

Loss Control

INSIGHTS



This past year has been a busy one for EMC's loss control professionals. In 2006, the staff completed almost 10,000 new building valuations and 24,000 building recalculations (updated for inflation and material costs), distributed 140,000 issues of *Loss Control Insights*, made 11,000 on-site visits, received more than 300,000 hits to the Loss Control pages on emcinsurance.com and distributed almost 20,000 Safety Talks.

The stories inside highlight some the many ways EMC's risk improvement department has been diligently working to reduce the severity and frequency of losses for businesses, schools, municipalities and other institutions and organizations throughout the country.

...continued inside



Fleet Safety

SITUATION: Many organizations lack a formal fleet safety program. In fact, it's not uncommon for people in management to have a "deer in the headlights" look when asked about it, according to EMC Cincinnati Branch Risk Improvement Representative Gene Sechler.

RESPONSE: Sechler created a custom-made fleet safety kit to share with policyholders' management staff during initial inspections and interviews. The kit contains a copy of the Fleet Safety Program Tech Sheet, the Fleet Safety section from EMC's *Loss Prevention Information Manual* and a copy of the latest Loss Control Video Directory. (All items are also available on www.emcinsurance.com.) "The kit provides management with materials and guidelines to help them establish a fleet safety program of their own," explains Sechler. "It's also a great way to make clients more aware of the loss control resources available from EMC."

TIP...

A fleet safety program should include procedures for driver selection and training as well as vehicle selection, inspection and maintenance. In addition, procedures for driver performance evaluations, motor vehicle record checks, route evaluations and special trip planning should also be addressed.

RESULTS: As a result of Sechler's efforts, more policyholders are benefiting from formal fleet safety programs aimed at reducing the likelihood of costly driving accidents.

Partnership Service

SITUATION A: An agricultural service cooperative needed to improve the training of their specialized crop applicators.

SITUATION B: Two schools in Wisconsin needed to control the cost of workers' compensation insurance.

RESPONSE: Through EMC's Partnership Service, loss control consultants took each policyholder through a multi-step risk analysis enlisting the help of employees to identify problem areas and develop reasonable ideas to reduce or eliminate them. This process was instrumental in helping the cooperative identify the deficiencies in their training procedures and in helping the schools find potential risks by reviewing their policies and procedures.

TIP...

The partnering of your organization's leadership, employees and EMC's loss control experts can lead to improved on-the-job safety for employees and an improved bottom line for your organization.

RESULTS A: In addition to changes in classroom instruction, employees now have the opportunity to get hands-on training with an instructor. Participants drive several different machines on obstacle courses with specific operational and safety objectives.

RESULTS B: Both Wisconsin schools have seen a dramatic drop in their workers' compensation modification factors as a result of Partnership Service. One school benefited from a 20-point drop by making improvements in the building and grounds and food service departments. The other school saw a 28-point drop after employees reviewed and changed policies and procedures in its building and grounds, food services and special education departments.

» OSHA OFFERS NEW
FIRE SERVICE PUBLICATION

Learn ways to increase the safety of building occupants and emergency responders by streamlining fire service interaction with building features and fire protection systems. For details, visit www.osha.gov.

» MOTOR VEHICLE OPERATIONS
STANDARD APPROVED

ANSI/ASSE Z15.1, *Safe Practices for Motor Vehicle Operations*, will impact safety rates, vehicle management, and driver hiring and training. Learn more about this new approved standard at www.asse.org.

» PROTECTING EMPLOYEES
AGAINST ASIAN FLU

OSHA *Guidance Update on Protecting Employees from Asian Flu Viruses*, and other important resource information on the topic, has been posted to OSHA's website at www.osha.gov.

Environmental Health



SITUATION: When a 300-gallon water tank ruptured, water quickly emptied into office areas of an EMC policyholder. Office personnel responded quickly by using wet vacuums to remove the water. Two days later, however, they began smelling a musty odor. Upon further investigation, it was discovered that not all of the furniture had been removed from the offices prior to vacuuming.

