

SCF Arizona

A Safety Newsgram for Association and Chamber Executives

Safety Pays



Good news for Arizona employers

The National Council on Compensation Insurance recommends decreasing workers' compensation rates by an average 5.1 percent for the next year. The actual rate reductions each employer may receive depends on the job classification code covering the occupation.

Also, the Arizona Department of Insurance (DOI) must consider the recommendation, and it could accept, reject or modify it.

The new rates will take effect on Jan. 1, instead of the traditional Oct. 1 date.

Among the reasons for the rate reduction recommendations are a continuing decline in workers' compensation claims, which could be

**WORK COMP RATE
REDUCTION ANNOUNCED**

Rate setting

continued



a result of the recession, and because the two-year benefits increase, passed by the Legislature in 2007, is complete.

Because the 2007 statute now ties benefit increases directly to the calendar-year monthly wage average, Gov. Jan. Brewer signed into law a measure, SCF Arizona proposed and supported, that moves the DOI's rate setting from Oct. 1 to Jan. 1. The change should ease policyholders' budgeting and administration procedures.

As a result of the changes, the 2009 rate deviation the DOI approved last year, which was scheduled to expire Sept. 30, will be extended through Dec. 31.

Factored into the recommended rate decrease is an increase of \$163 in monthly workers' compensation benefits, effective Jan. 1. ●

Paper chase

SCF Arizona has changed procedures for the drug and alcohol program that can provide a 5 percent credit on policyholders' premiums. The modifications reduce the paperwork required, and eliminate the need for employers to file certification forms each year with the Industrial Commission of Arizona.

Here are the details:

- Certification of an employer's drug and alcohol testing policy is no longer required.
- The only form required is the SCF Annual Drug and Alcohol Program Verification Form. This one-page form is the only one required. It is sent directly to SCF Arizona.
- The verification form is an annual requirement. It needs to be submitted within 30 days of the policy renewal. ●

Map it out

Have you wanted to create a safety program at your business but don't know how to get started?

SCF Arizona can provide you with a template that breaks down what a safety program should look like, and how you can get one started. The best thing is that while the suggestions are universal, you can create a plan that is unique to your business.

The template breaks down in six steps what you need, including:

- Safety statement
- Worksite analysis
- Hazard recognition
- Accident analysis
- Training
- Safety committee

With the template, you are given recommendations, suggestions and some general ideas that are thought provoking and will help to explain how safety is interconnected to your business's success and your employees' welfare.

For a copy of the Safety Template, contact your SCF Arizona Association Coordinator.

OSHA changes

Under the Obama Administration, OSHA promises to be tougher and re-emphasize safety in the workplace. Here are highlights:

- OSHA will push workplace safety aggressively
- More than 150 inspectors will be hired in fiscal year 2010
- The number of annual workplace inspections will increase from 38,000 to perhaps 44,000
- Penalties will be higher for violations
- New standards will be released on diacetyl flavoring used for popcorn, combustible dust exposure protection, cranes and derricks, confined space in construction, and a rewrite of the hazard communications standard
- New standards will be released on ergonomics and basic requirements of having an overall safety and health program
- OSHA will be more aggressive with standards
- OSHA's Voluntary Protection Program will be de-emphasized
- A focus will be placed on workers' behavior
- Recordkeeping and safety in the chemical industry will receive scrutiny from OSHA National Emphasis Programs

for you



1,000,000 man hours of safety



SCF Premier Insurance Company policyholder Hunter Contracting, a member of the Arizona Chapter Associated General Contractors Association, celebrated 1 million man hours without an injury in July. The streak began May 31, 2006.

“We have a very intensive training program,” says Stephen Sanchez, the company’s public information officer. “We’re pretty proud of that.”

For each job title, the safety training at Hunter Contracting is customized to fit the worker’s duties, Sanchez explains.

To celebrate the milestone, the company bought a top-of-the-line \$6,000 barbecue grill – on a trailer with 15 square feet of grilling space – and threw a party for its employees. The workers also received work clothing and hats with a new logo that touts the company’s commitment to safety.

Sanchez said, “This was a mile marker, but it wasn’t the end. This is only the beginning of a journey.”

SCF Arizona’s Director of Sales & Marketing Phyllis Senseman joined the celebration and told company officials and workers, “As a company, you defy the averages. For example, on average, more than a dozen workers in the United States are killed every day on the job. And, on average, 10,000 U.S. workers suffer an injury so serious, they have to take time off work.

“This accomplishment tells us that you know a safe workplace isn’t something that just happens. It takes hard work. But the results are more productive employees; employees who know that you care and greater results to support your bottom line,” Senseman said. ●

COPY THAT

Safety Pays articles are available at www.scfaz.com in pdf format. If you need a Word document for reprinting, simply contact your SCF Arizona association coordinator.



Use SCF's PCN

CONTROL CLAIMS COSTS

Have you ever wondered why it benefits your company to direct care for a workers' compensation injury to an approved provider network?

By using a provider network when a worker sustains an injury, you help control the cost of your workers' compensation claims, which in turn helps to keep your premiums lower.

All businesses insured by SCF Arizona or its subsidiary companies – SCF Premier Insurance Company, SCF Western Insurance Company, SCF General Insurance Company and SCF Casualty Insurance Company – are eligible to use SCF Arizona's Preferred Connection Network, or PCN. And it is FREE!

The network comprises healthcare doctors, occupational therapists, urgent care facilities, hospitals, durable medical suppliers and more, all of whom agree to provide their services at costs

below the Industrial Commission of Arizona's Physicians' Fee Schedule or at rates significantly below regularly billed charges for providers that are not subject to the fee schedule.

Your injured workers will receive care from highly trained occupational injury providers, who produce the best possible outcomes at less cost. The discounts can translate into:

- Lower loss ratios
- Greater discounts
- Potentially lower experience modification factors

Taken all together that could mean a lower premium for your workers' compensation insurance.

SCF encourages you to designate a PCN member as your company's healthcare provider, then direct injured workers for the initial treatment visit to that provider. This is because typically injured workers continue to see the healthcare providers who treated them first. However, injured workers can elect to see their own doctors at any time. If their doctors do not belong to the PCN, the claims cost could be higher, affecting your bottom line.

Another benefit to using SCF Arizona's PCN is that by working with healthcare providers who are workers' compensation specialists you open a communications link that lets you be more informed regarding the injured worker's progress. This will help to determine whether work modifications or transitional work plans can be made to get the employee back on the job as soon as medically possible, which also can save on the total cost of the claim.

If you have not designated a PCN healthcare provider for your company, visit our website at <http://www.scfaz.com/pcn> to locate the nearest one to your workplace. ●

Calendar

Watch for these seminars coming to your area. For additional classes and other information, visit www.scfaz.com and click on **Policyholders/Safety & Prevention** or contact SCF Arizona's Risk Management Team at 602.631.2008.

SEPTEMBER 23

Excavation Safety ● Phoenix

OCTOBER 8

Bloodborne Pathogens ● Flagstaff

Hazard Communications ● Flagstaff

Defensive Driver Training ● Prescott

OCTOBER 14

Behavior-based Safety Management ● Prescott

OCTOBER 21

Ergonomics in the Construction Industry ● Prescott

OCTOBER 28

Noise and Hearing Conservation ● Prescott

Accident Investigation ● Prescott

OCTOBER 29

Hazard Communications ● Prescott

Bloodborne Pathogens ● Prescott

NOVEMBER 12

Forklift Train-the-Trainer ● Phoenix

DECEMBER 3

Electrical Safety ● Phoenix

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