

Workers' Comp & Safety News

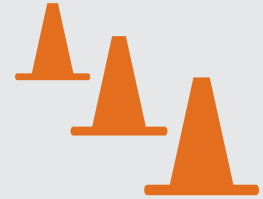


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Safety

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Depression as a Safety Risk

Clinical depression affects up to 21.3 percent of women and 12.7 percent of men in the United States at some point in their lifetimes. Why should employers be aware of this problem?



- ✱ Depression is a safety issue. Depressed workers may suffer from inattention or inability to concentrate and may be more likely to take risks or fail to heed safety precautions.
- ✱ Depression often strikes between the ages of 25 and 44 — the prime working years. At any one time, one employee in 20 may be suffering from depression, according to the National Institute of Mental Health.
- ✱ Depression is costly. One researcher estimated that depression cost Americans \$43.7 billion in 1990; more than half of those costs were indirect costs, such as lost workplace productivity and suicide.
- ✱ Depression affects productivity. A RAND study found that depression resulted in

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This Just In

Illegal workers in Nebraska can receive workers' compensation disability benefits, ruled the Nebraska Supreme Court in *Moyera v. Quality Pork International (QPI)*. The case involved a worker, Ricardo Moyera, who suffered broken bones and nerve damage after a forklift ran over his foot in 2008. By 2010, the insurer deemed the injury permanent and notified the employer that it would pay Moyera permanent partial disability benefits.

After this, QPI audited its employment files and found that Moyera was in the country illegally. It then argued that Moyera should not be entitled to disability benefits. It cited an earlier case, in which the court found an undocumented worker was not

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more days in bed than many other chronic conditions (including diabetes, high blood pressure, ulcers and arthritis). In fact, the World Health Organization (WHO) says, "Depression is the leading cause of disability worldwide, and is a major contributor to the global burden of disease."

- ✱ Depression adds to your group medical costs. Annual healthcare costs for depressed individuals average 80 percent higher (\$4,246 vs. \$2,371) than for individuals without depression.
- ✱ Depression is easily treatable. According to the NIMH, "More than 80% of depressed people can be treated quickly and effectively."

The key to controlling depression and its related costs is early detection and treatment. Left untreated, clinical depression may become a chronic condition. Of course, only a professional can diagnose depression, but if an employee suddenly has problems with productivity, absenteeism or morale, you should suspect depression. Individuals with bipolar disorder, formerly known as manic depression, alternate between extremes of depression and mania.

Train supervisors to look for the following warning signs.

Warning signs of depression

- ✱ Depression that lasts more than two weeks or is more intense than "the blues."
- ✱ Loss of interest in everyday activities
- ✱ Complaints of tiredness or unexplained aches and pains
- ✱ Alcohol and drug abuse
- ✱ Fatigue

- ✱ Weight loss or gain
- ✱ Difficulty concentrating, remembering or making decisions
- ✱ Talk of death or suicide

Warning signs of mania

- ✱ Elation, or mania
- ✱ Irritability
- ✱ Decreased need for sleep
- ✱ Increased energy, activity, talking
- ✱ Racing thoughts
- ✱ Disturbed ability to make decisions
- ✱ Grandiose notions
- ✱ Being easily distracted

(adapted from NIMH publication)

When an employee shows five or more of these symptoms for more than two weeks and they interfere with his or her work, depression may be the cause. Supervisors cannot diagnose depression; however, they can help depressed workers get the help they need. To avoid violating an employee's privacy, approach the problem from the standpoint of productivity. A supervisor should first discuss any productivity-related problems with the affected employee — whether it is increased absenteeism, low morale or failure to meet performance goals. Then they should mention to the employee that if health or family concerns are causing these problems, help is available. An employee assistance program (EAP) can provide initial screening services and refer the employee to the appropriate care provider, all on a confidential basis. If your company doesn't have an EAP, refer the employee to a local mental health service provider.

For free brochures on depression and its

entitled to vocational rehabilitation benefits because he was not allowed to work in the country legally.

