

# compUpdate

## Create a *Safety Culture*

Does your business give a high priority to workplace safety? Does your business have a *safety culture*?

If not, your business could be experiencing more injuries, thus more claims, less productivity and higher premiums. According to an analysis of records of its consultation clients, Du Pont Safety Services found that making safety a priority can reduce lost workday claims in the first year of a safety program by an average of 37 percent.

According to the study, lost workday claims continue to drop in subsequent years, although at a slower pace. However, total improvement can average 89 percent after six years of a commitment to safety.

One significant finding of the study is that the results are independent of company size, industry or location. ***The only criterion for improvement is the priority that a company attaches to safety. Companies can create a safety culture and reduce the potential for losses.***

A safety culture should affect every aspect of the organization. It should be the heart of your loss prevention program. But how do you create a safety culture? One place to start is with a ***management policy directive*** that should serve as a definition of your organization's commitment. It is this commitment that will have the greatest impact on safety performance and the success of your entire organization.

An effective loss prevention program is driven by the desire of management to operate a safe and successful organization. The directive should state exactly how you and/or the management of the organization approach safety and thereby define the type of culture that is intended for the organization.

The directive may also be referred to as a mission statement, safety policy, or safety philosophy. It can be a simply stated paragraph or an

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## E-PAYMENT

Did you know the State Insurance Fund now accepts electronic payments?

It's easy and simple to use our web site to make your premium payment. Plus, you save postage.

To make electronic payments, you need to be a registered user of our web site. Being a registered user allows you access to a secure area of the site where you can find all sorts of information about your policy. To register, go to [idahosif.org](http://idahosif.org) and click on the "How to register" link.

Once you have registered and have logged onto the web site, you can sign up to make payments. Look for the "How to make electronic payments" link on our home page.

You will find the link for making payments on the "Current Policy Period Detail" page, which is the page that opens after you log in.

A few facts about e-payments:

- You must have a checking or savings account to make e-payments. Credit and debit cards are not accepted.
- You can't sign up for e-payment and make a payment on the same day. It takes 24-48 hours to be eligible to make e-payments. Your bank information has to be confirmed.
- Payments made by 4 p.m. Mountain Time on any regular banking day will be charged to your bank account on the next banking day. Payments made after 4 p.m. on any regular banking day will be charged to your bank account on

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## No major comp bills; fraud law revised

Workers compensation was not a hot topic in the 2007 session of the Idaho Legislature. In fact, no major legislation directly impacting workers compensation was introduced.

The Legislature, however, did make some significant changes to the "Idaho Arson and Fraud Reporting Act," found in Idaho Code 41-290 through 298. The stated purpose of these changes in House Bill 98 was to clarify and expand the scope of what constitutes insurance fraud and to "make the law more clearly applicable to the wide range of methods used to defraud or deceive insurers and other parties to insurance transactions."

Under both the new and previous versions of the law, the essence of insurance fraud was the making of a false statement for the purpose of obtaining insurance, or obtaining benefits under an insurance policy. The recent amendments expand and more clearly delineate the type of statements that could constitute fraud.

For example, while the previous law referred only to false statements made to insurers, under the new law, false statements to others, including statements to medical providers, will also constitute insurance fraud, as long as the intent to deceive an insurer can be established.

In addition, the new law includes within the ambit of insurance fraud such actions as presentation of a false certificate of insurance, or making false, incomplete or misleading statements in reporting payroll to a workers compensation carrier.

As with the previous version of the law, any violation constitutes a felony, punishable by up to 15 years in prison, a \$15,000 fine or both.

## Quick Links at IdahoSIF.org

*If you are registered to use the web site, you have access to the following:*

Current Policy Period Detail  
Compensation Report  
Experience Modification History  
Financial Transaction History  
Loss Experience Analysis Report (LEAR)  
Loss Run Report  
Rating and Premium Details  
Renewal Policy Detail  
Report of Claims  
Report of Open Claims  
Reprint a Payroll Report



You don't need to be registered to:

Order a certificate  
Submit a claim  
Submit a Supplemental form  
View rates

*Learn about:*

Safety programs  
Claims process  
Payroll audits  
And more!

**Your policy information is just a click away**



## A secure way to submit a claim

The State Insurance Fund now offers a way to quickly, simply and – very importantly – securely file a claim.

A completed First Report of Injury (FROI) can be uploaded directly to the State Insurance Fund. This is a secure sockets layer transmission with an encrypted connection.

If you have been filing claims by sending the FROI as an e-mail attachment, the upload method should be a snap for you.

The first step in uploading a claim report or sending it as a regular e-mail attachment is to get a copy of the FROI. Go to our web site at [idahosif.org](http://idahosif.org) and look for the link "File a claim." Click on it and it will take you to a link to download the form, which is a Word document. Save the form on your computer.

To upload the FROI, click on the "Upload completed FROI" link on our home page. You will see a page with instructions and a form to complete.

### Instructions:

- 1 Enter your name, phone number and e-mail address of the person to contact if we have an error reading your attachment after it has been submitted.
- 2 Click "**Browse**" to locate your completed FROI on your computer.
- 3 Navigate to your FROI in the popup window, click "**Open**" to select the document.
- 4 If you have any comments to make regarding the FROI, enter them under "**Comments**." This field is optional.
- 5 Click the "**Secure Submit**" button to submit your FROI.



