

Marsh: Workers' Comp Claim Frequency Down Among Restaurants, Slips and Falls Biggest Cause of Injury

By Marie Suszynski

NEW YORK - The frequency of workers' compensation losses for quick service and casual dining restaurants has gone down 9% over the past five years, according to Marsh Risk Consulting. Slips and falls are the largest causes of injury, while using a 24/7 nurse triage can speed up the injury reporting process, which lowers costs.

The drop of frequency is in line with national trends, said Lynn MacGill, senior vice president of Marsh Risk Consulting, during a webcast on restaurant industry loss trends in which the company discussed its report, "Restaurant Industry Practice 2015 Loss Benchmark." The survey respondents for the report represent 44 U.S. brands and more than 12,300 locations.

Marsh found the severity rate for workers' comp losses slightly increased since it hit a low point in 2012 but overall showed a five-year trend of a 12% decrease, MacGill said. For general liability, frequency has been flat, but severity has dropped 30% over the past 5 years.

Cindy Smail, vice president of workforce strategies, said during the webcast, companies should build a comprehensive slip- and fall program specific to the organization. Marsh helped one client lower general liability claims by 85% simply by doing such an assessment, Smail said.

The majority of restaurants reported they have a mandatory slip-resistant shoe program. However, 85% said it wasn't funded by the company, and that leaves room for employees to buy low-quality footwear, she said.

It's also difficult to tell at a glance whether a shoe is slip resistant, and Marsh recommends clients perform a shoe check, in which they ask to see a stamp on the bottom of the sole of the shoe or on the tongue that says "slip-resistant" or "oil-resistant," Smail said. Managers should also check that the tread on the shoe isn't worn out larger than the size of a nickel.

Meanwhile, restaurants are increasingly using 24/7 nurse triage for injuries, which makes it easy to report claims by telephone any time of day or night, said Annette Sanchez, senior vice president, claims consulting. Marsh's report found that 20% of lost-time claims were reported more than a week after the injury, which increases the claim costs.

In addition, a nurse can focus on advocacy for the employee, mitigate litigation and lower unnecessary emergency room visits. Nationwide, data shows that about 55% of emergency room visits are not clinically necessary, she said. Nurses also can help lower claim frequency and disability days because they know the right level of treatment needed for a specific injury.

Telemedicine, meanwhile, is just beginning to take off in workers' compensation, and Sanchez said Marsh sees "tremendous potential" for it. However, it's not very common among restaurants. It's more likely to be used in the construction sector when job sites are in remote locations, she said.

The areas of the country with the biggest increase in claim volume were California, followed by Texas and Florida, Sanchez said. Also on the list were New York, Tennessee, Wisconsin, Massachusetts, and Washington.



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Efforts to create a workers' comp opt-out, such as available in Texas and Oklahoma, have stalled in several states recently. In Tennessee, a hearing on a bill that would have created an alternative means for employers to provide workers' comp benefits via an injury benefit plan was recently canceled. And in South Carolina, a similar bill seems to have stalled in committee. (*Best's News Service, Feb. 9, 2016*).

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