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Insurance With Assurance

The Top 10 Workers Comp Injuries

by Rick Janis

What are the top ten Workers Compensation injuries and how do these claims affect rates?

David Letterman may never use this list on his show but most alarm dealers will find this list fairly interesting. Not only will the types of injuries on the list surprise you but what drives up the premiums based on the losses that occur will also raise some eyebrows.

Approximately 2.8 million work days are annually lost due to employees' injuries. The employee's absence can add up to 6% of an employer's total payroll.

According to NCCI Holdings, Inc. (the Workers Compensation Statutory Bureau), the top ten on the job injuries that account for those 2.8 million work days are:

1. Strain in the lower back
2. Laceration of a finger
3. Foreign body in the eye
4. Laceration of the hand
5. Laceration of all other multiple body parts
6. Strain to the knee
7. Strain to multiple body parts
8. Sprain to the ankle
9. Strain to the shoulder
10. Laceration to the thumb.

What's most surprising about the list is that these injuries are not life threatening or what we might term serious, such as death, paralysis or long-term disability (an employee who is out for 3 months to over a year or more).

This clearly tells us that the top ten workers injuries are all accidents and can be prevented.

Maybe you strained your back because you lifted improperly or didn't ask a coworker to help you. Maybe you got a foreign body in the eye because you weren't wearing protective goggles. Or you lacerated your finger because you were in a hurry and weren't careful.

These injuries and claims will literally drive up your rates overnight if they go unchecked.

The actuarial mathematics gives 100% credence to small claims and applies an actuarial modifier to large claims. For example, an employer who constantly turns in back injury or small laceration type claims will have their rates increased from 150-200% over the dollar amount of the claims they turned in.

On the other hand, take one large traumatic claim during the year such as an employee that is severely injured by a piece of machinery. His medical bills are \$75,000 and lost wages add up to another \$30,000. The actuarial formula is handled differently and limits the loss to **perhaps** \$50,000.

Why? It's based on simple mathematical probability. To the workers comp bureau, numerous small claims means that it's highly likely you're running an unsafe workplace. Maybe you're not providing protective gear to employees or emphasizing work safety. In contrast, one large claim alone tells the bureau that you had an "accident." While in hindsight it might have been prevented, there's no reason for anyone to think you are running an unsafe workplace.

That's why workers comp won't as **severely** penalize a business for one large loss but they will for a large number of small multiple claims.

The answer is to not only make your workplace safer, but also during pre-employment checks, ask the potential employee and his or her former employers about previous claims. Yes, you do have a right to ask! So be sure that making the workers comp top ten list isn't a "talent" new employees are going to bring to your company.

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