The court disagreed with this reasoning, citing the differences between vocational rehabilitation benefits and disability benefits. Vocational rehab benefits train an undocumented worker for a job he could not legally perform in the U.S. Disability benefits would compensate him for the inability to work, regardless of where. The trial judge awarded the disability benefits, and the review panel affirmed.

For more information on workers' compensation and undocumented workers, please contact us.

treatment, call the NIMH at 1-800-421-4211 or visit their Web site at www.nimh.nih.gov. And for more information on how an EAP can help your company deal with mental health and family life issues, please call our office. ■



Using Investigations to Improve Safety

Serious sleuthing after a workplace injury can not only help you discover the cause of a specific injury, it can also uncover hidden workplace hazards.

What does a successful investigation uncover?

- ✦ direct cause of injury or accident
- ✦ peripheral and interrelated causes or results of the incident
- ✦ ways to promote safety and safe work methods
- ✦ ways to prevent similar incidents
- ✦ indirect and direct costs of the incident on wages, retraining, time lost, reduced production, etc.

To discover these facts requires a prompt and thorough investigation. Interview witnesses, other workers performing similar jobs or using the equipment — what were the direct causes of the accident? The indirect causes? What is the history of mishaps or near-misses in that department or among equipment users? What were actual and expected production levels when the accident occurred? Let witnesses use their own words and repeat their stories back to them to ensure understanding.

What Details Will You Need?

The information you'll need includes: was the employee performing his or her regular job when the injury occurred? Was he or she involved in maintenance, repair or an infrequent

task? Was he or she helping another worker (or vice versa) when the accident happened? Was the employee properly trained to perform the job and operate the equipment? Was he or she doing the job correctly? What were other workers doing at the time? Were “human” factors involved in the incident, such as fatigue, overtime, stress? What does the injured worker and his or her co-workers think about the “safety culture” in the workplace and management’s commitment to it?

What Makes a Successful Investigator?

Successful interviewing requires a calm, sympathetic, systematic approach. Injured workers and their co-workers may be very emotional about the event or unclear about what actually happened. Showing a caring attitude and permitting traumatized or other affected workers to “clear the air” can also help the information-gathering process. Investigators can build trust and obtain more accurate information when they’re straightforward about their



role and their expectations.

To determine causes of an accident, a good investigator will look for gaps in information and facts that point away from a logical conclusion. But perhaps just as important as determining what caused the accident in question, he or she will be able to come up with recommendations for preventing similar accidents from happening again.

For tips on improving the effectiveness of your company’s accident investigations, please call our office. ■

Ex-Mods: The Key to Workers' Comp Costs

Although workers' compensation may seem complicated, only two factors affect your workers' compensation costs: your employees' job classifications and your experience modification factor.

Rating bureaus publish rates for hundreds of different job classifications, shown as rate per \$100 of payroll. These rates are based on the relative hazards of each occupation. For example, it costs more per \$100 of payroll to insure roofers than computer programmers, since roofers are more likely to experience severe on-the-job injuries. To avoid overpaying, you will want to review your company's occupational categories to make sure your employees haven't been misclassified.

You can't change your employees' job classifications: if an employee performs the duties of a roofer, then your insurer will classify him/her as a roofer. But you do have control over the other variable that affects your workers' compensation costs: your experience modification factor, often referred to as an ex-mod.

Stated simply, an ex-mod is a multiplier that relates to your claims experience. By multiplying the base rate for the applicable occupational class times your ex-mod, an insurer can reward or penalize you for your claims experience.

In most states, your premiums must exceed a certain minimum amount for the ex-mod to apply. If you do not pay enough in premiums, your organization will have a "minimum premium policy," in which ex-mods do not apply.

Insurance companies send information on employers' premiums and losses to the state's rating bureau. The rating bureau then calculates ex-mods based on the employer's paid claims and incurred losses for the "experience period," generally the three years prior to the last policy renewal date.

To calculate your ex-mod, expressed as a percentage, take your total actual losses for this period and divide by the total expected losses, or

average losses by \$100 of payroll per job classification. An employer with actual losses of \$253,563 and expected losses of \$352,051 would calculate the experience modification as follows:

$$\frac{253,563}{352,051} = 72\%$$

However, it's not as simple as all that. Not all losses are weighted equally. And rating bureaus use "weighting values" and "ballast values" to arrive at ex-mods that more accurately predict your company's losses.

