



# RISK★TEX

INTERAGENCY COMMUNICATION FROM THE STATE OFFICE of RISK MANAGEMENT ★ APRIL 2004



## TIP OF THE QUARTER

Filing workers' compensation forms in a timely manner ensures SORM's claims adjusters are able to timely and accurately initiate compensation payments at the correct rate of indemnity. Filing late or incomplete forms may result in administrative violations of the Texas Workers' Compensation Act and the assessment of administrative penalties.

The three forms routinely required for a claim are the:

- Employer's First Report of Injury, Form TWCC-1S;
- Employer's Wage Statement, Form TWCC-3; and
- Employer's Supplemental Report of Injury, Form TWCC-6.

SORM offers the online filing of these forms at [www.sorm.state.tx.us/sorm/pages/SORMLogin.html](http://www.sorm.state.tx.us/sorm/pages/SORMLogin.html). Starting May 3, these forms will be required to be filed online.

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# Springtime brings risks to agencies

By Sally Becker, CPCU, ARM, AAM and Steve Haynes, ARM

Spring is one of the traditional times of the year for public entities to host fairs, circuses, bazaars, and other short-term special events. Not only are these events fun for the community, but they are also large fundraisers for many community support and non-profit organizations. Additionally, the warmer weather brings weddings, birthdays, musical concerts, and other fun activities both indoors and outdoors. However, when these events occur on State of Texas-owned premises, they bring additional liability exposures for State of Texas agencies.

Fortunately, these exposures can be controlled and their existence should not dissuade departments from sponsoring short-term special events as long as they are willing to ensure safety and careful planning and follow sound risk management procedures.

## Pre-Event Planning Team

A team should be assembled well before the event to plan, evaluate, and troubleshoot. Depending on the size and type of event, the team should consist of a representative from central administration, buildings and grounds, transportation, the

(See "Best," page 6)

# Josselet leaving SORM

Executive Director Ron Josselet earlier this month announced to the Chairman of the Board of Directors his plan to retire effective April 30, 2004.

Josselet has served as SORM's Executive Director since January 2000, and has worked for the State of Texas for 23 years. Josselet began his state service in the 1970s at the Texas Parks and Wildlife Department and has also worked for the Texas Workers' Compensation Commission and the Texas

Department of Mental Health and Mental Retardation.

"I've really appreciated and enjoyed my work with the State of Texas and most recently the State Office of Risk Management," Josselet said. "This office has accomplished a lot which is now being evidenced in the substantial reductions in both the number of workers' compensation claims and the workers' compensation expenditures in fiscal year 2004."

(See "Josselet," page 9)

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# Safety Puzzle adds new section



The Accident Investigation section of the Safety Puzzle is available on the SORM website.

State employees now have information about accident investigation available at their fingertips. SORM announces the addition of the Accident Investigation section to its Safety Puzzle. The Safety Puzzle, which debuted in July 2003, is an online tool for helping solve the sometimes puzzling issues of safety. This web page aids state agencies with information and important links related to everyday safety topics.

The new section focuses on accident investigation, including the investigation process and techniques involved in identifying the root cause(s) of a mishap, implementation of appropriate corrective action(s), and the steps to help determine the disposition of a claim.

The Safety Puzzle can be found on the “Events & Training”

► New form helps with accident investigations, **pg. 3**

page on the SORM website, [www.sorm.state.tx.us](http://www.sorm.state.tx.us). Other sections of the puzzle include: back safety; slips, trips, and falls; and management commitment.

More sections are under development and will be added to the puzzle when ready. Look for additions in the areas of:

- driving safety;
- office safety;
- security awareness;
- new employee safety orientation;
- and more.

Visit the safety puzzle for the latest safety information from SORM.

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# Accident investigation

## SORM offers many ways to assist state agencies

By Sam Arant

Accident (incident) investigation should be an integral part of any loss control program. The unexpected actions of people, equipment, supplies, or surroundings cause most accidents. Accident investigations determine how and why these unexpected actions occur. Conduct accident investigations with accident prevention in mind; investigations are not to place blame.

An accident is any unplanned event that results in personal injury or damage to property. A detailed analysis of any accident will normally reveal two causes of accidents: surface causes and root causes. Surface causes are the hazardous conditions or unsafe work practices that directly or indirectly contributed to the accident. Root causes are the safety or loss control system weaknesses that allow the existence of hazardous conditions and unsafe work practices. Most accident investigations only identify the surface causes of accidents. An example: An employee slips on a wet floor. The surface cause is the wet floor being present without any signage indicating the floor is wet. The root cause is the failure of management to enforce an existing procedure of reporting hazardous conditions, i.e. wet floor, and taking appropriate action to prevent an accident or incident, i.e. signage indicating the floor is wet or restricting passage on the wet floor.