RESPONSE: To better assess the damage, EMC's risk improvement specialists used infrared technology to identify moisture still present in a number of areas.

TIP...

Whenever an excess volume of water spills or leaks into an interior space, it must be removed as quickly as possible. Failure to do so can lead to mold growth in as little as 24 hours.

RESULTS: In response to EMC's findings, the insured took prompt action to completely dry the affected areas, thereby reducing the need for costly replacement of damaged materials.

Ergonomics



SITUATION: An Iowa manufacturer noticed a significant increase in the number of overexertion and cumulative trauma claims in 2005 — 26 claims at a cost of nearly \$25,000. Upon doing additional research, management discovered that the problem had been growing over the past several years. After initial discussions with their EMC risk improvement consultant, the company decided to form an ergonomics committee to address the issue.

RESPONSE: Using the ergonomics program from EMC's *Loss Prevention Information Manual* as a model, the ergonomics committee, which included EMC's consultant, completed risk factor training for all supervisors and employees. The committee also evaluated and made changes to over 25 workstations where injuries had occurred or where employees had identified risk factors in their own jobs.

TIP...

According to the Bureau of Labor Statistics, work-related musculoskeletal disorders (MSDs) account for 34 percent of lost workdays in the United States each year. These disorders also account for one out of every three dollars spent on workers' compensation. To reduce the frequency and severity of MSDs in the workplace, it is important to eliminate the risk factors that contribute to their development.

RESULTS: The continued efforts of this ergonomics committee made an immediate impact in claims reduction. Through the first nine months of 2006, the company experienced only eight overexertion/cumulative trauma claims, at a cost of just \$11,000. Best of all, the employees now feel motivated to suggest improvements to make their workplace safer.





Pre-Employment Testing



SITUATION: Many workers' compensation claims submitted by school districts result from injuries that occur because employees are not able to safely meet the physical demands of their job positions. Although this may occur due to inaccurate job descriptions used during the hiring process, it's also likely to occur because the districts often fail to develop functional screen testing to evaluate the physical capabilities of applicants.

RESPONSE: To help reduce insurance costs and prevent workplace injuries, EMC loss control consultants offer assistance in identifying the essential duties and physical demands of different occupations. Several schools have gone beyond accurate job descriptions and have solicited EMC's assistance in developing functional screen testing to evaluate the physical capabilities of potential employees. Tests are developed for each unique occupation and each organization's requirements. Those currently in use at several schools are for jobs with more strenuous physical demands, such as food service, custodial and maintenance positions.

TIP...

Using pre-employment testing to hire new employees can help you better match jobs to employees, identify potential risks, potentially increase productivity and profitability, and possibly reduce workers' compensation losses.

RESULTS: One school district using this testing procedure found that over 60 percent of the workers they were prepared to hire as a custodian could not meet the physical demands of the job. By not hiring these applicants, the school reduced the probability of a custodian suffering a costly injury.

Lightning and Surge Protection Surveys



SITUATION: Businesses, schools and other organizations are often unaware of potentially dangerous problems involving their electrical systems. When these problems remain undetected or are overlooked, they can lead to disastrous and sometimes deadly situations as the result of fire or arc blast.

RESPONSE: As part of EMC's broad loss control consulting services, EMC can arrange for electrical specialists to survey electrical systems to determine how lightning and electrical surges could damage equipment.

TIP...

Lightning protection systems should be inspected whenever alterations or repairs are made to a protected structure, as well as following any known lightning discharge to the system.

RESULTS: While performing electrical system surveys, electrical specialists hired by EMC discovered dangerous conditions before they resulted in an injury. One found an unlocked electrical transformer cabinet with a partially opened door at a school building just a few yards from the playground. In a city's administration building, another specialist discovered an electrical disconnect switch that had large openings in the top of the enclosure. Someone had stored spare fuses and metal parts on top of the enclosure and several had fallen in, creating significant arc blast and fire hazards.

