



RISK★TEX

INTERAGENCY COMMUNICATION FROM THE STATE OFFICE of RISK MANAGEMENT ★ JULY 2007



REGIONAL OPEN ENROLLMENT TRAINING

SORM is bringing its popular Regional Open Enrollment Training to Denton. This event brings our most-requested classes together in one location for smaller agencies and field offices.

SORM is partnering with Texas Woman's University for a Regional Open Enrollment Training in Denton Aug. 7-9. All classes will be in the Administration and Conference Tower at Texas Woman's University.

View the class schedule and course descriptions at www.sorm.state.tx.us/Training/Courses/regtraining.php#denton.

Online registration is now available on the SORM website. See Page 4 of this issue of *Risk-Tex* for information about online registration.

For more information, please contact Vicki Charles at (512) 936-1537.

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Assessments decrease again

Interagency contracts due in September

By Stuart B. Cargile

The interagency contracts and invoices for FY '08 workers' compensation coverage, including risk management services, will be distributed shortly after this newsletter's date of publication. Payment of the initial invoiced amount is due on the first business day of September.

The FY '08 aggregate assessment total is the fourth consecutive decrease from the previous fiscal year's amount, but the reduction is more modest. Although the amount to be carried forward has not been completely determined, preliminary calculations indicate a reduction of 1.6 percent for the risk pool as a whole. Dependent on the employment and claim data for FY '06, now included in the calculation, compared to that for FY '03, no longer included, the assessment for an individual member will decrease, or even increase, at a rate different from the average. An agency whose claim history improved relative to all other pool members will see a larger decrease in dollar terms. Conversely, an agency whose claims and costs increased significantly while the pool as a whole declined will have a higher proportionate assessment and

an increased dollar amount.

Although the annual reductions in claim costs have decreased, the reduction since the FY '02 implementation of the assessment program is still impressive (see chart on Page 11). At this point, more than \$28 million less each year is spent on claim costs. The assessment program has provided the financial incentives to agencies to reduce injuries and related costs but the success, measured by the decrease in the number of claims and in the associated cost, is due to the collective efforts of all the risk management, safety, and claims-related staff at all agencies in conjunction with SORM's claims staff, risk management specialists, and trainers.

Due to the rapid decrease in claim costs and the limited carry-forward ability of funds within the pool, three of the past four years have required a mid-year adjustment of the amount collected with a corresponding return of funds to individual pool members. For FY '08, consistent with Article IX, Section 15.02 of the 2008/2009 General Appropriations Act, all pool members will be presented with the calculated annual
(See "Invoice," page 11)

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SORM property conference

SORM is presenting a property conference July 24 in Austin. The conference, which is at the Norris Conference Center, begins with sign-in at 8 a.m. and concludes at 3:30 p.m. A continental breakfast and buffet lunch are included in the conference, titled “Building Blocks: Building an Effective Property Risk Management Program.”

The conference will begin with explaining that the State can insure its physical assets, breaking a long standing myth, and follow with a discussion of the current insurance market in Texas. The conference will continue with speakers on the State’s historic means of valuation, replacement cost valuation, and what is meant by time-element exposures. And what would a risk management

program be without talking about loss prevention and preparation? Time will be spent discussing how to prevent or control property losses, how to prepare for such a loss, and what will help to ensure a smooth claim process. The afternoon session will be dedicated to providing information specific to SORM’s Statewide Property Insurance program. The policy form will be reviewed through loss scenarios and how the policy will respond to these situations. The “what ifs” should provide a more enjoyable perspective.

The conference is sponsored by Wachovia Insurance Services, The Jenkins Agency, Inc., and American International Group. They provide the Statewide Property Insurance Program through SORM. If you have

questions regarding the conference, please contact Sally Becker at sally.becker@sorm.state.tx.us or at (512) 936-1573.

Online registration is available. The Online Training Registration System is part of SORM’s Risk Management Information System (RMIS). Users who already have a RMIS user ID can register online at <https://www.sorm.state.tx.us/sorm/pages/SORMLogin.html>. To get a RMIS user ID to access the online training system, please go to <https://www.sorm.state.tx.us/TrainingSystem/GenerateTrainingAccount.aspx>. If you have any questions regarding registration, please contact Sam Lawrence at samuel.lawrence@sorm.state.tx.us at (512) 936-1524.

