

NYSIF DCI NOTCHES 1,000 ARRESTS

NYSIF[®]

NEW YORK STATE INSURANCE FUND

Workers' Comp.

ADVISOR

nysif.com

October, November, December 2007



Working On A Drug-Free Workplace



'07 Reforms Call for Voluntary Incentive Program

Pages 4-5

WC Rate Cut Averages 18.4% for NYSIF Assureds

18.4% Rate Drop for NYSIF

NYSIF announced an overall 18.4% average rate decrease for policyholders, effective Oct. 1, 2007 thanks to workers' comp. reforms signed by Gov. Eliot Spitzer last March.

NYS Insurance Supt. Eric Dinallo ordered a rate cut for all New York carriers in July. Gov. Spitzer said the cuts would save New York businesses about \$1 billion in FY 2007-'08.

He said the reforms produced the biggest single year rate decline since 1975, the first year of available data.

Extend WCB 9/11 Deadline

Gov. Eliot Spitzer extended the deadline for registering with the Workers' Comp. Board to August 14, 2008 for anyone who took part in clean-up efforts at Ground Zero after September 11, 2001.

Registrants can file claims if they later develop health issues from working at Ground Zero that keep them from current employment.

New Tools From OSHA

The Occupational Safety and Health Administration issued new tools to help prevent workplace hazards across a broad spectrum of industry. The *OSHA/EPA Occupational Chemical Database* compiles physical properties and exposure limits on more than 800 chemicals commonly found in the workplace. OSHA's revised *Safeguarding Equipment and Protecting Employees from Amputations* helps small businesses protect anyone who operates or services machines and other equipment. Both are available online at osha.gov.

Ladder Safety Resource

OSHA's web site features a *Guide to OSHA Rules on Stairways and Ladders* for employers and employees to use in preventing ladder-related workplace incidents. OSHA also offers a Portable Ladder Safety QuickCard™ as an employee resource on common movable ladder hazards. Order at 202-693-1888.

Understanding Your Bill

Understanding Your NYSIF Bill

Shows key information about your policy.

Contains all transactions that occurred including installment plan (for eligible premium greater than \$1,000).

Return the remittance slip with your payment.

Front of Bill

Back of Bill

Transaction Date	Reference	Payment/Event	Amount	Charge	Details
June 12, 2008	12345678	Premium Payment	\$450.00	\$450.00	Payment of 100% of premium for 12/11/2008
July 15, 2008	12345678	Installment 2 of 8	\$56.25	\$56.25	
July 15, 2008	12345678	Service Charge	\$0.00	\$0.00	
July 15, 2008	12345678	New Charges	\$0.00	\$0.00	

NYSIF's new guide explains workers' comp. rates and how to read your billing statement. For a copy, visit nysif.com>About NYSIF or call 212-312-9121.

W C A F Y I

News You Can Use

NYSIF Workers' Comp. Advisor
October/November/December 2007

In This Issue

Getting Well

The 2007 workers' comp. reforms call for three voluntary Workplace Safety Incentive Programs to reduce injuries and cut workers' comp. costs. A look at plans for working on a drug-free workplace through the drug and alcohol workplace prevention incentive.



Pages 4-5

Blame Wrist Angle, Long Hours at Computer

Researchers at the University of California at San Francisco and McMaster University in Ontario have found that the angle of a person's wrist is more the culprit in developing carpal tunnel syndrome (CTS) than is overuse of the wrist and hand, the web site ergoweb.com reported earlier this year.

The researchers established limits on how much the wrist can be flexed before nerve damage sets in and suggested this could be used to create guidelines to help workers avoid wrist postures likely to cause nerve trauma (*Journal of the Human Factors and Ergonomics Society* February 2007).

