

DER Report of Occupational Illnesses & Injuries and Update on Risk Management Program

December 4, 2014



Report Overview

- ▶ MCO Chapter 340 requires DER to produce an annual report of employee injuries and report to the Common Council
- ▶ Report includes an overview of the Risk Management Program (RMP) implemented in 2009 and a summary of key data indicators
- ▶ Future direction of the RMP
 - Initiatives that will be implemented to expand and enhance the program
- ▶ DPW, MFD, and MPD, will present their departmental Safety Plans and achievements in reducing injuries and creating safer workplaces

Risk Management Program Background

Prior to 2009:

Large disconnect existed between workplace safety responsibilities at department level and worker's compensation expenditures budgeted in DER

RMP created to increase accountability for accident prevention strategies and cost containment measures

Basic tenant of RMP program:
Depts in a better position to:

- Understand how/why injuries happen
- Identify ways to prevent injuries
- Minimize lost work days
- Expedite return to work options

Risk Management Program Outcomes

- ▶ Completion of department safety plans
- ▶ Significant reduction in key worker's compensation metrics
- ▶ Creation/Expansion of return to work programs
- ▶ Increased supervisory awareness of accident investigation responsibilities

Worker's Compensation Data & Trends

- ▶ Development of Worker's Compensation scorecard to track and monitor key indicators for claim and injury trends
- ▶ Metrics are tracked for City and departments
- ▶ Scorecard Metrics include:
 - Injury Claims
 - Incident Only/No Doctor
 - Medical
 - Indemnity
 - Recordable Cases
 - Incidence Rate
 - Injury Hours/Pay
 - Lost Workdays
 - WC Expenditures

Worker's Compensation Data & Budget Trends

	2008	2009	2010	2011	2012	2013	% Change Over Prior	% Change Since 2008
CITY WIDE DATA								
Claims	2,688	2,345	2,225	1,903	1,869	1,980	5.9%	-26.3%
Medical/Indemnity Claims	1,686	1,470	1,401	1,193	1,208	1,204	-0.3%	-28.6%
Recordable Cases	1,073	927	872	744	656	674	2.7%	-37.2%
Incidence Rate	16.01	14.22	13.82	12.14	10.69	11.12	4.0%	-30.5%
Lost Workdays	24,817	15,441	16,421	15,432	12,995	13,215	1.7%	-46.8%
Injury Hours	217,584	152,596	165,083	124,874	111,125	90,824	-18.4%	-58.3%
Injury Pay	\$4,096,525	\$3,062,781	\$3,320,411	\$2,562,425	\$2,325,391	\$1,829,217	-21.5%	-55.3%
WC Expenditures	\$13,737,635	\$11,575,195	\$12,444,770	\$11,362,821	\$14,575,235	\$12,476,141	-14.4%	-9.2%
MFD								
Claims	627	566	614	432	441	368	-16.6%	-41.3%
Recordable Cases	294	270	298	197	195	159	-18.5%	-45.9%
Incidence Rate	24.55	22.49	26.99	17.86	17.79	14.48	-18.6%	-41.0%
Lost Workdays	10,136	3,625	5,755	4,614	4,652	3,850	-17.2%	-62.0%
Injury Hours	107,094	72,401	86,670	52,670	43,749	35,522	-18.8%	-66.8%
Injury Pay	\$1,956,139	\$1,442,241	\$1,726,734	\$1,013,112	\$882,209	\$749,192	-15.1%	-61.7%
MPD								
Claims	865	775	663	636	663	680	2.6%	-21.4%
Recordable Cases	251	244	177	166	164	145	-11.6%	-42.2%
Incidence Rate	10.69	10.78	7.88	7.28	7.35	6.55	-10.9%	-38.7%
Lost Workdays	3,441	3,885	2,833	3,726	3,629	2,064	-43.1%	-40.0%
Injury Hours	35,116	32,241	29,201	34,540	40,002	23,032	-42.5%	-34.4%
Injury Pay	\$824,790	\$786,083	\$718,955	\$867,494	\$1,034,462	\$602,185	-41.9%	-27.0%
DPW All Divisions								
Claims	1075	887	862	740	688	840	22.1%	-21.9%
Recordable Cases	474	374	359	343	264	317	20.1%	-33.1%
Incidence Rate	26.01	21.25	20.99	21.74	16.42	21.28	29.6%	-18.2%
Lost Workdays	10,341	7,567	7,061	6,822	3,895	6,626	70.1%	-35.9%
Injury Hours	66,553	47,064	44,198	35,007	22,335	27,432	22.6%	-58.8%
Injury Pay	\$1,164,474	\$814,767	\$786,257	\$641,111	\$334,203	\$405,353	20.6%	-65.2%