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FOR MORE CONTACT INFORMATION, PLEASE VISIT OUR WEBSITE
 AT WWW.SORM.STATE.TX.US/ABOUT_US/CONTACT_US.PHP

Comparing agency losses

By Mike Hay

The operations of Texas state government are funded through a complex appropriations process utilizing revenue streams generated from federal, state, and local sources. In order to assure that the service needs of the public are met, the Texas Legislature has organized state agencies into various categories based upon the basic service provided. These categories are commonly referred to as the Articles of Government.

SORM delivers workers' compensation and/or risk management services to 150 state agencies in nine Articles of Government. These client agencies provide many diverse public services ranging from protecting the environment to incarcerating offenders.

The Articles of Government, number of SORM client agencies within each Article, and the number of FTEs are as follows:

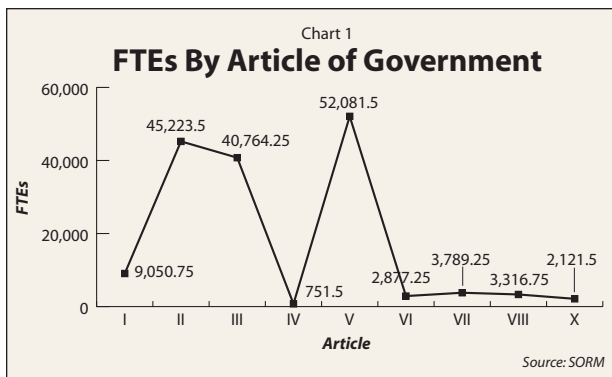
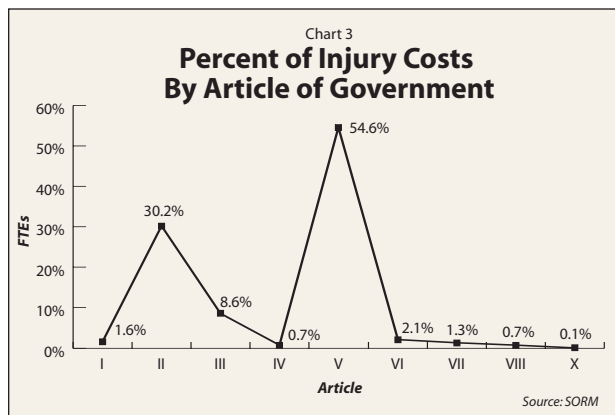
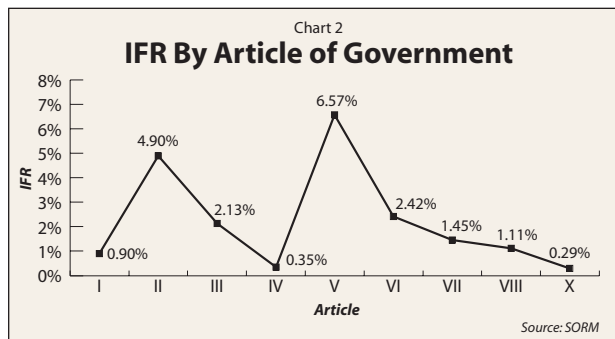
Article	Description	# Agencies	FTEs
I	General Government	23	9,050.75
II	Health and Human Services	6	45,223.5
III	Agencies of Education	32	40,764.25
IV	The Judiciary	22	751.5
V	Public Safety and Criminal Justice	9	52,081.5
VI	Natural Resources	13	2,877.25
VII	Business and Economic Development	4	3,789.25
VIII	Regulatory	34	3,316.75
IX	General Provisions *	-	-
X	The Legislature	7	2,121.5
	Total	150	159,976

* These provisions apply to all agencies and, therefore, are not considered as a structured funding mechanism for any specific agency and is not included in the data analysis.

Separating agencies into Articles of Government not only facilitates funding and delivery of services, it creates an opportunity to measure the costs of providing those services to the public. Costs of service include payments made to injured state employees, damage or loss of state property, and losses from other sources of operation such as legal liability.

SORM has been tracking work-related state employee injuries and state losses for many years. During this time, the office has postulated that injury losses are generally affected by the size, complexity, and mission of the agency. Logic dictates that the larger the agency, the more exposure it has to employee-related losses. Chart 1 illustrates the number of full-time equivalents (FTEs) assigned to each Article of Government. In terms of risk analysis, these FTEs represent the exposure basis for each Article of Government. If state employee injuries were driven only by the size of the agency, it could reasonably be expected that the state loss patterns would mirror Chart 1.

