



Occupational Health & Safety Bulletin



Year-End Review

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Workers' Compensation Trends and Updates

National Workplace Injury and Illnesses, 2018

The bureau of labor recently released their 2018 report on nonfatal workplace injuries and illnesses reported by private industry employers in 2018. A few highlights in report include:

- Total number of recordable cases: 2.8 million
- Median days away from work: 8 days
- Incidence rate for recordable cases increased in the retail industry, accounting for 14% of all injuries/illnesses in private industry.
- Highest incidence of cases involving days away from work, by the top 5 nature of injury/illness types were: sprains/strains/ tears, soreness/pain, bruises/contusions, cuts/lacerations/punctures and fractures.

For more information, see the [Bureau of Labor Statistics news release](#) on Employer-Reported Workplace Injury and Illness.

California Division of Workers' Compensation

The CA Division of Workers' Compensation announced the 2020 minimum and maximum temporary total disability (TTD) rates will increase January 1, 2020. Minimum TTD rate will increase from \$187.71 to \$194.91 and maximum TTD rate will increase from \$1,251.38 to \$1,299.43.

For more information, see the [announcement from the CA Department of Industrial Relations](#).

About ABD. ABD is a consulting firm providing risk management, insurance brokerage, human resources, and retirement consulting services. Our advisors offer guidance and craft innovative solutions to help address risk for clients of varying sizes, growth stages and industries.

Reducing workers' compensation costs through best practices and emerging trends

Best practices to regain control of workers' compensation costs

When reviewing workers' compensation loss run data, it is not surprising that some employers may feel discouraged by the increasing costs associated with claims. Despite the increase in costs associated with overall medical care there are still opportunities for employers to make an impact and reduce workers' compensation claim costs. Here are a few best practices to keep in mind.

1. **Immediately report claims to the insurance carrier.** Data shows that late reporting increases claim costs and the number of litigated claims. The sooner employers can notify their carrier of an injury, the sooner the employee can access care and receive workers' compensation benefits – resulting in a better employee experience.
2. **Utilize the Medical Provider Network (MPN).** Ensure you're directing injured employees to an occupational clinic within the carrier MPN and avoid costly visits to the emergency department for non-emergent care. Occupational Medicine providers understand the workers' compensation system and follow ACOEM guidelines for treating industrial injuries. Medical bills are reimbursed based upon an approved fee schedule which reduces the amount of otherwise costly medical services.
3. **Promptly provide wage statements to the insurance carrier.** If the adjuster can immediately understand the employee's average weekly wage, this will ensure there is no delay in potential disability benefits, and that there is no discrepancy in the amount of benefits. Employees who are appropriately compensated are less inclined to seek attorney representation.
4. **Promote your Return to Work Program.** Although employees experience a workplace injury, many remain capable of performing several of their normal work functions. It's important to build a relationship with your medical provider to ensure they are familiar with your return to work program. If employees can return to work in some capacity – whether full duty or modified – then employers will see a reduction in overall indemnity costs.
5. **Cultivate a culture of total wellbeing.** When you hire employees, you're hiring the whole person, underlying health conditions and all – so it makes sense to promote resources to your population around how to live a physically and mentally healthy lifestyle. This may involve leveraging resources through your EAP or group health provider, offering healthier snack options, providing ergonomic or disease management training, and more. Total wellbeing can help ensure preexisting health conditions have a lesser impact on workers' compensation claim costs.

For more information about how to reduce WC claim costs, please contact [Robin Hendrickson](#) about ABD's revolutionary approach to health, wellness, and recovery - Circle of Care.

How Telemedicine is evolving in workers' compensation

Telemedicine has become a 'buzzword' in workers' compensation. The American Telemedicine Association (ATA) defines telemedicine as the "remote delivery of health care services and clinical information using telecommunications technology." Think of an app that lets you video chat with a doctor, for example.

Though still not widely adopted by the general public, telemedicine is becoming a viable option for some patients and providers. Telemedicine capabilities are beginning to transform the workers' compensation industry, providing injured workers with a much-needed alternative to on-site medical care.

So, exactly how is telemedicine impacting your workers' compensation claims?

- **More physicians and specialists are available, with improved access to healthcare and treatment efficiencies.** This technology has made it possible for injured workers to be assessed almost immediately after injury. Of course, catastrophic cases and other serious injuries need to be treated hands-on, but minor injuries can easily be diagnosed via video chat and conferencing with a certified physician.
- **Removes transportation struggles, bringing fast, personalized care.** Telemedicine eliminates the need for transportation altogether and encourages injured workers to seek guidance from their providers without leaving home. Check-ups and consultations can happen within minutes using video chat and a telecommunication device, like a smartphone or tablet.

