

In This Issue:

- Early Return to Work Programs
- Verifying Social Security Numbers
- The Importance of COIs
- Did You Know?
- Fatality Facts
- Q and A
- iSurity Claims Services

Special Insert: Audits

Visit Us
On the Web!

www.iSurity.com

iSurity, Inc.

PO Box 6455
High Point, NC 27262

Phone:
(336) 869-3000

Fax:
(336) 869-7070

Early Return to Work

Programs that Motivate

When an employee is released to work with restricted work duties after an injury, it is vital that the employer accommodate the restrictions given by the doctor. **iSurity requires that NCME Fund Employers have an Early Return to Work Program for their employees.** The benefits of an early return to work program include:

Improved Work Ethic. An employee is paid for an honest day's work.

Decreased Chances of Re-Injury. By actively managing restricted duty activities, an employee can still be beneficial and productive to the employer, while bringing home a paycheck to his/her family and allowing the injury to heal. If not properly managed, an injury can worsen.

Employee Motivation. The employee will not get paid for the first seven days away from work. By providing restricted duty work to the employee, he or she will still get paid. Once out of work, employees often become alienated, comfortable not working, and often physically and mentally "out-of-shape".



Reduction in Workers' Compensation Cost.

The longer an employee is out of work, the less likely he or she is to return to pre-injury status. Workers' compensation laws are set up to provide payment of medical cost and lost wages, and the insurance carrier pays according to those guidelines. An attorney will charge 25% of the benefits that the employee would receive. This can be avoided by keeping the employee informed and by listening to concerns that he or she may have.

Reduced Chance of Permanent Disability and Vocational Rehabilitation. The psychological aspect of being out of work is often underestimated. Accommodating restricted duty will improve the employees psychological well being, which improves recovery time. When an employee is not able to return to his or her employer, it is also very difficult to return to a similar job. Often employees are neither qualified nor motivated to work somewhere else, driving the cost of the claim up drastically.

Reduced Indirect Cost of Injuries. The hidden cost of lost time injuries are about 1 to 5 times the cost of lost wages and medical bills. This estimate includes costs associated with lost productivity, increased overtime, hiring and administrative costs, retraining, and property damage.

Having an early return to work program in place that addresses these issues will save your company money, both directly and indirectly.

Did You Know?

NC Workplace Deaths Up 8%

- Workplace fatalities in NC rose up to 182 in 2003, up almost 8% from the previous year's record low of 169.
- North Carolina still ranked #9 in the country in terms of workplace fatalities.
- There were 5,559 workplace fatalities in the US in 2003, up from 5,534 the previous year.
- Transportation-related incidents accounted for 69 fatalities
- Construction fatalities stayed at 44.
- Manufacturing had 26 deaths, while homicides in the workplace accounted for 23 fatalities.

Verifying Social Security Numbers

Why It's Important

- ▶ A new employee has been hired and trained, and just when the person reach productivity levels you find out that the employee does not have a valid social security number, the employee leaves and you have to hire and train a new employee.
- ▶ An employee that is out of work due to a work related injury/illness and you find out that he/she does not have a valid social security number. It is very difficult to get the employee back to work and the cost of the claim may increase dramatically.



- ▶ To make sure that the W-2 information that you submit is correct.

Social Security offers employers several convenient methods for verifying current or former employee SSN's (You cannot do this for pre-employment purposes). All methods are free:

To Verify Up to Five Names/SSN's - Just call the toll-free number for employers - 1-800-772-6270 - weekdays from 7:00 a.m. to 7:00 p.m. EST. You will be asked for your company name, then you will be asked to provide the following information for each name/SSN you want to verify.

1. SSN
2. Last Name
3. First Name
4. Middle Initial (if applicable)
5. Date of Birth
6. Gender

Legal Policy - Don't Discriminate or Misuse EVS

SSA will advise you if a name/SSN you submitted does not match our records. This does not imply that you or your employee intentionally provided incorrect information about the employee's name or SSN. It is not a basis, in and of itself, for you to take any adverse action against the employee, such as lying off, suspending, firing, or discriminating against an individual who appears on the list.

