



# RISK★TEX

INTERAGENCY COMMUNICATION FROM THE STATE OFFICE of RISK MANAGEMENT ★ AUG. 2012



## SURVIVING THE HEAT

Triple-digit temperatures are here, and the Occupational Safety and Health Administration asks those working outside to remember three simple words: water, rest, shade. Drinking water often, taking breaks, and limiting time in the heat can help prevent heat illness.

Employers should include these prevention steps in worksite training and plans. Gradually build up to heavy work in hot conditions, helping to build a tolerance to the heat – or become acclimated. Employers should help workers become acclimated, especially workers who are new to working outdoors in the heat or have been away from work for a week or more. Gradually increase workloads and allow more frequent breaks during the first week of work. Also, it's important to know and look out for the symptoms of heat illness. Plan for an emergency and know what to do. *Acting quickly can save lives!*

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# Claims costs at record low level

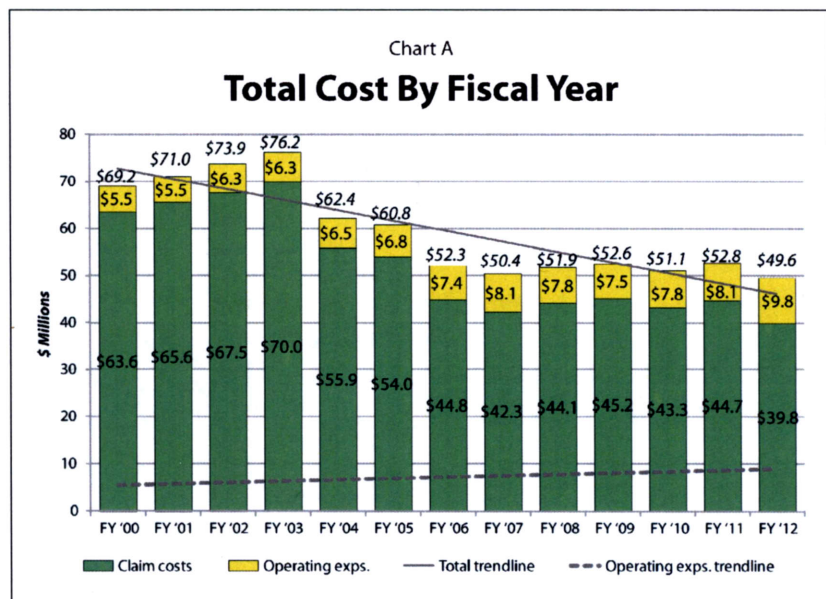
By **Stuart B. Cargile**

Workers' compensation claim costs are expected to be at their lowest level in more than 20 years. The claims costs for FY 2012 are projected to be just below \$40 million.

Starting at \$41.7 million in FY 1991, cash-basis claim costs increased to \$53.6 million the next year before falling back under \$50 million in FY 1993. Costs remained at roughly \$48 million each year until FY 1999, when annual costs began a sharp, steady increase, peaking at \$70 million in FY 2003

(see Chart A). Cash-basis expenditures decreased by more than \$14 million the following year, with additional decreases the next two fiscal years and with sustained reductions through FY 2011 of more than \$25 million a year, when compared to FY 2003.

Total direct costs to SORM this fiscal year of \$49.6 million, including operating expenses for the state's workers' compensation and risk management programs, are the lowest in the existence of the Office, although operating costs (See "Agency Assessments," page 8)



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# New educational videos

## SORM library now includes fire safety, same-level falls videos

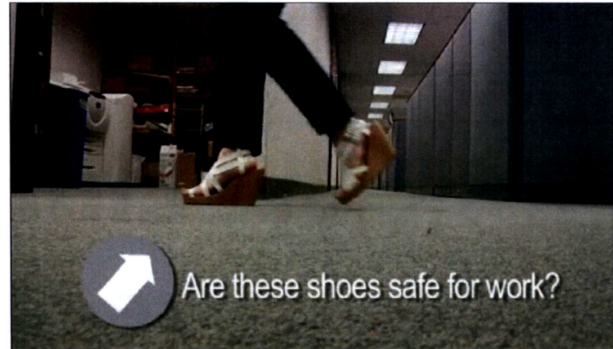
SORM continues to expand its video library with the recent releases of two new safety videos.

