

DAVID WEHNER ONBOARD AS CEO

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NEW YORK STATE INSURANCE FUND

Workers' Comp.

ADVISOR⁵⁷

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January, February, March 2006



The Amazing Turnaround

How North Country Academy
Went to School With NYSIF
and the Code Rule 59
Workplace Safety and Loss
Prevention Program

Deanna Johnson, Bill Johnson and Amy Johnson, of North Country Academy, and NYSIF's Russell Fitch (l.-r.)

CEO David P. Wehner Onboard

NYSIF Workers' Comp. Advisor
January/February/March 2006

W C A F Y I
News You Can Use



CEO/Executive Director
David P. Wehner

Former Workers' Compensation Board Chairman David P. Wehner was unanimously chosen to serve as executive director of The New York State Insurance Fund at the December 7 meeting of NYSIF's Board of Commissioners, NYSIF Chairman Terence L. Morris announced, effective January 3, 2006.

"Chairman Wehner's broad experience in workers' compensation, as well as labor and business issues, makes him an excellent choice to manage the operations of the State Insurance Fund," Chairman Morris said.

Mr. Wehner fills the vacancy left by the departure of Ken Ross in September 2005. During the interim, Christopher Barclay, director of Upstate Operations and secretary to the Board of Commissioners, and Douglas

Hayden, general attorney, shared acting director duties.

"I also want to commend Acting Co-Directors Chris Barclay and Doug Hayden for the steady job they did while the search was underway for a new executive director," Chairman Morris stated.

Nominated by Gov. George E. Pataki, Mr. Wehner was sworn in as chairman of the WCB on March 9, 2004. Under his leadership, the WCB continued to expand its mission to serve New York's injured workers and their employers.

"I am honored to have been chosen by the [NYSIF] board to be executive director of the State Insurance Fund," Mr. Wehner said. "I have thoroughly enjoyed my time as chairman of the Workers' Compensation Board, and look forward to using my knowledge to continue the State Insurance Fund's success. I thank Governor Pataki for his support and confidence in me."

RECORD OF ACHIEVEMENTS

At the WCB, Mr. Wehner launched a series of regional educational conferences around the state. The seminars promoted the WCB's improved processes and advances to e-case, health management and claims adjudication. More than 500 individuals attended the conferences, with overwhelming positive feedback.

Under his direction, the WCB resolved all pending issues for 312,902 new and pre-existing claims in 2004, the fourth consecutive year of 300,000 or more resolutions.

In September 2005, Mr. Wehner initiated a review of the WCB's outdated medical guidelines, bringing together 15 health providers to make recommendations to refine, clarify and update the board's uniform guidelines.

He was recently named to the board of directors of the American Society of Workers' Compensation Professionals (AMCOMP). In May 2005, Mr. Wehner was recognized by the Society of New York Workers' Compensation Bar Association for invaluable service rendered by the WCB.

Mr. Wehner served previously as executive deputy commissioner of the New York State Department of Labor for more than three years. Prior to that, he served more than three-and-a-half years as deputy commissioner for Administration and Public Affairs. He also served as chief special assistant to the commissioner of Labor and director of Communications.

A former member of the board of directors of the National Association of State Workforce Agencies (NASWA), Mr. Wehner is also a past president of the National Association of Government Labor Officials (NAGLO). He previously served as a state media director in the U.S. Senate, where he worked for 10 years in both Washington, D.C. and Albany.

A native of Rochester, New York, Mr. Wehner holds bachelor's and master's degrees in communications from the State University of New York at Albany. Active in youth sports, he and his wife, Diane, have three children.

In This Issue

Amazed By Their Turnaround

North Country Academy's workers' comp. costs were out of control when owners Bill and Deanna Johnson met NYSIF's Russell Fitch, a certified Code Rule 59 safety specialist. "We are amazed by what NYSIF has done for us," Ms. Johnson said. **Pg. 4**

Falling Down On the Job



Preparing adequately to avoid slips, trips and falls will serve you well against a major source of workers' comp. claims in winter and year-round. **Pg. 7**

Return-to-Work Needs Work

Non-fatal job-related injuries are down, but lost-time cases exceeding one month are up, leading the U.S. Bureau of Labor Statistics to ask some challenging questions about how serious employers are about early return-to-work programs. **Pg. 8**



Close Call On December 22, President Bush signed a two-year extension to the federal backstop Terrorism Risk Insurance Act, set to expire on 12/31/05 as reported in the fall *Advisor* (above). The extension increases insurance industry retention and the size of an event needed to trigger a federal response.