Worker's Compensation 5 Year Data Trends

Injury claims decreased by 26.3%

- Most significant decrease of 41.3% in MFD

Serious Claims decreased by 28.6%

- City had 482 less medical and indemnity claims in 2013 than in 2008.

Recordable cases decreased by 37.2%

- Reduction of almost 400 recordable cases in 5 year period.
- Positively affected worker compensation expenditures which have remained relatively flat in spite of increases in medical care costs

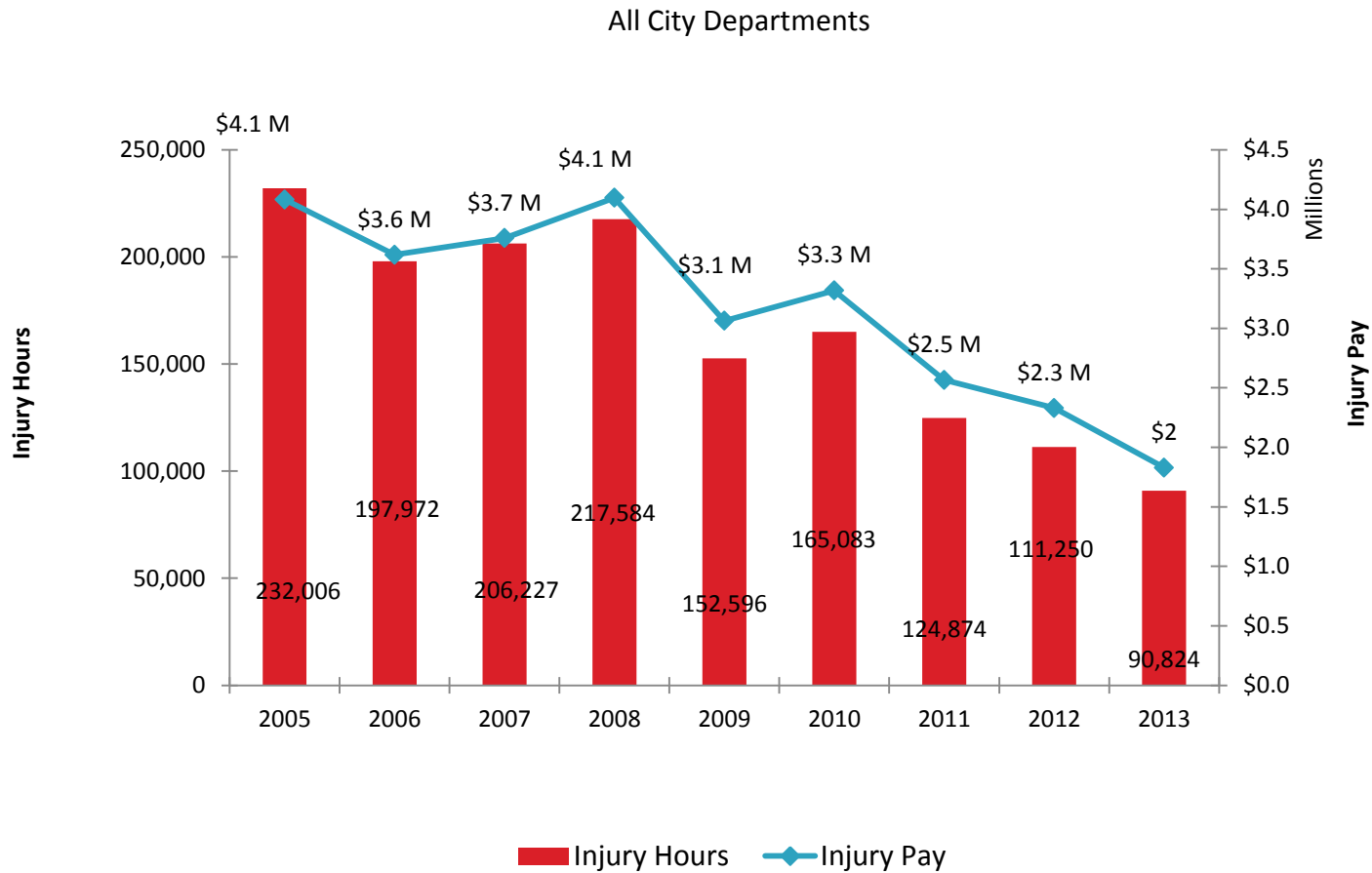
Incidence rate decreased by 30.5%

- Reduction is significant considering the FTE reduction over the 5 year period is only 7%

Lost workdays decreased by 46.8% or 6,286 days