Charts 2 and 3 indicate, however, that losses are not solely Dependent upon the size of the agency. For example, Article III agencies (Charts 2 and 3) experience significant losses (See "Article," page 10)



Online training registration

By Erin Thompson

SORM is pleased to announce the introduction of a project that was more than two years in the making – an Online Training Registration Subsystem.

SORM provides training on many risk management and workers' compensation issues to State of Texas employees. Prior to the new system, employees wishing to attend training classes had to contact SORM directly to register for a class. With the new system, employees from all over the state can register for classes, cancel a registration for a class, complete course evaluations online, and print certificates of completion and training transcripts.

The system, which is part of SORM's Risk Management Information System (RMIS), has been designed to be as user-friendly as possible. Many state employees already have access to the system; those with a valid RMIS ID, which is used to submit SORM-200, Risk Evaluation and Planning System, or workers' compensation information, are ready to register for classes. Simply log into the RMIS system, located at <https://www.sorm.state.tx.us/sorm/pages/SORMLogin.html>, and choose the "Online Training Registration System" link.

From the student menu, you may register for a class, complete a class evaluation, or print completion certificates and transcripts.

You may also register from a class via the Outreach and Training Calendar, located under the Outreach and Training menu. Simply choose the month you wish to view, and click the "Registration" link below the class.

How to register for a class

1. Log into RMIS.
2. Click on the "Online Training Registration System" link.
3. Click on the "Register for a Class" link.
4. From the list of upcoming classes, choose a class to attend and click the corresponding link to register.
5. Review the class information and click the "Confirm Registration" button.
6. That's it! Your registration is complete and a confirmation e-mail is sent to your e-mail account.

Many of SORM's classes have limited registration, either due to class size or agency requirements. If you do not see a class for which you wish to register, it's possible you are not permitted to attend the class. You may choose another class from the list or contact SORM directly.

Creating a RMIS user ID

You must have a RMIS user ID to use the Online Training Registration Subsystem.

1. To create a new RMIS user ID, go to <https://www.sorm.state.tx.us/TrainingSystem/GenerateTrainingAccount.aspx>.
2. Fill out the requested information on the "Generate an Online Registration Account" page.
3. Click the "Create User ID" button.
4. The system will send you a confirmation e-mail that includes your user ID and password.

Many of you may find that you are already in our database. If you have attended a SORM training class during FY '07, you may already be in our system. If you have requested to be on our mailing lists, you may already be in our system, as well. If this is the case, the system will confirm that you are indeed the same person, and create your user ID at that point.

In some instances, we may have your name and title, but no e-mail address on file. The system will then instruct you to contact SORM; we will add your e-mail address and then you may create your user ID.

Don't know if you have an RMIS ID? Use the "Forgot your User-ID link" on the RMIS login page. It will either provide you with your user ID, or inform you that you do not have one.

The Online Training Registration Subsystem has several automated features, as well. You will receive an automatic confirmation of your registration, and a reminder e-mail will be sent to you at least one week prior to the class. If a change is made to the class, you will automatically receive an e-mail, as well. Once the class instructor has confirmed your attendance, you will receive an automatic e-mail to complete the course evaluation and print your attendance certificate.

The new Online Training Registration Subsystem is an exciting addition to SORM's other web-based systems. SORM looks forward to enhancing its existing subsystems and adding new subsystems to RMIS. We welcome any suggestions or comments regarding the new subsystem.

If you have questions and comments, please contact Sam Lawrence at samuel.lawrence@sorm.state.tx.us or at (512) 936-1524.

Erin Thompson is a systems support specialist in the Information Resources division.



Texas State Agency Safety Awards

The SORM safety awards program recognizes state agencies that achieve and maintain good safety records. The program is designed to stimulate interest in accident prevention and to promote safety in the workplace to maintain a safe and healthful workplace. The FY 2006 Safety Award results are listed below.

Fourteen **Gold Awards** were given to agencies for their reduction in injury frequency rates (IFR) of 50 percent or more when compared to the average of the previous five years.

*House of Representative • Legislative Budget Board • State Office of Risk Management
Texas Historical Commission • Lamar State College - Port Arthur • Texas Senate
Texas State Library and Archives Commission • Department of Banking • Texas Lottery Commission
Texas Comptroller of Public Accounts • Texas Legislative Council • Sul Ross State University
Stephen F. Austin State University • Texas Building and Procurement Commission*

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Eight **Silver Awards** for reduction in IFR of 30 percent to 50 percent when compared to the average of the previous five years.

