

The Municipal RISK MANAGER

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A Publication of the Maine Municipal Association

Happy 40th Anniversary MMA Workers Compensation Fund



Join us as we celebrate the 40th anniversary of the Maine Municipal Association Workers Compensation Fund (The Fund) set to begin January 2018. Since the creation of the Fund in 1978, the program has been an example of a successful governmental partnership and has continued to grow in membership and service. Today we are proud to say that the Workers Compensation Fund continues to be a leader for coverage and services to member municipalities and quasi-governmental entities throughout the State of Maine.

The Workers Compensation Fund launched in 1978 with eleven participating members. Today the Fund's membership stands at 583. The Fund was created as a group self-insurer under a Certificate of Authority issued by the Bureau of Insurance with the goal of stabilizing rates to help level the peaks and valleys of the insurance market and thereby enable members to budget with increased reliability and accuracy.

Membership in the Fund equates to ownership and ownership pays dividends. Since 1996, the Trustees have authorized the annual payment

of dividends to eligible members. The Workers Compensation Fund is pleased to announce we have returned in excess of **\$4 MILLION** to our members in the form of dividend checks.

In addition to helping our members meet their statutory obligations required under the Workers Compensation Act, the Fund furnishes significant benefits to members through our in-house Underwriting, Loss

Control and Claims Management Departments. These experienced professionals work on behalf of the members to provide unparalleled service and guidance in an effort to protect you and your employees.

Maine Municipal Association would like to take this opportunity to thank the loyal members of the Workers Compensation Fund for giving us the honor of working for you for the last 40 years. ■

Reaching Out to Employees – A Workers Compensation Success Story

My name is Sherry Gaudet and I am the nurse case manager at Maine Municipal Association. In 2016, our member in Waterville had a serious workplace injury and I became involved in the claim almost immediately. I have continued to work with the family since that time. That was one year ago in November. The injury was so severe that the injured worker has been unable to return to work as yet. But, the employee still has the goal to return to work as soon as his recovery allows. What keeps an injured worker so goal oriented? How can we help all of our injured workers keep their eye on the concept of someday returning to work? Through conversations with the family, I discovered what a wonderful job the City of Waterville has done communicating with them throughout the recovery process. And how this has made a positive impact on the injured employee's recovery and his family. I felt it was important to recognize Waterville and to congratulate them on a job well done.

First, I believe we need to understand that there is an emotional toll on the injured worker. The injury not only affects the employee's physical wellbeing but the intangible cost of the injury to the family and life outside of work responsibilities. After the initial shock of the injury and the immediate medical treatment required, the above injured Employee's first thoughts were, "will I have a job?" There are many stressors such as, bills that still need to be paid, will I get paid, will I get better and return to work, what if I can't work again, how will I support my family, who pays the medical bills? Their work life has changed and possibly home and social life disrupted as well. They may not be able to function as they are used to and are unable to enjoy simple things such as playing with the kids, going out with friends, hunting, skiing, camping, etc. and may even be unable to drive or get around without assistance. They may feel disconnected from coworkers and the workplace.

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Reaching out to employees

(cont'd)

Who will answer all of these questions? Who will help take away some of the worry, the stress? How do you keep an employee from feeling disconnected from the workplace? Who should be addressing these concerns? Is that the responsibility of the employer, the claims adjuster, family members, coworkers, or friends?

“The initial responses of an employer, insurance company and health care provider to an injured worker are critical factors in determining medical and disability outcomes...” 1.

I previously worked in a manufacturing facility where management at all levels were advised not to contact or inquire about an injured Employee. I frequently heard the Employees complain that no one cared and frequently avoided reporting injuries due to fear of coworkers and supervisors negative comments and even losing their jobs. I have worked with Employees who are angry and upset that there has been no contact from anyone from the workplace including administration, supervisors, or coworkers. When I called the Employer, I was told, “Why would we do that?” Another response, “We don’t do anything like that.”

What did Waterville do? The city administrator sent two hand written letters over the course of this injury inquiring how the Employee was doing and assured him that his job was safe and he had nothing to worry about. He also speaks with the director and asks how the Employee is progress-

ing on a regular basis and has done so since the beginning of injury. The director of the employee came to see the employee while he was in the hospital. He has called every week since the hospital discharge to see how he was doing. He has come to the house to visit and called before the visit asking if they need anything before going out. He regularly asked and offered assistance in anything the family may have needed. He kept him informed of what was happening in the workplace, allowed him to stop by the workplace to visit and to see coworkers. When the employee came into work, the director always left his office to speak with him and always invited him to go see his coworkers. The director let him know from the get go that a job would be waiting for him and this injury was not going to change that. In addition, his immediate supervisor has also kept in touch by calling regularly and visiting at the home. All of his workplace interactions have been very positive. To quote the Employee, “It does make a difference knowing that the employer cares.” Coworkers came to the hospital to visit and a couple of coworkers who are now retired, visit each and every Wednesday and the family makes sure there are no appointments on that day. Is this exemplary behavior from a caring workplace? I would say emphatically, yes. But, I would also suggest that this is also good workplace practice.