- Reduction is attributable to the overall reduction in recordable cases and implementation/expansion of Return to Work Programs
- Injury hours decreased by 58.3% and reversed an upward trend the City experienced prior to 2009
 - 2008 Injury Hours: 217,584
 - 2009 Injury Hours: 90,824

Worker's Compensation Data & Trends



Fiscal & Operational Impacts of Reductions

- ▶ Positively impacted staffing replacement costs and OT expenditures within certain departments
 - Since 2010 MFD has save \$1.3M in costs to backfill injured Firefighters
- ▶ Contributed to increased productivity in support of:
 - Primary functions like Garbage pickup, Fire and Crime Prevention
 - Activities performed in connection with Return to Work programs like DPW building maintenance and clerical support, MFD FOCUS program, MPD Records Management and Pole Camera Operations
- ▶ Helped mitigate service level decreases that the City could have experienced as the number of overall City FTE's has decreased
- ▶ Created meaningful, temporary work assignments for injured employees in DPW, MFD, and MPD who otherwise would have been off work

Worker's Compensation Data & Trends

Worker's Compensation expenditures have remained relatively flat since implementation of the RMP

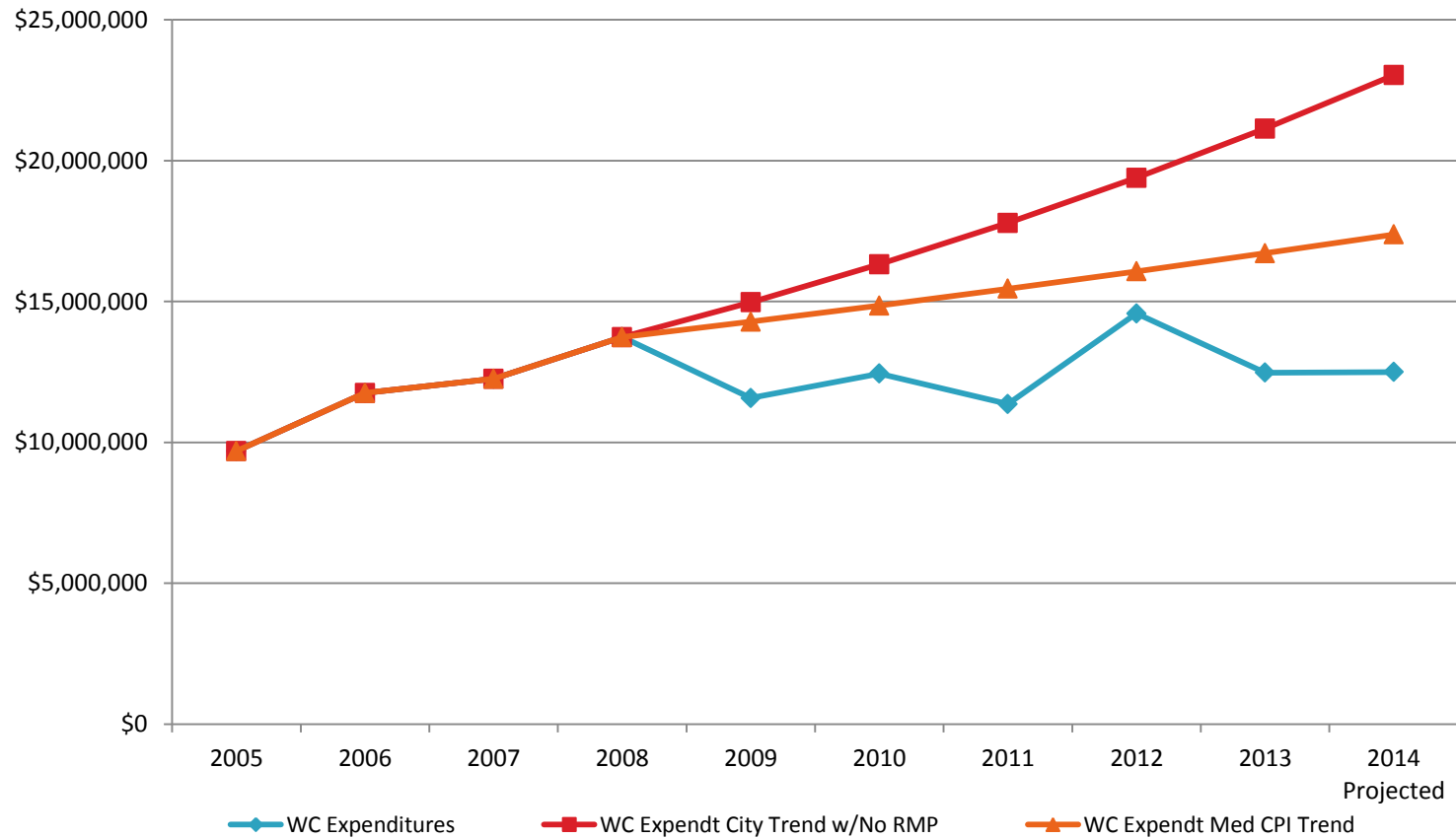
- Average decrease of $-.6\%$ between 2009 and 2013
- Prior to RMP, worker's compensation expenditures increases averaged 13.1% from 2003–2008
- Trend change helped the City avoid approximately \$12M in worker's compensation expenditures

