



Marketing Workers' Compensation Programs to Management

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Marketing Workers' Compensation Programs to Management

Objectives

Increased understanding of basic . . .

- ⌘ claim/incident analysis process;*
- ⌘ problem identification process; and*
- ⌘ data reporting formats.*



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Problem Identification versus Analysis

- ⌘ Problem identification not a separate process.*
- ⌘ Problems appear as analysis progresses.*



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Before beginning Claim Analysis Process . . .

- ⌘ determine nature of analysis;*
- ⌘ determine focus of analysis;*
- ⌘ determine data relationships; and*
- ⌘ determine order of evaluation.*



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Nature of Analysis

⌘ *Cost analysis*

⌘ *Incident analysis*

⌘ *Combined analysis*



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Focus of Analysis

- ⌘ Variances over periods of time*
- ⌘ Variances between organizational units*
- ⌘ Variances between installations*
- ⌘ Variances between employee categories*
- ⌘ Variances between types of injury*



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Data Relationships

Incidence of claims are related to . . .

- Exposure*
- Hazards*
- Nature of Work*
- Individual Work Ethic*
- General Culture*



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Data Relationships

Cost of claims is related to . . .

- Nature of Injury/Illness*
- Salary*
- Geographic Region*
- Individual Work Ethic*
- General Culture*



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Order of Evaluation

- ⌘ Governed by primary focus*
- ⌘ From demographics to incidents*
- ⌘ From incidents to demographics*



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Data Reporting Formats

- ⌘ Considerations (Audience, Medium, Frequency)*
- ⌘ Types (Narrative, Columnar, Charts)*



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Problems with Raw Data

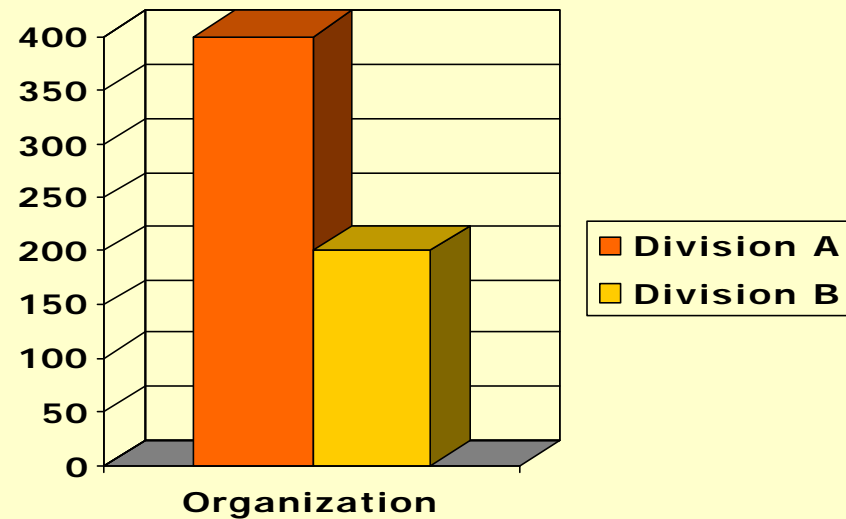
- ⌘ Raw data often deceiving -- need ratios*
- ⌘ Some ratios often deceiving -- need right ratios*



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Problems with Raw Data

Number of Claims

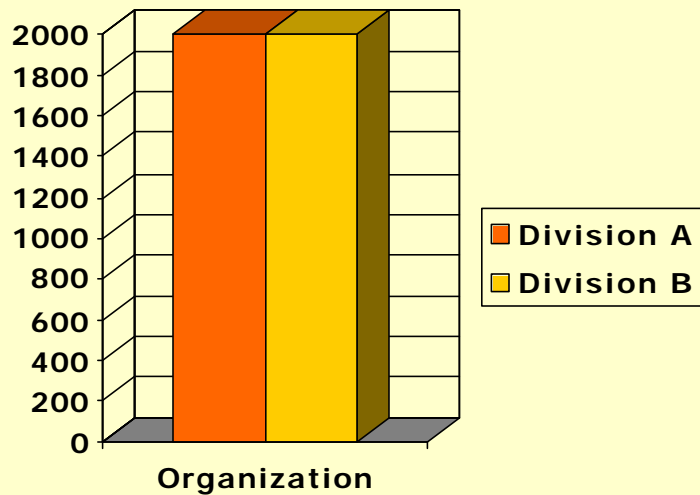




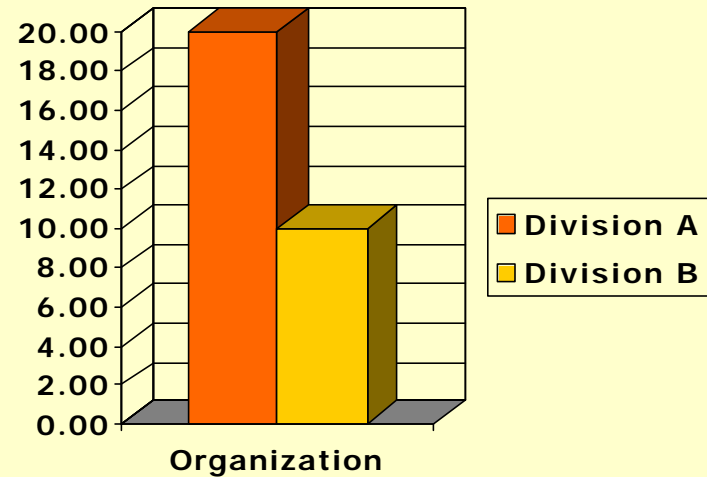
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Problems with Employee Population