SORM has developed an accident investigation form, SORM 703, with detailed instructions to assist state agencies in documenting accident investigations. State agencies can use this form or an equivalent form when documenting accident investigations. The form can be downloaded at [www.sorm.state.tx.us/VolumeThree/2Chapter5/3257SORM703.htm](http://www.sorm.state.tx.us/VolumeThree/2Chapter5/3257SORM703.htm). SORM also offers training in conducting accident investigations. Contact SORM's Agency Outreach and Training division at (512) 936-1572 for information concerning the accident investigations training class. Class information can be viewed at [www.sorm.state.tx.us/Training/Courses/CrseList04.htm#AI](http://www.sorm.state.tx.us/Training/Courses/CrseList04.htm#AI). SORM will also have an accident investigation presentation at the next Risk Managers User Group meeting in Austin on May 18. For meeting information, contact Pam Shilling at [pamela.shilling@sorm.state.tx.us](mailto:pamela.shilling@sorm.state.tx.us) or at (512) 936-1483.

If you have any comments or questions about accident investigation, please contact Sam Arant at [samuel.arant@sorm.state.tx.us](mailto:samuel.arant@sorm.state.tx.us) or at (512) 936-2926.

*Sam Arant is a risk management specialist in the Risk Assessment and Loss Prevention division.*

Incident/Accident Investigation Form			
<b>State Office of Risk Management Incident/Accident Investigation Form 703</b>			
<b>A. Employee Data</b>		Claim # (if known):	
Date of incident:	Time:	AM	P.M.
Employee Name:			
Working Title:		Dept.:	
Employee Contact #:	Hm.	Wk.	Other
Supervisor Contact:		Wk	
<b>B. Incident Description</b>			
<i>Obtain written and/or recorded statements from injured employee. What happened? What caused the accident? What were the contributing factors? Reconstruct the sequence of events that led to the injury. Attach additional sheets if necessary. This document becomes a legal accounting of the facts surrounding the incident/accident. When documenting the facts, include answers to the following questions:</i>			
<ol style="list-style-type: none"> <li>Where did the incident happen? Provide a full description of the surroundings of the location.</li> <li>What was happening at the time of the incident? What were the events leading up to the incident?</li> <li>What exactly caused the physical injury? What were the mechanics involved? Or, if a physical injury was avoided, what could have happened to cause an injury?</li> <li>Describe any injury incurred by the employee, what body part/s and what kind/s of injury/ies. If there are no injuries, so state.</li> </ol>			
<b>C. Incident Findings</b>			
After review of all facts, what was the hazardous condition, unsafe work practice or other root cause of the incident/ injury?			
<b>D. Corrective Action</b>			
What is recommended to prevent this type of incident/accident from occurring again?			
Actions taken to ensure recommendations are considered:			
Signature of Accident Investigator		Date	Time
<b>Internal Distribution:</b> Original: Agency Risk Manager or Risk Management Contact			
Copies: Agency Safety Officer Employee's Supervisor Director/Manager of Department or Section			
Maintain one copy in any retrievable format in the site file for a minimum of 3 years, or in the case of an occupational illness or injury, for 30 years.			
Note: If a workers' compensation claim is filed, send:			
• Fax a copy to the State Office of Risk Management (SORM) Claims Department at 512-472-0237.			

# Dealing with idiopathic injuries

## By General Counsel

An “idiopathic injury” is a term used in the fields of workers’ compensation and medicine to describe an injury resulting from an unknown cause. One example of how an idiopathic injury could occur is when someone’s knee buckles out from under him or her for no apparent reason and the person falls and hits, and thereby injures, that knee or some other body part on a concrete floor at work. An injury in this case would be described as resulting from an “idiopathic fall” and would probably be held to be compensable under these circumstances under Texas law. Texas is in a very small minority of jurisdictions that would find compensability under the afore-described circumstances where the actual cause of the fall is completely internal to the claimant and the employment did not cause the fall, but the damage resulting from the landing is compensable.

However, not all idiopathic injuries are compensable. An example of a non-compensable idiopathic injury occurred in a case where an employee strained during a bowel movement at work to such a degree that it caused an aneurysm to burst in his brain, thus killing him. Another example of a noncompensable idiopathic injury occurred where a violent sneeze caused contortions that, in turn, caused a back injury while the claimant happened to be operating a forklift at work. The deciding factor was that when the claimant sneezed, his back did not strike or otherwise make any damaging impact with his surroundings.

