

Workers' Compensation Excellence Since 1987



AFFILIATED WITH NEW MEXICO HOME BUILDERS ASSOCIATION

BLUEPRINTS

Your Newsletter for Quality Worker's Compensation Information

Third Quarter Edition 2018

2019 Rate Decrease!

Builders Trust is pleased to announce that our average manual rate will be decreasing by 10% for 2019! While the cost of running a business continues to increase, it is nice to know that Builders Trust is working on your behalf to help offset this trend by reducing one of your operating costs - your workers' compensation premium.

Individual premiums for each Participant will vary based on individual discounts, payroll and losses which all impact premium. Currently Participants receive an average discount of over 40% off of our manual rates and some with discounts over 70%. **Based on the 10% weighted average reduction, we are projecting an estimated savings in premium to Participants in 2019 of over \$2 million dollars.** While not all class codes are decreasing and a few are receiving an increase, some class codes are actually receiving decreases of over 20%. Here is the breakdown of our 161 class codes:

- 131 class codes are receiving a decrease, with 61 of those receiving a decrease of more than 15% and 31 of those are receiving a discount of over 20%!
- 21 class codes the rate remains the same.
- 9 class codes are receiving an increase.

Keeping You Competitive Over The Long Term

The decision to approve such a large decrease is a continuing effort of your Board of Trustees to keep your cost down while also assuring the financial stability of the fund.



Keeping Claims Cost Down

The cost of claims is the largest part of our fund's budget and has a direct impact on our rates. You can partially thank yourself, your fellow Participant Owners and the ever diligent claims staff at Builders Trust for this rate decrease because in recent years although we have seen a slight uptick in the number of claims filed, our claims to premium ratio in 2017 reached a new low since 2010 at 35%.

Spread the News! Encourage your safety conscious sub-contractors and others to consider Builders Trust for their workers' compensation needs.

Keep Your New Hires Safe!

Nationwide and here in New Mexico, key economic indicators show that the pace of construction may finally be picking up. The climb back to better times for our industry will certainly resemble an uphill marathon rather than a downhill sprint, but we'll take the good news, even if it develops slowly.

We are starting to see contractors adding staff over the past year and those that hire and train new workers wisely will keep their premiums in check by keeping their losses down. More importantly, they will also send their workers home safe and healthy each night.

Did you know that the Occupational Safety and Health Administration (OSHA) reports that 40% of employees injured at work have been on the job less than one year? This is reflected in Builders Trust's claim data, which shows that newer employees account for a disproportionately large share of reported claims. Why are so many new employees getting injured? The answer is usually communication, training and supervision issues. Here are some common reasons for new hire injuries:

- New hires are usually asked if they can do certain types of work, handle certain types of tools or operate certain types of equipment. Needing a job, the applicant responds affirmatively, that he/she can do all the tasks that will be required.
- Project managers, foremen and supervisors often assume new hires know much more than they actually do.
- New hires are less likely to ask questions, thus, they'll proceed with a task even if they are not sure the best and safest way to complete the task.
- Fellow, long-term employees may assume the new hire knows what he/she is doing, without even bothering to ask, adopting a "if the foreman hired him, he must be okay" attitude.
- Language barriers can lead to a misunderstanding between the new hire and the person doing the hiring.

To prevent new hires from becoming an injury statistic, contractors need to invest time up front to make sure the new hire is prepared for the tasks at hand. This is best handled in a new employee orientation. New employee orientation should cover much more than employment paperwork and an explanation of payday. New hires must be made aware of the employer's emphasis on safe work methods and their overall safety culture.

By implementing a new hire orientation and mentoring program, it allows you as the employer to have a solid understanding of the new hires' abilities, and/or limitations, before they are set out on their own.

Safety is Everyone's Responsibility!

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LADDER SAFETY IN CONSTRUCTION

The number of deaths from ladder falls has been on the rise the last couple of years in the construction industry. It is not uncommon for ladder safety to get overlooked at construction job sites. **Builders Trust Participants** have experienced an alarming increase in ladder accidents over the last several months, which is cause for concern. New hire accident frequency is a big part of this dilemma. It is important to be ever diligent in New Hire training, supervision, and conducting your Job Hazard Analysis (JHA or JSA) on all your jobsites.

About 40% of all construction worker deaths are caused by falls. What might surprise you is the fact that falls from ladders account for about 25% of those deaths. The number of deaths from ladder falls has been on the rise the last couple of years. In one recent year, 90 of the 359 fatalities from fall hazards were from ladders. The construction standard for ladders (1926.1053) is consistently the third most cited OSHA violation every year for the industry, just behind duty to have fall protection and general requirements for scaffolds.

Despite all this, ladder safety often gets overlooked at the construction site. For example, did you know that employers are required to provide training conducted by a competent person to all employees using ladders and stairways in construction? This is probably due to the fact that ladders are such a common piece of equipment on construction sites and are used and misused by so many professions in the industry.

Some of the improper misuse of ladders includes, using damaged ladders, incorrect ladder choice and improper set up which are all leading causes of ladder falls.

Builders Trust Participants have experienced an increase in reported ladder accidents over the last several months. Our Claims Department shared with us some pretty eye-opening statistics for the sake of this article:

- ◆ In a half a dozen falls, four of them were ladder falls and the total amount of the dollars in reserves tops a half a million dollars.
- ◆ There were two head injuries, a severe leg fracture and a spinal injury requiring fusion.
 - One of the head injuries is very significant and may possibly result in a long term disability.
 - The leg fracture is actually multiple fractures with muscle and kidney damage.

These are very significant and the individuals involved in these accidents range from 30 - 40 years in age and some of them will never be right again.

We hope that this information encourages you to put forth some extra effort in promoting ladder safety. Rushing and being sloppy and complacent when setting up a ladder, not tying off or securing the ladder, using damaged ladders and not paying attention to getting on or off the ladder are all points to review along with all the other ladder safety details required by OSHA.

Builders Trust also has free online safety video streaming available to all Participants in the fund. To sign up for this free service please contact our Service Center at 505-345-3477 or 1-800-640-3369.



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