

BUSINESS INSURANCE

Controlling Costs in a Work Comp Captive: The Rolling Stones Were Wrong - Time Isn't On Your Side

2018 World Captive Forum
January 31 - February 2, 2018
Fort Lauderdale, FL
#WorldCaptiveForum

Time Isn't On Your Side

Nate Reznicek – CIC Services, LLC

Dr. Ann Hawkins – 24hr Virtual Clinic™

Kristy Balthazor – Assurance Partners

Donna DeFalco – Health Enhancement Company



Nate Reznicek – CIC Services, LLC

When Is Time On Your Side?

Real Estate
Compounding Interest
Gold

When Is Time Not Your Side?

Vacation
Term Papers
Airport Travel
Loss Reporting

Efficiency : Control

Statutory Reporting Requirements

Employee Experience & Company

Reputation

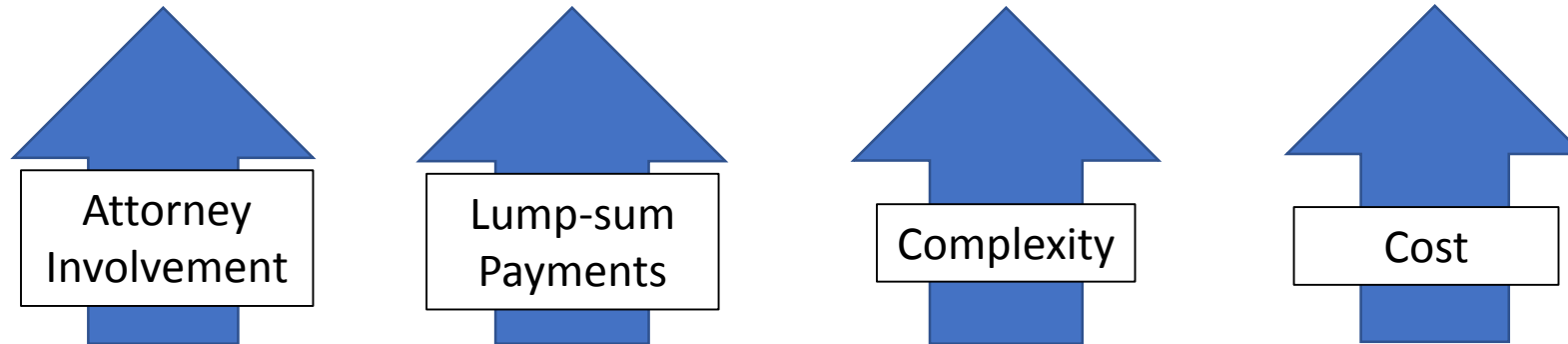
Cost Control

Loss Reserve Protection

Impact of Reporting Delays

Claims with a delay of more than two weeks are more complex to settle, take longer to close, and involve a longer period before the injured worker can return to work.

- NCCI "Workers Compensation 2015 Issue Report"





Dr. Ann Hawkins – 24hr Virtual Clinic™

↓ Time ↑ Satisfaction

- The Rolling Stones were wrong...it's time to reverse the song lyrics
- Captives reward Good Behavior – Know the Rules
- Accidents - Poor Physical and Emotional Health
- Health and Safety are Related!

Workplace Statistics

- Injuries – 24.4% caused by over exertion [Liberty Mutual 2016](#)
- Illness - 72% of employees missed work or couldn't concentrate due to personal/family health concerns <http://coba.alasu.edu>
- Rushing, Frustration, Fatigue, Complacency cause accidents <https://www.intranet.chem.pitt.edu/four-states-of-mind-that-cause-accidents/>
- Employees take 4 sick days/year, unproductive 57.5 days <http://ehstoday.com/march> 2016
- 50% of Americans have an MSD – arthritis, back pain www.safetyandhealthmagazine.com US Bone and Joint Initiative

Captive Solutions

- Address the whole person
- Health impacts work and work impacts health
- Workers suffering from physical or mental health conditions can have twice the likelihood of an on-the-job injury
- The bottom line good health is good business--from the exam room to the board room

Dr. Ron Loeppke - Vice Chair of U.S. Preventive Medicine Inc., member UL Workplace Health & Safety Medical Advisory Board

<http://www.ehstoday.com>

Tick-Tock... Now is the Time

- As a Captive you can direct the course for your clients
- Address the entire spectrum, Total Worker Health through the captive
- Increase client satisfaction, trust, retention and consequently revenue!