The RMP has been able to bend the trend with other indicators like injury hours and pay

- Injury Hours/Pay had average annual increases of 2.9% and 5.6% prior to the RMP, from 2003–2008
- Significant decreases between 2009–2013 resulted in an estimated 500,000 less Injury Hours and approximately \$10M savings in Injury Pay

Worker's Compensation Data & Trends

WC Expenditures Trend vs Current



Worker's Compensation Data & Trends

Injury Pay Trend vs Current

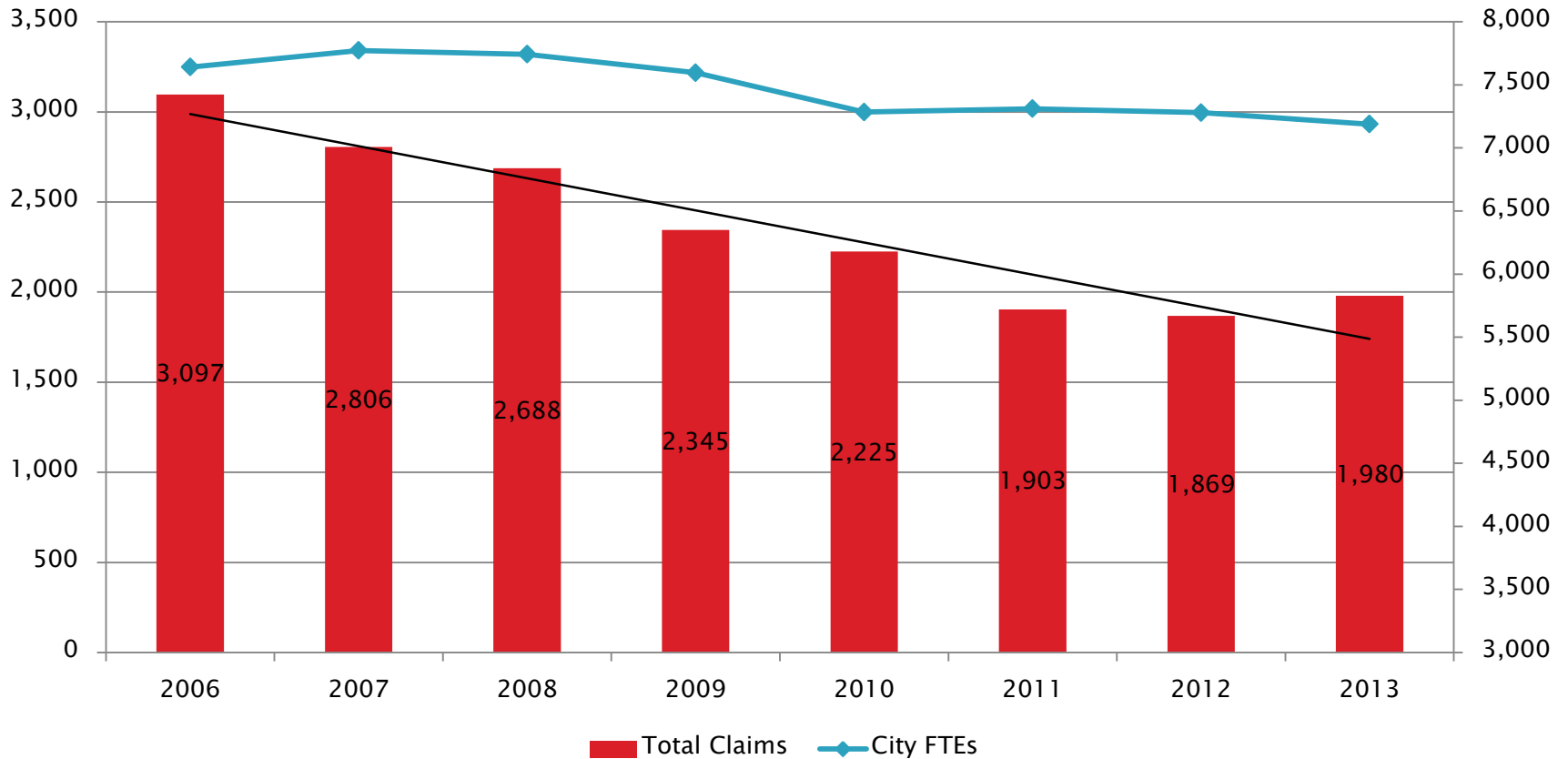


Worker's Compensation Data & Trends

- ▶ DER continues to identify and establish metrics at the city and departmental level in order to better gauge the impact of the RMP such as
 - Report Lag Times
 - Return to Work Measures
 - Average Cost per Claim
 - Claim Costs as Percentage of Gross Payroll
 - Claim Frequency by type and FTE
- ▶ For example:
 - Claim type shows whether more serious claims are occurring with greater or lesser frequency
 - Claim frequency per FTE determines whether claim fluctuations are linked to the number of employees working for the City and whether increases or decreases are happening independent of FTE changes
 - Claim detail at the department/division level and by job title and month, helps isolate possible reasons for trend increase/decreases and associated causes of the fluctuation