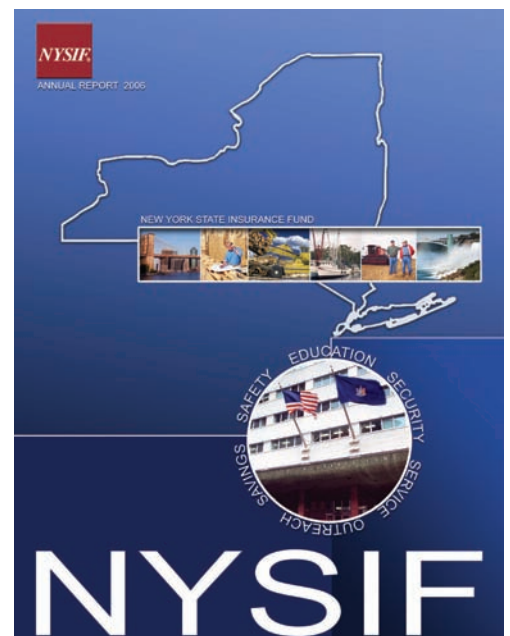
Another study concluded that long hours at a computer are more of a risk factor for deep vein thrombosis (DVT) than long-distance air travel, as was previously believed. New Zealand's privately funded Medical Research Institute found that deskbound workers glued to computer screens represented a significantly higher percentage of patients likely to develop the problem.

The researchers said it was not uncommon to find people working 12-14 hours a day and being seated for that time. Up to 600,000 Americans are hospitalized each year for DVT, a blood clot in a deep vein of the legs, pelvis, chest or arms, according to ergoweb.com.

Just the Facts

Looking for NYS economic and social indicators? Visit ppinys.org.

Annual Report Online



The 2006 NYSIF Annual Report is now available at nysif.com

Forums Return

NYSIF Executive Director/CEO David P. Wehner announced that this October NYSIF will host a second round of regional educational forums to help policyholders manage their workers' comp. costs.

This series of three hour seminars in eight different locations follows last Spring's enormously successful day-long forums held by NYSIF across the state.

"Continuing the outreach we began with our successful spring Policyholders' Educational Forums, I am delighted to announce these fall seminars," CEO Wehner said. "The sessions will focus on loss containment through risk management, and the discussion will be driven by questions from our policyholders."

The forums will be presented by NYSIF Director of Claims Ed Hiller and Policyholder Services Marketing Manager Rich Morrison, along with local panelists in each location.

These sessions will focus on loss containment through risk management, and the discussion will be driven by questions from our policyholders.

Open to all current NYSIF policyholders, there is no cost to attend, but policyholders must register in advance. **Please note that space is limited**, and registration will close five days before the forum date. Register online at nysif.com>About NYSIF>Events

Forum dates and locations are listed below:

Tuesday, October 2, 2007 – NYSIF Buffalo District Office, 225 Oak Street, Buffalo

Wednesday, October 3, 2007 – NYSIF Rochester District Office, 100 Chestnut Street, Rochester

Thursday, October 4, 2007 – NYSIF Syracuse District Office, 1045 7th North Street, Liverpool

Wednesday, October 10, 2007 – Clarion Hotel, Everett Road & Watervliet Avenue Ext., Albany

Thursday, October 11, 2007 – NYSIF Binghamton District Office, Glendale Technology Park, Bldg. 16, 2001 Perimeter Road East, Endicott

Tuesday, October 16, 2007 – NYSIF White Plains District Office, 105 Corporate Park Drive, White Plains

Tuesday, October 23, 2007 – NYSIF Long Island District Office, 8 Corporate Center Drive, Melville

Wednesday, October 24, 2007 – NYSIF Headquarters, 199 Church Street, New York City

New Services for Medical Providers Help Save Time



NYSIF announced that a new electronic "Explanation of Benefits" (EOB) for medical providers is an online tool for providers to access a detailed, printable itemization of medical payments made to them by NYSIF.

"This new online service will allow health care providers to ensure payments are applied appropriately and save a large amount of time for themselves and NYSIF," CEO David Wehner stated, announcing the service. "We encourage all medical providers who do business with NYSIF to take advantage of this valuable feature."

The new service is accessible at nysif.com>Workers' Compensation>Medical Providers>Review Explanation of Benefits.

To utilize the service, medical providers need their Tax ID Number, NYSIF check number, and the last four digits of the Social Security number for any claimant included in the payment.

Electronic services for medical providers are a way NYSIF is working to improve one part of the workers' comp. process and help businesses in New York State.