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the second banking day after the payment is made.

- Payments made by 6 p.m. Mountain Time on any business day will be considered as received by the State Insurance Fund on the same day as the payment. Payments made after 6 p.m. on business days will be considered as received on the following business day.
- You can schedule payments for dates up to 365 days in the future. You can schedule a single payment or multiple payments.

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elaborate document outlining the responsibilities of all the members of the organization. Either type may be equally as effective, depending on the structure of your organization. The goal is communication and therefore the medium is not as important as the message that is received.

When evaluating the success of your directive, the focus is on how well the employees receive the message and then their perception of the commitment from top management to support it. The best directive is one that defines the **safety culture** and is not only accepted, but also embraced at every level of the organization.

The following is an example of a management safety policy:

***The safety and health of employees at our company is of primary importance. It is the company's policy to provide safe and healthful working conditions and operating practices that will ensure a safe***



***work environment for employees.***

***Accidents represent a needless waste of human resources and economic loss. A safe and healthful operation conserves human and material resources and is essential to efficient production.***

***All levels of management have a primary responsibility for the safety of all employees. The employee, in turn, is expected to adhere to the regulations and policies outlined by the company.***

***These responsibilities can***

***be met only by working continuously to promote safe work practices among all employees and to maintain property and equipment in a safe operating condition. By working together, we can maintain a safe working environment for all employees.***

***Signature  
Owner, Manager, Administrator, etc.***

The message is clear and briefly describes the importance of working safely and also the responsibility of each member of the organization in the process. The challenge then becomes making this a living document. Develop a culture that recognizes that your philosophy about safety is not only possible, but that it is essential to the ultimate success of the organization. Once all levels of the organization embrace the intent of the policy and project it through their actions, then your organization will be on its way to maintaining what is known as a **safety culture**.

## Loss prevention program's 7 essential elements

The seven essential elements of an effective loss prevention program are outlined below:

**1.** Establish a Management Safety Policy. Make a written commitment that safety and safe work procedures have a high priority and that supervisors and employees are to be responsible and accountable for safe work practices and procedures.

**2.** Assign key employees responsibility for safety. Assign supervisors the responsibility and authority to develop safe work procedures, recognize and correct physical hazards, train employees and enforce safety rules. Hold supervisors accountable for conducting the five safety activities listed below.

**3.** Identify, eliminate or control hazards. Make inspections on a regular basis to identify, eliminate or control physical hazards and unsafe work procedures. Follow up to ensure corrections are made.

**4.** Investigate all "near miss," property damage and injury situations. Prompt, thorough and objective investigations should be made by supervisors to answer who, what, where, why and when, determine

cause, recommend or make corrections, and retain a record for future reference.

**5.** Maintain accurate, up-to-date records. Accurate up-to-date records provide a ready reference for needed or requested information. Records also assist in meeting statutory reporting requirements, measure progress in loss prevention, training and production activities.

**6.** Train supervisors and employees in safe work procedures and job hazards. Supervisors may need training in determining safe work practices, performing step-by-step job safety analysis, and detecting hazardous exposures. Employees need to be trained to perform tasks safely as well as training in operating specialized or sophisticated equipment.

**7.** Schedule safety meetings or group safety training and require worker participation. Safety meetings involve supervisors and employees in safety planning, enhance safety consciousness, and act as a forum for suggestions and discussions to improve safety and production procedures.

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[www.IdahoSIF.org](http://www.IdahoSIF.org)

**ANTI-FRAUD HOTLINE 1-800-448-ISIF (4743)**

## **Report entity status changes**

Please let your agent or underwriter know if you have changed your entity type or made changes in your ownership. That information could have an impact on policy coverage.

Sole proprietors and household family members are exempt from workers compensation coverage under Idaho Code 72-212. If you change from a sole proprietorship to another type of entity, for example an S-Corporation, the household family members of the owner would no longer be exempt and payroll should be reported.

Corporate officers owning 10 percent or more of the corporation and a director, if the corporation has directors, are exempt under Code 72-212. If you have corporate officers who have previously held less than 10 percent of the stock, they were covered under the policy. If they have now obtained 10 percent of the stock, they would be exempt with no coverage under the policy.

Ownership exemptions under Idaho Code 72-212 are based on the business entity type, so it is important for you to know what legal entity your business is and to let your underwriter or agent know if that entity type changes.

Also, our policy insures only the entity or entities listed. A change in entity status may result in an uninsured entity.

## **Find claim number on web site**

"What is the claim number?" That's one of the questions asked most frequently by our policyholders.

If you are a registered web site user, you can easily find that information. Log into the web site and put your cursor over "Quick Links." You can select "Report of Claims" or "Report of Open Claims." Not only will you find the claim number, but a lot more information, such as the claims examiner, benefits paid, and status of the claim.

A claim number won't be available immediately after you submit a First Report of Injury. It generally takes two business days for a claim to be registered, a number assigned and a claims examiner assigned to the claim.

Reminder: A First Report of Injury (FROI) must be filed as soon as practicable but not later than 10 days after the occurrence of an injury or occupational disease. A First Report of Injury should be filed if the injured worker:

- Requires medical treatment by a physician.
- Is absent from work for one day or more.
- Requests that a First Report of Injury be filed on his behalf.