Even though all of the above injuries were idiopathic injuries, the first one was compensable but the other two were not. Where these injuries differ is in the circumstances

as to how they occurred: the first was a fall resulting in an injury from physical contact with an instrumentality of the employer, i.e. the floor; and in the other two no contact was made that resulted in an injury. If, in the first example, instead of striking the floor, the person had been merely walking in a straight line on a smooth, clean floor and his knee gave out but did not make any contact with an instrumentality of the employer and it was later claimed that this mere buckling incident caused harm to the knee, the injury to the knee would more likely be held as noncompensable. Just because an injury happens at work does not make it automatically compensable. There must be some causal connection between the employment and the injury. Causal connections can be either: an instrumentality of the employment, i.e., the floor or a desk; an environmental condition of employment, i.e., excessive noise at work producing hearing loss; or a work-related activity, i.e., carrying heavy work-related objects, thus causing a muscle strain injury.

It is very important to investigate as early as possible incidents that could lead to claims, especially idiopathic claims. Because idiopathic is by definition an unknown cause, a claimant may be tempted to fill in the informational gap by inventing or rationalizing a plausible, work-related cause. If an investigation is not quickly undertaken and witness statements taken, an unscrupulous claimant has more time to gather the information needed to fabricate circumstances that increase his or her chances of compensability. For example, after making discrete inquiries on how to increase the likelihood of compensability, an unscrupulous claimant experiencing

pain from an undiagnosed but ordinary disease of life affecting his or her ankle might fraudulently claim that water or some other obstacle, i.e., a leaf, was present at work that caused him or her to slip and thereby, damage the ankle. If a condition of the workplace, i.e., water on the floor, causes a claimant to change his normal mode of walking, then an injury is much more likely to be held as compensable, even with no contact with an instrumentality of the employer.

It is very important to document all of the factors present at the time of an incident that could lead to a claim, especially incidents that appear to be of an unexplained, idiopathic origin. In the case of idiopathic incidents, such factors could be: what, if anything, did the claimant hit or otherwise make physical contact with when an idiopathic condition occurred; claimant’s hobbies; what has the claimant done before, after, and at the time of the incident to try and overcome the effects of the idiopathic condition complained of and when did he or she do it; when did the claimant first know of the existence of the idiopathic condition; when did the claimant first believe that the idiopathic condition was work-related; and the content of any statements the claimant may have made to co-workers regarding pain or injuries to the same body part. An investigation should also include conditions of the workplace at the time of the incident, what exactly was the claimant doing when the incident occurred, and how he or she was doing it, at the time of, immediately before, and immediately after, any incident that may give rise to a claim for workers’ compensation.

# Property management

## Good loss control program includes keeping eye on assets

By Jeff Cox

The protection of assets and the identification of hazards associated with a state agency's ownership, maintenance, and use of real or personal property are fundamental elements of risk management. Normally, the property manager oversees many aspects of property administration at a state agency. However, a good risk manager will involve him or herself in the property management process to ensure all areas of loss exposure are identified and proper controls are in place to prevent or reduce losses.

SORM's Risk Management for Texas State Agencies guidelines Volume II, titled "Property Exposures," provides a comprehensive overview of property administration at state agencies. In general, this volume identifies the most common property exposures, explains which agencies have oversight of state property, and provides details on policies, procedures, rules, and regulations that govern its accounting and control. All risk managers should become familiar with the information contained in this volume in order to successfully assist with and contribute to property administration at the agency.

However, recently adopted in May 2001 by the 77th Legislature, and not discussed in the RMTSA guidelines, is a key provision of the General Appropriations Act (§9.03). The provision, titled "Appropriation Reductions for Lost Property," directs the Comptroller of Public Accounts to reduce an agency's appropriations by 50 percent of the value of lost property, if the percentages exceed the American Society for Testing and Materials (ASTM) standards. As indicated in the Comptroller's "Fiscal Management" (FM02-47) bulletin, the ASTM standard for high-risk items (only

firearms at this time) is 0 percent and 2 percent for non-high-risk items (other property besides firearms).

In July 2001, the Texas State Auditor's Office completed an audit of state property reported lost or stolen. The audit concluded that state agencies and universities would benefit from a standard or benchmark for reducing property losses. The auditor's office recommended that SORM analyze loss data and develop benchmarks based on applicable ASTM standards. Likewise, the state agencies themselves can benefit from increased monitoring of high-risk assets, the training of personnel in property management procedures, and the holding of individual departments responsible for meeting benchmarks to reduce property losses.

Taking this into consideration, SORM is currently reviewing loss data in order to develop a state benchmark for agencies under its purview. Therefore, it is essential for state agencies' risk managers to be familiar with property management terminology and definitions in order to effectively understand the benchmarks. At minimum, an agency's risk manager should know what is considered loss, damaged, and destroyed property (LDD); what are class codes and disposal methods; what is the difference between historical cost and depreciated values; and be able to distinguish between property level and component level. Clarification on these words and terms can be found in either the "State Property Accounting Policy and Procedures Manual" or the "State Property Accounting User's Manual," both of which were developed by the Comptroller of Public Accounts and can be found at [www.window.state.tx.us/fm/spa/](http://www.window.state.tx.us/fm/spa/).

