



Employee injuries: The real costs

How to calculate staff injury costs and use that data to achieve dramatic improvement and savings

January 25, 2018





317
million

accidents occur on
the job annually



4%
global GDP

The estimated cost of poor
occupational safety and health
practices each year

Range of direct costs

1. Workers compensation payments
2. Medical expenses
3. Lost time, absenteeism, lost productivity
4. Legal services
5. Cost of fines, work stoppage

Indirect Costs

1. Costs of injury investigation
2. Increased insurance costs
3. Business disruption
4. Replacing employees
5. Reduced employee morale
6. Impact on company image/reputation

Hidden Costs

- 24% of nurses and nursing assistants changed shifts or took sick leave to recover from an **unreported** injury
- 8 out of 10 nurses say they frequently work with musculoskeletal pain
- Staff Turnover impact



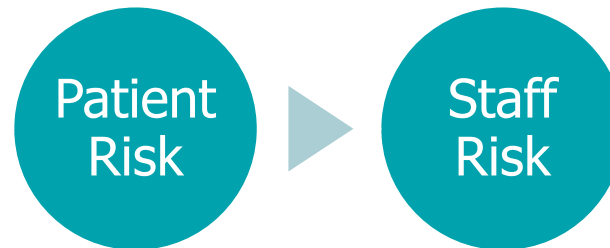
Hidden Costs

- Injury Investigation time
- Labor costs for absences not covered by workers comp
- Increase use of employee healthcare benefits
- General deterioration of productivity and morale



Shared Hazards

- Manual lifting puts the caregiver at risk, and can also put patients at risk for falls, bruises and skin tears
- Slippery floors and trip hazards impact both staff and patient falls



Making the Case for Investment in Worker Safety



Building Blocks



Workplace Safety Impacts Everyone



Direct Costs: Understand Your WC structure

- Self insured vs fully-insured
- Corporate vs site paid
- Insurance terms



Direct Costs: Lost and Restricted Days and Workers Comp Claims

- Calculate the financial impact of lost and restricted time
 - Example: Avg hourly wage of \$31/hour, 8 hour work day, 500 lost work days = \$1.24M
- Undeveloped vs Developed costs



Indirect Quantifiable Costs

- Staff time investigating and managing injuries
 - EHS Professional making \$44/hour, 10 hours/week following up on injuries, \$440/week or \$22,000/year
- Time training new patient care or support staff in a new job
 - » Estimate minimum and maximum time required to get new team members up to speed on the department specific procedures
- Talk to HR and get a sense of current turnover rates. Use these numbers to calculate additional costs due to loss of staff.
- Support Services
 - Hourly cost impact of OR uptime
 - Cost impact of delayed room turn-over (terminal clean)



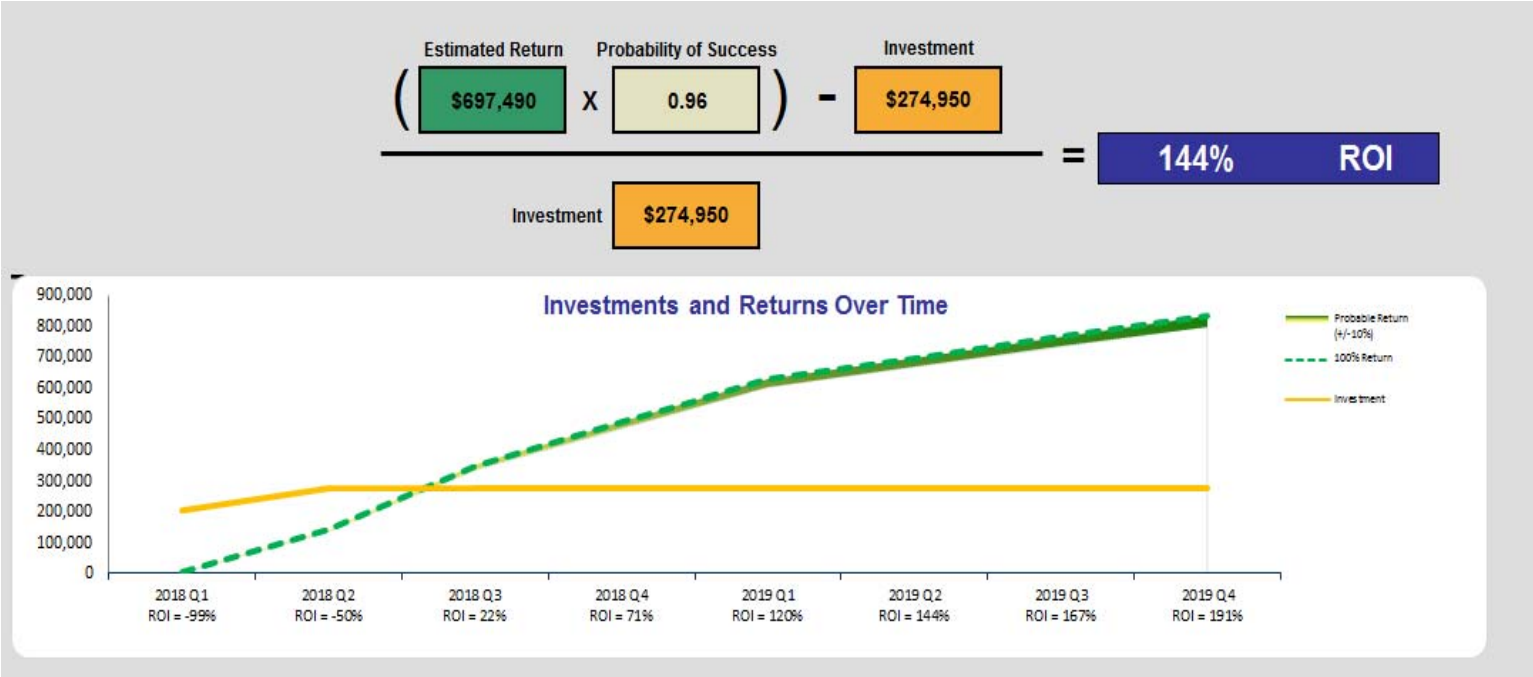
Strengthening your case

- Case Studies
- Patient Safety
- Patient Experience – patient satisfaction scores
- Organizational reputation



Illustrate your ROI

- A picture is worth a thousand words



Test Drive Your Business Case

- EHS Peer
- Support Services Leadership
- HR
- Financial Analyst



Case Studies

EVS Linen Handling

- Facilitated a risk identification process using employees in the department
- Measurable improvements in key outcomes:
Cost of injuries down 44%
Lost work days down 60%
Restricted work days down 23%

Slips/Trips/Falls

- Analyzed accident reports to identify “Hot” spots where these injuries were occurring
- Controls put into place including footwear, umbrella bags, slip resistant mats, and a spill response team.
- During the six months following the implementation of recommendations, slips, trips and falls had **dropped 33%**.
- In the year following implementation, the slip, trip and fall rate had **decreased 47% compared to the average rate for the prior three years.**

Questions?

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