Study Shows That Some Small Businesses Face Big Fatality Risks



As the manager of a local plant for a regional company, Steve Danko thought his workplace was a safe environment for his 18 employees. However, after seeing the results of a recent RAND Corporation study, Steve quickly implemented policies and procedures to reduce the likelihood of worksite fatalities. That study concluded that fatal accidents were most common at small worksites with fewer than 20 workers that were operated by middle-sized businesses.

Fatality rates at these worksites were two to five times higher than similar worksites operated by either small or large businesses. Although the study shows that, within a given firm, smaller establishments are riskier than larger establishments, the research also indicates that small workplaces that are a business's only location are among the safest places to work.

"At a smaller workplace, one person can make more of a difference, and it seems plausible that an on-site owner might feel more responsibility to try to avoid injuring workers than a hired manager would," said John Mendeloff, the study's lead author.

The findings provide an important exception to research that workers in small workplaces are at greater risk of fatal accidents than those in larger workplaces, according to an examination of more than 17,000 workplace deaths reported by OSHA from 1992 to 2001.

The researchers found that the smallest worksites operated by a business with multiple worksites are likely to be the riskiest. For example, among manufacturing businesses with 1,000 or more workers, the fatality rate at worksites with fewer than 20 workers was three times higher than worksites with 20 to 49 workers and eight times higher than locations with 1,000 or more workers.

Similar patterns were seen for businesses with fewer than 1,000 employees and for most other industries, including transportation, public utilities, wholesale and services, according to the study.

These results suggest that the safety records of single establishment small firms may justify lighter regulatory intervention. In addition, it might make sense for OSHA to focus more effort on middle-sized firms that have small establishments, because they represent by far the highest fatality risks.

Regardless of the size of your operation, OSHA reports that an effective safety program can save \$4 to \$6 for every \$1 invested. It's the right thing to do, and doing it right pays off in lower costs, increased productivity, and higher employee morale.

[Courtesy of Stevens Publishing Corporation, Dallas, TX]

TEN TIPS FOR MAKING YOUR WORKSITE SAFER

Establishing a safe worksite requires every employer — large or small — and every worker to make safety a top priority. Here are 10 tips from OSHA to help you achieve that goal:

1. Regularly and thoroughly maintain equipment.
2. Ensure that hazard correction procedures are in place.
3. Ensure that all employees understand and follow safe work procedures.
4. Ensure that employees know how to use and maintain personal protective equipment.
5. Have a medical program tailored to your facility to help prevent workplace hazards and exposures.
6. Allow only properly authorized and instructed employees to do any job.
7. Make sure no employees do any job that appears unsafe.
8. Hold emergency preparedness drills from employees.
9. Train supervisors and managers to recognize hazards and understand their responsibilities.
10. Encourage all employees to report any hazardous conditions to their supervisors.

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Fighting Fatigue On And Off The Road



As a result of longer work hours and more late night activities, Americans are awake more and asleep less. That's a growing problem on and off the road.

- According to a study that monitored brain activity in shift workers, one in five workers dozed off while working.
- The U.S. National Highway Traffic Safety Administration estimates that 100,000 of reported crashes occurred as a result of drowsiness and considers sleep deprived drivers as a hazard equal to the severity of drunk drivers.

Cure Fatigue With Diet, Exercise And Sleep

- Take naps and get the sleep your body needs.
- Consume foods that provide lasting energy such as fruits, vegetables and whole-grain breads. Avoid sugary, fatty snacks.

- Exercise of any kind increase circulation, strength and energy.

Special Tips For Drowsy Drivers

Studies have shown that many popular methods to stay awake, such as opening windows, blasting the radio, or drinking a caffeinated beverage are ineffective. The only proven method is to pull off the road and take a nap lasting at least 20 minutes.

Small Business Update: Complying With Hexavalent Chromium Requirements

Workers in many different occupations are exposed to hexavalent chromium and the associated risk of lung cancer. This occurs mainly among workers who handle pigments containing dry chromate, spray paints and coatings containing chromate, operate chrome plating baths, and weld or cut metals containing chromium. Small business can learn more about reducing exposure to this chemical by obtaining a copy of recently released OSHA guidelines. For details, visit www.osha.gov.

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