In order to establish the LDD benchmarks, SORM will determine

the total statewide depreciated value of all personal property owned by client agencies as of Aug. 31, 2003. SORM will also calculate the total LDD depreciated value by class code in order to establish a median percentage for all class codes of personal property within all client agencies. SORM will then calculate individual state agency values for all property and LDD property experience to determine a specific agency median for each type of property. The statewide experience will be available on the SORM website and individual agency experience information will be made available in the SORM Online Client Services section for each client agency to access.

Armed with this information, each client agency should be able to determine how each class of their property compares with other agencies in relation to lost, damaged, or destroyed assets. Agencies should be able to use this information to identify certain types of property that may need additional controls placed upon them or to direct emphasis to statewide problem areas.

Overall, it is hoped that this information will be valuable to risk managers and property managers alike. The property manager should always be consulted when there is a concern or question regarding these figures. With an open line of communication between the risk manager and property manager, an agency will be able to adequately identify any trends or needs for additional training or monitoring before it is too late. Thus accomplishing the main goal of risk management, preventing and reducing losses before they occur and protecting the state's assets.

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# Best practices for short-term events

(Continued from page 1)

event manager, a representative from the local building department (if warranted), and local emergency services and law enforcement. The following categories should be placed on the team checklist.

## *Permits and licenses*

In many jurisdictions, the city clerk is responsible for issuing a special events permit. The building department will have to approve the installation of mechanical rides and tents, and the local (usually county) health department will be involved if food is being served. Most city clerks require minimum liability insurance limits and a cash deposit or bond.

## *Certificate of insurance with proof of general liability insurance and the state agencies listed as an additional insured*

Allow ample time for the organization holding the event to provide the above. These documents then must be forwarded to the facility manager for evaluation to ensure that adequate coverage is provided and that the state agency is protected.

## *Facilities and space planning*

There should be sufficient space, exits, power, parking, restrooms, and emergency vehicle access so the event can be hosted safely. Electric rides, lighting, and cooking facilities have high power requirements. Ensure that the power sources for each are understood by the event planners and that they know that power lines are not to be exposed nor extension cords misused.

## *Emergency management and evacuation plans*

The plans should cover all foreseeable disasters and catastrophes, assign responsibilities, and include

established and tested procedures. The plans must be communicated to the event manager and all affected personnel and should include feedback from local law enforcement and fire and emergency medical service response personnel. Plans would include notice of fire and emergency exits, persons responsible for organizing evacuation, if necessary, and sufficient communication devices, whether cell phones or walkie talkies, with a list of contact procedures and numbers provided to each person. Numbers for contacting police, fire, and ambulance services should be included on the list.

## *Legal attendance capacities*

The legal attendance capacity for indoor spaces, such as gymnasiums and auditoriums, are posted in each room. However, evaluation of the capacity limit for hallways and corridors and other indoor facilities must be made in conjunction with the fire inspector. Estimates for safe outdoor capacity in terms of crowd control, traffic, and parking should be made as well so adequate staffing for both “pedestrian” and vehicular control can be planned.

## **Facility Planning**

To ensure better premises and crowd management, consider zoning the facility into different “activity areas” as follows.

### *Public areas*

Those parts of the facility where the public can move about freely with access to all event activities and service areas, such as bathrooms, first aid stations, and telephones.

### *Performance/service areas*

The restricted areas where performers and event staff are physically separated from the public. This area could include spaces for dress-

ing/locker facilities, a practice area, temporary inventory, concession and equipment storage, shops, and repair facilities.

### *Support personnel area*

A secure room where event treasurers can count money, make change for concessionaires, and set up safety/security headquarters.

Direction and warning signs should be prepared in advance of the event and reviewed with the building principal and/or head custodian. Of particular importance is the assumption of risk language that clearly indicates restricted areas where those not involved in event planning or performing may not go and where machinery is operating.

## **Cash Control and Security**

Admission to special events is almost always on a cash basis, and sizable amounts of cash can be on hand. An unscrupulous individual may perceive a fair or circus as an opportunity for “quick cash.” Establish who is providing security on site and who will be responsible for cash accountability during and after the event. When the event is sponsored by the state agency, make sure procedures are in place for cash accountability and the disposition of the money after the event. Proceeds from sponsored events could, for example, be placed in an agency safe overnight or over the weekend. If someone is taking the money to an overnight depository at the bank, he or she should be accompanied by security personnel for his or her own safety.

Uniformed security guards at the admissions area demonstrates attention to a safe event and guards patrolling the concession area as well as the treasurer’s cash office space provide not only controls for

(See “Insurance,” page 7)

# Insurance available for events

(Continued from page 6)

the handling of money but also safety for those responsible for collecting, counting, or holding the money.

Thought should also be given to securing department supplies and materials to avoid the possibility of tampering or theft by attendees.

