

WORKERS' COMPENSATION COST CONTROL SERVICES

WHAT IS THE WORKERS' COMPENSATION COST CONTROL SERVICE?

The Workers' Compensation Cost Control Service assists employers in designing and implementing strategies for minimizing their costs of workers' compensation coverage. This program also benefits employees by stressing the importance of injury prevention and early return-to-work programs, thereby minimizing the suffering and lost income, which result from work-related disabilities.

WHO IS ELIGIBLE?

While the service was specifically designed to meet the needs of small to medium-sized employers, all Michigan employers are eligible.

WHAT SERVICES ARE PROVIDED?

Depending on the individual needs of a given employer, the following services are available:

- Identification of potentially lower-cost alternatives such as group self-insurance funds, individual self-insurance, "deductible" programs and "retrospectively rated" policies.
- Employer-specific information on how a firm's claim and loss history are affecting its "experience modification factor" and its net premium cost. This may also include an in-depth analysis of injury and claim loss history and assistance in updating or correcting data used to calculate a firm's experience rating factor.
- These claim and loss history analyses enable employers to benchmark their workers' compensation costs relative to other employers in the same industry; better track their firm's costs over time; and establish realistic goals for injury prevention and cost control.
- Assistance in developing a customized cost containment strategy which may include utilizing or adapting successful techniques employed by other firms.
- Referral to the Department of Energy, Labor and Economic Growth, Consultation Education and Training Program and On-Site Consultation Program

can help Michigan employers substantially reduce the incidence and severity of workplace injuries and illnesses.

- Identification of appropriate private sector services.
- Up-to-date information on how recent changes in state law and recent court decisions can aid employers in better controlling their workers' compensation costs. Employers are also provided with data on both general and industry-specific trends in workers' compensation costs in Michigan and, where appropriate, the relevant cost data for competitor states.

HOW DOES ONE REQUEST THESE SERVICES?

Contact the Michigan Economic Development Corporation (MEDC) customer assistance center at 517.373.9808. You will be asked to sign a "letter of authorization" which allows the MEDC to access your firm's current insurance policy information and recent claim/loss history data. This information enables our staff to prepare firm-specific analyses of your costs. All information is treated with the strictest confidentiality by our staff.

To request a customized cost analysis, complete the attached one-page letter of authorization and fax it to 517.335.0198 or e-mail it to schroederj4@michigan.org. This service is free.

LETTER OF AUTHORIZATION

Mr. Jon Heikkinen
Senior Vice President and Corporate Secretary
Compensation Advisory Organization of Michigan
C/o Michigan Economic Development Corporation
Jake Schroeder, Business Support Unit
300 North Washington Square, 3rd floor
Lansing, Michigan 48913

Dear Mr. Heikkinen,

Our company is working with the Michigan Economic Development Corporation (MEDC) to explore ways of minimizing our workers' compensation insurance costs.

Please provide the MEDC with access to our insurance and claim history records including the data contained on the three most recent Michigan Experience Rating Forms' compiled for our company. I understand if there are any charges for photocopying this information, the MEDC will pay this cost. Thank you for your cooperation.

Sincerely,

Signature (partner, owner, or corporate officer)

Date

Printed name

Title

Company

Company contact person, telephone number and e-mail address

Address

WC Insurance Carrier

Insurance policy number

Policy anniversary date (i.e. renewal date)

For more information, contact the MEDC customer assistance center at 517.373.9808.
Please scan and e-mail to schroederj4@michigan.org or fax to Jake Schroeder at 517.335.0198.