“Early outreach and assistance allow the injured employee to maintain a positive connection to the workplace. ...can alleviate many of the concerns, fears, and frustrations experienced by the employee following a workplace injury. Supervisors that are trained in the return to work process, taught to be positive and empathetic in early contacts with the injured employees and active in the return to work process have positive return to work program outcomes. The employer contacts the injured or ill employee early. Early contact is a core component of most disability management programs and helps the injured employee feel connected to his or her workplace. Contact within the first week or two is a guideline, but the actual timeframe

may vary depending on the employee’s specific situation.” 2.

Is it possible for all employers to be as supportive as Waterville is? Maybe not. But any attempt to be in contact with the injured worker to let them know that there is concern regarding their wellbeing is a positive step. “Employers should actively become involved in every workers compensation case. Communicate on a regular basis with your employees who are disabled with work related injuries. The communication, whether it is by telephone or in person, should be positive and upbeat. Studies have shown that prior communication and post-injury demonstrations of concern by the employer can result in higher levels of worker satisfaction and reduced time lost from work — factors that contribute to lower program costs.” 3.

Throughout this very difficult ordeal of trauma, pain, and loss, the injured employee and his family have maintained the commitment for him to return to work and the support of the member has kept this hope alive.

We felt it was appropriate to recognize Waterville, to congratulate them on a job well done and to also inspire other Employers to consider taking an active role in your Employee’s recovery. ■

Footnotes:

1. Standard, New England’s Insurance Weekly, March 10, 2017, Vol. 280 No. 10

2. <http://www.labor.state.ny.us/workplacesafety.shtm>

3. http://lwd.dol.state.nj.us/labor/forms_pdfs/wc/pdf/WC-373.pdf

4. Other resources:

<http://www.businessinsurance.com/article/20170403/NEWS08/912312696/First-impressions-positive-communication-trust-matter-in-workers-compensation-cl-Joyce-Famakinwa-4/3/17>

<http://blog.reduceyourworkerscomp.com/2017/11/15-activities-every-employer-can-post-workers-comp-injury/>

Workers’ Comp for Employers: How to Cut Claims, Reduce Premiums, and Stay Out of Trouble. BY James Walsh Silver Lake Publishing 1994

<https://www.insurancejournal.com/news/national/2017/10/26/469462.htm>



The Municipal Risk Manager

The Municipal Risk Manager is published seasonally to inform you of developments in municipal risk management which may be of interest to you in your daily business activities. The information in these articles is general in nature and should not be considered advice for any specific risk management or legal question; you should consult with legal counsel or other qualified professional of your own choice.

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Unemployment Compensation Fund Proudly Serving Members For 40 Years

MMA's Unemployment Compensation Fund (UC Fund) was created in 1978 at the request of MMA members to assist them in meeting their obligations under the Employment Security Act in an efficient and cost effective manner.

The UC Fund membership is composed of municipalities and other public and related non-profit entities that are individually self-insured but administered as a group. Within the Fund, each member has a separate account. Members make quarterly payments into their account, based on rates developed by MMA's consulting actuary. Claims are paid out of the member's own account. The UC Fund pays the State monthly for unemployment claims paid to former employees and reports these payments to each member. Even if the member's account is overdrawn because of high claims activity, the UC Fund continues to pay their monthly claims reimbursement to the state. This service provides our members with cost stability throughout a calendar year.

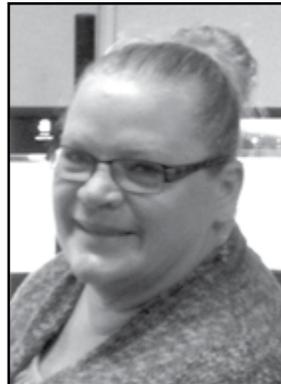
The Maine Department of Labor classifies MMA's UC Fund members as Direct Reimbursement Employers. In other words, the Fund reimburses the



Maine DOL on a member's behalf only when a member has unemployment claims from present or former employees.

The primary benefits for program participants include:

- **TECHNICAL GUIDANCE:** Technical guidance is available from MMA staff in preparing for fact findings and appeal hearings, preparing wage reports, requests for separation information, wage audits and other unemployment issues that may arise. Many of you have most likely worked directly with our Unemployment Coordinator Denise Kolreg who has helped guide our members with the handling of unemployment issues.
- **MODERATION OF CASH FLOW:** Each December members of the UC Fund are notified of their contribution obligation for the next calendar year. The amount of the contribution is fixed for the year and additional payments are not required in the event a large sum is paid out in claims.