“Same-Level Falls” reveals that, while falling on a flat surface may seem like a clumsy occurrence, it’s actually more of a common occurrence. The video takes a look at some of the more commonly reported causes of falls occurring on the same level and addresses best practices to mitigate these accidents.

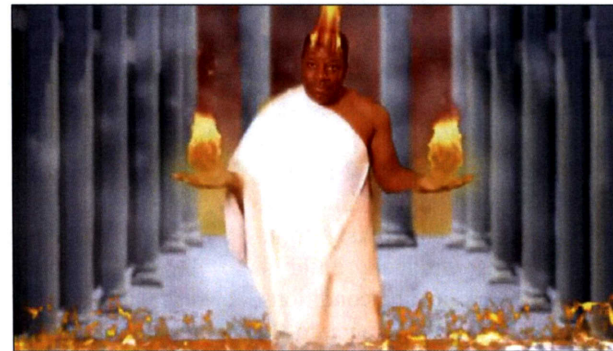
In the video “Fire Safety with Heph,” SORM presents the Greek god of fire, Hephaestus (or “Heph” for short), who shares his safety wisdom on how employees can protect their offices from his catastrophic powers. This video takes a humorous approach to preventing and preparing for a fire emergency.

Watch both of these videos on SORM’s Multimedia page at [www.sorm.state.tx.us/Media/multimedia.php](http://www.sorm.state.tx.us/Media/multimedia.php).

SORM not only strives to produce educational and entertaining safety videos, it also conducts informative and fun on-site training classes. Explore all of SORM’s training opportunities by visiting the Outreach and Training section of its website at [www.sorm.state.tx.us/Training/Training.php](http://www.sorm.state.tx.us/Training/Training.php).



Footwear can play a part in same-level falls.



“Heph” helps explain office fire safety.

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[WWW.SORM.STATE.TX.US/ABOUT\\_US/CONTACT\\_US.PHP](http://WWW.SORM.STATE.TX.US/ABOUT_US/CONTACT_US.PHP)

# A ladder story

*How a state employee who falls from a ladder might navigate through the workers' compensation system*

By Lisa Bell

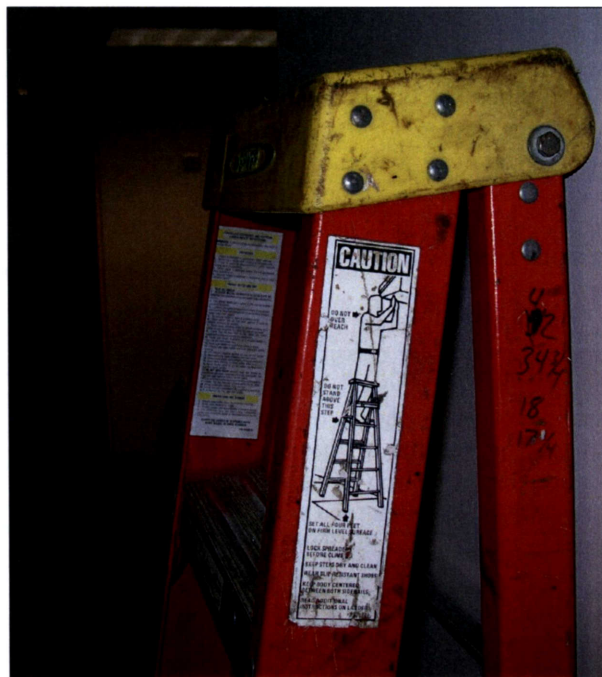
My name is Joe<sup>1</sup>. I've worked for the State many years, and like many of you, I am a good employee – knowledgeable, dependable, and productive. On the day I was injured, I was pulling boxes from shelves to take to my desk. It was almost quitting time. I was tired and in a hurry, so I grabbed a step ladder, quickly climbed up. I did not notice it at first, but the ladder was missing a step, and I did not fully open and lock the metal braces before I started climbing up. In a split-second of inattention I lost my balance and came crashing to the floor. I rolled over on my back and heard a voice in a distance yelling, “Are you alright? Don't move!”

