

Loss Prevention News

Provided by the Texas Municipal League Intergovernmental Risk Pool

How to Lower Workers' Compensation Losses

Several variables impact workers' compensation costs. Most of us have little control over factors like increasing medical costs, but there are proven practices that members can take to help contain costs.

It Starts with Hiring and Job Descriptions

Using a proper selection process and a formal employee orientation program helps develop a safe and dependable work environment. Job descriptions are an essential tool in the employee selection and placement process. Not only will a good job description help prevent injuries by ensuring that an applicant is qualified for that job, but it also helps prevent misunderstandings about job expectations. While preparing a job description, physical requirements and working conditions should be analyzed.

Each employer should implement a practical safety program to prevent and reduce injuries, accidents, and near misses. All departments, with the support of management, should implement a program that assigns responsibility

and informs managers, supervisors and employees. A sample program is provided by TML-IRP, which is tailored for local governments.

**Careful Hiring
Training
Timely Reporting
Return-to-Work Program
+ Monitor Progress**

**Lower Workers'
Compensation Losses**

It Continues with Training

Whether lifting files,

collecting trash, or pursuing a fleeing suspect, everyone needs to continually think of their safety and the safety of others. This will occur when employees have been constantly reminded of their responsibilities through visual and verbal reminders. The goal is to develop a safety culture.

The Risk Pool provides many services that address loss exposures of local governmental entities, including on-site visits by experienced staff, and training and education classes. The Risk Pool provides an extensive media library

on topics related to governmental entities, and publications and handouts to enhance your loss prevention efforts. Take advantage of these free services to improve your own programs.

If An Accident Does Occur

Immediately reporting claims to the Risk Pool is crucial. The Texas Department of Insurance Division of Workers' Compensation prescribes timelines to follow when administering and managing claims. Submissions to the Risk Pool should be as complete as possible so that the claim can be examined properly. An injured employee may receive benefits; but benefits may need to be denied because of certain circumstances such as intoxication, intentional injury, or off-work activity. It is also essential to work with the Pool's claims adjusters and keep them aware of any circumstances that may arise regarding the claim. Active management of workers' compensation claims can effectively reduce time away from work and associated costs.

A thorough accident investigation is one of the most essential elements of any safety program. Supervisors and employees need to fully understand the importance of the first report of injury. Timeliness, along with accurate and complete information, is important in order for the workers' compensation process to operate effectively. For benefits to be paid, information is needed.

A thorough incident investigation finds the causes of the accident so that appropriate preventative measures can be taken. You need to learn why the accident happened, make changes that prevent repeat accidents, and make employees aware of hazards. It is important to answer the basic questions of who, when, where, why, and how the accident occurred. An accident is unfortunate, costly, and it can cause untold suffering. Good accident investigation will uncover all the details of how and why the event happened. Without an accident investigation, the incident is more likely to reoccur because appropriate preventative measures are not implemented. Good accident investigation discovers the facts, and should not assess blame.

Review your claims on a regular basis, making sure department managers and supervisors are aware of the claims. The Risk Pool has a team of professional health care managers within the Workers' Compensation Claims Department who continually monitor large claims and work with injured employees and members to review, monitor and develop ways to implement cost containment procedures and return the employees to work.

Bringing the Employee Back to Work

It is possible to reduce lost-time accident costs and help injured employees become productive sooner by establishing a return-to-work program before the accident. A key to a successful program is identifying alternative productive work in advance of the need. An effective program anticipates rather than reacts to loss. It's a matter of identifying jobs or parts of jobs that already exist. The best return-to-work programs share two characteristics: an emphasis on the importance of communications and the early identification of alternate productive work. If an employee is physically unable to perform former duties, a common sense solution is to return the employee to alternative work that is physically less demanding, yet essential.

Benefits of a Return-to-Work Program

Cost Saving: By shortening the amount of time injured employees are away from work, a return-to-work program can reduce your experience modifier, which in turn will lower your entity's contributions.

Low Turnover: By an employee returning to work, you don't have to hire and train replacement workers.

Increased Productivity: Production rises when employees are back on the job.

To help implement a return-to-work program, TML-IRP has developed educational materials and sample ideas on how to create guidelines for small or large members, outlining the key elements of return-to-work programs. Areas include identifying job characteristics and physical demands, writing clear job descriptions and performing job task analysis, identifying physical limitations from the health care provider so a job can be developed to fit the limits, and providing training.

Periodically communicating with injured employees lets them know that you care about their health and getting them back to work. An employee is more likely to report back to work sooner if the employee knows he or she is coming back to someone who cares about them. A contact person should be available to explain benefits and answer questions. Good communication also includes expressing a sincere regard for the injured employee's quick recovery and return to productive work and encouraging the employee to follow physician instructions while off work and after returning to work. All employees should understand their roles and responsibilities in a return to work program before the accident. Again, training is crucial.

Workers' compensation treating physicians should be familiar with the disability management of an injury; however, a provider that understands your entity's commitment to returning employees back to work as soon as they are able is preferred. By interviewing and informing doctors about your entity's commitment to returning employees to work if they are able, the doctors can assist the process and save time in the long run in explaining procedures. Talk with general practitioners or family doctors along with area specialists.

Monitor Progress and Assess Your Program

TML-IRP provides assistance and information to members in many ways. For example, Loss Prevention offers assistance in ergonomic evaluations and recommends improved methods of operation. Loss prevention visits keep members up to date on trends and issues. Surveys are conducted to detect, eliminate, and control physical and environmental hazards that contribute to accidents. The Pool's advanced training and education will enhance the skills of your employees. Effective claims handling coordinates the injured employee's needs with the health care provider, and checks medical bills for overcharges or other irregularities.

Above are some of the time-tested ways to control workers' compensation costs. Since there are some factors that cause workers' compensation costs to increase that we have little control over, employers should do all that can be done to control the costs that can be impacted.

For more information concerning how to implement policies and procedures that will help reduce workers' compensation losses, contact the Loss Prevention staff at **800-537-6655**.