Labor, Biz Look to Gov.'s Reforms

Business and labor leaders welcomed news of Gov. George E. Pataki's proposal for comprehensive workers' comp. reform.

The reforms, announced last November, would reduce workers' comp. costs for businesses by more than 15%, while increasing benefits levels for injured workers by 25%, the governor said. New measures in the 82-page draft bill are designed to expand job creation in New York State and keep New York businesses competitive in the global marketplace—especially manufacturing-based businesses.

Gov. Pataki, credited with a successful overhaul of New York's workers' comp. system in 1996, wants to raise New York's 12-year-old weekly indemnity benefit for on-the-job injuries from \$400 to \$500. He also wants to end lifetime payouts for permanent partial disabilities, which few other states provide.

"Whether it's cutting taxes, eliminating unnecessary regulations, or reducing workers' comp. costs, we know that lowering the cost of doing business is a proven way to create new jobs..." Gov. Pataki said. "In

1996, we worked together to achieve historic and long overdue reforms to the workers' comp. system...But workers' compensation is one of the biggest costs for businesses and left unchecked can be an impediment to creating new jobs."

The plan includes initiatives to create a tiered benefit system for injuries that are not currently scheduled under the law, reduce litigation, better coordinate anti-fraud efforts, and authorize comprehensive fee schedules for medical goods and pharmaceuticals. The proposals also expand the Alternative Dispute Resolution program to the manufacturing sector, and seek to reduce frivolous claims against the Second Injury Fund.

NYSIF Executive Director David Wehner said: "These reforms strike a balance between controlling costs and the needs of workers, addressing major concerns of both the business and labor community."

Both Dan Walsh, president of the Business Council of New York State, and Denis Hughes, president of the AFL-CIO, said they welcomed Gov. Pataki's move to bring reform to the table.

"These reforms strike a balance between controlling costs and the needs of workers, addressing major concerns of both the business and labor community."

— David P. Wehner,
NYSIF CEO/Executive Director

"We welcome this new initiative by Governor Pataki to craft a comprehensive workers' comp. package which recognizes the many inequities in the current comp. system," Mr. Walsh said.

Mr. Hughes "welcomes the opportunity to fully and openly discuss" reform, he said.

Mark Alesse, NYS Director of the Nat'l. Fed. of Independent Business, said the bill "is welcomed news for the state's 1.5 million small businesses and their workers."

Struggles in the manufacturing sector have dramatically demonstrated the need for reform. Last October, Delphi Corp., a major auto parts supplier, filed for bankruptcy protection, citing workers' comp. costs as a detriment to keeping factories that employ thousands in Rochester and Lockport open.

Randy Wolken, president of the Manufacturing Assoc. of Central New York, said, "It is imperative that New York realizes the impact workers' comp. costs have on employers, and our competitiveness with other states."

Writing in the *Buffalo News*, Mr. Wehner expressed strong support for the governor's plan: "When you read about the families affected by Delphi's woes, one thing becomes crystal clear. We need to fix it and we need to fix it soon or there undoubtedly will be more companies taking a hard look at their future in New York State."

Busy Year-End for DCI

Law enforcement officials were busy rounding up suspects in a string of fraud cases presented by NYSIF's Division of Confidential Investigations as 2005 came winding down.

FRAUD FILE

In another year in which DCI joined with the New York State Insurance Dept. Frauds Bureau and the Workers' Compensation Board Fraud Inspector General to lead a crackdown on workers' compensation fraud, DCI tallied 113 arrests in 2005 and was waiting for action on about 70 other cases as the year came to a close.

Recent cases include 10 arrests by Suffolk Co. DA Thomas Spota, representing nearly \$900,000 in fraud, additional premium and estimated savings.