## On the Road to Recovery

A co-worker rushed over to help me, and my supervisor called 911. I was taken to the hospital emergency room and hospitalized for a fractured leg and a broken arm. After orthopedic surgery on my leg, I followed up with my doctor who said I was lucky because my injuries could have been a much worse, but it was going to take some time for me to heal from my injuries. She took me off work for a several months. I was a little worried because I had never been off work for an extended period of time, and I had never filed a claim before – it was all new to me. Thankfully, my supervisor, human resources director, and the SORM claims adjuster guided me through the process. In the weeks following my fall, I received income benefits so I could concentrate on getting well.

Despite the loving support from my family and friends, the everyday routine of sitting at home and leaving only for medical appointments nearly drove me crazy. I love my job and really wanted to get back to work. While I was out, my supervisor even called me every week to ask how I was doing, catch me up on what was going on at work, and assure me there was a light-duty assignment for me when I was ready to return.

After several months of physical therapy, my doctor released me to work light duty with restrictions – no climbing, running, or jumping, and no standing or sitting for long periods of time – but I was on the road to recovery. My agency accommodated my restrictions, and I worked light duty for a couple of months answering phones, filing, and computer work until I returned full duty. My doctor said I recovered amazingly, and other



than some scars from the surgery, there was no permanent damage.

## Ladder Safety Program

Ladder safety became a priority at my agency after my accident. Management asked supervisors to inspect all ladders in their area and discard and replace any defective ladders. The agency's ladder safety program included posters, safety bulletins and newsletters, ladder inspections, and training. Ladder safety training was mandatory for everyone and was relevant to the types of ladders used at my agency. In general, we learned what to do before use and how to safely use ladders.

- Select the right ladder for the job. Ensure the ladder is the correct length and has enough weight capacity for the job.
- Before using a ladder, inspect the ladder for any defects or unsafe conditions. Remove defective ladders from service and tag “Do Not Use.”
- Pay attention to “Caution” or “Danger” labels,

(See “Safety Tips” page 7)

<sup>1</sup> Joe is a fictional character, and the events described in this article are a composite of a number of injured employees.

# New safety sheet system

By Marianne Geraci

Changes are coming to the Occupational Safety and Health Administration's (OSHA) hazard communication standard, and Texas state agencies are taking note.










OSHA is adopting new rules to bring the United States into alignment with the Globally Harmonized System of Classification and Labeling of Chemicals (GHS) utilized in other countries. The goal is to have a worldwide system for hazardous communication. This new standard will protect millions of workers who produce or handle hazardous chemicals in workplaces across the country. The modification is expected to prevent and reduce workplace injuries, illnesses, and fatalities.

The modified standard provides a single set of harmonized criteria for classifying chemicals according to their health and physical hazards and specifies hazard communication elements for labeling and safety data sheets. The benefits of the new system will enhance worker comprehension of hazards, reduce confusion in the workplace, facilitate and simplify safety training, and result in the safer handling and use of chemicals.

The new system will switch the format from "material safety data sheets" to a new style known as "safety data sheet." All safety data sheets will be required to have 16 specific sections to ensure consistency in presentation of important protection information. These changes to the labeling system require employers to train all employees by Dec. 1, 2013.

"I am glad that the United Nations adopted the Globally Harmonized System," said Robyn Delgado, a regional risk manager at the Texas Department of Criminal Justice. "I believe that this will bring uniformity and consistency within not only different agencies but across the board with everyone. We have become a very visual world and, with the use of the pictographs on products, I believe we will be able to teach anyone on the hazards associated with that product."