EVS should only be used to verify currently or previously employed workers. Company policy concerning the use of EVS should be applied consistently to all workers, e.g. if used for newly hired employees, verify all newly hired employees; if used to verify your data base, verify the entire data base. Any employer that uses the information SSA provides regarding name/SSN verification to justify taking adverse action against an employee may violate state or federal law and be subject to legal consequences. Moreover, this makes no statement about your employee's immigration status.

Report Claims Immediately 1-800-869-3999
Post Accident Drug Testing Is Required

The Importance of COIs

How Can My Subcontractors Affect My Workers' Comp Policy?

If you use uninsured subcontractors you will owe additional premium based on the payroll paid and the class code they are in, e.g. roofing. Many employers withhold money from subcontractors in an attempt to recover the additional premium that they will have to pay. This may cover the cost of the insurance short term, but there is a bigger question that is lurking:

What will happen if one of my uninsured subs gets injured? Who will pay for the cost of the claim?

Your insurance carrier may be required to pay the claim under your policy. This means that the losses incurred by the sub will be charged against **you** and adversely impact your experience modifier as well as your insurability. You are legally required to have worker's compensation insurance if you have more than three employees.

If I don't have more than three employees, what happens if one of them is injured on the job?

You will have to pay for the benefits without the protection of insurance.

How do I limit my risk and liability from the use of subcontractors?

By always ensuring that your subs have their own insurance or that you count them as your employees. This can be done by requiring your subcontractors to provide a Certificate of Insurance (COI).

NOTE: Never trust a COI that is not provided by the carrier. Always request that your sub have his/her carrier send it to you directly and verify periodically that it is current and valid.

Fatality Facts

DESCRIPTION OF ACCIDENT

A laborer was steam cleaning a scraper. The bowl apron had been left in the raised position. The hydraulically controlled apron had not been blocked to prevent it from accidentally falling. The apron did fall unexpectedly and the employee was caught between the apron and the cutting edge of the scraper bowl. The apron weighted approximately 2500 pounds.

ACCIDENT PREVENTION RECOMMENDATIONS

Employer shall instruct each employee to recognize and avoid unsafe conditions applicable to his work environment (1926.21(b)(2)). Bulldozer and scraper blades and similar equipment shall either be fully lowered or blocked when being repaired or not in use.

Q&A

Q: *Is a drug/alcohol test necessary after every accident?*

Yes, we require this testing as a condition of participation in the NCME Fund. Failure to conduct this test may jeopardize the workers' comp insurance coverage. If there is any question about whether the medical provider is obtaining the testing samples, please contact iSurety immediately, and we will coordinate the testing.

Q: *As an employer, I am concerned about the chance of re-injury if I bring a healing employee back to work.*

We rely on the expertise of the attending physician to determine when the employee is physically able to return to light or full duty work. If the physician places any restrictions on the nature of the work the employee is allowed to do, it is important for the employer and the employee to respect and adhere to those conditions.

Q: *I think that my employee is working somewhere else while collecting workers' compensation benefits. What should I do?*

Contact iSurety immediately so that appropriate action can be taken.

isurity

iSurety, Inc.

PO Box 6455
High Point, NC 27262

Phone:
(336) 869-3000

Fax:
(336) 869-7070

E-mail:
info@iSurety.com

Visit us on the Web!
www.iSurety.com

SAFETY MATTERS

iSurety Claims Services

iSurety takes great pride in their claims department providing prompt and direct service to the insured. Listed below are some of the services provided:

- ▶ Bill re-pricing in accordance with the NC Ind. Commission Fee Schedule
- ▶ Pharmacy network which provides the injured worker with a pharmacy card to fill prescriptions resulting in cost savings to the employer and avoiding the employee to pay for prescriptions out of their pocket.
- ▶ Preferred Provider Network
- ▶ Reporting to the North Carolina Industrial Commission
- ▶ Coordinating the injured workers' care with the best medical treatment available.
- ▶ Early Return to Work Programs
- ▶ Detailed Claims Investigations
- ▶ Assistance with arranging post accident drug testing

Claims can be reported in any of the following three ways:

1. By fax at 336-869-7070
2. By telephone at 800-869-3999 (Please make sure you have all relevant information available for the adjuster to complete the form 19 by telephone.)
3. By e-mail

For additional information or assistance regarding claims, please contact iSurety at 1-800-869-3999 or via email at claims@isurity.com



PO Box 6455
High Point, NC 27262
www.iSurety.com