Providers can access the following:

Check date and amount

Claimant name and claim number

NYSIF case manager and telephone number

NYSIF bill number, date and receipt date

Date of service

Code billed

Amount charged

Amount paid

Reason for partial payment or no payment.

NYSIF also recently announced that it is accepting electronic receipt of medical bills and reports to speed one part of the workers' comp. claims process.

Enhanced services for medical providers are another way NYSIF is helping to make the workers' comp. system more efficient and doing business in New York easier. Employers and claimants are asked to encourage medical providers to use the electronic features. Learn more about the services for medical providers by visiting our web site.

Working On a Drug-Free Workpl

It's almost certain that you know an alcoholic or a drug addict. Chances also are good that one, or more, work for you. It doesn't matter what industry you're involved in, or who you employ. Drug and alcohol abuse cuts across all social-economic backgrounds—uneducated, educated, blue-collar, white-collar, male and female.

It's so obvious, yet appears so necessary to say: Working drug free is a crucial component to workplace safety. Consider these alarming numbers: Drug use costs \$140 billion annually in lost productivity, thefts, absenteeism and accidents, while statistics released for 2005 show that approximately 75% of drug users 18 and over make up a disturbing segment of the work force.

The reasons to stop drug and alcohol abuse in the workplace are obvious as well. They include protecting worker health and safety, reducing costs, increasing productivity, and complying with federal, state and local laws.

DRUG/ALCOHOL PREVENTION INCENTIVE

In 2007, Governor Eliot Spitzer signed workers' comp. reform into law that addresses drug and alcohol abuse in the workplace through one of three voluntary incentive programs aimed at improving workplace safety and lowering the cost of workers' comp. insurance in New York State. The Workplace Safety Incentive Programs (WSIP), including safety and loss prevention,

and return-to-work programs, reward successful participants with workers' comp. premium credits. Employers may choose to implement any one or more of the three programs.

The following preliminary criteria qualifies employers eligible to participate in any of the three incentive-based programs.

You qualify if:

- Your annual workers' comp. premium is at least \$5,000.
- You are experience rated.
- Your most recent experience rating does not exceed 1.30.
 - You are not in a NYSIF safety group.



IF YOU QUALIFY

If you qualify and are interested in participating you must select a certified consultant or specialist and then notify the New York State Commissioner of Labor and the Superintendent of Insurance in writing. You should identify the consultant, including certification number, and when, where and by whom the program will be implemented. Include your federal employment identification number (FEIN), current annual premium or amount of a self-insured trust security deposit.

Alcohol is the number one abuse problem for American businesses.

Spirits Run Costs High For Business

Alcohol, labeled the number one abuse problem for American businesses, is responsible for up to 90% of business costs associated with substance abuse among American workers. Alcohol abuse and alcoholism has been shown to account for 47% of industrial injuries, including 40% of industrial fatalities. Hangovers are the surest way to detect evidence of alcohol abuse. Headache, bloodshot eyes and dry mouth are common symptoms. Also look for disheveled appearance, unsteadiness, excessive sweating, flushed complexion, as well as observing a person's behavior and job performance. Remember, some alcohol abuse indicators can be similar to indicators of drug abuse.



Sobering Statistics

- Substance abusers cost twice as much in medical and workers' comp. claims as drug-free workers.
- Up to 20% of the nation's workers who die on the job test positive for alcohol or other drugs.
- Almost 90% of employed drug users and over 80% of heavy drinkers work for small and medium size companies.

ace



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HOW IT WORKS

For the purposes of the incentive, a drug and alcohol prevention program is defined as one in conformity with regulations issued by the New York State Commissioner of Labor in consultation with the New York State Office of Alcoholism and Substance Abuse. A program that meets the definition is considered a “model” program that addresses the nature and specific issues of reducing substance abuse in the workplace. Model programs have been determined to meet this intent in communities, schools, social service organizations and workplaces across America, and have been proven to prevent or reduce substance abuse.

