

COMPCONTROL

The Official KMIT Member Newsletter

K-WC1101: 'A Employer's Report of Accident' How Important Is This \$??\$??\$??\$

By Marcia Payne

According to Kansas Law, it is the duty of the **employer** to notify the Director of the Division of Workers' Compensation of an accident within 28 days from the date the injured worker notifies the employer. For KMIT, Victoria Vanderhoof at IMA takes on this responsibility.....**AFTER** she receives the form K-WC1101 from you. As usual, there is an exception to this law:

- If the sustained injuries do not wholly or partially incapacitate the employee for more than the remainder of the day, shift, or turn when the accident occurred, there is no need to file a report.

"Incapacity" is not specifically defined within the law, but the Division believes that the Legislature's intent was to reference a worker's whole or partial loss of the ability to perform his or her ordinary job tasks. When in doubt, keep in mind the law contains no penalty for filing a report that ultimately proves to be unnecessary.

It is important to note at the bottom of this Report of Accident there is a statement which clearly reads "**SUBMISSION DOES NOT CONSTITUTE ADMISSION OF LIABILITY.**" It is imperative to forward this information to Victoria as soon as possible so she can begin the investigative process to help determine compensability and assist with medical treatment.

The statutory purpose of the accident report is to begin the clock for various workers' compensation statutes of limitation and also to provide information to the KDOL so they can notify the employee of their benefits and the process to follow in making a claim under workers' compensation. This statute allows for the KDOL to fine employers up to **\$250** per occurrence of late reporting. In 2006, the KDOL was looking at accident reports once a year and issuing fines to employers all at one time. As a result, there was an outcry from employers. **Some received up to \$21,000 in fines at one time**

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CompControl is a publication of the League of Kansas Municipalities and the Kansas Municipal Insurance Trust for the purpose of educating and informing cities about loss control methods and risk management. If you have any questions concerning KMIT workers' compensation or risk management that you would like to see answered in this newsletter, please direct those inquiries to:

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Letter from the Pool Administrator

Dear KMIT Members and Others,

Is it Spring yet? This is rapidly becoming one of the harshest winters in recent decades. Weather such as this puts real stress on our city employees, who, after all, must do their jobs in this and all weather conditions—which can be very difficult to do at times. Please take every precaution to protect your employees, especially as they work outside in the elements to serve our collective public. City work can be tough work. City work in the winter can be VERY tough work.

Right now, the KMIT staff is very busy finishing up the renewal period and overseeing our annual payroll audit process. If your city has not yet been contacted by a representative from our payroll audit contractor, **The Audit Store**, you will be shortly. Please make every effort to put the auditor in touch with the right person on your staff, toward a timely completion of your city's 2006 payroll audit. And, don't hesitate to contact me with any questions about this process.

At this writing, we have conducted one of our supervisor seminars, in Dodge City—in which **61 city folks participated** (THIRTY-NINE of which were Dodge City employees—great job, D. C.). Stop #2 on our tour, was in Bonner Springs. The final two supervisor training sessions are in Coffeyville (February 15) and Haysville (March 1.)

An issue on the Board's agenda in De Soto on February 8 was determining the process to start working even more closely with that handful of KMIT cities who have been struggling for the past several years. Our pool is only as strong, ultimately, as its poorest performers, and there are always ways to improve. The KMIT Board of Trustees has decided to make that effort its **highest priority** in 2007. Please see my article entitled, "Action Plans."

