Do You Have An Exposure Plan?

When one thinks of on-the-job injuries, visions of slips, trips, and falls usually come to mind. However, workers' compensation insurance also covers workplace exposures to diseases not common to the population at-large.

One of the least understood accident scenarios is an employee's possible exposure to bloodborne pathogens, such as Hepatitis B or the HIV virus.

A brief article such as this can't communicate volumes of technical knowledge about bloodborne pathogens, however, there are a few major points to remember:

It is generally accepted by the medical community and OSHA that a possible exposure could occur when there is:

- a percutaneous (needle stick or cut with a sharp object) injury or
- contact of mucous membranes (eyes or mouth)

with blood, tissues, or body fluids (semen, vaginal secretions, cerebrospinal fluid, synovial fluid, pleural fluid, peritoneal fluid, saliva from dental procedures) to which "universal precautions" apply.

The concept of "universal precautions" means that all blood and body fluids should be treated as infectious.

In 1992, OSHA established a Standard to eliminate or minimize occupational exposure to bloodborne diseases. This Standard applies to any "business or industry" where even one (1) employee has the potential for "occupational exposure" to blood or other potentially infectious body fluids as part of their job duties.

If an organization must comply with this Standard, the employer has several responsibilities:

- provide a written exposure control plan
- establish engineering & work practice controls
- provide personal protective equipment
- provide the Hepatitis B vaccine
- establish post-exposure evaluation & follow-up procedures
- provide annual training
- maintain accurate medical & training records.

The employee must also:

- comply with OSHA standards
- follow all health & safety rules
- use personal protective equipment
- report hazardous conditions to the employer
- report any job-related injury or illness promptly
- seek immediate medical care.

For more information on how the Standard applies to your organization, call Michelle Berry at (803) 737-8214.

Coming in the next issue...SAF compensability & case management procedures for exposure claims.
Workers' Comp. Word Search

TO T A L R Y A E
R F W U D E F L M
A F I R S T E L O
T P W N C U S E D
I M A L E R U G Z
N C G W Z N C E N
G U E A Q S X D P
A D J U S T E R B

1. The WCC Form 12-A is also known as the "_____ Report of Injury."
2. TT payments stop when a claimant _____ to work.
3. How should you mark a suspicious claim for an immediate investigation?
4. Only a doctor can issue an impairment _____.
5. The WCC can issue a monetary ____ if reporting forms aren't returned within specified times.
6. The WCC Form 20 verifies ____ information.
7. The maximum amount of disability benefits are paid on a "_____" claim.
8. A claimant needs a doctor's _____ to be out-of-work and receive TT benefits.
9. Lots of accidents cause your ____ and premiums to rise.
10. Who should you call with questions about claims?

Answers will be in the next newsletter.

Did You Know...

SC law now requires that all workplace injuries (including those not reported to SAF because no medical treatment was received) must be recorded on a WCC Form 12-A (First Report of Injury.)

These documents must be retained by the employer for a minimum of two (2) years from the date of the alleged injury or accident. OSHA guidelines still require that the WCC Form 12-A be retained for five (5) years on any injury requiring medical treatment beyond in-house first aid.

You should also retain all supporting documentation in case a claim needs to be filed with SAF within the 2-year statute of limitations.

Thanks For Your Valuable Input

SAF would like to say "thanks" to all of the policyholders who completed our annual External Customer Survey.

The Survey results have aided us in identifying areas which require our immediate attention. Many of you also addressed issues which will be considered as part of our strategic planning process.

In the coming months, we will be developing new ways to better improve our service to you based on your responses. These initiatives will be featured in future issues of FUNDAMENTALS.

Please remember, you don't have to wait for the survey to tell us what you think. If you have a comment, question, or concern, don't hesitate to let us know.

SAF's quality improvement philosophy is a continuous process that is focused on meeting the needs and wants of our customers.

Thanks again for your input.
Stress Claim Criteria Is Now Part of SC Law

As part of legislative reform that took place during the 1996-1997 session, the SC General Assembly enacted §42-1-160. This statute provides the criteria for determining if a stress claim is compensable under SC workers' compensation law. The criteria is based on the Stokes v. First National Bank case.

In Stokes, a bank manager escalated his work hours to 16-18 hours per day, seven days a week, as the result of a bank merger and the resignation of another manager. One week after the merger, Mr. Stokes had a nervous breakdown.

He filed a workers' compensation claim, only to have it denied by his employer because he did not suffer a traditional "injury by accident." The case moved through the appellate process until it reached the SC Supreme Court, which held the claim compensable.

The Court stated that the "injury" need not be caused by external physical trauma. It was the first case in which the Court recognized that mental stimuli can cause mental injury.

The Supreme Court also stated that for stress claims to be compensable, the employment conditions causing the mental injury must be extraordinary and unusual in comparison to the normal conditions of the workplace.

Personnel matters such as terminations, demotions, evaluations, transfers, etc., are exempted, unless they are carried out in an extraordinary and unusual manner.

All stress claims filed with State Accident Fund are investigated to ensure compliance with compensability requirements as outlined in the new law.