Kristy Balthazor – Assurance Partners



Institutionalization of Hiring Process

Job Descriptions
and Analysis

Physical
Qualification and
Screening

Administrative
Policy Development

Communication
and Training

Stay at Work and Return to Work

Annual Physical
Testing

Non-Occupational
Injury/Illness
Return to Duty
Procedures and
Policies

Testing
Administration and
Procedures

Occupational Recovery

Triage and
Medical Provider
Resource

Injury Response
and Treatment

Reporting and
Claim
Administration

Employee
Education

Workplace Safety

Safety Program
Analysis and
Review

Safety Committee
Support and
Consultation

Claim Committee –
Root Cause and
Mitigation

Employee Fitness and Wellness

Progressive
Occupational
Conditioning

Health Risk Factor
Identification and
Control

Health Coaching
and Education

Supporting Family
Health Education

	2015 Year End Results	2016 Year End Results	Prior 4 Year Annual Average	2016 Year End over Prior Average
Claim Count/Activity (All Claim Types)	80	47	56	Down 16%
Indemnity Claim Activity (Claims Involving Wage Loss/Permanency)	4	0	8	Down 100%
Claim Cost (Direct Loss Expense)	\$243,256	\$14,261	\$265,225	Down 95%
Claim Litigation Activity (% of litigated claims to all claims) <i>National Average 12%</i>	1%	0%	14%	Down 100%
Claim Reporting Lag (# of days to report claims)	2	6	16	Down 63%



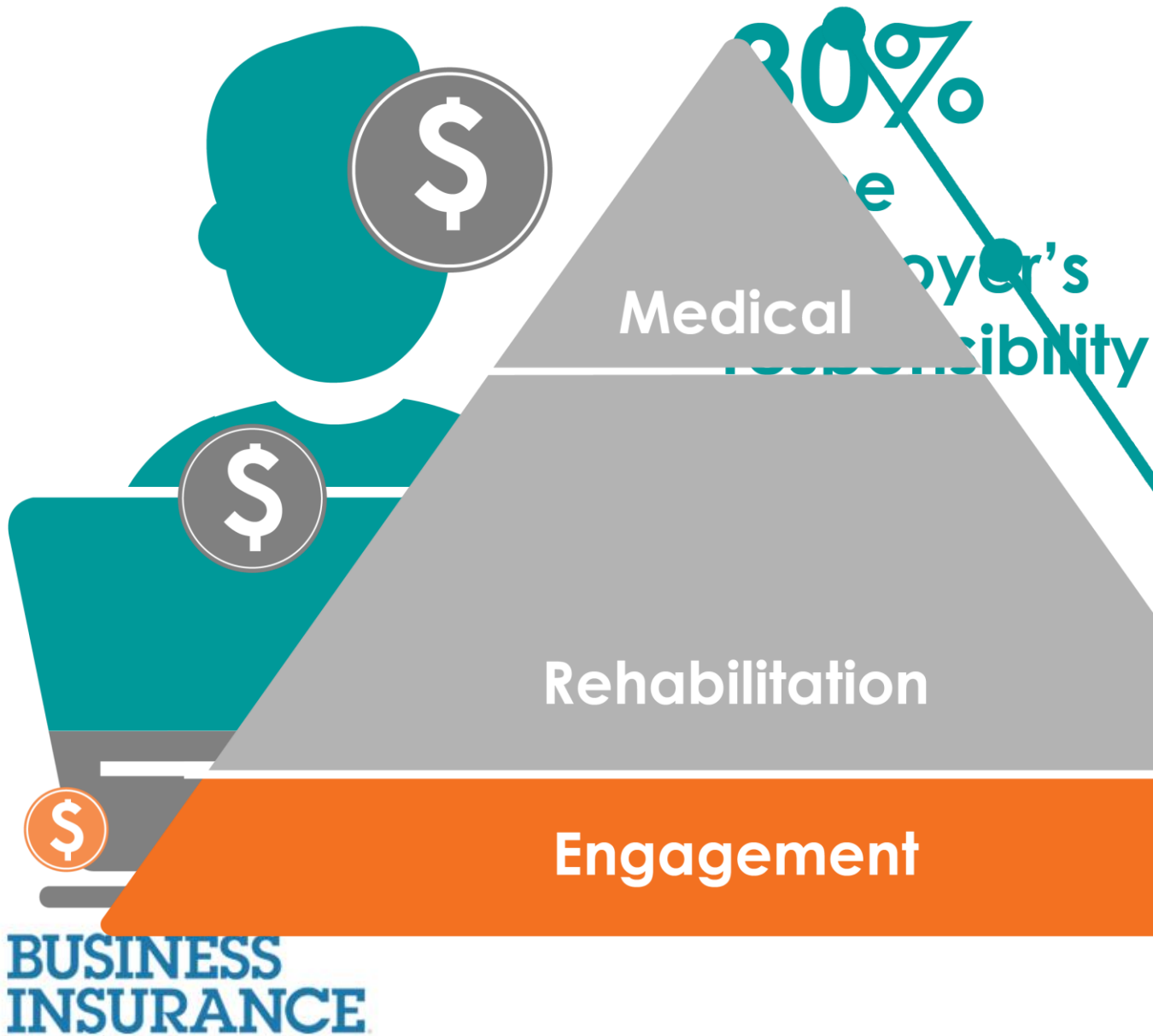
Donna DeFalco – Health Enhancement Company