They include a chiropractor, **Dr. Thomas Miceli**, of Farmingdale, NY,

who allegedly fraudulently billed NYSIF for services he never provided to three people he treated for work related injuries, investigators said.

Chanka Persad, a truck driver from Mastic, NY, was indicted by a Suffolk grand jury for allegedly unlawfully receiving \$35,540 in workers' comp. benefits after he returned to work as a salesman without notifying NYSIF. Investigators estimated potential savings in his case at more than \$159,600.

In a case of policy fraud, **George Dimou**, CEO of Evia One Enterprises, Inc., and GLIG, Inc., operating as Long Island Gutters, of Deer Park, allegedly defrauded NYSIF of \$123,080 by understating company payrolls.

Other arrests included **Joanne Scott**,

New Anti-Fraud Tool

NYSIF previewed a new claimant fraud-fighting tool at a staff seminar for claims supervisors last fall. Now in production, the CSC Magnify Fraud Project scores claims against standardized criteria. Cases scoring in the top 10% will be carefully examined for potential fraud.

of Selden, **James Kalodimos**, of Islip, **Robert Ristenpadt**, of Lake Grove, **Ann Marie Loliscio**, of Port Jefferson, **Walter Eppich**, of Huntington, **Susan Catalano**, of Wading River, and **James Daniels**, of Central Islip.

In a separate case, claimant **Thomas Spranger**, of Mastic, was charged with felony fraud after allegedly presenting a doctor's prescription for the drug Norco-hydrocodone, in which the quantity was altered from 15 to 150 tabs.

See page 8

The Amazing Turnaround

Bill and Deanna Johnson may have the concept for a new reality television show: “The Amazing Turnaround.”

The Johnsons began North Country Academy, their string of nursery and pre-school learning centers headquartered in Ballston Spa, New York, in 1998. Today, the couple employ about 200 people and serve approximately 850 preschoolers in the greater Albany area, with facilities in Airport Park, Saratoga, Clifton Park, Queensbury and Delmar.

When they renewed their workers’ compensation insurance policy last fall, the Johnsons’ workplace safety program was an example for many an employer to emulate—a model of consistency, efficiency and effectiveness that produced an experience modification rating of .91 and earned a full 35% premium discount from NYSIF.

Their workplace accident experience rating wasn’t always so favorable, however. Slips, trips and fall, and lifting injuries, caused excessive workers’ compensation claims, putting extreme pressure on the company’s bottom line. At one point, North Country Academy’s experience modification, promulgated by the New York Compensation Insurance Rating Board, was as high as 1.28.

NYSIF, CODE RULE 59 TO THE RESCUE

The Johnsons were at a crossroads in 2001 when they came to NYSIF. They were forced into the Compulsory Industrial Code Rule 59 Workplace Safety and Loss Prevention Program. The program, mandated by 1996 workers’ compensation reforms introduced by Governor George E. Pataki, requires employers who meet a payroll threshold of \$800,000 and whose experience modification is greater than 1.20 to implement an approved safety and loss prevention program. The safety consultation alone for such a program can cost several thousands dollars, but with NYSIF the service comes free as part of the insurance policy.

Fortunately, the Johnsons benefited from a sequence of opportune events that led to their amazing turnaround: (1) Their broker had the wisdom to place their workers’ compensation insurance with NYSIF; (2) The success of the Code Rule 59 program served the Johnsons, who were willing participants, remarkably well, and; (3) They were about to meet NYSIF Albany Field Services Representative Russell Fitch.



All photos for this article are from North Country Academy’s Clifton Park facility (above)

Russ Fitch, a 27-year NYSIF veteran, is a certified Code Rule 59 safety consultant and recently received his certification as an Occupational Safety and Health Administration (OSHA) authorized outreach trainer. “When I first met [the Johnsons],” he recalls, “I laid out the whole risk management program and told them if they would let NYSIF help them, in 3-5 years we would be able to turn the whole thing around.”

ACT 1: THE NON-BELIEVERS

Russ started with a “Welcome Aboard” call to create a baseline for future reference, discuss operations and make an assessment of how NYSIF could best serve the Johnsons needs. A field inspection by Albany Field Services Representative John McCarthy provided a framework to build a comprehensive workplace safety program for North Country Academy.