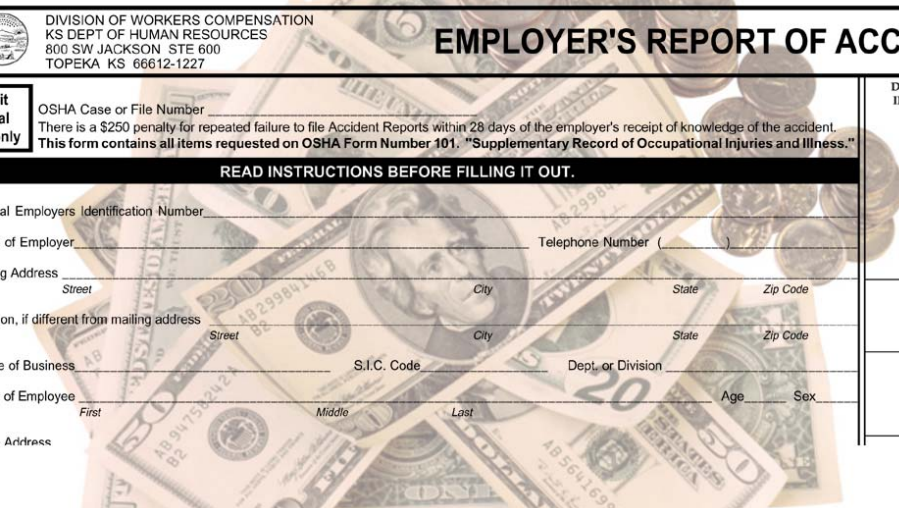
In this edition...just how important is timely submission of the first report of a possible work comp claim (**'Employer's Report of Accident', form K-WC1101**)? VERY. It's crucial to the injured worker...KMIT cannot open a claim without it. AND, your city could get fined, big time, by the state (KDOL-DWC) if you don't get the report in on time. Read the lead article, by our **Marcia Payne**, to get the whole story.


See you down the road...


Pool Administrator

(Continued from page 1)

(imagine explaining that to your city manager!). Since then, the Director and staff devised a plan in which employers will be contacted on a monthly basis beginning in 2007. The first month in which data shows untimely reports for an employer, that employer will be notified, but not assessed a fine. If violations occur in subsequent months, fines will be assessed accordingly. If you are fined and feel it is unwarranted, you have the option to negotiate a lesser fine.



 DIVISION OF WORKERS COMPENSATION KS DEPT OF HUMAN RESOURCES 800 SW JACKSON STE 600 TOPEKA KS 66612-1227		EMPLOYER'S REPORT OF ACCIDENT		
Submit original report only	OSHA Case or File Number _____			DO NOT WRITE IN THIS SPACE
	There is a \$250 penalty for repeated failure to file Accident Reports within 28 days of the employer's receipt of knowledge of the accident. This form contains all items requested on OSHA Form Number 101. "Supplementary Record of Occupational Injuries and Illness."			
READ INSTRUCTIONS BEFORE FILLING IT OUT.				
1. Federal Employers Identification Number _____				
2. Name of Employer _____	Telephone Number (____) _____			
3. Mailing Address _____	Street _____	City _____	State _____	Zip Code _____
4. Location, if different from mailing address _____	Street _____	City _____	State _____	Zip Code _____
5. Nature of Business _____	S.I.C. Code _____	Dept. or Division _____		
6. Name of Employee _____	First _____	Middle _____	Last _____	Age _____ Sex _____
7. Home Address _____				

It is critical that as much information is completed as possible before sending this on to Victoria. She will contact you for further details and medical information, but if the form is submitted without all pertinent information, the KDOL may return it. They may also return the form if it is submitted on anything other than the most current edition 2/06. If this occurs after the 28 day time frame, you could be assessed a fine. If you have any questions, please contact Victoria.

So, the vital lesson is “Those who choose to inform late will have more than one to inform!” 😊

Forms may be downloaded from the KDOL website at: www.dol.ks.gov.

Marcia Payne works as an account executive for Shorman Solutions (www.shorman.com), a company specializing in medical review and managed care. With a long background in physical therapy, Marcia has also been associated with KMIT for a number of years, and is a member of our KMIT Supervisor Training Team. Marcia can be reached at maricapayne@shorman.com.

MEDICAL INFLATION

According to a recent article in the newsletter 'Workers' Comp Bottom Line' (January 2007), Medical Inflation is still a key component in rising work comp costs. The article reports that medical costs now represent 58% of the total cost of work comp, with indemnity (paid loss time) comprising the balance—the exact opposite ratio of 20 years ago, when indemnity represented 58% of work comp costs. The primary reasons given for increased medical costs are the costs associated with the advances and uses of technology (now-often-used MRIs, CAT scans, etc.) and pharmacy costs (especially as influenced by the proliferation of new and very expensive painkillers and anti-inflammatory drugs). [The statistics quoted in this article are from *national data*, and may or may not be the same as in Kansas or as within the KMIT pool.]