## Pictograms and Hazards

<b>Health Hazard</b>  <ul style="list-style-type: none"> <li>• Carcinogen</li> <li>• Mutagenicity</li> <li>• Reproductive Toxicity</li> <li>• Respiratory Sensitizer</li> <li>• Target Organ Toxicity</li> <li>• Aspiration Toxicity</li> </ul>	<b>Flame</b>  <ul style="list-style-type: none"> <li>• Flammables</li> <li>• Pyrophorics</li> <li>• Self-Heating</li> <li>• Emits Flammable Gas</li> <li>• Self-Reactives</li> <li>• Organic Peroxides</li> </ul>	<b>Exclamation Mark</b>  <ul style="list-style-type: none"> <li>• Irritant (skin and eye)</li> <li>• Skin Sensitizer</li> <li>• Acute Toxicity (harmful)</li> <li>• Narcotic Effects</li> <li>• Respiratory Tract Irritant</li> <li>• Hazardous to Ozone Layer (Non-Mandatory)</li> </ul>
<b>Gas Cylinder</b>  <ul style="list-style-type: none"> <li>• Gases Under Pressure</li> </ul>	<b>Corrosion</b>  <ul style="list-style-type: none"> <li>• Skin Corrosion/ Burns</li> <li>• Eye Damage</li> <li>• Corrosive to Metals</li> </ul>	<b>Exploding Bomb</b>  <ul style="list-style-type: none"> <li>• Explosives</li> <li>• Self-Reactives</li> <li>• Organic Peroxides</li> </ul>
<b>Flame Over Circle</b>  <ul style="list-style-type: none"> <li>• Oxidizers</li> </ul>	<b>Environment (Non-Mandatory)</b>  <ul style="list-style-type: none"> <li>• Aquatic Toxicity</li> </ul>	<b>Skull and Crossbones</b>  <ul style="list-style-type: none"> <li>• Acute Toxicity (fatal or toxic)</li> </ul>

Other provisions of the standard will require chemical producers to review hazard information for all chemicals produced or imported, classify chemicals according to the new classification criteria, and update labels and safety data sheets. The new system is being implemented by countries throughout the world, including Canada, the European Union, China, Australia, and Japan.

SORM will update its hazardous communications training course with the new GHS information.

*Marianne Geraci is a risk management specialist in the Risk Management and Insurance Services 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](http://www.sorm.state.tx.us), navigate to the "Outreach & Training" webpage, and click on the "Safety Puzzle" link.

## How an agency notifies staff in emergencies

By Jay LeBlanc

In an emergency situation, communication is vital to ensure employee safety. On several occasions, universities have demonstrated this by effectively communicating with faculty, staff, and students using various communication channels. One example was on the Virginia Tech campus on Dec. 8, 2011. Locally, this type of event also happened at the University of Texas at Austin. There, UT officials were able to notify faculty, staff, and students within minutes of the first 911 call. Most UT students received the notification by a campus-wide text message.



The Teacher Retirement System of Texas (TRS) developed an emergency notification system called TRS ALERT, utilizing SharePoint and One Call Now, to notify the entire agency in case of an emergency. Like any other agency, TRS has to be prepared for anything, and TRS officials felt call trees weren't fast or efficient enough.

TRS ALERT instantly notifies employees with critical information. TRS ALERT saves precious time and helps ensure employees know what to do and where to be during an emergency, which could be a matter of life and death.

TRS ALERT blasts quick notifications to employees via voice message, text message, and e-mail. It also has the flexibility to create subgroups in case the whole agency does not need to be notified. Employees sign up on TRS' internal SharePoint website with their current contact information,

(See "Emergency," page 6)

# Working together for early return

*SORM ready to assist injured employees*

By Gordon Leff

Recently a claimant was diagnosed with a deep venous thrombosis (DVT). DVT may go away naturally, but the most serious complication is when a thrombosis dislodges and travels to the lungs to become a life-threatening pulmonary embolism.

DVT is not a "typical" workers' compensation injury and treatment usually requires a vascular surgeon. These types of surgeons "typically" don't participate in the workers' compensation system. Finding one in the system can be a challenge, but finding a participating vascular surgeon in a rural area can be nearly impossible.

Because of the seriousness of the injury, a SORM claims adjuster enlisted the help of our in-house *Disability Management Nurses*. SORM's nurse case managers use their medical training and experience to analyze and assist the adjusters in finding appropriate treatment in complex and often catastrophic claims. In this particular case they were able to find a surgeon who was willing to make an exception and take a new workers' compensation patient.

Complex claims require nurses with case management experience to coordinate the various elements of a claimant's return to work. This may include medical providers, hospitals, physical therapy, and pharmacies. SORM's Disability Management staff have the experience and are part of the Claims Operations' team whose mission is to return the injured worker back to work as soon as medically possible.