Employee Population



Claims per 100 Employees

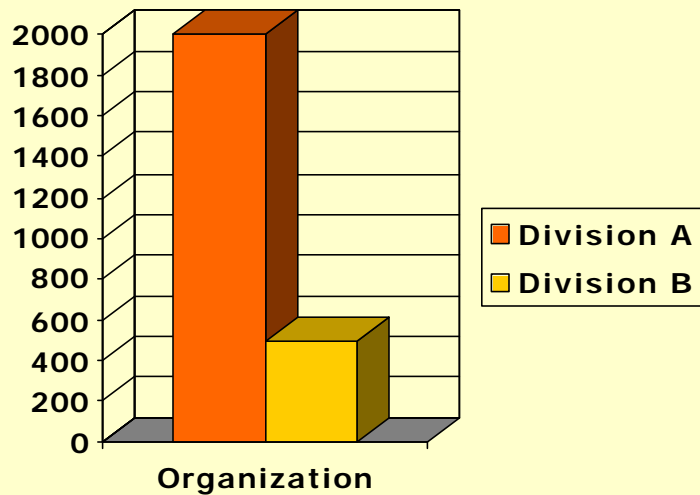




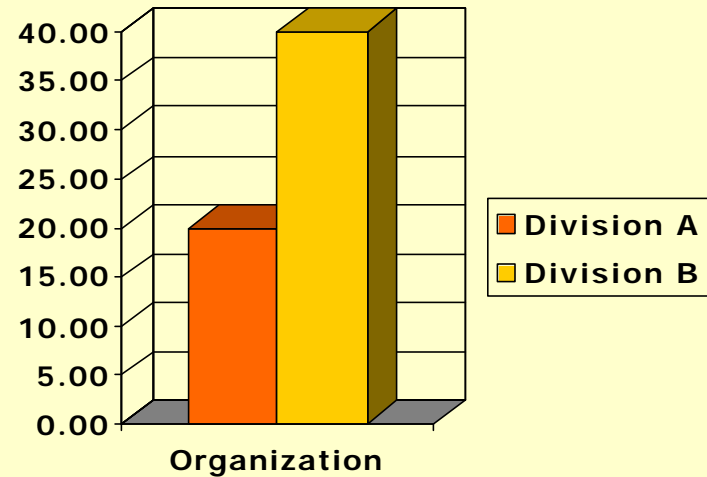
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Least Common Denominator

Full Time Equivalents



Claims per 100 FTE





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Calculating claim/cost rates by FTE . . .

- ⌘ will facilitate comparisons between periods of time;*
- ⌘ will facilitate comparisons between organization units and installations;*
- ⌘ will facilitate comparisons between types of employee categories.*



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Knowing what happened. . .

- ⌘ Nature of Injury*
- ⌘ Cause of Injury*
- ⌘ Extent of Injury*
- ⌘ etc.*

. . . is not enough for making conclusions.



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Also need to know "where" it happened. . .

- ⌘ Organizational Component*
- ⌘ Installation*
- ⌘ Occupation*
- ⌘ Appointment Type*
- ⌘ Work Schedule*
- ⌘ Grade*
- ⌘ etc.*

. . . in order to make sound conclusions.



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Data Requirements for Cross-Tabulations

- ⌘ Data about claims (from DOL extracts)*
- ⌘ Data about employee demographics (from personnel system extracts)*
- ⌘ Data about hours worked (from payroll extracts)*
- ⌘ Joined together using commercial off-the-shelf software*