What Russ found was that North Country Academy needed to begin at the very beginning. “There was no process to learn about workers’ compensation, learn how to manage it, learn how to conduct workplace accident investigation, establish training, incorporate safety committees in regular management meetings,” Russ said. “They had five facilities and their span of control was very short.” To Russ, the need was obvious; start with the basics: loss assessment and loss prevention. “I saw these as primary concerns,” he said. “If they needed any training, it was in this area—to put a structure in place to run a program.”

Structure is one thing, execution another, and if the Johnsons felt overwhelmed by what Russ proposed next, it is understandable. True to his word, he laid out the whole complement of risk management strategies on which they would need to focus: targeted work areas, developing a safety program, creating a safety committee, self-paying small claims, conducting safety inspections, and establishing ongoing safety training for employees. To say the couple was a little apprehensive is an understatement.

"When I told her what needed to be done four years ago, Deanna didn't believe it would make a difference," Russ remembered.

"We were hesitant," Deanna recalled. "We weren't sure we could control the actions of people." Bill was more blunt: "We weren't believers." Whatever reservations they had, their workers' comp. costs dictated their only choice was to trust Russell Fitch and act decisively. "The financial impact on the company definitely persuades you to start making decisions," Bill said.

REMEDY 1: SELF-PAY THE SMALL STUFF

North Country Academy's loss history showed a frequency of approximately one claim a month over a two-year period, but many were small claims of the no lost time variety with fewer than three medical visits. Russ immediately recommended that the couple start to self-pay small claims to avoid having these minor injuries affect their loss history. "When you have a small claim, even if it's \$80 or \$90, it has an impact on the promulgation of claims used for your experience rating," he explained. "Self-paying really helped them, but more than that, the training we provide really helped them."

The most prevalent accidents at North Country Academy learning centers had root causes that would be familiar to any household with small children: toys on the floor, and bending and lifting to tend to toddlers. The irony in the case of North Country Academy's operation is that to stay in business it must submit to the inspections, codes, procedures and compliance mandates carried out by various New York State agencies that regulate nursery schools and day care facilities to safeguard children, but it hadn't taken comparable steps to safeguard its employees against such an obvious source of on-the-job injury.

In fairness, the Johnsons were not alone. Mr. Fitch said slips, trips and falls transcend all businesses as a leading cause of workplace accidents, with rushing, hurrying and not following safety rules the number one culprit [See **Falling Down On the Job, Pg 7**]. In both instances, the Johnsons became quick studies, aided by an emphasis on safety training provided by NYSIF.

"Employers get so frustrated and they feel there's absolutely



There are smiles all around at North Country Academy, where only murals adorn walls for child safety reasons, and workers such as Sandra Stoddard (top) understand the importance of workplace safety

'Employers get frustrated...There is something they can do, and it works! Safety translates into money in their pocket, and that's cash flow. The bottom line: develop a safety culture. Employees buy into it if they understand why it's important.'



nothing they can do," Mr. Fitch said. "And there is something they can do, and it works! Safety translates into money in their pocket, and that's cash flow.

"The bottom line is to develop a safety culture. Employees buy into it if they understand why it's important and what it means. I talk to them about how to protect themselves on the job, how safety is so important to them. If you lose an eye or an arm, how are you going to be compensated? The best thing you can do is work safe, be safe."

ACT 2: THE BUY-IN

Russ made himself available to conduct training whenever necessary and assured the Johnsons that patience and perseverance would pay off. The real test of their commitment, however, came when Russ provided their sample safety program. After taking a deep breath, the Johnsons began to tailor the plan to their specific needs, including: writing a specific safety policy that assigns responsibilities to managers and supervisors; communicating clear goals for safety and loss prevention; establishing high management visibility to assure a strong commitment to safety; creating a safety committee to involve employees in the process; providing specific goals for safety training meaningful to employees' work processes; training for effective safety self assessment; creating a reporting and investigation system that provides information that identifies root causes for hazard elimination; developing an effective emergency response plan for the safety of all employees; and creating an accident prevention program that held all employees accountable.