Following is the actual formula for calculating an experience modification factor:

Actual Primary Losses	+ Ballast Value	+ Weighting Value X Actual Excess Losses	+ (1-Weighting Value) X Expected Excess Losses
Expected Primary Losses	+ Ballast Value	+ Weighting Value X Expected Excess Losses	+ (1-Weighting Value) X Expected Excess Losses

What do these terms mean?

- ★ "Primary losses" are the first \$5,000 of any loss; "excess losses" are all loss amounts over \$5,000. Losses up to \$5,000 are included in full. Losses in excess of \$5,000 are included on a discounted basis. In practical terms, this means that smaller losses have a bigger relative impact on your ex-mod than larger ones do.
- ★ The "ballast value" and "weighting value" attempt to correct for the size of the risk. In statistics, the larger the pool sampled, the more accurate the sample is. Calculating ex-mods works in the same way

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— the larger the payroll base, the more accurately you will be able to predict your losses.

The resulting experience modification factor is expressed in a number that generally ranges from .75 to 1.75. An experience modification of 1.00 indicates your losses reached the expected dollar amount. A number higher than 1.00 indicates that your risk of loss is greater than average, while an ex-mod of less than 1.00 indicates your risk is better than average. If you meet the minimum premium levels, you can control your workers' compensation costs by keeping your ex-mod low.

Keeping Ex-Mods Low

Keeping ex-mods low requires controlling workers' compensation claims. Focus on controlling the smaller, more frequent losses — they will impact your ex-mods more than less frequent, larger losses.

Next, you'll want to periodically review your payroll and claims information for accuracy. Make sure your payroll data is accurate and your ex-mod calculations include data from the proper years. And keep tabs on loss reserves — unused loss reserves affect your experience modification.

We can help you understand your experience modification factor and help you develop loss reduction strategies to lower your ex-mod, which will control your workers' compensation costs. For more information, please call our office. ■



Safety Resources

Looking for more information on a safety-related or preventive health topic? Check out these websites:

Bureau of Labor Statistics: This site lists government statistics on labor and employment, including rates of occupational injury and death on a national level and statistics on injuries by type, occupation and more. www.bls.gov

Cambridge Center for Behavioral Studies: This site has a section that provides information on the relationship between behavior and safety. <http://www.behavior.org/interest.php?id=16>

Center to Protect Workers' Rights: Sponsored by the AFL-CIO, the site focuses on construction safety. Employers in the construction industry will find hazard information sheets that may be useful. www.cpwr.com.

Mayo Clinic: A general health site that offers information on many health issues. www.mayohealth.org

Electrical Safety Foundation International: This site focuses on safety topics pertaining to electricity. Employers in the construction business, electrical contractors and those who employ electricians may find information of use. <http://esfi.org>.

National Institutes of Health: This site focuses on more general health-related topics. Employers looking to set up certain wellness or prevention programs might find some

information of interest in the Combined Health Information Database. <http://health.nih.gov>

NIOSH: The National Institute for Occupational Safety and Health website (www.cdc.gov/niosh/homepage.html) offers a list of occupational safety-related publications.

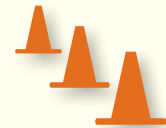
National Safety Council: This site covers many aspects of safety, not just safety at the workplace. www.nec.org.

OSHA: You can find the federal Occupational Safety & Health Administration's (OSHA's) official website at www.osha.gov. This site includes OSHA regulations for various industries, as well as current information on safety.

AIHA: The website of the American Industrial Hygiene Association defines industrial hygiene as the science and art of "...anticipation, recognition, evaluation, prevention, and control of those environmental factors or stresses arising in or from the workplace which may cause sickness, impaired health and well being, or significant discomfort among workers or among citizens of the community." It provides referrals to members and general safety information applicable to the workplace and homes. www.aiha.org.

Workers' compensation insurers: Many workers' compensation insurers provide occupational safety information online. Check your insurer's website for information on general safety and prevention topics. ■

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