KMIT continuously monitors all medical costs associated with providing care to the injured employees of our member cities—to be very sure that proper billing amounts are charged against each claim, etc. But, Medical Inflation does affect work comp costs and rates. And, because rising medical costs are likely to continue in the years to come, KMIT will continue to emphasize ways to help its members manage claims, which is, in reality, still the best way for us to keep medical costs as low as possible.

Safe Cities as of January 31, 2007

If you would like assistance returning an injured employee to work, or need ideas for modified duty, please contact Victoria Vanderhoof, 1-877-502-9897 or victoria.vanderhoof@imacorp.com.

Abilene	Cheney	Fowler	Holcomb	Neosho Rapids	Sharon Springs
Admire	Cherryvale	Frankfort	Horton	Oberlin	Spearville
Allen	Clay Center	Fredonia	Hoxie	Ogden	Spring Hill
Altamont	Columbus	Galena	Independence	Olpe	Stafford
Andale	Concordia	Girard	Jetmore	Osage City	St. Francis
Andover	Conway Springs	Glasco	Johnson City	Oskaloosa	Stockton
Arkansas City	Council Grove	Glen Elder	Kingman	Oswego	Tampa
Atchison	Cullison	Goodland	Kinsley	Ozawkie	Tescott
Atlanta	Damar	Grainfield	Lenora	Palco	Tipton
Augusta	Derby	Grandview Plaza	Lincoln Center	Paola	Tonganoxie
Baldwin City	De Soto	Greeley	LKM	Park City	Treece
Basehor	Dodge City	Grenola	Lucas	Parsons	Turon
Baxter Springs	Douglass	Grinnell	Maize	Peabody	Ulysses
Belleville	Eastborough	Halstead	Marysville	Princeton	Valley Center
Bennington	Edgerton	Hamilton	McFarland	Ramona	WaKeeney
Beverly	Elkhart	Hartford	Meade	Ransom	Wakefield
Bird City	Ellsworth	Hays	Melvorn	Reading	Walton
Blue Rapids	Esbon	Haysville	Minneapolis	Roeland Park	Wamego
Bonner Springs	Eudora	Hesston	Mission	Rose Hill	Wellington
Brewster	Eureka	Hiawatha	Moline	Russell	Wellsville
Caldwell	Florence	Hill City	Montezuma	Satanta	
Centralia	Ford	Hillsboro	Mound City	Sedan	
Chautauqua	Fort Scott	Hoisington	Neodesha	Sedgwick	

Claims

Top 5 Frequency and Cost Analysis
January 1, 2007 through January 31, 2007

<u>By Department</u>	<u>Frequency</u>	<u>Claims Cost</u>
Police	10	\$ 20,000
Water	9	14,400
Maintenance	8	20,350
Fire	4	4,700
Street	4	2,293

<u>By Accident Type</u>	<u>Frequency</u>	<u>Claims Cost</u>
Fall or Slip	22	\$ 42,000
Strain or Injury	10	9,100
Miscellaneous Causes	4	4,843
Struck or Injured	4	2,200
Motor Vehicle	1	7,000

<u>By Body Part</u>	<u>Frequency</u>	<u>Claims Cost</u>
Knee	5	\$ 4,250
Lower Back	4	5,550
Wrist	4	2,450
Multiple Body Parts	4	2,200
Abdomen	3	4,700

If you would like a similar breakdown for your city, please contact
Victoria Vanderhoof at 1-800-288-6732

2007 Regional Supervisor Training Continues

There is still time for cities in several regions to take advantage of this year's supervisor training series. Still to come are seminars in Coffeyville on February 15, and in Haysville on March 1.

These 'half-day', afternoon (1-4), sessions will focus on the things that supervisors can do to make work comp work best, while helping to minimize employee lost time and employer expense, and are designed specifically for supervisors at all levels—from front-line supervisors, to department heads (including police chiefs, superintendents and utility directors, and others), to city clerks, and city administrators and managers.

Contact Wendy Flowers (wflowers@lkm.org or 785-354-9565) with any questions or to register to attend either of these training sessions.

Action Plans

By Don Osenbaugh, KMIT Pool Administrator

The KMIT Board of Trustees has developed a Plan of Action—to work closer with those cities whose work comp claims history over the last several years has been trending in a way which indicates the cities are struggling with their work comp programs.