Injured workers sometimes become depressed by their lack of physical well being and lose their motivation to return to work. Studies have shown that the longer the injured worker stays off work, the less likely they will be to return to work – ever. To supplement the Disability Management Nurses, SORM uses in-house *Return to Work Specialists* who collaborate with the claimant and the agency to identify work-arounds or accommodations, such as light duty or reduced hours. Traditional medical thinking that recovery from an injury requires rest and removal from work has been replaced by the idea that people recover faster if they stay active and engaged in life.

All agencies should have a *Return to Work Program* available for staff. One of the most important players in the early return to work program is the line supervisor. Developing a rapport of sincerity and understanding with the injured worker, and frequent communication imparts the message that the worker is essential to the organization and their speedy return is important.

Most work injuries are relatively minor and don't require this level of work. Each reported claim is worked with the knowledge that all of SORM's clients are fellow state employees who were injured working for Texas. SORM handles every claim with the intention of getting everybody the proper care needed to get them back to work as quickly as possible.

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*Gordon Leff is director of the Claims Operations division.*

# Request property plan review for new construction projects

By Wayne Onyx

When it comes to new construction, major renovation, or protection installations, it is important that the proper protection is installed to not only lower the risk of loss, but to also help control insurance costs. Often, it is discovered that many projects, although they meet the local codes and are approved by the authority having jurisdiction, fail to adequately meet National Fire Protection Association (NFPA) and insurance industry standards. And more importantly, they can leave facilities at risk for loss since the minimum codes are not always in an agency's best interest. It is important that these projects make the most effective use of agency resources and the proper protection is designed into the project – rather than requiring expensive changes upon completion.

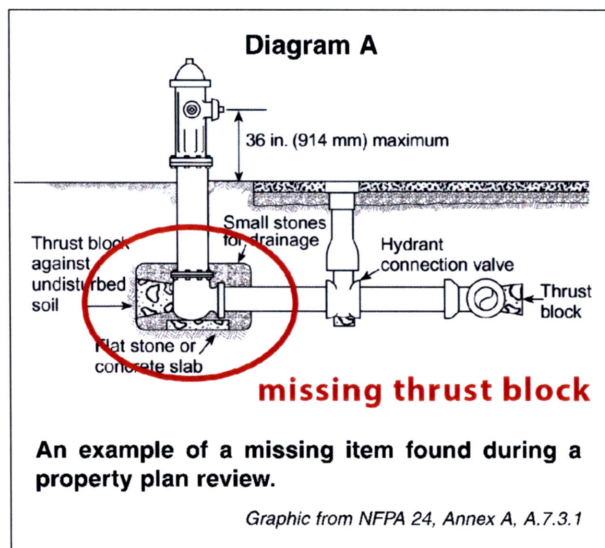
Just last year, a drawing submitted for a Texas university did not show any supporting thrust blocks for some new fire hydrants wanting to be installed. The lack of these key supports could have caused the water main to eventually break, most likely when it is most needed – during a fire. This was picked up during the plan review process and these critical components were added to the project.

It is recommended that all state agencies consult with a certified property loss control consultant to review new construction plans prior to the start of work. The good news is state agencies participating in SORM's property insurance program can take advantage of the plan review services offered by Hartford Steam Boiler (HSB) Professional Loss Control for free. HSB has been providing SORM agencies property loss control services for several years. HSB employs engineers who are capable of confirming projects meet NFPA and insurance industry standards and can offer suggestions on how the protection may be improved. Again, it is usually fairly easy to incorporate these changes when the project is in the conceptual stage, so be sure to involve HSB as early as possible.

Some sample projects appropriate for review include:

- new construction of a building valued at \$10 million or more;
- roof replacements exceeding 10,000 sq. ft.;
- sprinkler installations of 100 heads or more;
- gas suppression systems in computer rooms; and
- hazardous equipment installations (e.g. flammable or explosive environments).

To submit a project under the SORM membership, please contact Stephen T. Greeson from HSB



Professional Loss Control at (210) 481-2436 or [stephen\\_greeson@hsb.com](mailto:stephen_greeson@hsb.com).