**“Lots of money,
Yeah, yeah, yeah”**

-The Rolling Stones

Case Study | Medical Intervention Vs. Proactive Measures

Employee (At-Risk)	At-Risk Employee MSD Condition	Average MSD Costs (Indirect & Direct)	Proactive Measures (Material & Labor Costs)	Savings with Proactive Measures
A	Back	\$154,800	\$770	\$154,030
B	Back	\$154,800	\$820	\$153,980
C	Wrist	\$108,000	\$409	\$107,591
D	Wrist	\$108,000	\$410	\$107,590
E	Shoulder / Wrist	\$108,000	\$530	\$107,470
F	Wrist	\$108,000	\$30	\$107,970
G	Elbow / Shoulder	\$90,000	\$305	\$89,695
	TOTAL	\$831,600	\$3,274	\$828,326



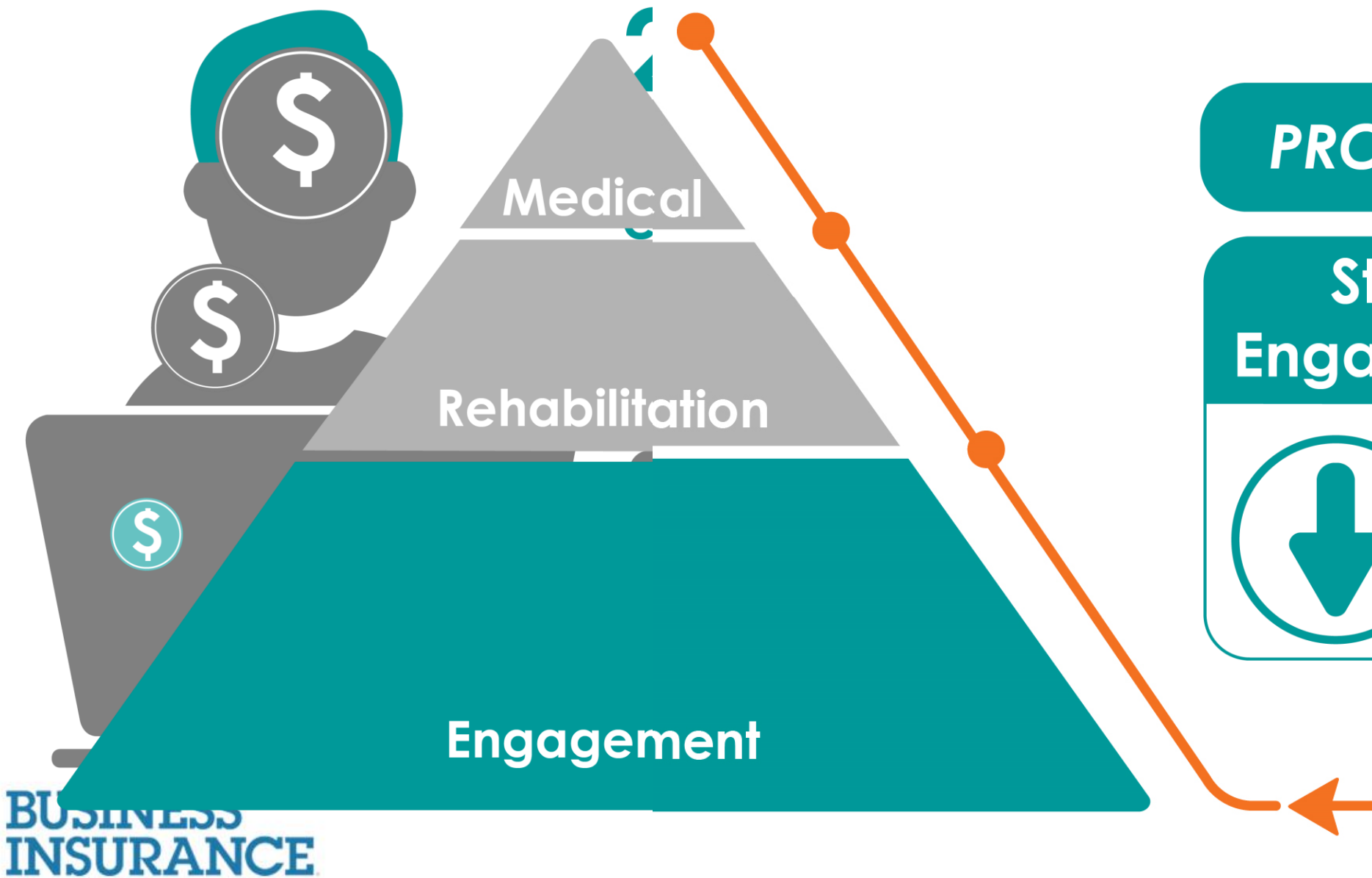
REACTIVE

**Weak
Engagement**



**Risk
& Cost**

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PROACTIVE

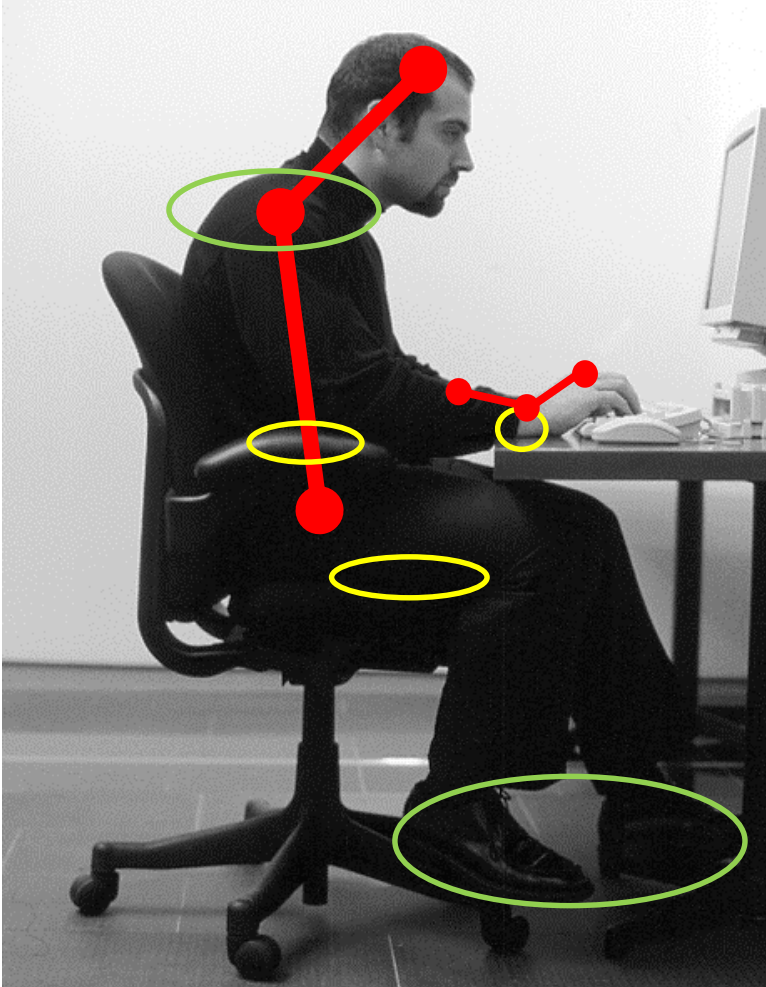
**Strong
Engagement**



**Risk
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Minimize awkward postures

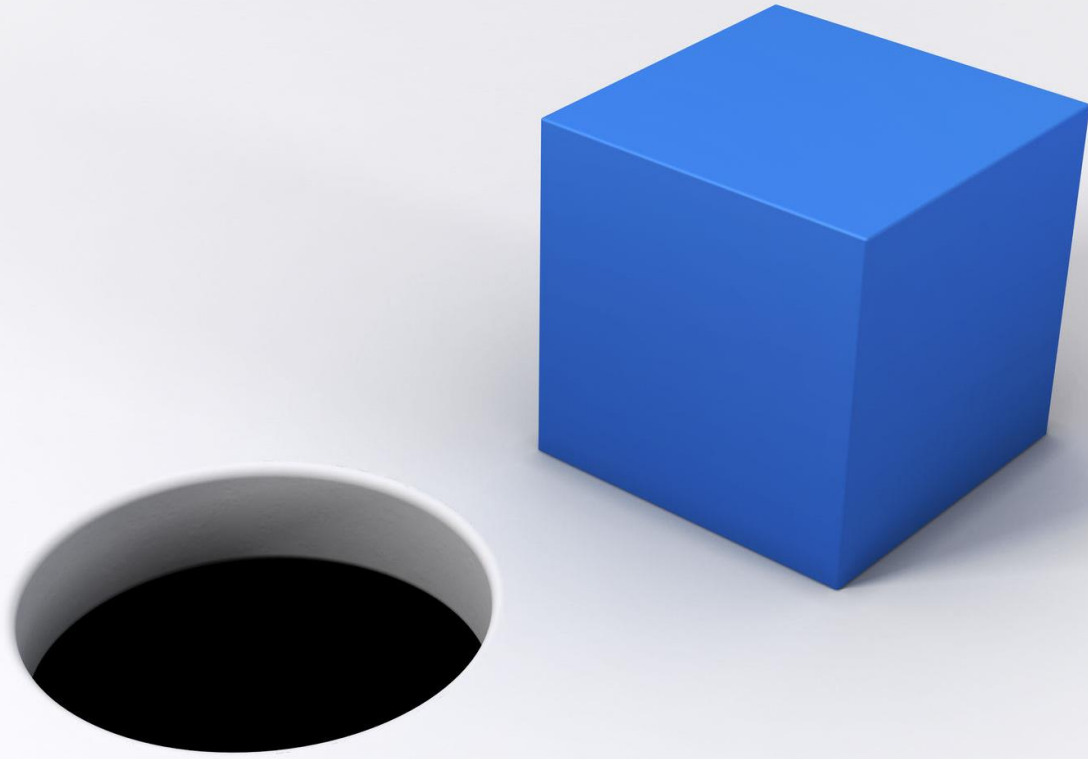


Maximize neutral postures



**“The best things
in life are free”**

or close to it.





***“Lots of money,
yeah, yeah, yeah”***

Have more, spend less.

Four Key Points

to remember about ergonomics and MSD costs

1. Ergonomics is an economical, preventative, and design based discipline that addresses MSD claims
2. Ergonomic interventions can increase your ROI while decreasing your MSD cost to claim
3. Product interventions alone are not enough – training and engagement are integral parts of an ergonomic program's success and your bottom line
4. See ergonomics as an investment to an organization and a step toward a culture of Total Worker Health®

**Remember,
time is not on
your side.**

Q & A

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