- **SIMPLIFICATION:** Communications and reporting to the Department of Labor are simplified. All mail for UC Fund members from the Maine DOL is directed to MMA. In most cases the Fund Coordinator can resolve any issues raised. Members' UC wage reports also come to MMA for uniform reporting each quarter. The UC Fund Coordinator is available to answer unemployment compensation questions.

- **DIVIDENDS, INTEREST AND EXCESS BALANCES:** Dividends, interest, and excess balances are returned to members, based on the determination of MMA's consulting actuary, when there is a sufficient balance in each member's account to pay claims for the next year. Dividends are not guaranteed from year to year and their award depends not only on claims experience, but must also be approved by the MMA Executive Committee. The MMA Executive Committee oversees the operations of the UC Fund.

The benefits of belonging to the UC Fund are most evident during difficult fiscal times. A recent example is the 2008 recession which generated a 65% rise in claims by year's end. Claims remained incredibly high for four years and we are just now witnessing claims returning to the "average" level of the previous 10 years. Throughout these difficult years, the UC Fund maintained a conservative funding strategy, and thus was able to support our members through this period of high claims and extended benefits without sacrificing the financial stability of the Fund.

The MMA UC Fund would like to thank our loyal Membership. Of our 243 members, almost 75% have been in the Fund since its inception in 1978. Please join us as we salute our members for their many years of sound employment practices and extraordinary efforts to help control claims. ■■

MMA Risk Management Services welcomes its newest members:

Property & Casualty Pool

Town of Hodgdon
Town of Limerick
Town of Thorndike

Workers Compensation Fund

Town of Athens
Bangor Water District

We thank our dedicated members for their partnership.

FREE Education & NEW Management Tools Available to Help You



Municipalities and governmental entities are constantly challenged with meeting the educational and safety requirements set upon them, while balancing cost and management time constraints. MMA Risk Management Services has the tools ready for you. MMA Risk Management Services has partnered with *FIRSTNET LEARNING* to add new and expanded features to the Online University. Offered **FREE** to members of Workers Compensation Fund and Property & Casualty Pool, the **Online University** gives members the ability to educate employees on critical safety and health topics while documenting personnel records and certifications.

We are pleased to introduce you to these powerful new developments in the administrative function of this *Online University Safety Program*.

New Management Tools include:

- Ability to manage training by departments or at the employee level.
- Assign courses with due dates to individuals or departmental groups and provide notifications via e-mail.
- You can set up a multi-level administrator that can view multiple departments or be limited to view only their supervised departments.
- Upload up to 6 Human Resource policies with acknowledgement state-

ments. Policies can be assigned just like the training modules and will be linked to the training reports.

- Upload unlimited Standard Operating Procedures (SOPs) with one acknowledgement statement.
- Policies and SOPs are only visible to member employees.

- Custom courses developed by a specific member can be added to a mem-

ber's profile through the Online Training Contact.

- External training can be tracked using this system.
- Online courses can be set up to be taken in a group setting.
- Quickly add a large number of new employees through the Online Training Contact.

If you would like to set up or explore these new features, please contact by phone, 1-800-590-5583, or e-mail: [Jennette Holt \(Jennette.holt@memun.org\)](mailto:Jennette.holt@memun.org) ext. 2240. 📧

FREQUENTLY ASKED QUESTIONS:

Question: How and when do I file a claim?

Answer: We strongly encourage our members of the Property & Casualty Pool and Workers Compensation Fund to report claims immediately upon notice.

MMA Risk Management Services offers two simple methods for reporting claims. The recommended method for reporting a claim is to file an Online Report at:

<http://www.memun.org/insuranceServices/RiskManagementServices.aspx>

The second method of claims reporting is to call MMA Risk Management Services at 1-800-590-5583 during normal business hours and for **After Hours Emergency Reporting (After 4:30 p.m. or on Weekends)** (207) 624-0182 or (207) 624-0183

REMINDER: If you fail to report a "lost time" injury to the Workers Compensation Board within 7 days, you will incur a \$100.00 Fine

And

Maine Department of Labor Reporting Guidelines states: All Fatalities must be reported to the Maine Department of Labor at (207) 592-4501 within 8 hours. Also, all serious physical injuries that require hospitalization, including amputation, loss or fracture of any body part, must be reported within 24 hours.

Please look for this new Frequently Asked Questions section of the Municipal Risk Manager each quarter. If you have a question you would like to ask please email Marcus Ballou at mballou@memun.org