## Risk Management Procedures

Depending on the nature of the activities involved, patrons, concessionaires, and event staff can be at risk for injuries. There are several risk management techniques that can help reduce and control accidents and losses.

### *Waiver language written on the admission ticket*

Although its effectiveness is often questioned, having assumption of risk and release language on the admission ticket is a good idea. If generic tickets are used, post the language by the ticket booth so that it is clearly visible. Consider having either your general counsel or SORM's general counsel review the language used.

### *Agreement with the event manager*

The written agreement with the event manager or sponsoring entity

should list the responsibilities of the event manager. There should be an indemnification agreement included, as well as a review of the areas of the facility that will be used, and each of the topics and steps listed above, from electrical use to security to licenses and permits. The more specific the agreement, the better your risk management when permitting other entities to use your facilities.

### *Accident reporting system*

Make sure that the event managers and security officers know whom to notify in the event of an accident and whether there is an incident or accident report to complete.

## No-Stress Events

If your short-term special events have not been planned in the past with the care taken outlined here, you perhaps have been fortunate in having them occur incident-free. These steps are strongly recommended for future events, to ensure that your agency and facilities practice the best risk management possible for all involved. Develop an events procedure that can be applied to those events allowed by outside groups so that a system is in place that can be followed easily by all

facility managers. Design a checklist of the topics listed here, and a specifications sheet that includes such things as capacity limits, electricity use limits, and contact telephone names and numbers. The more you are able to systematize your planning, the less stress there will be in organizing well-managed, safe events.

## SORM Assistance and State of Texas Short-Term Special Events Insurance Program

SORM staff is available to assist agencies and facility managers with the planning and preparation necessary to ensure safe and well-organized short-term special events that will be held on grounds and facilities owned by the State of Texas.

A customized Short-Term Special Events Insurance Program has been developed in partnership with Governmental Risk Solutions, LLC to provide a program of general liability insurance to meet the insurance requirements for these events. Additional information is available on the SORM website, including a downloadable enrollment application to provide to third-party insureds. Additional information can be obtained by contacting Sally Becker with SORM at [sally.becker@sorm.state.tx.us](mailto:sally.becker@sorm.state.tx.us) or at (512) 936-1573 or Steve Haynes with Governmental Risk Solutions at [Steve\\_Haynes@governmentalrisk.com](mailto:Steve_Haynes@governmentalrisk.com) or at (972) 731-4323.

## Looking for someone to use as a springboard for ideas?



The SORM website includes a list of state agency risk managers, safety officers, and claims coordinators. Click on the "Agency Risk Management Contacts" link on the Publications/Forms page at [www.sorm.state.tx.us](http://www.sorm.state.tx.us).

*Sally Becker is a risk management specialist in the Risk Assessment and Loss Prevention division and works with Steve Haynes at Governmental Risk Solutions, LLC on the Short-Term Special Events Insurance Program.*

# Claims management vital to reducing comp costs

By Curt Krill

This may sound somewhat dramatic but there are four little words that cause anxiety and sleepless nights for risk managers, safety officers, workers' compensation claims coordinators, and agency executives across the State of Texas. Those four little words are, "I hurt my back." The filing of a back injury workers' compensation claim frequently generates visions of escalating doctor bills, personnel shortages, legal proceedings, and endless headaches for many a state agency. Sleepless nights indeed!

For the purposes of this article, the term "back injury" should be thought to include reported sprains, strains, musculoskeletal impairment, and ongoing complaints of non-specific pain. Experience has taught risk managers that back injuries are among the most frequently reported and costly in terms of compensable treatment and employee time away from the workplace. However, with planning, management, and persistence, these injuries can either be prevented or their harmful impact reduced.

There are two basic methods to reduce or eliminate the negative effect of every back injury. The obvious method is to prevent the injury from occurring. As earlier *Risk-Tex* articles and volumes of previously published safety literature have described, this can be accomplished by a series of logical steps. In basic terms these steps will include: identifying the workplace areas where back injuries occur; analyzing "at-risk" tasks; implementing design

modifications; providing workers with mechanical lifting devices; and mandating procedures for employees to follow (such as reasonable weight limits and two-person lifts). In addition, all effective safety programs should include training, training, and more training.

In the unfortunate circumstance when prevention has failed and a back injury occurs, the second method of reducing the incident's negative effect comes into play. This method is the often-overlooked but highly effective activity known as claim management. In many respects claim management is an art form. A valuable skill developed through experience as well as trial and error. When employees leave the workplace to begin receiving treatment for a back injury, it is all too often that they are left to their doctors' and their own timetable to heal and recover. This is completely unacceptable, and the exact situation which the claim management process targets.

A good claim management program, directed by an effective workers' compensation claims coordinator, will be ready to guide the injured worker (and the attending medical care professional) through the healing process before the employee even leaves the employer's premises.