Russ's initial assessment and training covered some simple house-cleaning items, including using "wet floor" signs in inclement weather at all facilities. Staff training addressed the need to keep classrooms tidy and introduced the use of proper footwear, not only the importance of distinguishing between "inside shoes and outside shoes" (changing from wet boots to slippers), but also prohibiting open back sneakers that the Johnsons realized were causing injury problems.

Once they got started, Deanna Johnson came to a startling realization: they could control their employees' actions. "Once you explain it, they understand it," she said. "Once they realize we're not saying it just to have something to say, it's easier to get the point across, especially when we can discuss past injuries. They start paying attention."



Site Director Colleen Seburn (r.) and Asst. Dir. Jenn Otten are part of North Country's safety committee

'Your first responsibility is to learn safe procedures for performing your work assignments. Your second responsibility is to use only safe procedures in your work.'

REMEDY 2: TRAIN, TRAIN, TRAIN

Encouraged by a new perspective on safety, Bill and Deanna not only started writing a specific safety policy, they rewrote the book, literally, replacing an old employee handbook that focused mainly on business operations with a new one that reflects the dress code changes and deals extensively with other safety issues. "It's become very specific," Deanna said. The new handbook not only covers safety rules and precautions for dealing with children, but includes section 4.06 "Safety and Accident Prevention," for example, which advises employees, "Your first responsibility is to learn safe procedures for performing your work assignments. Your second responsibility is to use only safe procedures in your work."

North Country Academy backs up these words with ongoing training, not just a handbook. Russ is on call and provides assistance along with various local councils to offer training as needed, during evenings if necessary. Twice a year, on President's Day and Columbus Day, "We shut down our business to undergo facility wide safety training," Deanna said. For Deanna, who is the operation's safety director, there are always reasons for training, i.e. orientation for new staff, different course or license requirements, specific issues at different locations, or just the opportunity to discuss safety with employees one-on-one.

"We used to chase problems and be reactive," she said. "We are much more proactive today." "I don't think there's a meeting where we don't discuss safety," Bill said.

COMMUNICATING CLEAR SAFETY GOALS

North Country Academy continually communicates clear safety goals to staff. Deanna Johnson describes it as a culture in which members of the organization's safety committee think about hazards, analyze trends, touch on all topics and go back to training, whether it's heavy lifting or toys on the floor, chemical handling, fire extinguishers or evacuations.

Signage is key, especially at diaper changing areas that display a step-by-step process for lifting and changing children correctly, and at hand-washing stations (minimally 20 in each facility), which include proper procedures for washing hands. Health safety, including the use of gloves and hand washing, are reinforced. A section of the handbook deals with blood borne pathogens.

Training and signage cover proper lifting techniques, instructing employees to bend at the knees and be careful not to twist when they lift. "A 40-lb. child is equal to 400 lbs. of pressure on the spine," Mr. Fitch said. "If you lift and twist you're going to hurt yourself. At that amount of pressure, you're putting your spine at risk by the manner and fashion in which you lift." North Country employees learn it isn't always necessary to pick up a child to change a diaper. State law allows day care workers to change a diaper on the floor on a specified mat.

North Country Academy's computer network also makes Material Safety Data Sheets (MSDS) available online to the entire staff.

ESTABLISHING A SAFETY COMMITTEE

North Country's 10-member safety committee meets monthly to focus on problem areas and discuss progress. Committee members include Deanna and all site directors and assistant directors. "Directors communicate regularly now," she said. "If we've had a recent accident, we share it. We set an agenda for every meeting depending on what's needed that month." It's also not uncommon for Deanna to show up at any of the facilities unannounced: "Always," she said. "I went to three schools yesterday, two schools tomorrow."

As for Bill, he stays in contact with the maintenance staff daily. "Rarely do I see anything that's a safety concern that I don't already know about," he said. Site directors are responsible for filling out hazard reports and informing Deanna immediately of needed repairs. "If anything comes up, we address it," said Deanna.

In the safety culture Bill and Deanna Johnson have created at North Country Academy, safety self-assessment extends to more than just two pair of eyes. "Staff is very much involved in the process," Deanna said. "You can just be looking around in general and see a little thing. So many people, so many eyes. They do it automatically without thinking they're doing it."