*Secretary of State • Texas Workforce Commission • Texas Higher Education Coordinating Board
State Preservation Board • Texas Woman's University • General Land Office • Lamar University
University of North Texas Health Science Center at Fort Worth*

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Seventeen **Bronze Awards** for reduction in IFR of 10 percent to 30 percent when compared to the average of the previous five years.

*Department of Public Safety • Office of the Attorney General • Railroad Commission
Office of Court Administration • Texas Alcoholic Beverage Commission
Texas State University - San Marcos • State Office of Administrative Hearings
Texas Commission on Environmental Quality • University of Houston • Midwestern State University
Texas Southern University • Angelo State University • Texas Department of Criminal Justice
Texas Department of Insurance • Adjutant General's Department • University of Houston - Downtown
Department of Family and Protective Services*

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In addition, 30 agencies received the **Sustained Safety Performance Award** for small agencies that have no reported injuries for three or more years.

Congratulations to all the winners!

Time to review fire safety

By Sam Arant

Recently a four-alarm fire claimed the lives of two state employees in a six-story office building in Houston. According to arson investigators of the Bureau of Alcohol, Tobacco, Firearms, and Explosives, the Houston Fire Department, and the State Fire Marshall Office (SFMO), the incident was caused by a small fire started by a nurse employed by a cosmetic surgeon on the 5th floor of the building. Three victims died as a result of the fire – two Department of Assistive and Rehabilitative Services employees who worked on the 5th floor and one employee of a private trucking company who worked on the 6th floor.

Witness statements and observations by the SFMO include the following findings that contributed to the propagation and growth of the fire:

- The presence of compressed gas cylinders and hazardous chemicals near the origin of the fire on the 5th floor of the building;
- Offices in the building were not protected by sprinklers;
- Wall penetrations between floors were not sealed;
- Wall penetrations in emergency stairwells were not sealed;
- The presence of moderate winds (15 mph sustained, 23 mph gusts) from the south/southeast that entered the building following the breakage of building windows;
- The building atrium was not equipped with a smoke ejection or ventilation system;
- Smoke detection devices were very limited throughout the



The “Have an Exit Strategy” fire safety initiative seeks to increase people’s awareness of locating a second exit when entering a public place.

building; some smoke detectors may have malfunctioned;

- The lack of adequate manual fire pull stations throughout the building; and
- The lack of adequate audio/visual fire notification devices throughout the building; some horns or strobes may have malfunctioned.

Other Life Safety Code (NFPA 101) findings include the following:

- The common path of exit travel distance exceeds the 75-foot limitation in some locations of the building;
- The presence of unapproved access control devices on building exit doors;
- The presence of non-rated hardware, rather than fire-rated hardware on stairwell fire doors; and
- The presence of multiple locking and latching devices on building exit doors.

SORM recommends agency risk managers and safety officers review the above findings and the fire deficiencies list found in the June 2007 issue of *Risk-Tex*. Next, agency risk managers or safety officers should accompany building owners during building inspections. Finally, agency risk managers or safety officers should document all fire safety defi-

ciencies and track the correction of each deficiency.

Other fire safety practices (i.e. posted evacuation routes, evacuation drills, no smoking policy, etc.) should be a part of an agency fire prevention plan. Emergency evacuation maps indicating primary and secondary routes must be posted in all buildings. Emergency evacuation drills should be conducted at least annually in all buildings. No smoking areas should be defined and strictly enforced. Flammable liquids should be stored in approved containers and stored in approved storage cabinets. Agencies should minimize the accumulation of paper and other combustible materials in offices and storage areas. Responses from SORM’s Risk Evaluation and Planning System indicate most state agencies have policies and procedures that address the above components of a fire prevention plan.

Lastly, SORM supports the SFMO fire safety initiative of “Have an Exit Strategy – When you enter an unfamiliar place, plan an exit strategy. Keep in mind the best way out may not be the best way in.”

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

Tips for driving safely

By Lester Taylor

In Texas, there were 3,504 drivers killed in automobile accidents in FY '05. There were many causes for these deaths. Some of the major reasons for these deaths include: driving while intoxicated; driving under the influence; and driving recklessly (road rage). This article will provide you with a few good tips on safe and friendlier driving.

Before you start your day, the Department of Public Safety (DPS) recommends you inspect your vehicle by checking the: tire pressure; gauges; fluid levels; belts and hoses; and battery. DPS calls this "getting to know your vehicle." Before driving, you should have a current copy of your automobile insurance policy and proof of driver's license, which is required by state law.