The analysis of the claims trending, done with the assistance of the KMIT Risk Control provider, IMA of Wichita, was based upon each city's loss-to-premium ratio over a five-year period. The analysis, therefore, fully recognizes and adjusts for the fact that one or several 'bad years' do happen, and that one or more 'big claims' can distort an otherwise stellar claims record.

A few of our KMIT member cities, however, have just not performed well over the last few years, even when taking into account those 'bad years' (high number of claims, also known as *frequency* of claims) and 'big claims' (also known as *claims severity*) that many cities may struggle with, on occasion, over the long haul.

The Board has decided that the establishment of a clear and direct plan to help those 'struggling' cities get on a better trend should be its overriding and primary goal in 2007.

To that end, the Board has identified a number of those cities, using solid, results-oriented numbers, and has directed the Pool Administrator (me) to personally meet with the top administrative person in each of those cities, to go over the **Action Plan** developed specifically for each city, to answer any questions that the city may have, and to discuss how KMIT and its IMA partners can help.

The purpose of the Plan of Action developed by the KMIT Board is to help each city do better in controlling work comp losses, not only for the benefit of each city and its employees, but also for the overall health and benefit of the KMIT pool and all of its 140 members.

So, if, and when, I contact you to discuss this issue, please help me out. This *first phase* of the plan is to be accomplished by the end of March, at the latest.

And, as always, please don't hesitate to contact me about this or any other subject, at dosenbaugh@lkm.org or 316-259-3847.



IMA Video Library

Don't forget, about IMA's Video Library. KMIT Member cities can borrow up to five videos at one time at NO COST. To obtain a complete list of videos and ordering information, go to www.kmit.net, on the left hand side, click on IMA Safety Video Library. KMIT encourages cities to take advantage of these training videos to use as tools for training current employees along with new employees.

When returning videos to IMA, we ask that you use a padded envelope or box to help eliminate the possibility of videos being damaged during shipment.

Q&A

Q: Should our city have a formal 'Return To Work' policy?

A: YES. EVERY city should adopt a formal 'Return To Work' policy and follow it in every possible claims case. The next issue of CompControl will be devoted entirely to this important topic.

Q: What do we do when a worker is injured?

A: 1. If the injury is serious, get immediate medical attention. If it is an emergency-level injury, call 911 or get the person to an emergency room. The employee's welfare comes first. If the injury is not severe, and can be treated by the designated physician, do so. 2. Contact your KMIT claims adjuster, Victoria Vanderhoof within 24 hours. 3. Fill out a 'Report of Injury' form (can be found at www.kmit.net) and get it to Victoria. A case cannot be opened unless and until Victoria gets this form.

Q: Should my city have one physician for all of our work comp claims?

A: ABSOLUTELY. KMIT strongly recommends that each city officially designate ONE physician to handle all its work comp claims, and that ALL injuries are referred to that physician. NOTE: ALL supervisors need to be aware of the name of the Designated Physician, as well as the policy to use him/her.

Q: Are pre-employment physicals good to do?

A: The 'right kind' of pre-employment physicals are a HUGE advantage to hiring the right people for job. For more information on this important subject, contact Marcia Payne (marciapayne@sbcglobal.net or 316-640-0326).

KMIT Calendar

February

15 Regional Supervisor
Training, *Coffeyville*

March

1 Regional Supervisor
Training, *Haysville*

April

20 KMIT Board of
Trustees Meeting,
Arkansas City

KMIT Revenues & Expenses December 31, 2006

Combined Assets

Cash In Bank	\$1,375,420
Investments	3,530,400
Other Assets	<u>3,408,043</u>
Total Assets	\$8,313,863

Combined Liabilities & Equity

Accrued Expenses Outstanding	\$ 189,022
Reserved for Losses	1,842,169
Incurred But Not Reported (IBNR)	2,146,391
Other (IBNR) Adjustments	<u>2,597,855</u>
Total Liabilities	6,775,437
KMIT Statutory Fund Balance	<u>1,538,426</u>
Total Liabilities and Equity	\$8,313,863

Kansas Municipal Insurance Trust

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Topeka, KS 66603