The unique criteria set forth in the statute makes it impossible to determine if a stress claim is compensable using only the information normally submitted with a regular claim. The investigation process usually includes contacting the claimant, the employer, and medical providers to obtain specific documentation and information.

Now, test your knowledge and decide whether the following stress claim is compensable under SC law.

An insurance agent's principal duties consisted of collecting premiums and selling policies. He quickly became dissatisfied with his job. He disliked pressuring clients, mostly people with low incomes, to pay their premiums and he disliked canceling their insurance when they did not pay.

He began to view himself as a failure and came to dread going to work. His efforts to find other employment proved unsuccessful. The agent worked at his job for two years.

One day, he went home for lunch and, after deliberating for about an hour, decided to kill himself, and attempted suicide. He claimed that his severe depression was job-related.

Is his claim compensable? See page 4
How SAF Determines Your Premium

Manual Rating - This is the first step in the calculation process, and is based on insurance rating classifications and an organization’s payroll. Employers are grouped into classes based on industry, trade, service, process, etc. A manual rate, or cost per $100 of payroll, is assigned to each classification. Manual rates are assigned based on the average losses of that classification.

In general, it is the organization that is classified, rather than the individual job descriptions. However, clerical workers and drivers are usually rated according to their own classifications. Thus, the premium depends to a large extent on classification.

Payroll records should be kept in a manner which will reflect the correct designation. It is also important to be sure that the proper amount of payroll is assigned to the correct classification when the payroll is audited.

Manual rates reflect average conditions and average losses incurred for all employers within any given classification. It is based on the performance of the industry, rather than individual policyholders.

Experience Rating - An experience rating is used to overcome this problem by improving the prediction of losses and costs for a specific organization. This system also provides an incentive for loss prevention (in-house safety and return-to-work programs) not otherwise reflected in the manual rating process.

An organization qualifies for experience rating if their manual premium exceeds $4,500 annually. A three (3) year history (excluding the most recent year) is used to determine the modification that will apply to the current renewal period. A new modification is calculated each year. Obviously, a larger database of premiums and claim losses will ensure a greater degree of accuracy in the results.

The calculation method is structured to penalize an organization for frequency of accidents more than the severity of accidents. This is done by limiting the amount of any one loss that can be included in the modification formula and by applying credibility factors to all losses in excess of $5,000.

An organization’s experience rating (e-mod) is then factored into the manual rating to determine the actual dollar amount of the premium.

With this in mind, what can you do to minimize your premium since you probably have little control over the type of work your organization performs, or the amount of your payroll?

For starters, provide accurate classification and payroll information to SAF. Create proactive safety and return-to-work programs. Educate your supervisors and managers in the realities of the workers’ compensation process.

If you’d like more ideas on controlling your premium costs, call Shawn Holman at (803) 737-8115.

Mary Hogben at (803) 737-8155.
limited spaces are still available for the...

WORKERS' COMPENSATION
EDUCATIONAL SEMINAR
August 12-13, 1997
at SAF headquarters in Columbia, SC

The seminar focuses on the practical application of the South Carolina Workers' Compensation Act, as it relates to the reporting, processing, and management of on-the-job accident claims. NEW WCC LAWS, FORMS & REGULATIONS WILL BE COVERED!!!

Attendees will learn the basics of accident reporting, claims management, premium determination, and how to create a safety program. Participants can also meet with SAF staff members to discuss specific areas of interest or concern.

Instruction is provided by SAF employees who are experienced in specific areas of technical knowledge - - claims litigation, third party and Second Injury Fund recoveries, OSHA regulations, SC workers' compensation law, as well as, SAF policy and procedures.

To register, return the participant form with a check or purchase order for $40 to

State Accident Fund
Attn: WCES
PO Box 102100
Columbia, SC 29221-5000

No registration can be confirmed without advance payment. Confirmation, lodging information, and a map will be sent 2 weeks before each session. Registrations are transferable, but not refundable. No-shows forfeit all registration fees. Seminar hours are 9 a.m. - 4 p.m. Lunch is not included. SAF's FEIN is R12000000. Call Walter Caudle at (803) 737-7546 for more information or to make special arrangements.

WORKERS' COMPENSATION EMPLOYER SEMINAR Registration Form

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Your responsibilities (circle all that apply): claims filing premiums safety supervision/management

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Prompt Filing of Claims Helps Control Costs

A study conducted by Kemper National Insurance Company found that delays in reporting on-the-job injuries can increase the cost of workers' compensation claims by almost 50%.

The average cost for claims reported to Kemper National within 10 days was $12,082. Injuries reported within 11-20 days cost an average of $15,582. Injuries reported in 21-30 days cost an average of $16,802, and injuries reported after 30 days cost an average of $17,920.

The study was based on 77,945 lost-time claims closed by their company during 1993.

So...what does this mean to you? Timely processing of new claims translates into premium savings for your organization, not to mention a faster determination and payment of benefits to injured employees.

Do you have a written plan outlining the procedures to follow when an on-the-job injury occurs? Do employees understand that all accidents should be reported immediately?

Let SAF help you maximize the efficiency of your claims reporting program. Call Janis Howard at (803) 737-8171 for more information.

WELCOME TO OUR NEW POLICYHOLDERS...

SC Commission for Minority Affairs
Reidville Fire Department