Once inside the vehicle and just prior to leaving, be sure to fasten your seatbelt, adjust your seat and steering wheel, and adjust the inside and outside mirrors. Before pulling out of your driveway into traffic, you should look both left and right and, if necessary, honk your horn and proceed to back out when it's clear. When backing out, be sure to do so at a controlled speed that you would consider safe enough to get out of the way of oncoming traffic.

While driving, focus all your attention on the roadway and periodically scan the areas in your peripheral vision. You should regularly check your overhead and side mirrors. It is important to remember that there are blind spots immediately to the left and right rear of your vehicle, so reliance on side mirrors alone may not be enough. It is not recommended to drive less than what the posted speed limit is, unless road conditions are not favorable. Do not ride your brakes or drive continuously with your turn signals on.

DPS provides information for drivers to follow when traveling behind another vehicle. For example, you



Reading a newspaper, or doing other things that distract drivers from watching the road, can lead to accidents.

should remain at a safe distance of approximately four-to-five car lengths when traveling at a speed of 30 to 40 mph. DPS calls this the four second rule, which is your reaction time to break or turn away to avoid a rear end collision.

As a defensive driver, you can lower your automobile insurance premium and possibly save lives. Do not speed, do not tailgate, do not run red lights, and, lastly, do not allow yourself to become involved in road rage. Always be courteous and show respect for the other drivers. By following these simple steps, you may save a life, including your own.

You can make a difference on our Texas highways.

For more information on safe driving tips, visit DPS online at www.txdps.state.tx.us or the National Highway Traffic Safety Administration at www.nhtsa.gov.

Lester Taylor is a risk management specialist in the Risk Assessment and Loss Prevention division.



Fall in love with the Safety Puzzle

SORM's Safety Puzzle provides important safety information, including a section on slips, trips, and falls. Go to **www.sorm.state.tx.us**, navigate to the "Outreach & Training" webpage, and click on the "Safety Puzzle" link.

SORM Sunset legislation passes

By Keith Martin

The mission and performance of SORM was reviewed by the Legislature during the 80th regular session, as required by the Texas Sunset Act. The Sunset Commission staff identified a continuing need for the agency and recommended SORM be continued in existence until 2019.

Senate Bill 908 was introduced to implement the Sunset Commission recommendations and was finally passed by the Legislature and signed by the Governor. Beyond continuing the agency, the bill also included a number of changes intended to address issues identified by the Sunset Commission during the review process. This article is not intended as a detailed analysis of all or specific requirements, but as a general overview of the bill.

With respect to risk management, the bill emphasizes the implementation of Business Continuity Plans (BCPs) by state agencies. These BCPs are intended to ensure adequate planning for the resumption of essential services in the event of a disaster or interruption. These plans must be developed by May 1, 2008, and the bill authorizes SORM to promulgate guidelines and models and to assist state agencies in the development of BCPs. SB 908 also requires SORM, the State Fire Marshal's Office, and the Texas Building and Procurement Commission (soon to be the Texas Facilities Commission) to formally work together regarding fire hazards and safety information.

Regarding workers' compensation, the bill has several provisions respecting return-to-work (RTW) initiatives, including increased involvement of SORM in RTW assistance and reporting. Other provisions include confidentiality of information in or derived from claim files and authorization for expanded use of direct deposit payments for workers' compensation benefits. In addition, the legislation requires SORM to study options for agencies dealing with catastrophic claims and to report study findings to the Legislature by September 2008.

While the Sunset Commission staff identified and recommended additional required resources necessary for the implementation of the new legislative requirements, SORM did not receive the proposed funding or dedicated personnel for implementation of these new requirements as part of its appropriations for the next biennium. The agency is currently evaluating the extent of its ability to implement the programs within any available or existing resources. Additional information respecting implementation of SB 908 programs will be made available as soon as possible.

Keith Martin is a staff attorney in the General Counsel division.

It's an ease to use ScripNet

SORM partners with ScripNet, through its cost containment vendor, to provide pharmacy benefit management services to covered employees. Utilizing ScripNet's services is as easy as 1, 2, 3.

1. Take your identification card and prescription to your local pharmacy.

Pharmacies, injured workers, and employers may go to the ScripNet website to access a current list of pharmacies. Simply log on to www.scripnet.com and click on the "Pharmacy Lookup" link. You will be able to view, print and, map a current list of pharmacies.

You may also speak to a Help Desk Representative by contacting ScripNet at its toll free number 1-800-880-8562. ScripNet's friendly staff will be waiting to assist you with a current list of local pharmacies.