The consultant or specialist you choose should perform a complete work site survey, review, analysis and assessment of any policies, procedures, programs and training you may already have in place, and make recommendations regarding actions to take to meet the criteria for a model program as described. It’s then up to you to comply. You will have a prescribed period of time to implement any actions contained in

the consultant’s report in accordance with satisfying the incentive program.

There is no penalty for non-compliance since the Workplace Safety Incentive Programs are voluntary. If you have not complied, however, you will not receive any premium credits.



SAVE ON WC COSTS, SAVE A LIFE

If you do comply, congratulations! You’re on your way to effectively battling your employees’ drug and alcohol abuse problems, reducing workplace injuries and lowering your workers’ comp. costs.

The only remaining requirement is that you maintain your program. Companies with successful programs find that regular review, reevaluation, and updating to meet the needs of changing conditions and operations are the keys to a successful program.

By instituting an effective Alcohol and Drug Abuse Prevention Program for your business you’ll not only be saving on your workers’ comp. premium, you may also be saving an employee’s life.

Drug-Free Year-Round

During Drug-Free Work Week, Oct. 14-20, the US Dept. of Labor and its Drug-Free Workplace Alliance, a cooperative agreement to improve safety and health in the

construction industry through drug-free workplace programs, ask employers and employees across the country to take part by encouraging employees with alcohol or drug problems to seek help. Employers and employees in all industries can implement Drug-Free Work Week activities year-round. For ideas, visit DOL’s [Working Partners](#) web site.

NYSIF CAN HELP

NYSIF provides safety services that include on-site training, safety videos, posters, industry fact sheets, other materials and a Power Point presentation that can help you implement and maintain a workplace alcohol and drug abuse prevention program.

To request these service, contact Alvin Cooley at acool@nysif.com or Patricia Regan at pregan@nysif.com.



New Series for Healthcare Workers

Patient lifting

Portable sling lift device
Ceiling mounted device
Portable compact lifts

Lateral transfers

Ceiling mounted device
Free standing device
Boards or mats
Air-assist sliding aids
Convertible Wheelchair/Geri-chair
Transfer boards
Transfer slings
Gurneys with transfer devices
Draw sheet horizontal transfers
Transfer cots

Ambulation devices
Gait belts
Guiding and Slowing Falls
Pivot discs
Power sit-to-stand devices

Bathing/Toileting

Height adjustable tubs
Height adjustable shower gurneys
Built in / fixed bath lifts
Shower / Toileting chairs
Bath boards / transfer benches
Toilet seat risers

Grab bars
Extension tools

Housekeeping, Maintenance, Dietary and Laundry

Floor care (dry)
Floor care (wet)
Floor care (buffing)
Bag handling devices
Hand tools



NYSIF.com boasts several new features and an award

NYSIF.com is Award Winning Web Site, With New Online Features

NYSIF.com won a 2007 second place award in the annual American Association of State Compensation Insurance Funds (AASCIF) communications competition.

"We worked hard to make our web site a state-of-the-art destination for customers and all New York businesses," NYSIF CEO David Wehner said. "This award and our usage statistics show that our work has not gone unnoticed."

Totally redesigned in 2006 by NYSIF staff, nysif.com continues to expand online services (details below).

NYSIF also won excellence in writing and external communication awards, respectively, for CEO Wehner's article on workers' comp. reform [*WCA* Apr-Jun '06], and our anti-fraud campaign (opposite page). AASCIF consists of 27 state funds and 10 Canadian boards. This year's contest received 141 entries.

Safety Materials Added

Check out new safety training materials at nysif.com for the construction and healthcare industries, and Spanish-speaking workers. Find a dozen new titles in the *Safety Matters* construction series, and 38 *Safety Basics* healthcare titles, including Patient Lifting, Transfers, Bathing/Toileting and Housekeeping. Spanish resources cover personal protective equipment, electrical and CO2 hazards, trench work, aerial lifts, scaffolding and fall protection.

NYSIF recently added a customized series for the healthcare industry at nysif.com>*Safety & Risk Management*>*Safety Resources*>*Safety Basics*. NYSIF's award-winning web site has one of the most comprehensive, free online safety resources anywhere in the industry. A list of titles in the new series:

Now Download DB Claim Form

Users with valid, active NYSIFDB policies now can download a DB-450 claim form. Click on *Forms* at the top of our home page or go to *Disability Benefits>Claimant Services*.

