



PENTARISK PERSPECTIVES

PentaRisk Insurance Services Newsletter - Volume 8 Issue 2

May 2021

Safety is a team effort. Period.

Your good reputation, Low Workers' compensation costs, and better than average Experience Modification Rate are key to a great safety record and to winning new bids. Our 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 from our insurance, risk management, claims and safety experts to help you succeed:

CONTRACTORS' HR DEPARTMENT/PAYROLL

- Offer best in class health care insurance 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 do not 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. Check references where applicable.
- 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 timecards 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. Consider non-profit placements for employees that can't continue to do their job on a modified basis.

- 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. Be part of the post-accident/injury investigation.
- Communicate regularly with your employees. Show them you care about their wellbeing. If an employee sustains an injury, stay in touch throughout the recuperation period. Advocate on behalf of your employee to the insurance company, so that they don't hire a lawyer to do so.

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 (WWW.Pentarisk.com under news) 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. Make sure the treating Doctor is aware of your Return-to-Work program. 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 do not 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. Conversely, consider billing the cost of claims to the job to promote safety from foreman and superintendents.
- 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 nearmisses.

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 sure employees understand why these matters.

- Be active in safety meetings and accident investigations. Experience has shown that when owners are involved, you get the best results. Make sure reporting of incidents and claims is the best practice for everyone.
- 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. Encourage a team effort using Zoom or in person meetings to establish an effective teamwork.
- Request special claims handling instructions to ensure claims are handled within the guidelines established for your client. Update the Insurance Company with key Employer personnel changes related to WC handling and HR.
- Provide claims advocacy, education 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. Analyze what type and location most of your preventable claims are occurring and develop a corrective action plan.
- Use your in-depth knowledge of the clients' operations and safety culture to negotiate additional premium credits at renewal time.

INSURERS

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

Jim Untiedt CPCU, ARM, CRIS is the Acisure Insurance Construction Practice leader and the President of Pentarisk Insurance Services. He can be reached at, juntiedt@pentarisk.com, or 510-928-1809