2. Show your card to your pharmacists so they know who to bill.

Each injured worker will be sent a packet directly from ScripNet that includes an introductory letter that has been customized in consultation with SORM. At the bottom right hand corner of the letter is a durable plastic pharmacy card.

Identification cards are mailed from ScripNet's corporate office in Las Vegas within 24 business hours of receipt of the claimant eligibility file. Cards conform to National Council for Prescription Drug Programs standards. Included with the ScripNet identification card is a mail order form for injured workers to use for any maintenance medications.

3. Tell your pharmacists to contact ScripNet for assistance.

Pharmacists are instructed via ScripNet's online point-of-sale system to contact the ScripNet Help Desk via a toll (See "ScripNet," page 10)

SORM-200 deadline nears

By **Mary Loza**

As the end of FY '07 approaches, state agencies, courts, and institutions of higher education are reminded that Section 412.053 of the Texas Labor Code mandates each state agency report its risk management expenditures, insurance purchases, and non-workers' compensation losses to SORM. This information is due by Oct. 29 via SORM's online reporting system.

The information to be reported will be the expenditures for risk management expenses associated with the agency's direct risk management functions between Sept. 1, 2006, and Aug. 31. The SORM-200 is broken into 13 categories and utilizes the Comptroller's object codes. Such codes required are salary and wages, benefits, travel, training and education, and supplies directly spent on the agency's risk management program. Part I of the SORM-200 includes the various categories agencies will need to complete.

Risk management is the process of identifying and controlling the agency's exposures and losses. Activities performed by the risk manager, claims coordinator, safety officer, additional duty safety officers, and support personnel should be included. If staff performs these duties on a part-time basis, each expenditure should be prorated by the percentage performed. As an example, if the agency's safety officer spends 20 percent of job duties in risk management activities, under each appropriate object codes, the annual salary/expenses are prorated to show only 20 percent of the annual amount, including the numbers of full-time equivalents (FTEs). This calculation must be done for each staff performing risk management activities. Once all personnel have been evaluated, the total FTE number and total expenses are entered for FY '07.

The online database will be opened for entry on Sept. 1. Agencies are encouraged to begin reviewing this data for the required object codes to be reported. FY '07 object codes can be viewed on the SORM website by clicking on the SORM-200 link under the Risk Management tab. It is also imperative that the agency

Category
F - Salary and Wages
G - Benefits
H - Travel
I - Training and Education
J - Supplies and Consumables
K - Capital Outlay
L - Rentals and Leases
M - Telephone and Utilities
N - Other Operating Costs
O - Safety Supplies and Equipment
P - Consultant Services and Fees
Q - Other Services
R - Other Fees, Taxes, Expenses
Total


This screen shot shows the categories included in the SORM-200 report.

risk manager ensure all staff needing access for this project have been given the proper security access. Instructions for adding staff to the contact and security database can be viewed by logging into the Risk Management Information System through SORM's website.

In addition to the expenditures, agencies are to report all insurance purchases, bond payments, and number of notary publics for FY '07. This information is entered in Part II of the SORM-200 report. Insurance policies purchased in FY '07, except those purchased under SORM's programs, must be mailed to SORM. Any loss in which there may be a financial loss to the State of Texas must be reported whether or not the loss is covered by an insurance policy or if the loss is less than the deductible. The online Property and Casualty Reporting database can be accessed to enter this loss information. This database includes a Claims Summary Report that shows the number of claims filed by type of loss and the amount paid out for each fiscal year since 2004.

For assistance in completing the SORM-200 or property and casualty claims, contact Mary Loza at mary.loza@sorm.state.tx.us or at (512) 936-1569.

Mary Loza is a risk management specialist in the Risk Assessment and Loss Prevention division.



The Risk Management for Texas State Agencies guidelines are available on the SORM website at www.sorm.state.tx.us/RMTSA_Guidelines/volumes.php. The four volumes are guidelines that form the direction and basis for developing and implementing a comprehensive risk management program to reduce property, liability, and workers' compensation losses in each state agency.

Safety for Texas' aging workforce

By Joe Deering

The State of Texas employs a diverse group of people, from veterans and Baby Boomers to Generation Xers and Nexters. But the number of state employees aged 55 or older is increasing, and with it the need for agencies to consider the unique benefits and exposures of an aging workforce.

