and DART rates and your EMR measured against your competitors. What gets measured by the boss translates to the field.
- Be active in safety meetings and accident investigations. Experience has shown that when owners are involved, you get the best results.

- Don't allow your safety rules to be bent! They must apply equally to everyone to ensure that they are followed and embraced by your employees. Give your safety and risk management leaders the authority to cite any employee and to stop work if needed.
- Visit jobsites to give feedback on employees' performance and safety record. Reward and celebrate with employees for a safe job done!

## **INSURANCE BROKERS**

- Introduce the key players in workers' compensation to the client. Insurance claims adjusters, claims managers and field safety experts need a direct relationship with the client to get the best results.
- Request special claims handling instructions to ensure claims are handled within the guidelines established for your client.
- Provide claims advocacy and review services to ensure the right game plan is in place for each claim. Appropriately monitor the insurer's file until each claim is closed.
- Make recommendations on safety or process improvements to help lower costs. Work with your client to develop a safety plan or objectives that should be accomplished in that year.
- Use your in-depth knowledge of the clients operations and safety culture to negotiate additional premium credits at renewal time.

## **INSURERS**

- Meet the client at a kick-off meeting to get acquainted and to ensure that you are on the same page for claim handling expectations.
- Be flexible to hire and use the best attorneys for litigated claims.
- Investigate fraudulent claims and questionable claims as soon as possible.

Contact **Jim Untiedt** at **408.418.2734**, [juntiedt@pentarisk.com](mailto:juntiedt@pentarisk.com), or your PentaRisk broker or account executive for more information on *30 Tips for Eliminating Injuries, Reducing Workers' Compensation Costs, and Lowering Your EMR*. Visit our website at <http://pentarisk.com/>.

PentaRisk Insurance Specialists · 3715 Northside Pkwy · Bldg 400 Ste 550 · Atlanta, GA 30327  
p 404.809.2530 · f 404.809.2531 · [pentarisk.com](http://pentarisk.com) · GA License Number 0509509

PentaRisk Insurance Services · 2033 Gateway Place · Suite 150 · San Jose, CA 95110  
p 408.418.2720 · f 408.418.-2721 · [pentarisk.com](http://pentarisk.com) · CA License Number 0I31553