

Top Proven Strategies to Control Workers' Compensation Cost



Stories from the claim files...















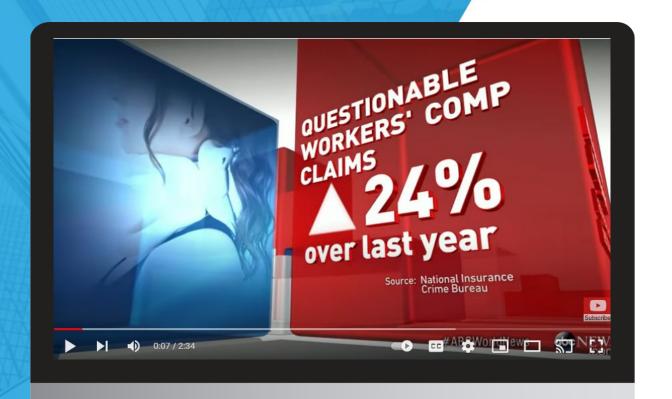


Be Proactive

- Training & Education: Make it a core value
- Set up a safety program
- Conduct a safety audit
- Utilize your broker's risk management team



ABC News
Story



Workers' Comp Statistics:

"Facts are stubborn things, but statistics are pliable"- Mark twain

National Statistics	National Claims Data	Impact of Workers Comp Fraud
\$42,500,412,000 Net Written Premium	\$4,764 Workplace Fatalities - 2020	1-2% of All Workers Comp Claims are Fraudulent – Employers Ins. Report
9.8% Reduction from 2019	\$63B Workers Compensation Benefits Paid 2019	@2% = \$1.26B Fraudulent Payments 2019
90.2% Combined Loss Ratio	\$31,000,000,000 Medical - 2019	Additional Costs:
1.9% increase from 2019	\$31,800,000,000 Indemnity - 2019	✓ Impact on Experience Mod Factor
		✓ Investigation
Travelers #1 writer with \$3.7B		✓ Depositions
144,407,000 Covered Workers		✓ Training Replacement
		✓ Additional labor Costs
\$8.6B Covered Wages 2019		✓ Time not Focused on Your Business



Workers Compensation Fraud Warning Signs

- Monday morning or start of shift injury reports. Alleged injury occurs first thing Monday morning or late on Friday and not reported until Monday.
- Employment Changes. Alleged injury occurs immediately before or after, job termination, layoff, conclusion of seasonal work.
- Suspicious Providers. EE's medical providers or legal consultants have a history of suspicious claims; Ask your claims adjuster
- No Witnesses. Additionally, the ee's own description does not support the cause of the injury.
- ➤ Conflicting Descriptions. The ee's description of the accident conflicts with injury report.

- History of Claims. The ee has a history of suspicious or litigated claims.
- Refusal of Treatment. The ee refuses a diagnostic procedure to confirm the nature or extent of the injury.
- ► Late Reporting. The ee delays reporting the claim without a reasonable explanation
- Claimant is Hard to Reach. EE is hard to reach at home or via cell.
- Frequent Changes. The ee frequently changes physicians, addresses and/or jobs.

Workers Compensation Fraud Warning Signs cont.

Employers Action Plan

THEY SAY THE BEST OFFENSE IS A GOOD DEFENSE.

FALSE. THE BEST OFFENSE IS THE BEST OFFENSE.

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Action Plan to Reduce Cost

Report Claims Quickly – Require employees to immediately report a workplace injury and supervisors to the insurer within 3 days.

Promptly Investigate - Gather information from injured EE and other witnesses. Are there other sources of information such as video monitoring?

Accompany the injured EE to the medical provider when possible

Stay in contact with the medical provider

Stay in contact with the injured employee

Utilize a Physician Panel

Implement a Light Duty / Return to Work Program

Work with your brokers Risk Management Team.



Communicate, Communicate, Communicate!