In general, older workers tend to have lower turnover rates and also have positive work values. But many aging employees do not see the need to report every injury or work-related pain. This behavior may explain some of the statistics that indicate older employees are less likely to become injured on the job. Studies conducted by the Bureau of Labor Statistics find that workers over age 55 account for fewer than 10 percent of all workplace injuries even though they make up almost 14 percent of the labor force. Once an older worker is injured, however, that worker is more apt to have a serious injury and be out of work longer than a younger worker.

The injuries of older workers are more often related to accumulation over time of overuse and repetitive strain, while younger workers tend to have more cuts, burns, and injuries to the hands and body. As employees age, many of the tasks they used to complete easily may become increasingly difficult. Physical activities such as lifting, pushing, pulling, reaching, standing for long periods, or performing repetitive tasks may increase worker fatigue and lead to worker carelessness or shortcuts. Acute or traumatic injuries are also a concern. Traumatic injuries from falls may also be a concern, with the potential factors for a fall including muscle weakness, balance problems, vision problems, and side effects from medicines.

Therefore, retention and injury prevention programs aimed at reducing repetitive strains, or ways to reduce demands, are essential in an aging workforce environment. Incentives to continue working may include a change in approach to work by offering flextime or part-time positions. All will benefit from workplace health and wellness programs aimed at helping employees stay healthier. Facility maintenance should also be a priority. Ensuring that the building or work environment is hazard-free by conducting regular inspections should be a high priority. Additionally, a system should be in place that quickly corrects identified hazards.

Aging workers in Texas are here to stay. They are not only productive but also bring an invaluable wealth of experience and wisdom to our workplaces. The adjustments we make to accommodate an older workforce will help to create a healthier and safer working environment for everyone.

Joe Deering is a risk management specialist in the Risk Assessment and Loss Prevention division.

Article of Government

(Continued from page 3)

nificantly fewer injuries per 100 FTEs that could be predicted based upon their number of FTEs (Chart 1). Additionally, the Charts 2 and 3 indicate that agencies in Articles VI, VII, VIII, and X experience lower frequency and severity of losses than would be predicted based on FTEs alone. Charts 2 and 3 have amazingly similar patterns for Injury Frequency Rate (claims per 100 FTEs) and value of losses expressed as a percent of all losses. This indicates there is a degree of predictive value in analyzing loss information by article of government.

Over the next several issues of *Risk-Tex*, SORM will examine the loss patterns for each Article of Government and attempt to develop a predictive loss profile for each Article. Any questions regarding data or analysis should be directed to Mike Hay at mike.hay@sorm.state.tx.us or at (512) 936-1571.

Mike Hay is director of the Risk Assessment and Loss Prevention and the Information Resources divisions.

ScripNet is as easy as 1, 2, 3

(Continued from page 8)

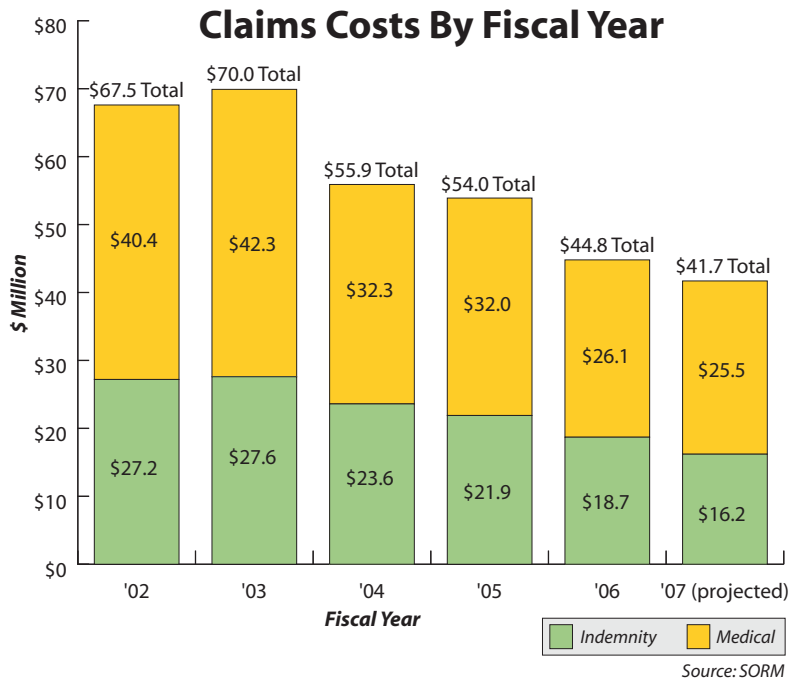
free number. ScripNet requires that all of its network pharmacies have access to its electronic point-of-sale system.