Many state agencies have taken proactive steps to develop a cooperative relationship with a local health care facility (clinic). This is often called a gateway physician. Representatives (or doctors) from the clinic will tour the agency to become familiar with the tasks and

conditions of an employee's workplace. In addition, detailed job descriptions are provided so the doctor is aware of an injured worker's responsibilities and physical requirements. As a result of this cooperative relationship, the agency's employees will receive priority attention when seeking treatment at the clinic (no extended waiting room delays before seeing a doctor). The recent implementation of a statewide approved doctor list for workers' compensation treatment helps limit an employee's ability to go "doctor shopping" and assists the claims coordinator in directing the employee to a provider that will focus on agency personnel. The claims coordinator establishes a working dialog with the clinic to answer questions and ensure that essential paperwork is received without delay.

The claims coordinator should have several forms prepared and ready for the employee to review and sign. These forms guarantee that injured workers will receive medical treatment for their injury when compensability is verified but the forms also list the employees' responsibilities while receiving this treatment. In general, the employee's responsibilities include: maintaining their scheduled doctor/treatment visits; returning to the claims coordinator after a visit to provide copies of their work status; following the doctor's instructions regarding their treatment; providing a working telephone number where they can be reached; and informing the agency of any changes regarding their work status.

(See "What," page 9)



# What is claims management?

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It is very important that the employees understand they have a responsibility to work with the office in an ongoing effort to get well.

The claims coordinator will notify SORM of the injury in a timely fashion. In recent months SORM has initiated a method to submit this notification electronically via the Internet, and all state agencies are strongly encouraged to utilize this method due to its ease and ability to provide prompt receipt verification. In addition, approved personnel can now access SORM's Claim Management System (with a SORM-provided password) to view their agency's claims, allowing them to track doctor treatments, payments, and all other essential claim-related information. This is especially helpful when the agency's injured employee is obtaining treatment from a medical provider other than the cooperative clinic discussed earlier and the patient's recuperation progress is slow or unclear. An agency claim coordinator will also establish a professional relationship with the SORM claims adjusters so telephone conversations and e-mails will be cordial and beneficial. This is especially helpful when there are concerns about a claim's legitimacy or the treatment plan appears to be going off track.

All of these efforts help lead to one of the most important aspects of reducing costs and getting your employee back on the job, the return to work program. Having a cooperative physician who is familiar with your facility and the physical requirements of specific jobs will help guide the recuperation process toward returning the injured employee to the workplace. Whether the employee is fully recovered or gradually regaining his/her complete health, returning to the workplace provides therapy that an artificial treatment center or sitting at home could never offer. A successful return to work program will take the doctor's guidelines, which allow injured workers to return to their place of employment with limits or restrictions to their physical activity, and place them in a job that meets these limitations. The ultimate goal of a return to work program is to assist an employee who has sustained an injury/illness to return to work at the earliest possible time at either full duty or in a temporary (modified or alternate duty) assignment. This will be accomplished in a manner that does not jeopardize the employee's safety and will be limited to a previously established time frame (6 weeks or 9 weeks are common return to work time limits). This is a win-win situation for the

employee and the agency because it puts the employee back on the payroll earning complete paychecks and benefits and helps control the agency's overall workers' compensation costs.

Naturally this description only scratches the surface and many of the state's successful claims coordinators are probably chuckling at how simplistic this article has made the claim management process sound. However, for those agencies that are unaware or not actively involved with their own claim management program, this should help promote discussion and initiate proactive steps within your organizations. Please be aware that SORM offers training, advice, and written guidelines for the many aspects of this essential risk management process.

So, keep in mind that when claim management plans, procedures, and qualified personnel are in place, those four little words will cause less anxiety and allow risk managers, safety officers, workers' compensation claims coordinators, and, yes, even agency executives to sleep a little better at night.

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*Curt Krill is a risk management specialist in the Risk Assessment and Loss Prevention division.*

## Josselet retiring from state

(Continued from page 1)

"I want to express my sincere appreciation to the SORM Board of Directors for their trust and confidence placed in me, and also to our wonderful staff for their hard work and support, and I offer my very best wishes for your continued success."

The SORM Board of Directors will meet in May to discuss finding a replacement. Until then, General Counsel Jonathan Bow will lead SORM after Josselet's departure.

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**Executive Director Ron Josselet will retire at the end of April.**



# Gaining support for ergonomics

**By Lisa Bell**

Imagine for one moment that you are approaching your boss to ask for funding and support for an ergonomics program. Knowing that the state budget shortfall has limited the availability of resources, you realize it is going to be very difficult to convince your boss that spending money and resources on ergonomics is worth the investment. With this in mind, you realize that you are going to have to show your boss what it will cost, what positive results will likely occur, when to expect them, and what strategies you will use to effectively implement ergonomics within your agency. Simply put, you are going to have to sell your ergonomics program to management.

