

Reducing Your Workers Compensation Costs

Careful evaluation and planning of your company's worker safety programs can tremendously reduce injuries and accidents in the workplace.

Whether you employ only one part-time worker or thousands of employees in multiple locations, worker's compensation insurance can be a significant cost of doing business. Comprehensive education and ongoing training in the workplace will help you reduce worker's compensation costs.

Workers comp insurance premiums are calculated based upon a combination of factors including size of a company's payroll and claims history compared with other businesses in your industry. This means companies can do a great deal to impact their premium costs, reduce worker claims by creating a work environment oriented toward worker safety and training. There is a great deal of information available to employers about how to improve on the job safety and training, primarily through your worker's composition carrier. Many insurance companies provide trained industrial hygiene specialists who will consult with you for little or no cost to evaluate your current safety and training programs. Improving Your Current Worker Safety Programs Loss prevention begins with an audit of your company's current safety programs. Study how employees are performing their jobs, how job processes can be improved to reduce and eliminate injuries. Review your industrial accident record. Is there any correlation between frequency of accidents and job process? You may want to consider the following steps to improve your company's programs.

- Documentation

Worker safety programs should begin with documented written programs including job descriptions, proper use of equipment and safety procedures in the event of an industrial accident.

- Training

All new employees should be thoroughly trained on their job duties and safe handling requirements. Existing employees should receive regular and updated training on proper use of equipment and job procedures.

- Regular Updates and Supplemental Materials

Many workers compensation carriers as well as industry associations and state regulators offer published information, videos and newsletters which can be distributed to employees to increase job safety awareness, enhance training and reduce on the job injuries.

- Worker Safety Committees

Develop a committee or group comprised of internal staff from a variety of functional areas to evaluate and suggest improvements in you company's accident prevention programs. The charter of this organization should focus on process, education and ongoing training.

- Early Return to Work Programs

Encouraging early return to work by previously injured employees can help reduce the costs of workers compensation claims in a number of ways. Historically, workers compensation claims can be reduced if employees can be retrained for a new position because they possess valuable experience or historical information about the company. They can learn their new role more quickly make an immediate contribution. Job retraining is a proactive approach that improves employee morale significantly. Safety and education can result in substantial reductions in industrial accidents and worker's compensation claims. The first step is creating greater awareness about job hazards and safety processes among your personnel.