

Top Ten Ways to Manage Experience Modification Rates (EMR)

1. Continue safety and injury prevention efforts. Educate all managers and supervisors that the injury prevented today will save their employer money for four or more years into the future. Make your Injury and Illness Prevention Program a real program.
2. Consider working with an insurance agent/broker or independent claims expert.
3. Get the workers' compensation EMR worksheet from your insurance broker/agent or the California Workers Compensation Insurance Rating Bureau (WCIRB) or the National Council on Compensation Insurance (NCCI). Verify all data, payroll amounts and claims data. Make sure that all of the claims on your list are in fact your claims.
4. Conduct regular claim reviews. Encourage claim adjusters to close files prior to the unit statistical filing (unit stat) six months after the expiration of each workers' compensation policy. These are the numbers used to calculate future experience modification factors. Work closely with your insurance claims administrator and facilitate communication.
5. Verify unit stat data prior to filing. Claims experts state errors are common. Check that payroll amounts are properly calculated and classified in the correct workers compensation class codes.
6. Project future EMRs and use in budgeting. Make certain that your budgets and financial projections will be accurate in the future.
7. Provide modified work for all injured employees to eliminate lost time or disability claims. Be creative about what a person can do, rather than what they can't do. Make it real work not "make work".
8. Improve triage of injuries at the worksite. Do more first aid, either with employees or a mobile first aid service. Use first aid claim payment programs allowed under the California Labor Code. Do not hide claims or fail to report to insurers medical treatment or lost time cases as required.
9. Pursue subrogation (or where the employer 'stands in the shoes of others' legally), particularly in vehicle and product liability claims. Make sure that any dollar recoveries are credited to the claim file as soon as possible. Calculate re-ratings on old policies and get refunds as permitted.
10. If your California EMR is greater than 1.25 (125%), prepare for possible review by the Cal OSHA high hazard employer program. Conduct an internal safety management systems review, and implement feasible improvements. Consider the use of the Cal/OSHA consultation service in advance of a compliance inspection.