Questions can be directed to Wayne Onyx from Arthur J. Gallagher at (847) 381-1906 or [wayne\\_onyx@ajg.com](mailto:wayne_onyx@ajg.com) or to Kenneth Dunn from Chartis Insurance at (770) 671-2447 or [kenneth.dunn@chartisinsurance.com](mailto:kenneth.dunn@chartisinsurance.com).

*Wayne Onyx is Area Senior Vice President at Arthur J. Gallagher Risk Services, which is the broker for SORM's property insurance program.*

## Emergency notification

(Continued from page 5)

which automatically gets updated into the third-party emergency notification system, One Call Now. Even on those occasional icy days in Austin (where the TRS headquarters is located), TRS ALERT helps ensure the word gets out to employees that the office is closed.

Overall, TRS ALERT allows TRS to be proactive in notifying employees without having to rely on news notifications, website updates, and/or people calling into the office for an update.

*Jay LeBlanc is the director of risk management and strategic planning at TRS.*

# Safety tips for ladder usage

(Continued from page 3)

because they give information on how to use the ladder safely.

- Don't exceed the manufacturer's maximum intended weight-bearing capacity, i.e. Type I-AA industrial ladder rated to 375 lbs., Type I heavy duty rated to 250 lbs., and Type II light duty rated to 200 lbs. All ladders should be able to support at least four times the maximum intended load.
- Wear appropriate footwear, i.e. shoes that have closed back and sufficient tread on the sole to prevent slipping on ladder rungs or steps.
- Place ladders on solid, stable, level surfaces.
- Set straight ladders at a 1-to-4 pitch, i.e. 1 foot out for every 4 feet of height.
- Keep the area around the top and bottom of the ladder clear.
- Check that the A-frame step ladder is fully opened with spreader or locking device before climbing.
- Face the ladder when climbing or descending, one step or rung at a time.
- Use BOTH hands and maintain a firm grip when ascending and descending. Always maintain at least three points of contact (2 hands, 1 foot or 2 feet, 1 hand) on the ladder at all times. Carry tools in a tool belt or use a haul line.
- Never climb higher than the third rung from the top of a straight or extension ladder, or the

second rung from the top of a step ladder.

- Extend the top of a straight ladder at least three feet above the point of support and tie off.
- Don't move, shift, lean out to the side, or extend ladders while in use. Never move a ladder while on the ladder. Reposition the ladder to the proper working position to avoid over-reaching.

I am sharing my ladder safety story with you today because a ladder accident happened to me and it could also happen to you. Whether you work in an office, prison, hospital, living center, or out-of-doors, you may need to use a ladder at some point in your work. Hopefully, you will learn from my example of what could go wrong with ladders and not get hurt.

## Resources

- RMTSA guidelines, Volume III, Section Two, Chapter 6.9 – Ladder Safety; [www.sorm.state.tx.us/RMTSA\\_Guidelines/Volume\\_Three/2Chapter6/3269.php](http://www.sorm.state.tx.us/RMTSA_Guidelines/Volume_Three/2Chapter6/3269.php)
- OSHA 29 CFR 1910 Subpart D – Walking and Working Surfaces; [www.osha.gov/pls/oshaweb/owadisp.show\\_document?p\\_table=STANDARDS&p\\_id=10112](http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=10112)

*Lisa Bell is a risk management specialist in the Risk Management and Insurance Services division.*



Ladder safety is part of the "Slips, Trips, and Falls" video.

## Get the word out

SORM offers free resources to educate State employees about slips, trips, and falls.

SORM trainers teach a 2-hour "Slips, Trips, and Falls Prevention" class. Read the course description and find out how to request a class at [www.sorm.state.tx.us/Training/Courses/CrseList05.php](http://www.sorm.state.tx.us/Training/Courses/CrseList05.php).

SORM also offers two free videos on the subject. The "Slips, Trips, and Falls" video and the "Same-Level Falls" video provide an entertaining reminder on how to avoid these common injuries. Access the videos at [www.sorm.state.tx.us/Media/multimedia.php](http://www.sorm.state.tx.us/Media/multimedia.php).

