

# THE INCIDENT REPORT

...a monthly newsletter from Districts Mutual Insurance

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## **THE DEC PAGE: Benchmarking Worker Compensation Premium Rates '10** - STEVEN STOEGER-MOORE, EXEC VP - DMI

The Oregon Department of Consumer and Business Services conducts a biennial national study on worker compensation rates. The 2010 study (Oregon Worker Compensation Premium Rate Ranking Summary) utilizes 51 classification codes from the National Council on Compensation Insurance for comparison. The study found that Montana had the highest Worker Compensation rates, Alaska was ranked number two. Rounding out the top ten were Illinois, Oklahoma, California, Connecticut, New Jersey, Massachusetts, New Hampshire. The lowest rates were found in North Dakota. In the 2010 study Wisconsin ranked 19th, compared to the 2008 study where Wisconsin was ranked 34th.

The report shows that national premium rate indices ranged from a low of \$1.02/\$100 of payroll in North Dakota to a high of \$3.33/\$100 of payroll in Montana. The median value is \$2.04/\$100 of payroll. The Wisconsin ranking of 19th is 108% of the study median, compared to 94% in 2008. The Wisconsin median value is \$2.21. The Wisconsin state rates are now above the national median. The report results reflect the performance of the worker compensation system.

DMI claims data reflects that medical costs continue to trend upward. Severity of claims is trending upward. The predominant payroll classcode rate (8868) reported by the Colleges is scheduled to increase 8%. Colleges must be vigilant in monitoring the expense associated with their workers' compensation claims. To further assist the Colleges - DMI will be hosting an encore presentation of the DMI Presents...Workers' Compensation Beyond the Basics Workshop on March 23, 2011 at the Gateway Technical College, Center for Advanced Technology & Innovation (CATI) located in Sturtevant. Attendees of the November session graded the presentation as "Excellent" (A) for overall content and a good use of their time. Please watch for additional details on this highly informative presentation. ALL Colleges are invited to send representatives from Human Resources; Risk Management; Risk and Loss Control; Payroll; College Nurse; and any decision makers regarding modified duty and return to work, to attend this no-cost workshop.



## **Quote of the Month**

**"The greatest gift is a portion of thyself."**

*- Ralph Waldo Emerson*

## **DMI Holiday Wishes and Office Hours**

All of us at DMI would like to wish all of you a safe, healthy, and happy Holiday Season enjoyed with family and friends - and all our best for a fantastic New Year!

The DMI offices will be closed on December 23rd & 24th and January 30th & 31st for holiday observation. Please note: Motor Vehicle Requests will likely be delayed during this "holiday week" due to the hours of various service providers.

*Insuring Risk - Sharing Rewards*

## DMI Presents...Workers' Compensation Workshop Update

On November 17th DMI presented its first face-to-face workshop at the Mid-State Technical College – Wisconsin Rapids Campus. Representatives from nine Technical Colleges attended.

The concept of this workshop was developed following the claims review process that is conducted three times per year by staff of DMI, United Heartland, and Arthur Gallagher Risk Management Services. The purpose of these claim reviews is to assure all parties have a clear understanding of the status of claims, what measures have been taken to make sure reserves are practical, and what anticipated actions may occur in the near future.

We found a common thread in these reviews:

- Reporting Processes (timely reporting, accident investigation)
- Claims Management (maintaining close contact with employees, claims adjusters, medical providers and the employees supervisors)
- Early Return to Work Programs (lack of a formal program, union roadblocks, supervisors not having a full understanding of the importance of early return to work programs)
- Focus on the returning employee with restrictions “disability” instead of their “ability”
- Having a clear understanding of the physical demands as they pertain to the job description.

The goal of this workshop was to provide participants with a clear understanding of the Wisconsin Workers' Compensation process and to assist the colleges in the development of “best practices” to help them take control of their workers' compensation costs.

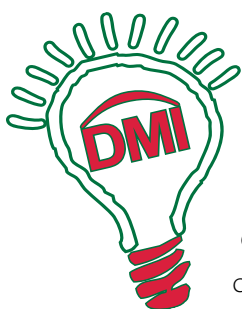
Attendees stated (through post-workshop evaluations): a preference for this method of workshop (face-to-face) because it provided participants with an increased ability to interact and network; they were impressed by the vast number of resources available (and provided).

If your College was unable to send representatives to this workshop or if your College has additional team members that would benefit from the information presented... you will have another opportunity! An encore presentation of this workshop will be presented on Wednesday, March 23, 2011 at the Gateway Technical College – Center for Advanced Technology & Innovation (CATI), located in Sturtevant. Watch the DMI Website for further information!

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### *BRIGHT IDEAS:* **Emergency Response Plan Review**

*Tim Greene - DMI Risk & Loss Control Consultant*



In the summer 2010, DMI engaged the services of Empathia to review Emergency Response Plans (ERP) for the purpose of providing each College with a confidential report as a tool for “continuous improvement” of their plans. A copy of the evaluation tool was included in the Risk Managers e-packet of materials to enable each College to familiarize themselves with how their ERP would be evaluated. The overall rating was compiled utilizing a point system for various categories. Empathia evaluated the individual ERP's to determine if “Recommended Features/Best Practices” were reflected in each plan; as part of the evaluation/report each College was provided with “Examples of Excellence” and “Proposed Refinements” to their plan.

At the October 22nd Risk Managers meeting, representatives from Empathia provided a detailed presentation entitled, “Organizational Enterprise Risk Management & Emergency Response Planning for DMI Members”. Part of this presentation was based on the combined data from the submitted ERP's. These reports were distributed (and mailed to those not in attendance) to each College Risk Manager Representatives at this meeting. Each Representative was asked to share the information given in the presentation and contained within the report locally. All Colleges were encouraged to meet with their planning teams to implement a “continuous improvement” process for their ERP's.

DMI is working to bring additional resources on this topic to its Members. Please watch your email and the DMI website for further developments on this topic.

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