Worker's Compensation Data & Trends

Claims Filed Relative to City FTEs



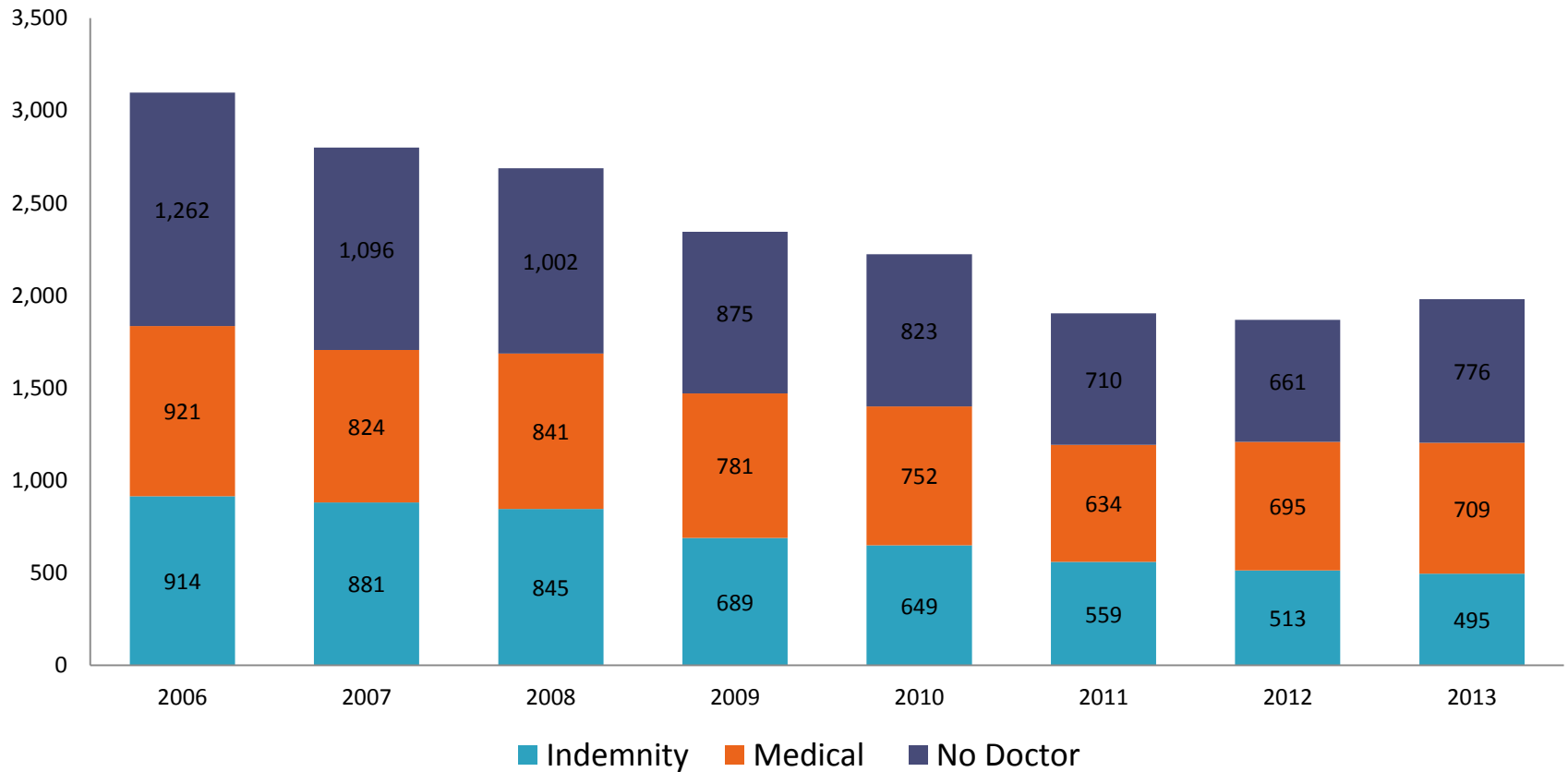
Risk Management Program Next Steps

- ▶ DER plans to concentrate on the following initiatives:
 - Identify and track the impact of departmental initiatives that are linked to worksite safety and injury prevention.
 - For example DPW is tracking worker's compensation claims for Operations/Sanitation by the type of collection truck used in order to evaluate the impact of one arm collection trucks on injury rates
 - Create a stronger link between claims processing and management and the identification of hazards related to policies, practices, and skill sets by ensuring that claim adjusters have a greater understanding of departmental accident and prevention activities.
 - Implement a Citywide Accident Investigation procedure to ensure departments provide consistent and ongoing accident investigations following a work related incident
 - Assess the effectiveness of Pilot PT Program in DPW for early intervention and injury prevention

