

# To service or not to service? - managing global work-related accidents

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# Global - impact of illnesses and injuries

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- 270 million work-related illnesses/injuries
- 2 million fatalities
- EUR 750 billion economic impact

# Europe - impact of illnesses and injuries

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- 350 million days absent
- 4,400 fatalities
- EUR 1 billion economic impact

# U.S. - impact of illnesses and injuries

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- 13 million cases
- 5,700 fatalities
- USD 40 billion

# China - impact of illnesses and injuries

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- 30,000 cases reported (Pearl River Delta)
- 15,000 fatalities reported
- Half of employees covered (assumed names, etc.)



# Scope of problem

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- Analyzed 2003-2007 Workers Compensation 'Lost Time' claim data across North American enterprise
- Soft tissue injury-related claims represent
  - 58% claim frequency
  - 56% claim severity
  - Average claim cost
    - \$66K – All open claims
    - \$16 K – All closed claims

# Central research question

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Can a targeted effort impact claim frequency or severity?

# Research methodology

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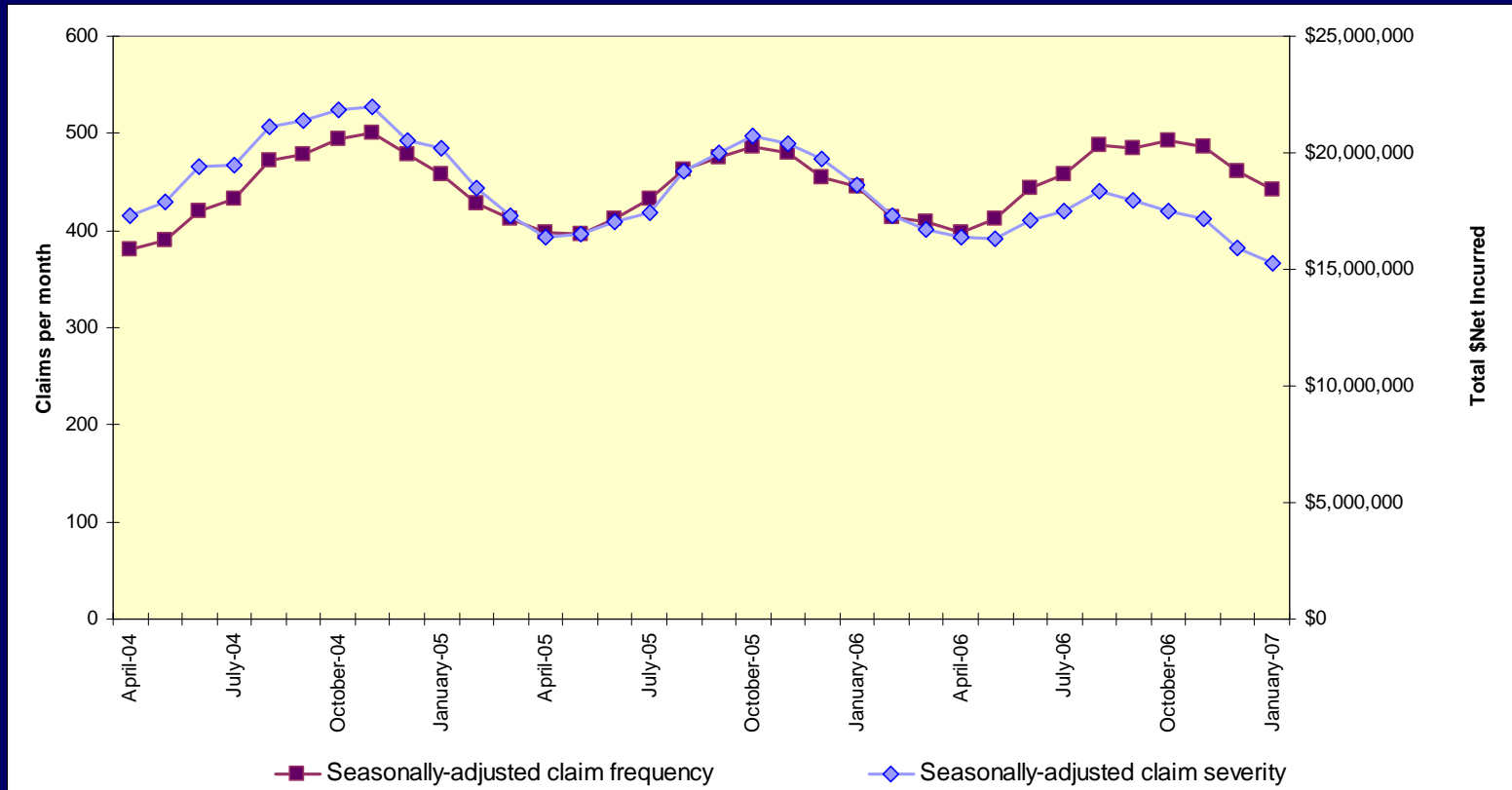
- Identified targeted effort in Construction Business Unit
  - Soft tissue claims significant
  - Developed and deployed a Soft Tissue Injury Prevention program
    - 2005-2007 effort
    - Delivered in a 'train-the-trainer' seminar venue
- Identified insured firms that received the program
- Compared seasonally-adjusted changes in frequency/severity among two populations
  - 104 firms that received targeted services (e.g., Train-the-trainer)
  - Firms that did not receive the training

# Key program components

- Overview of construction trade illness and injuries
- Key trade risk factors and example scenarios
- Measures to control and minimize risk of occurrence
  - Postural stress
  - Material handling
  - Vibration
- Incident/case management
  - Immediate investigations
  - Root cause analysis
  - Directed case treatment



# Seasonality of construction trade soft tissue injury claims



Seasonally-adjusted peak: October  
Seasonally-adjusted trough: April

# Our findings

- Targeted group experienced an 18% reduction in claim frequency
- 49 claim per month average among targeted group (before)
- USD 38,400 average claim cost
- Realized a reduction of approx. 9 claims per month
- Equates to monthly savings of USD 338,300 (USD 4.05 million per year)
- Potential for 16-fold 'Business Unit' financial impact

Group Name	Six Month Change in Frequency
All	7.94%
STIP - "YES"	-8.59%
STIP - "No"	9.54%

# Summary of findings

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- Targeted intervention can produce significant reductions in soft tissue injury-related claim frequency/severity!
- Findings confirmed through anecdotal evidence
  - Comprehensive efforts reduced soft tissue illness/injury costs 95% at a specific customer.
- Europe findings also confirmed
  - Targeted program can reduce LBP (74%)

# To service or not to service?

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**YES!**

# Contact

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# Discussion