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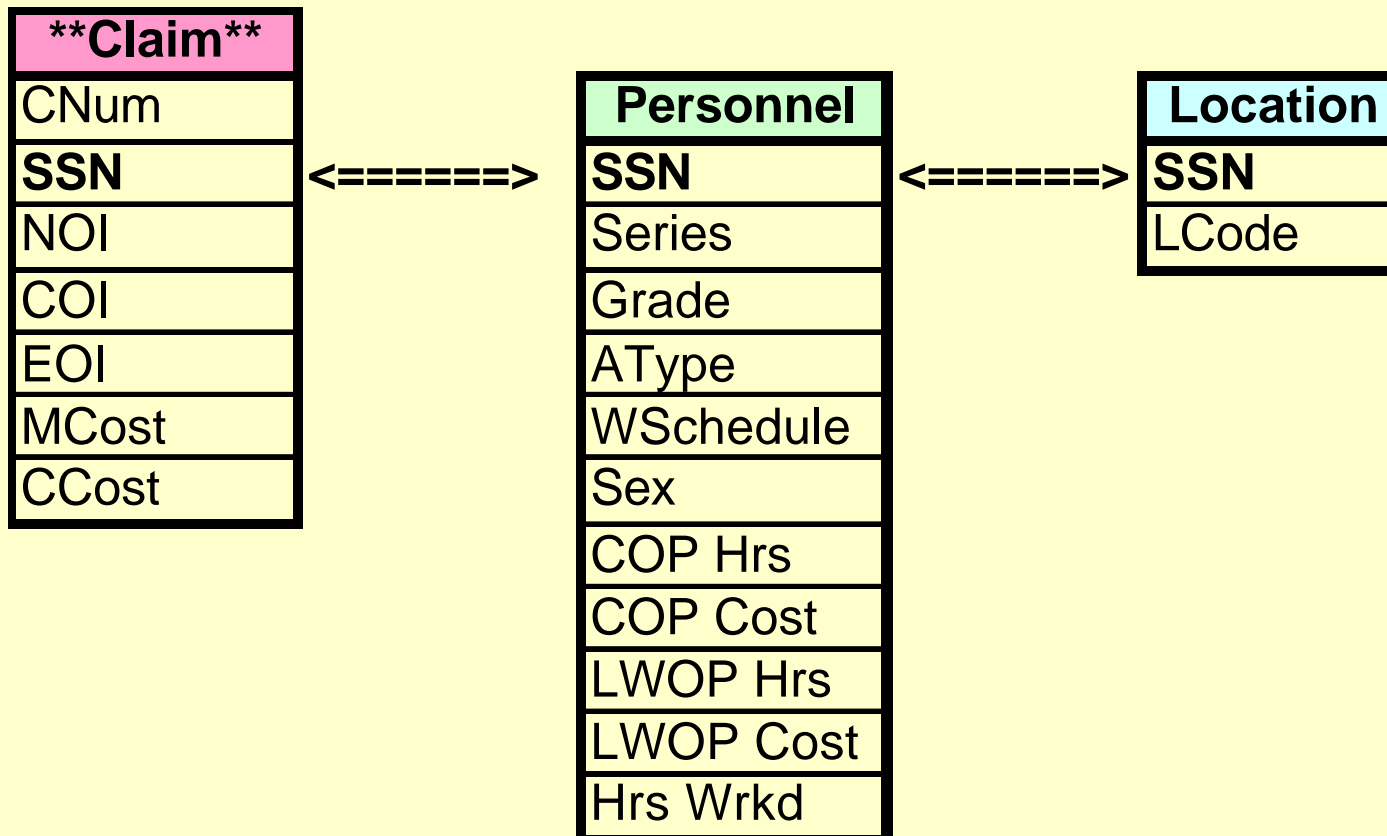
Important Considerations

- ⌘ Rates must be based on overall FTE.*
- ⌘ Must insert overall FTE field for each claim record.*
- ⌘ Must do cross-tabulation based on average of overall FTE.*



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Data Table Linking





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Cross-Tabulation of Units

	SeriesA	SeriesB	SeriesC	SeriesD	SeriesE	AllSeries
OrgUnit1	1	0	6	15	8	30
OrgUnit2	5	9	11	0	2	27
OrgUnit3	7	14	5	0	6	32
OrgUnit4	0	8	16	7	3	34
OrgUnit5	12	1	0	9	8	30
AllUnits	25	32	38	31	27	153

To cross-tabulate claim units . . .

. . . use the Count() for OrgUnits and Series*



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Cross-Tabulation of FTE

	SeriesA	SeriesB	SeriesC	SeriesD	SeriesE	AllSeries
OrgUnit1	2,563	214	6,542	7,894	4,567	21,780
OrgUnit2	1,456	587	543	5,461	3,254	11,301
OrgUnit3	251	321	8,765	875	456	10,668
OrgUnit4	564	7,812	2,345	4,562	5,678	20,961
OrgUnit5	5,879	267	1,234	321	1,234	8,935
AllUnits	10,713	9,201	19,429	19,113	15,189	73,645

To cross-tabulate FTE . . .

. . . use the Average() for OrgUnits and Series*



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Cross-Tabulation of Units and FTE

	SeriesA	SeriesB	SeriesC	SeriesD	SeriesE	AllSeries
OrgUnit1	0.04	0.00	0.09	0.19	0.18	0.50
OrgUnit2	0.34	1.53	2.03	0.00	0.06	3.96
OrgUnit3	2.79	4.36	0.06	0.00	1.32	8.52
OrgUnit4	0.00	0.10	0.68	0.15	0.05	0.99
OrgUnit5	0.20	0.37	0.00	2.80	0.65	4.03
AllUnits	3.38	6.37	2.86	3.15	2.25	18.00

To cross-tabulate claim rates . . .

. . . use $Unit.Count(*) / (FTE.Average(*)/100)$



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Summary

- ⌘ Good data analysis uses rates for reaching conclusions.*
- ⌘ Problem identification arises out of good data analysis.*
- ⌘ Data reporting format depends on target audience.*
- ⌘ Objective is to build business case for change.*