# Agency assessments decrease

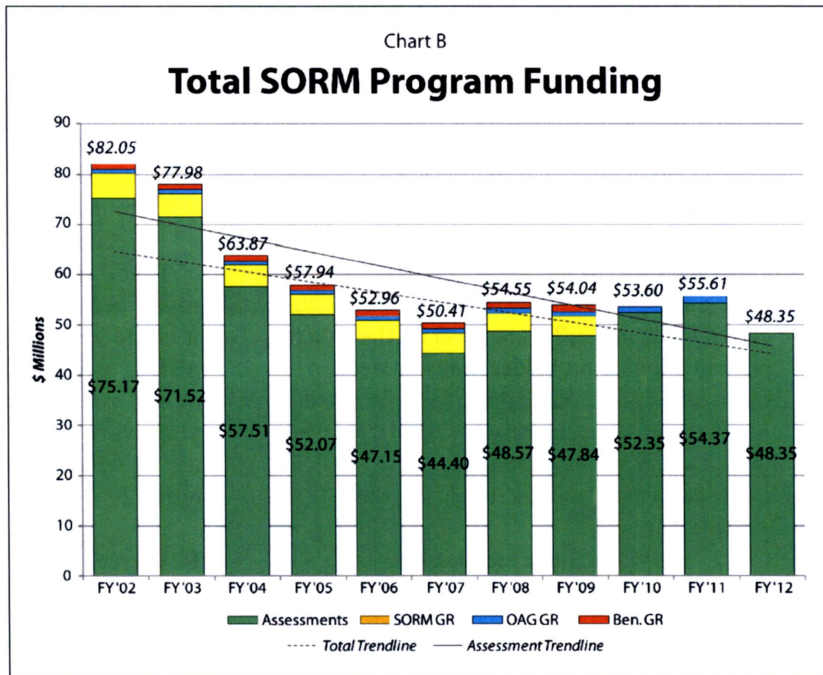
(Continued from page 1)

have trended upward.

Based on the experience of the Office over the past decade, each additional dollar spent on administering and managing claims has resulted in several dollars of savings in relative terms. Conversely, reductions in operations or the inability to retain key, experienced professional staff could likely result in increased annual claim costs well in excess of the reduced operating costs.

Prior to FY 2002, all but approximately \$1.8 million of the Office's operating expenses and the related claim expenditures were funded by direct general revenue (GR), with client entities required to reimburse 25 percent of their cash-basis claim costs.

Beginning with the FY 2002-2003 biennium, claim costs and operating costs for the risk management program were funded through assessments to client entities based on their share of full-time equivalents (FTEs), payroll, workers' compensation claims, and cash-basis claim costs as a percentage of the total for the risk pool, similar to a premium. Approximately \$45 million in GR was re-appropriated to the pool members each year of that biennium so that the change in financing would be revenue neutral in terms of GR and dedicated GR; entities were already paying for a share of the risk management program and 25 percent of their claim costs. Pool members whose performance worsened in future years, relative to the rest of the risk pool, would have to fund increases in their assessment from their existing appropriation, and those whose performance improved would have



additional funds available due to a decreased assessment. The overall, long-term intent was for the total necessary to decrease due to improved performance by all members, resulting in a lower dollar amount for everyone. In reality, this began with the third year of the program (see Chart B).

Over time, the remaining GR appropriated to SORM for operations, as well as the GR funding for employee-related benefits, has been replaced with funding through the assessment. Even with these additions, this fiscal year's total assessment is lower than all but three of the previous 10 years of the program and an average of \$25 million less than the first two years.

While the goal of the assessment program is to provide agencies with additional incentives to prevent injuries by putting in place effective safety and risk management processes (the best way to reduce injury costs is to avoid the

injury in the first place), agencies are to be congratulated for their excellent efforts. Because of those collective efforts, the injury frequency rate (the number of injuries per 100 FTEs) fell from 4.8 percent to 4.1 percent in one year during FY 2003 and has now been less than 4 percent for the past three fiscal years.

SORM appreciates the efforts and cooperation of all of its client entities. Together, SORM and the agencies have significantly reduced costs to the State, reduced the annual cost of coverage for each pool member, and prevented roughly 1,000 of our fellow employees from being injured each year compared to before the program's implementation. Thanks, and keep up the good work.

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