- **Fewer missed appointments saves time.** Appointments at a traditional doctor's office typically coincide with work hours, leaving an injured worker to take paid time off or schedule an appointment before or after work. Taking off work and battling city traffic is not an easy decision for some. And missed appointments lead to longer claims. With telemedicine, however, a worker can check in at any time.
- **Telemedicine cuts overall costs for both patients and employers.** In workers' compensation, telemedicine can eliminate the need for emergency room visits (and their expensive bills), cut down on transportation expenditure, provide intervention due to on-the-spot care and more.

What about the challenges and concerns of telemedicine?

- Privacy concerns, as some patients may be uncomfortable with the concept of virtual healthcare.
- The availability of adequate technology can lead to missed appointments or delays of receiving care.
- Physicians involved in providing services have to be licensed in the states from which the televisit originates.
- Cost issues are also of concern with carriers out of state - as billing, reimbursement and rates are just some of the difference to consider when it comes to state workers' compensation.

The key thing to remember, of course, is that telemedicine is not perfect for all situations. However, it can become a more effective medical care delivery mechanism for low severity claims. Telemedicine in these situations eliminates the need for unnecessary travel and reduces costs. Ultimately, it provides employers, many of whom are increasingly choosing to offer on-site clinics, with another way to offer health care benefits to their employees on a situation-by-situation basis. And as people get use to their smartphones, technology devices, as well as the ease of access to receiving medical care, they may in time see the value of telemedicine.

For more information about telemedicine and workers' compensation, please see the [NCCI report](#) on the topic.

Things to consider when selecting an insurance carrier or third-party administrator for your workers' compensation program:

One main consideration most employers use when selecting a WC Insurance Carrier or Third-Party Administrator (TPA) is direct cost. Often an employer will choose the carrier/TPA with lowest premium and/or associated fees. However, the direct cost represents a small portion of the total claim cost. In the complex system of Workers' Compensation not having the right carrier/TPA can have costly effects. It is imperative to have the right partner to achieve your risk management goals.

When choosing a WC carrier or TPA consider the following:

- **Service Capabilities and Staffing** – Depending on the number of employees, average number of claims per year, and locations of operations, the right carrier/TPA must be able to meet your needs and risk management goals.
 - Do they have the appropriate number of adjusters to service your account?
 - If multiple jurisdictions, what is the level of expertise in those jurisdictions?
 - Will my company have a dedicated or designated claims team?
- **Industry Experience** – Understanding your company and culture will assist in helping you reach your risk management goals.
 - What experience does the carrier/TPA have in servicing organization in your industry?
 - How does their results compare to other's in your industry?
- **Claims System** – Internet based claims system with 24-hour access, 7 days a week to view claim notes, financials, generate loss runs and other adhoc reports.
 - Does the RMIS system meet my financial data report requirements?
 - Does the RMIS system meet my company's analytical needs for predictive modeling, claim trending, loss forecasting, stewardship reports, etc.?
 - Does the RMIS system have the ability to schedule automated and customized reports?

• Handling Philosophies

- What is their Best Practice? Do they follow industry standards?
- Do they allow for account specific special handling instructions?
- Are their managed care capabilities, including bill review and preferred provider organization (PPO) and case management transparent?
- Describe their customer satisfaction program and how concerns are addressed and resolved.
- Do they allow for unbundled services? If so, what services can be unbundled?
- Do they allow use of outside defense law firms?

Considering that carriers/TPA plays a large part in an employer's workers' compensation claims outcomes and costs, choosing the right one is one of the most important decisions that an employer can make.

Emerging Safety Trends in 2020

Companies are always looking to enhance safety resources and reduce claim occurrences. According to the [National Safety Council](#), a worker is injured on the job every seven seconds. These injuries can be life changing for the employee and business altering for the company. Through collaborations with different client sites and industry peers, these key trends have emerged in the last few years and will continue to grow in the 2020.

- **Safety professionals continue to wear more "hats."** One continued trend for 2020 is that safety pros will be tasked with multiple responsibilities as opposed to specializing in a specific category (fire, security, etc.). The goal is for safety professionals to incorporate tools and resources into the workplace to improve employee lives.
- **A more holistic approach to health and wellbeing.** More companies are starting to take a more holistic approach to employee health and safety that goes beyond physical health, like ABD's Work, Love, Play culture. Companies are looking at the bigger picture which includes social, emotional, financial, and environmental facets of health that contribute to an employee's health & safety protection from physical & mental injury and illness. This trend will continue to be adopted by more companies in 2020.
- **High tech AND high touch.** Technology and work conditioning programs are being utilized to personalize employee healthcare. As the workforce grows larger and more diverse, employees are expecting a more personal approach to healthcare. The term "high-touch" denotes or relates to a business characterized by a very close relationship with its customers or clients. By implementing more "high-touch" approaches to health and safety, on-site safety professionals conducted line-side coaching, first aid classes, and early prevention programs. This individualized and high-touch approach educates both employers and employees on different safety resources and work habits to greatly improve injury prevention.

For a more in depth view of these key trends, please visit [OH&S Online's article on workplace safety trends](#).

