Best Practices For Employers



The Workers' Compensation markets both in Vermont and nationwide continue to experience hard market conditions. Vermont's system can seem a complicated process, but with a general understanding of the system and a commitment to good practice, an employer can achieve some control over their workers' comp program and relieve some of the harsh market conditions.

The Department continues to provide helpful information for stakeholders through several mediums and although all of the information bears repeating, the following focuses on parts of the system that the employer can directly control:

FIRST REPORT OF INJURY

An employer is required by law to promptly report a work injury that results in either medical attention or one lost day of work or more. Filing a First Report does not make the employer liable for that injury. The insurance adjuster investigates the claim and accepts or denies it.

PROMPT REPORTING

An employer must report a work injury within 72 hours of notice or knowledge of an injury. The value of prompt reporting cannot be overstated. A large number of disputes arise over late-reported injuries. Sometimes when an employer doubts the validity of a claim they do not report it. However, if an employee reports an injury to an employer, the employer should report it. Statistics show that there is a correlation between the cost of a claim in relation to the timeliness of reporting.

RETURN TO WORK

The employee's return to work is a logical and desirable goal in workers' compensation. Return to work allows the carrier to stop paying disability benefits. The employer should be aware that early return to work limits claim costs and helps to ensure some return of normalcy to the injured employee's life. Studies show that the longer the delay in return to work the more likely the employee is to not return to work at all. Employers can limit their own liability and costs by identifying and providing suitable, modified or even parttime work for their injured workers.

FRAUD

Fraud refers to a willful false statement or misrepresentation, for the purpose of obtaining a benefit or payment. In the event an employee commits fraud, their claim may be denied, benefits stopped and/or a penalty issued. The department investigates claim(s) in which there is a report of fraud supported with evidence. The quickest opportunity for redress of fraud is for the adjuster to present evidence to the department and request immediate cessation of benefits. In addition, further investigation may be conducted and an administrative penalty may be issued.

SAFETY – BIGGEST COST SAVER

The #1 way to reduce workers' compensation costs and claims is through **safety** and **training**. Safety measures, training and experience all contribute to a reduction in work injuries. Each employer should review their reports of injury and the nature of injuries in their workplace or profession and target those injuries for additional safety training. Training is only the first step. Providing guidelines, safety equipment, followed by enforcement, reminders and consequences for not following safety protocol can all serve to reduce injuries. Common work practices may actually contribute to injuries. Understaffing can impose too strenuous a workload on existing workers. Overtime can exacerbate and contribute to repetitive use or overexertion injuries. Inadequate training can result in improper or dangerous work procedures. Taking the time and effort to properly train and enforce safety can reduce injuries and costs.

DEMAND SERVICE FROM YOUR INSURANCE COMPANY AND AGENT

Cost may be your biggest concern when selecting insurance but service should be considered. Ask your agent or carrier what the insurance carrier will do for you. How are claims handled? How many claims does each adjuster have? Who will you be communicating with? When? How often? How do they adjust claims? What can they tell you to assure you that they will be a strong advocate for you? The insurance carrier represents your interests and a claim and you will want to be certain before a claim is filed that they have your best interests at heart.