The ScripNet Help Desk team members are experts in workers' compensation pharmacy benefit management. The Help Desk is available 7 days per week to assist pharmacies with processing issues. Adjusters, pharmacies, and injured workers can access the Help Desk toll free by calling 1-888-880-8562. Help Desk team members have multilingual capabilities.

Invoice amounts differ in FY '08

(Continued from page 1)

amount due. At the same time an invoice excluding 25 percent of the claim cost portion will be presented for immediate (upon the beginning of the fiscal year) payment. The remaining amount should be encumbered as obligated funds. No later than May 1 all entities will be presented with an invoice for the remaining portion to be collected, based on updated projections taking actual current year costs into account. If the updated, secondary invoices are less than the encumbered amounts, the remaining amount may be used for other purposes consistent with the original funding source. For FY '08 the total deferred collection will be \$11 million. This change should eliminate the need for a mid-year return of funding while still providing adequate financing for claim payments. At the same time, all pool members still have the certainty of knowing their annual cost for coverage and the flexibility to utilize the funding if actual costs are below expectations.



SORM appreciates the efforts and cooperation of all of its client entities. Together we have significantly reduced costs to the State, reduced the annual cost of coverage for each pool member, and prevented well over 1,000 of our fellow employees

from being injured each year compared to only five years ago. Thanks and keep up the good work.

Stuart B. Cargile is director of the Fund Accounting division.



What are your training needs?

SORM offers a variety of workers' compensation, risk management, and safety training courses. Some of our most popular courses are Training for Claims Coordinators, Additional Duty Safety Officer (ADSO) Orientation, and Driving Safety. View our course list and training calendar online at www.sorm.state.tx.us.

SORM's eyes and ears

By **Connie Castilleja**

Claims coordinators have a very important role in the workers' compensation industry. They serve on the front line and are responsible for receiving notices of injury from injured employees. They act as liaisons between injured employees, medical providers, and claims representatives. It is of vital importance that all lines of communication remain open between agency coordinators and claims representatives to ensure all crucial information is promptly exchanged, whether by verbal or written means. Efforts to constantly improve the exchange through the development of tools such as the online Risk Management Information System points to the significance of this relationship.

A claims coordinator is SORM's first line of communication. Early contact by the SORM adjuster helps to establish the facts of an on-the-job injury in complicated cases and facilitates prompt and appropriate medical treatment and payment of benefits that may be due. Discussion might include the facts of an on-the-job incident/injury, known medical conditions (pre-existing or current), lost time, application for the Family and Medical Leave Act, relevant disciplinary actions, and other facts. Effective interaction with the adjuster is critical to the successful investigation of any insurance claim. The claims representative may contact the claims coordinator many times within the first 60 days of the injury to preserve claims defenses. Any suspicion that fraudulent activity may have occurred should be reported immediately. It's been said that "the claims coordinators are SORM's eyes and ears out in the field."

SORM relies upon claims coordinators to supply the information and forms that adjusters must have in order to properly handle claims. Examples of data that is required on every lost-time claim include the First

Report of Injury (DWC-1), Employee's Report of Injury (SORM-29), Employee's Election Form (SORM-80), Employer's Wage Statement (DWC-3), Witness Statements (SORM-74), Supplemental Report of Injury (DWC-6), Notification of Additional Information (SORM-90), and Authorization for Release of Information (SORM-16). These forms must be submitted timely to ensure indemnity payment amounts are administered in compliance with Texas Department of Insurance, Division of Workers' Compensation rules. Failure to timely or accurately furnish these forms greatly increases the risk of overpayment, underpayment, and untimely payment.

Continued telephone contacts are made to the claims coordinator by the adjuster to follow up on the claimant's work status, verify the date on which insurance will cease and the granting of Sick Leave Pool, and other current activity. If there is a change in status, it is the claims coordinator's duty to contact SORM as soon as reasonably possible. Of course, any concern about the direction of the claims handling can be conveyed at any time.

The information claims coordinators provide is essential to SORM's ability to perform. SORM want this strong, mutual trust and responsive flow of information to continue, unimpeded by the kind of "red tape" that so often exists in the non-SORM business world. Every workers' compensation claim is important to SORM; every injured worker matters. SORM staff is here to provide support to the employee and employer throughout the life of a claim. The committed participation by claims coordinators makes it possible.

Connie Castilleja is a supervisor in the Claims Operations division.

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