OSHA Updates

Workplace Violence

Acts of violence and other injuries is currently the third-leading cause of fatal occupational injuries in the United States. Due to the growing rate of workplace violence in America, OSHA has posted information on its website that addresses the definition of workplace violence, who is at risk of workplace violence and how can workplace violence hazards be reduced.

Highlights include:

- Higher-risk workplaces include workers who exchange money with the public, delivery drivers, healthcare professionals, public service workers, customer service agents, law enforcement personnel and people working alone or in small groups.

- Guidance on prevention programs, including but not limited to;
 - Establish a zero-tolerance policy on workplace violence.
 - Provide safety training to employees that cover what conduct is unacceptable, what to do if they witness or are subjected to workplace violence and how to protect themselves.
 - Secure the workplace where appropriate, i.e. video surveillance, lighting, alarms, identification badges, etc.

For additional information, please visit the [United States Dept. of Labor's website](#).

Understanding OSHA's reporting requirements for fatalities and severe injuries and how to prepare for an OSHA site visit

The Occupational Safety and Health Administration (OSHA) ensures safe and healthful working conditions for workers by setting and enforcing standards, and by providing training, outreach, education and assistance. There is a wealth of OSHA support and resources available to employers, but they are sometimes overshadowed by the looming fear around enforcement practices, especially when it comes to reporting requirements for serious injuries.

To help clarify the obligations of an employer to report fatalities and severe injuries, Fed-OSHA and the various state OSHA Plans have developed requirements for reporting which are summarized in the table linked [here](#).

Be sure to check your specific states requirements to make sure you are reporting the right injuries in the right amount of time.

When OSHA mentions all employers must report they truly mean all employers – even those who are exempt from routinely keeping OSHA records due to company size or industry. There are penalties for late reporting and failure to report, so best practice is to not delay once you have knowledge of a serious injury and report to OSHA right away. This is done by calling the OSHA area office nearest to the site of the incident, or by calling the 24-hour hotline, 1-800-321-OSHA (1-800-321-6742). Employers should be prepared to provide the following information:

- Business/Establishment name
- Location and time of the incident
- Type of reportable event (fatality, in-patient hospitalization, amputation, etc.)
- Names of employees affected
- Brief description of the incident
- Contact person and phone number

There are an extremely limited number of instances when an employer does not have to report an incident to OSHA – so err on the side of caution if you're unsure whether to report. Additionally, you can also consult your corporate Safety leader or ABD broker consultant for guidance.

Once your phone call has been made it is likely that you be visited by an OSHA inspector or receive a written request for information. If you receive a site visit, the inspectors' job is to review the accident details and determine if there were any violations. Preparation for these visits is key and can help to make the inspection easier. Here are some key things you can do to prepare for their visit:

- Make sure your written safety plans are up to date, implemented and documented
- Have at least 3 years of OSHA 300 Logs and 300A Summary forms and 301 investigation forms available
- Have your latest Workers' Compensation loss runs and experience mod worksheets available
- Have completed accident investigations with prevention action items implemented
- Conduct regular physical inspections of your workplace and document all hazards and corrections
- Ensure your training records are up to date and reflect the hazards of the workplace
- Prepare an OSHA site visit response plan to make sure the right management staff are working with inspectors

Be on the lookout for our latest live seminar on how to prepare for and respond to an OSHA site visit in Spring 2020.

If you would like to speak with our in-house OSHA expert about recordkeeping or how to prepare or respond to an OSHA site visit, please let your ABD broker know.

For more information and all things Fed-OSHA, visit their [direct website](#) and review specific OSHA standard language [here](#).

Health and Wellness

Staying energized at work

University of Washington posted the following 5 tips for staying energized while at work:

1. Get moving by taking a 20-minute walk or by doing some micro break flexing exercises at your desk.
2. Avoid dehydration by drinking plenty of water throughout the day.
3. Be mindful of your snacks by avoiding processed foods and opt for healthy alternatives, such as fruits, vegetables, nuts, etc.
4. Give your mind a break by listening to non- distracting music, such as instrumental music.
5. Allow your eyes to move away from the computer and stare off in the distance at a point 20 feet away every 20 minutes for 20 seconds.

For more information, see the [University of Washington's tips for staying energized at work](#).

Tips on staying healthy at work during the cold and flu season

The Centers for Disease Control and Prevention (CDC) has posted helpful tips on Healthy Habits to help prevent colds and flu in the workplace. Including:

- Flu vaccine
- If possible, stay home when you are sick.
- Cover your mouth and nose when sneezing.
- Wash your hands often with soap and water or alcohol-based hand rub.
- Routinely clean items that are touched frequently, such as doorknobs, keyboards and phones.
- Have an adequate supply of tissues, soap, paper towels and alcohol-based hand dispensers.

For more information, review the [Centers for Disease Control and Prevention's website](#).

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