Electronic EOB For Providers

Medical providers can now see a detailed "Explanation of Benefits" for NYSIF medical payments at nysif.com/eob. The online printable EOB itemizes amount charged, amount paid, payment explanation, and includes NYSIF case manager contact information. "We encourage medical providers to take advantage of this valuable, time-saving feature," CEO Wehner said.

All Publications Online

NYSIF publications are now all available online at *About NYSIF*.

Monthly

Safety Topics will return next issue

Find safety topics at nysif.com>*Safety & Risk Management*>*Small Business*

October Fire Safety

November General Safety Guidelines

December Cold Weather Hazards



Milestone in NYSIF War on Fraud

NYSIF's Division of Confidential Investigations reached a milestone by recording its 1,000th arrest in the war on fraud in the summer of 2007, and several months before DCI marks 10 years battling fraud early in 2008. DCI also reported several convictions:

GUILTY OF LARCENY

Lisa Marie Cavaliere, 37, of Ronkonkoma, NY, paid \$41,160 in restitution and faces five years on probation after pleading guilty to third degree larceny. Ms. Cavaliere claimed a back injury in March 1998. Investigators said she went back to work in February 2004 without telling NYSIF. **Estimated savings:** \$248,719.

SENDS MESSAGE

Employer **Rita Schulz**, 36, of Holbrook, NY, paid NYSIF restitution of \$32,643 and received a one-year conditional discharge after pleading guilty to attempted application fraud. "This case sends a message to employers who think they can get away with cheating the workers' compensation system," NYSIF CEO David Wehner said. "We train our personnel to spot application fraud. Fortunately, these violations are coming under closer scrutiny with new workers' comp. reforms."

'This case sends a message to employers... We train our personnel to spot application fraud.'

– CEO Wehner

ABLE TO WORK

Rahman Mizanur, 47, of Mastic, NY, was arrested after video surveillance allegedly showed him working at his Queens clothing store while classified as permanently totally disabled. He allegedly fraudulently collected \$115,120. **Estimated savings:** over \$600,000.

TRANSPORTED TO JAIL

Thomas Thompson, 52, of Amityville, owner-operator of a medical transport company who performed claimant transport services for NYSIF while collecting workers' comp. benefits, was found guilty of four felony fraud charges and sentenced to six months in jail. He faces five years' probation upon release, and restitution to NYSIF.

'DEER HUNTER' BAGGED

Dennis Gillan, 49, of Monroe, claimed he was unable to work due to injuries sustained as a New York State corrections officer. Surveillance, however, allegedly showed Mr. Gillan to be an active archer, hiking, hunting deer and dragging their carcasses from the woods. DCI Director Larry LaPointe cited interagency cooperation among Dept. of Corrections, NYS Environmental Conservation Police and federal SSA in the case. **Estimated savings:** \$280,000.

2 CHARGED WITH CERTIFICATE FRAUD

Demolition business owner **Randy Rossow**, 45, pleaded guilty to certificate fraud in an attempt to gain work from the City of Tonawanda and Town of Clarence. **Pablo Garcia**, 42, of the Bronx, allegedly fabricated a certificate to work as a sub-contractor.

Shutdowns Loom for Non-Compliance

The Workers' Comp. Board is shutting businesses for failing to comply with New York workers' comp. laws.

Under workers' comp. reform, employers face fines up to \$50,000 for intentionally understating payroll, or misrepresenting employees' job duties to avoid proper classification. Those with more than five employees face class E felonies. Smaller employers face a first violation misdemeanor; second offenses are felonies. The law also bars companies from all public works projects for one year for a misdemeanor, and five years for a felony conviction.

Non-compliance has resulted in immediate closures, reflecting a zero-tolerance policy by the WCB and Gov. Eliot Spitzer. An Orange County tree service became the latest victim when a law judge reportedly held the company liable for \$78,926 in uninsured claims and \$32,500 in penalties.

That was before September 7, when Gov. Spitzer signed an executive order creating a joint enforcement task force to further clamp down on employee misclassification.