Reference Only

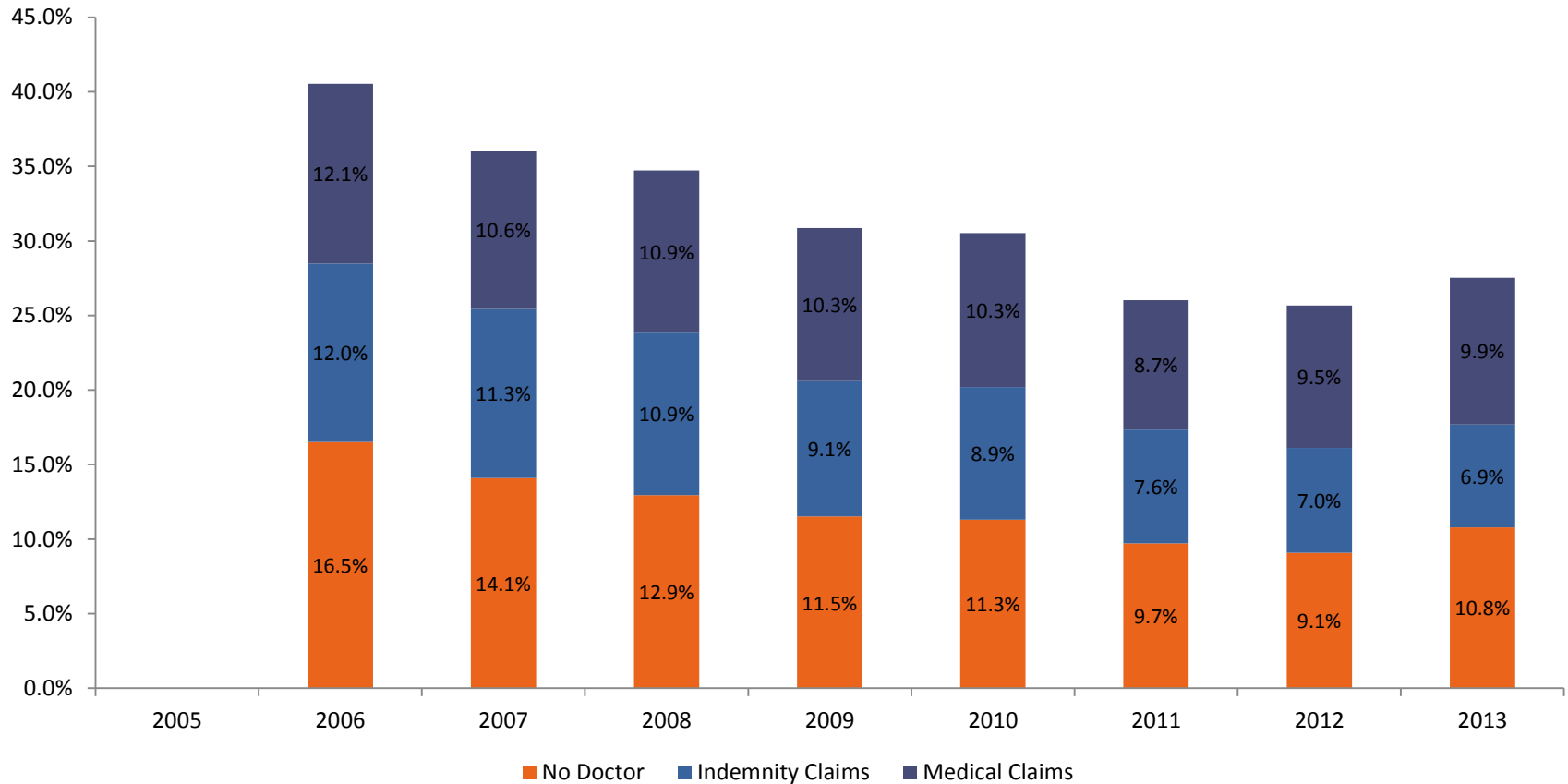
Worker's Compensation Data & Trends

WC Claim Type



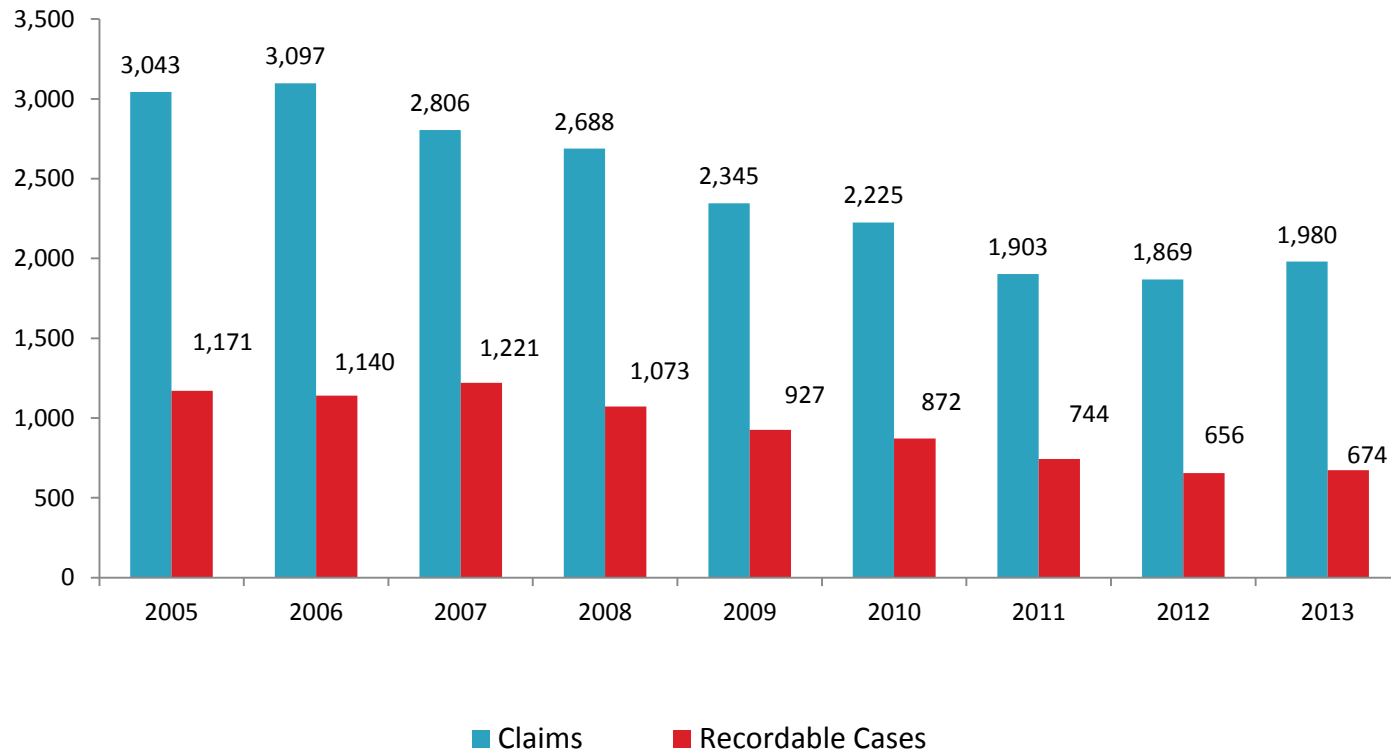
Worker's Compensation Data & Trends

Claim Frequency Rate



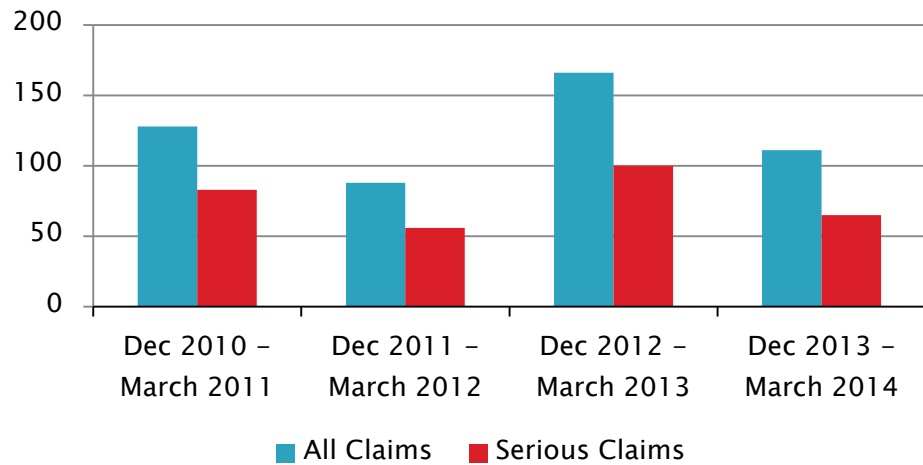
Worker's Compensation Data & Trends

WC Claims & Recordable Cases



DPW Data

Claims ODW & Sanitation Workers by Season



Serious Claims ODW & Sanitation Worker	Dec 2010 - March 2011	Dec 2011 - March 2012	Dec 2012 - March 2013	Dec 2013 - March 2014
Dec	20	16	16	18
Jan	21	13	16	20
Feb	21	14	40	10
March	21	13	28	17
Grand Total	83	56	100	65

All Claims ODW & Sanitation Worker	Dec 2010 - March 2011	Dec 2011 - March 2012	Dec 2012 - March 2013	Dec 2013 - March 2014
Dec	36	26	27	25
Jan	32	21	30	35
Feb	30	18	58	24
March	30	23	51	27
Grand Total	128	88	166	111