

Safety Scores: Understanding and Reporting Safety Scores for Your Organization

By Mark P. Schaaf, ARM

What are your safety scores and how are they reported?

As part of the 'request for proposal' process, government contracts request more safety information from prospective suppliers than ever before. Moving and storage businesses understand that the Occupational Safety and Health (OSH) Act of 1970 requires all industry employers to prepare and maintain records of work-related injury and illness. However, management, marketing and sales department employees may not know what or where to find the requested OSHA case rate and Experience Modification Factor data as part of the acquisition and retention of accounts.

Experience Modification Factor

Your company's Experience Modification Factor (EMF) reflects the difference between your company's loss experience and the average experience that is expected for similar moving and storage companies. The EMF score represents the total number of workers' compensation claims (frequency) and claim costs (severity). However, the EMF score emphasizes claim frequency vs. severity to encourage and promote a safe work environment.

Your workers' compensation carrier reports your claim counts and costs to insurance rating agencies annually to calculate your company's EMF. That EMF is then communicated to both you and your insurance carrier and the factor is applied to your workers' compensation premiums. Essentially, if your company experiences less claim frequency and severity than your competition (less than 1.0 EMF) your organization receives a premium credit, however, if your claim experience is worse than your industry peers, greater than 1.0 EMF, your company will most likely receive a premium debit.

Rating agencies will communicate to you your current EMF on an annual basis. Keep the details of the EMF on hand within your office for future reference. It is recommended that you share your organization's EMF score with all employees since it is a result of the company's safety performance. The EMF serves as an incentive to control or eliminate workplace injuries and accidents since it can directly affect your organization's workers' compensation premiums.

Total Recordable Case Rate

Now, let's define the Total Recordable Case Rate and where your marketing and sales employees can locate this information. First, let's briefly review the basics of OSHA's recordkeeping requirements. First, the *Log of Work-Related Injuries and Illnesses* (Form 300) is used to classify work-related injuries and illness, and to note the extent and severity of each case. When an incident occurs, your organization used the *Log* to record specific details about what and how the concerning injury or illness occurred.

Secondly, the *Summary*, a separate form (Form 300A) communicates totals for the year for:

- Total number of cases
- Total number of days away from work, job transfer or restricted work activity
- Injury and illness types for:
 - Injuries
 - Skin disorders
 - Respiratory conditions
 - Poisonings
 - Hearing loss
 - All other illnesses

At the end the year, you are required to post the *Summary* in a public location so that all employees are aware of the injuries and illnesses that occurred within the workplace for the past twelve months. You must keep one *Log* for each establishment or site. If you have more than one establishment, you must keep a separate *Log* and *Summary* for each physical location that is expected to be in operation for one year or longer.

Now that we have reviewed the basics of OSHA's recordkeeping requirements, let's discuss how to calculate Injury and Illness Incidence Rates. An incidence rate is the number of recordable injuries and illnesses occurring among a given number of full-time workers (usually 100 full-time workers) over a given period of time (usually one year).

One can calculate an occupational injury and illness incidence rate for all recordable cases or for cases that involved days away from work for your organization quickly and easily by using the following formula:

Total number of injuries and illnesses		Number of hours worked by all employees		Total recordable case rate
<input type="text"/>	X 200,000	+	<input type="text"/>	= <input type="text"/>

Please note the 200,000 figure in the formula represents the number of hours 100 employees working 40 hours per week, 50 weeks per year would work, and provides the standard for calculating incidence rates.

The same formula can be used to calculate the incidence rate for recordable cases involving days away from work, days of restricted work activity or job transfer (DART) using the following formula:

Number of entries in Column H + Column I		Number of hours worked by all employees		DART incidence rate
<input type="text"/>	X 200,000	+	<input type="text"/>	= <input type="text"/>

If your establishment or site had no OSHA recordable injuries or illnesses reported during the calendar year, simply write the number 0 (zero) on the form. You are required to post just the *Summary* page from February 1 to April 30 of the year following the year summarized by the form. Please keep in mind you must keep the *Log* and *Summary* for five (5) years following the year to which the records concern.

If you need additional help calculating injury and illness incidence rates you can find it via OSHA's website at <http://www.osha.gov/>, which provides guides and forms designed to assist you when calculating incidence rates.

Complete Picture of Safety Performance

So, what are your organization's safety scores? The EMF communicates your organization's workers' compensation claim experience against your peers. The OSHA recordable case rate data communicates all incidences and injuries your organization experienced within a calendar year. Some incidents and injuries may not result in a workers' compensation claim but are considered recordable by OSHA.

Both rates provide a complete picture of your organization's safety performance to a variety of interested parties, including a growing number of your customers. These metrics or scores effectively demonstrate your organization's safety performance, but more importantly, the scores provide a true reflection of how your business is managed and operated each business day. Understanding, communicating and providing your organization's "safety scores" can be a powerful competitive advantage in securing new business, and in retaining current accounts as well!

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