Ergonomics is often perceived with apprehension by management as another safety concern, nothing more, nothing less. It is often viewed as being too costly, too time-consuming, and yielding not-so-beneficial results. As such, one of the most unique, important challenges you as a risk manager and/or safety professional may face is getting upper management commitment and support for your proposed workplace ergonomic improvements. So how do you justify and get management to buy into ergonomics, especially when its perception is often undervalued?

Let's identify a few pointers that may improve your chances of gaining management's support and commitment for moving your proposed ergonomic initiatives forward.

First, relate the goals and objectives of the ergonomics program to your agency's business strategy. This is a principal thing that you must do to get management's attention. The key is to identify and connect mutual goals of both your agency and the ergonomics program, such as increased productivity, quality, and

cost control. Addressing ergonomics in the workplace is simply the right thing to do. After all, maintaining an ergonomically friendly work environment sends a message that management cares about the well being of employees. Because ergonomics deals with improving human performance, it can be used as an opportunity to impact important agency strategic goals and measures. Generally speaking, management should be brought to an understanding that ergonomics is an opportunity to improve all aspects of your agency.

Second, focus on cost so that management can plan and budget for ergonomics within your agency. Cost-effective use of your agency's financial and personnel resources is always a critical issue; so your goal is to track, analyze, and report all ergonomics costs, keep costs to a minimum, and make every dollar count. Beneficial low and moderate cost solutions should be considered first for all ergonomics problems before investing a lot of money into big-ticket capital items. To show management that you are being financially responsible, consider the following few tips to help control costs.

- Identify the availability of SORM as a resource to help provide staff ergonomic training. If necessary, ensure that you have a team of sufficient personnel with the right skills to handle the demand for addressing ergonomic issues in your agency. Log on to [www.sorm.state.tx.us/Training/Courses/CrseList04.htm#EAT](http://www.sorm.state.tx.us/Training/Courses/CrseList04.htm#EAT) for ergonomic training information.
- Use simple, inexpensive solutions where possible. While a major redesign may sometimes be necessary to reduce ergonomic risk factors, often

the best way to proceed is with a phased approach. Start with simple, relatively inexpensive solutions, then move to more complicated or costly alterations if necessary.

- Consider implementing administrative solutions (job rotation, stretching exercise, and rest breaks), which have low costs and can be effective.

Next, show how ergonomics can affect the proverbial bottom line. You need to speak the common business management's lingo of accounting, finance, and marketing if you want to more effectively talk-the-talk, gain acceptance, and get commitment from management for ergonomics. You must use economic terms and be able to convincingly demonstrate that ergonomics will pay future dividends. For example, you should use three commonly used financial criteria for evaluating investment decisions, i.e. payback method, internal rate of return, and net present value method. If you are not familiar with these financial concepts, you should seek assistance from your agency's CFO or others who are responsible for helping management evaluate decisions based on their eventual economic impact and determine the value of various investments. These financially savvy cohorts can help you get management's attention and gain the support you need to influence managerial decisions for ergonomics based on economic and financial terms. Another resource to boost your understanding of financial concepts is to go the extra mile and enroll in practical courses from the Insurance Institute of America (IIA) in order to earn an Associate in Risk Management and/or the Chartered Property Casualty Underwriter (CPCU) designations. It is up to you to be committed and dedicated to your

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# How to win over management

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on-going professional growth and development. For information about the exams and certifications, go to the American Institute for CPCU and IIA's website at [www.aicpcu.org](http://www.aicpcu.org).

Fourth, develop a strategic plan to monitor the ergonomics program for progress and results. It may sound cliché, but "what gets measured gets done." Document and prove the cost/benefit of ergonomics within your agency. Because management demands measurable results, you should provide actual examples of savings generated by ergonomic improvements, like a decrease in workers' compensation claims, reduction in the frequency of employee complaints of pain and discomfort, decrease absenteeism, and increased productivity, just to name a few. By quantifying results, management will more likely invest in ergonomic improvements because

they understand there is a real payback. Monitor your program and document results to compare before/after ergonomic changes are made. You might, for example, be able to demonstrate that you performed 80 ergonomic assessments, resulting in 92 corrective actions and a 50 percent reduction in employee complaints of pain and discomfort, demonstrating where and how you spent your resources this year. But don't be discouraged if the results aren't instantaneous. Be patient, because it often takes time to show that ergonomic improvements have made a difference. But eventually over time the results will speak for themselves.

Speaking of cold hard facts, it is a good idea to cite several proven reasons to implement ergonomic improvements. Identify ergonomic success stories to prove that ergonomics makes good business

sense. A good website that you may find beneficial in obtaining information on national case studies or benchmarks is [www.ergoweb.com/resources/casestudies/](http://www.ergoweb.com/resources/casestudies/).

