

COST MANAGEMENT

Cut health insurance costs by reducing off-the-job injuries

By Fred Rine, CEO of FDRsafety

Many organizations are encouraging employees to lose weight and stop smoking in hopes of scoring a win-win-win: the workers get healthier, the organization experiences fewer insurance claims, and less work time is lost to sickness. But fewer organizations are taking advantage of similar savings they could obtain if they took the same approach to employee safety off the job.

It's a not-so-well-known fact that only four percent of fatal accidents occur on the job. To prevent those kinds of accidents, most employers have structured on-the-job safety programs. If successful, these programs not only keep employees safe, but they also reduce workers' compensation expenses (and the potential expense of Occupational Safety and Health Administration penalties).

But the remaining 96 percent of accidents — the ones that occur off the job — are still a big source of employer expense, in the form of health insurance and lost productivity. That expense could easily exceed workers' comp costs simply because there are so many more off-the-job injuries.

So the next logical question is how to effectively reduce the number of such off-the-job accidents. One obvious answer is to supply educational materials, on for example, safe driving. However, most people know how to drive safely — sometimes they just decide to ignore what they know is right in the interest of time or comfort. They drive too fast, put on makeup while in traffic, or send text messages.

A tool to help people make better decisions is required, and employers have that tool at their disposal in the form of safety awareness training that helps workers understand the “why” of acting safely rather than just the “how.” The “why” simply shows people that by acting safely, they allow themselves and those around them to go home in one piece to their family and friends. Safety awareness training basically instills the same kind of mental alarm that goes off (and prompts most drivers to slow down) when small children are playing nearby.

The cost of off-the-job injuries to society is staggering — in excess of \$245 billion a year, according to the National Safety Council. More than nine million workers experience disabling off-the-job injuries each year.

To estimate the cost of off-the-job injuries to your organization, go to the National Safety Council's website,

www.nsc.org, and search for “injury cost calculator.” With effective safety awareness training, the potential for savings is enormous both in spared tragedy for employees and their families and in reduced expense for organizations.

Fred Rine, CEO of FDRsafety, www.fdrsafety.com, designed a safety awareness program that has been presented to more than 400,000 workers and managers and has been credited by many companies with reducing their accident rates. Contact Fred at frine@fdrsafety.com or (615) 370-1730. ♦