THE END RESULT

Deanna herself does "root cause" reports, recording specifics about each accident, what went wrong, how it happened and how to prevent it from happening again. She also keeps loose-leaf binders for each year's workers' compensation reports, with reportable accidents red-flagged, which, much to everyone's delight, have been dwindling: three reportable accidents in 2003-2004, and again in 2004-2005, down from 22 in 2000-2001.

Working with a NYSIF workers' compensation specialist such as Russ Fitch, under the prescripts of Code Rule 59, the Johnsons have written a success story all their own. "We really appreciate the support Russ has shown us," Deanna said. "And not just Russ, but also the availability of other NYSIF staff whenever we have questions, and in accommodating our needs for things such as night classes for training our staff. NYSIF has supported us from day one—steady, consistent and reliable. We are absolutely amazed by what NYSIF has done for us."

"They were trusting me and it was important to me to deliver," said Russ, who told Bill and Deanna Johnson it could be done, The Amazing Turnaround that has produced a dramatic decline in accidents, a 35% discount, an increase in payroll of almost 45% with only a corresponding two percent increase in premium, and put their safety concerns in check.

"If Russ were to walk into any of our schools today," says Bill, "we're not going to sweat. We don't have those concerns anymore."

Avoid Winter Slips, Trips & Falls

Cold weather brings with it a number of hazards: slips and falls from wet floors, stairs and ice; frostbite and hypothermia from exposure to extreme temperatures; overexertion when removing snow; and injury from snowplows and power shovels.

Cold weather risks include carbon monoxide from improperly vented heating systems, vehicles and generators; and accidents caused by inattentive driving, bad weather and poor road conditions. While all of these winter hazards can cause serious injuries, preventing slips and falls is the focus of this article.

No. 1 Accident Cause

In any season, slips, trips and falls are the number one cause of workplace injuries reported to NYSIF, matching national trends. Even the safest businesses are not immune. Despite making tremendous strides in its safety program and its remarkable safety record turnaround, North Country Academy reported one weather-related slipping injury last winter.

An Albany-area manufacturer's largest claim didn't occur on the assembly line. A fall on a sidewalk barely covered with snow caused a severe back injury to a worker that pushed the policyholder's experience mod past the limit for the Compulsory Code Rule 59 Workplace Safety Program. Prudence dictates that you take winter slipping hazards seriously and address them as soon as they occur.

Begin by examining your entrances and exits. Are doors, stairs, and walking surfaces in good condition?

Gary Dombroff, WCP
Safety Cop 

Keep It Dry

Snow, water or ice can cause falls, so address them now instead of waiting for an accident to happen. Be sure to clean and mop floors continually, or place non-slip absorbent mats at entrances. This is especially important in retail store locations, building lobbies, and similar high traffic areas where people drip snow, water and mud from their shoes.

Floor surface maintenance is also an important consideration. Be certain that your staff uses proper cleaning, stripping and finishing products on tile and vinyl floors; using the wrong products (or using them improperly) increases the risk of slipping hazards. Train staff to watch power cords of cleaning and buffing machines to prevent tripping. Use "wet floor" signs and barricades when appropriate.

Clear That Snow

Many areas of New York receive significant snowfall, but the slightest amount of snow can cause problems. Review your snow removal plans annually:

- Ensure that employees receive adequate training on snow removal equipment.
- Do they know how to operate blowers, power shovels and tractors? Can they clear jams and blockages safely? The law prohibits anyone under 18 from using powered equipment.
- Perform recommended periodic equipment checks and maintenance.

- Familiarize workers with your terrain and problem spots.

If you use contractors, confirm that snow removal firms are ready to provide service. Check that ice or snow-melting chemicals are appropriate for the temperature and surfaces on which they will be used. Gravel walks and parking lots have caused slips and falls; one policyholder paved them after sustaining a large winter claim. If possible, direct workers and customers to avoid gravel walks and paths during winter.