And finally, actively and routinely solicit employee feedback with regards to how ergonomic activities, equipment, training, or behavior modifications have improved their work environment. Remember, if an employee's morale shows that ergonomics has improved the workplace, then it has in actuality. Results count and this information should be tallied up and conveyed to management.

Please contact me at [lisa.bell@sorm.state.tx.us](mailto:lisa.bell@sorm.state.tx.us) with questions or comments, or to share your agency's ergonomic success stories.

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*Lisa Bell is a risk management specialist in the Risk Assessment and Loss Prevention division.*

## Protecting families from cancer

**By Mickey Jacobs**

When we think of protecting our families from disease, many of us think of behaviors like washing our hands or getting our children vaccinated. Yet one of the most feared and dreaded human diseases – cancer – is among the most preventable. And the key to prevention lies in our behavior choices.

The evidence is compelling and increasingly clear: many cancers can be prevented by consistent healthy lifestyle choices. Failing to make those choices – or to teach them to our children – increases your lifetime risks of dying of cancer. For example, did you know that:

- Science suggests that one-third of all cancer deaths are related to poor nutrition, obesity, and physical inactivity?
- Cigarette smoking alone causes 30 percent of cancer deaths from lung and other cancers, all of which could be completely prevented if we taught our adolescent children to reject tobacco

and helped Texans already addicted to access smoking cessation programs?

- More than 1 million skin cancers that will be diagnosed in America this year could have been prevented with sun-safety behaviors?
- Removing polyps in their early stages can prevent or completely cure colon cancer?

As important as breakthroughs in cancer treatment and research are to the war on cancer, simple, sustained behavior and lifestyle changes would reduce cancer deaths by the thousands. Eating a varied diet, maintaining a healthy weight, adding regular exercise, practicing sun safety, following screening guidelines, and eliminating tobacco would dramatically reduce our risks for cancer. Awareness, healthy choices and sustained changes – these are the keys to preventing cancer and the keys to keeping our families healthy.

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*Mickey Jacobs is the executive director of the Texas Cancer Council.*

# State needs recovery plans

## By Roger Thormahlen

With the occurrence of the Sept. 11 attacks, the importance of a governmental entity continuing to function in a disaster was acknowledged and business continuity planning (BCP) was elevated in importance.

But did you know that the State of Texas' campaign for disaster and continuity of business operations commenced with Texas Disaster Act of 1975? The same Act created the Emergency Management Council and Division of Emergency Management and required a state disaster plan to be prepared. In 1978, the Interagency Disaster Recovery Planning Group was established to provide state agencies the tools needed to develop their disaster plans. In 1989, HB 2736 established the Texas Department of Information Resources and gave it the responsibility of disaster recovery planning, which focused on the information technology function of an agency and upcoming Y2K technical conversion issues. For at least 19 years, disaster planning and continuity of operations for state agencies has been in development.

Assuming the point of the campaign for state agency business continuity planning, SORM turned to its risk management specialists to ask each agency during risk management

consultations about the agency's business continuity plan. The agency's plan is reviewed for having the basic elements of BCP/continuity of operations planning (COOP). These elements or expectations are:

- All functions of the agency have been identified and assigned Recovery Time Objectives (RTO);
- The agency has determined its RTO;
- A BCP strategy has been adopted;
- Key personnel are assigned to recovery teams with alternates identified and responsibilities documented;
- Emergency response procedures are in place;
- Recovery roles and responsibilities are established and documented including initiation responsibilities of the plan;
- A call list or tree with alternate methods of communication to employees and vendors has been created; and
- Quarterly updating of this list occurs.

To help state agencies reach the expected level of proficiency, SORM has multiple tools for agencies to utilize.

- SORM's BCP website – [www.sorm.state.tx.us/bcp/init\\_overview.html](http://www.sorm.state.tx.us/bcp/init_overview.html).

[www.sorm.state.tx.us/bcp/init\\_overview.html](http://www.sorm.state.tx.us/bcp/init_overview.html).

- Generic forms to improve efficiency and effectiveness in the planning process.
- A network of knowledgeable persons from various state agencies who are willing to help in business continuity management.
- A SORM business continuity contact person to consult about planning and testing.

The SORM BCP primary goal is for the state's BCP efforts to parallel the federal government's Continuity of Operations Planning (COOP) model. Federal information on COOP can be found at [www.fema.gov/regions/x/npd/coop.shtm](http://www.fema.gov/regions/x/npd/coop.shtm) under Resources. The federal government is developing an updated COOP guidance for state and local governments and is scheduled for completion soon. SORM will notify state agencies when the updated COOP information is available.

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*Roger Thormahlen is a risk management specialist in the Risk Assessment and Loss Prevention division.*

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