Help Us Fight Fraud

Think Workers' Comp. Fraud is Easy Pickin's?



They Thought So, Too

126 fraud arrests in 2005

Over 850 arrests and \$120 million in potential savings since 1996 and counting

When someone cheats... everyone pays

Workers' compensation fraud costs families, employers, agents, insurers and consumers \$5 billion annually

Report fraud confidentially to the New York State Insurance Fund at www.nysif.com or 1-877-WCNYSIF



NYSIF investigates suspected fraud committed by NYSIF policyholders, medical providers and claimants. If you suspect insurance fraud unrelated to NYSIF, please call the New York Insurance Department Frauds Bureau at 1-888-FRAUD-NY, or the Workers' Compensation Board Fraud Inspector General at 1-888-363-0021.

NYSIF is leading the fight against workers' compensation fraud. You can help.



'Red Flags' of Claims Fraud policy and Provider Fraud Reporting Fraud to NYSIF

Eliot Spitzer
Governor

Robert H. Hurbit
Chairman

David P. Wehner
CEO/Executive Director

New brochure (above), available at nysif.com or by calling 212-312-9121, enlists everyone's help in the war on fraud—part of NYSIF's anti-fraud message including print ads (l.) that won AASCIF communications award.

CEO Wehner reminds certificate holders that **NYSIF eCERTSsm** allows online validation of NYSIF certificates. "We have made the verification process quick and simple," he said. "Take a few minutes to check the authenticity of coverage and protect yourself against unscrupulous contractors."

Criminal complaints and indictments are accusations only. Defendants are presumed innocent until proven guilty.

Governor **Eliot Spitzer**
Chairman **Robert H. Hurlbut**
CEO/Executive Director **David P. Wehner**



On the Move

Commissioners

Chairman **Robert H. Hurlbut**, President, The Hurlbut Trust • Vice Chairman **Donald T. DeCarlo**, Esq., Law Office of Donald T. DeCarlo • **C. Scott Bowen**, Director, Gov't. Relations & Economic Development, SUNY Binghamton • **John F. Carpenter**, Executive VP, Streeter Associates, Inc. (retired) • **Jane A. Halbritter**, President, James Street Management, Inc. • **Charles L. Loiodice**, President/CEO, Paris Maintenance, Inc. • **William A. O'Loughlin**, O'Loughlin Financial Group • **M. Patricia Smith** (ex-officio), Commissioner, State Department of Labor

Business Managers

Lorna Morris **Safety Group Office 1** Sherwin Taylor **Safety Group Office 2** John DeFazio **Group 90 Metro Office** John Eng **NYC Division** Joseph Nolte **Albany** James Fehrer **Binghamton** Ronald Reed **Buffalo** Cliff Meister **Nassau** Lisa Ellsworth **Rochester** Eileen Wojnar **Suffolk** Kathleen Campbell **Syracuse** Carl Heitner **White Plains**

Workers' Comp. Claims & Service **1-888-875-5790**
Disability Benefits Claims & Service **1-866-697-4332**
Business office contact information nysif.com

Send WCA comments to jmesa@nysif.com

Joe Nolte, Albany Business Mgr.

CEO/Executive Director David P. Wehner announced the appointment of Joseph Nolte as Albany business manager.

"I'm pleased to announce Joe Nolte as the new business manager for the Albany district office," CEO Wehner said. "Joe brings 25 years of workers' compensation insurance experience to this new position."

Mr. Nolte was Albany claims mgr. for 10 years. He succeeds Edward Obertubbesing as business manager.



Joseph Nolte

Group Managers' New Contact

NYSIF has a new safety group contact, Carlos McKenzie, to handle inquiries from group managers. Longtime safety group contact Leonard Margiotta has taken a new assignment in the Underwriting Dept.

Group managers should continue to use the same telephone number when calling with inquiries.

Dir. of Underwriting John Massetti said Mr. McKenzie is "an experienced and knowledgeable underwriter" who'll deliver the same level of service as Mr. Margiotta.



Carlos McKenzie

Workers' Comp. Advisor

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Media and Publications Office
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PRESORTED
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