Emphasize Attentive Work Habits

An important step in reducing winter slips and falls is having your employees watch their step. Lack of attention when walking is a major cause of many slip-and-fall injuries. Instruct workers to focus on what's underfoot, especially checking for slippery patches and snow that might conceal ice. The transition from a carpeted to polished floor can also be hazardous. Make these items part of your winter safety training:

- Just as in driving, avoid distractions where walking is treacherous.
- Require workers to wear appropriate footwear for the weather and working conditions, especially if they work outside, or frequently go from indoors to outdoors. (North Country Academy requires staff to change from outdoor shoes to indoor shoes for work indoors.)
- Workers who carry items should follow safe lifting and carrying procedures to maintain their balance. Never twist or make abrupt turns when lifting, but especially when the footing is slippery.

You and your workers can avoid winter slips and falls by following basic precautions and using common sense. Then you can laugh at the hazards Old Man Winter throws your way.

Falling Down On The Job

Numbers through September 2005 show that almost one-third of all open claims with NYSIF resulted from falls or snow, ice and other sidewalk hazards.

Cause	Claims	Percent
Fall	26,415	28%
Lifting	19,580	21%
Struck By	12,472	13%
Material Handling	7,045	8%
Struck Against	5,722	6%



Cause	Claims	Percent
Automobile	5,178	6%
Occupational		
Disease	4,245	5%
Snow, Ice, Other Sidewalk	2,499	3%
Machine	1,491	2%
Tools	1,476	2%
OTHER		6%



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Workers' Comp. Claims & Service 1-877-469-7432
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Send comments, questions or items for WCA to John Mesagno, Chief of Agency Publications, at jmesa@nysif.com

Workers' Comp. Advisor

New York State Insurance Fund
Media and Publications Office
13th Floor
199 Church Street
New York, NY 10007

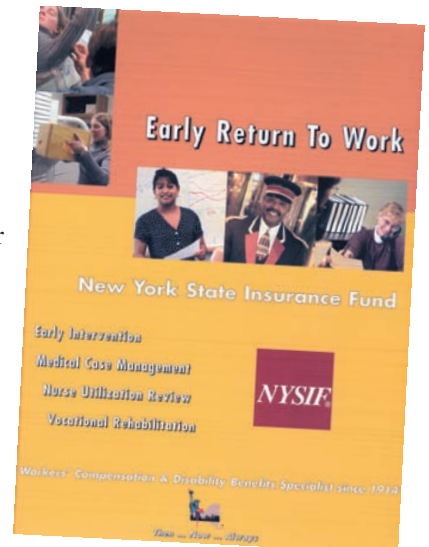
Return-to-Work Needs Work

The U.S. Bureau of Labor Statistics (BLS) reported a decrease in non-fatal work-related injuries and illnesses in 2004, and positive results in early return-to-work in less severe cases, with almost half of the incidence rates in several sectors showing some sort of job transfer or restriction.

In 10% of the 1.4 million cases that involved lost time of more than a month, however, frequency increased six percent and ERTW has been less effective, leading to these thought-provoking questions posed by the BLS:

- Are employers really serious about ERTW?
- Does everyone understand the financial implications of extended lost time?

Particularly, experts advise, employers should be aware of emotional "traps" claimants fall into regarding repetitive stress injuries, and other psychosomatic affects of pain. Policyholders can begin their own return-to-work program at www.nysif.com or call **212-312-9121** for an ERTW starter kit (above).



FRAUD FILE

From 3

In a prior Nassau sweep, claimants **Solomon Sorto**, of Westbury, **Ellen Fennessy**, of West Babylon, and **Dion Lonigro**, of Farmingdale, were all charged with workers' comp. fraud for returning to work while allegedly collecting unlawful benefits from NYSIF.

Indictments and criminal complaints are accusations only. Defendants are presumed innocent until proven guilty.

BUSINESS OWNER DOING TIME

In a separate case, the owner of a Rensselaer County steel erection company began serving a six month term in Saratoga County Jail for cheating NYSIF out of \$101,800 in premium by lying about the classification of his employees. **Dale Fajen**, 54, of Schaghticoke, was sentenced Dec. 12, and will also serve five years' probation. He signed a confession of judgment for \$135,000 owed to NYSIF.

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