A Proven Solution for Lowering Workers’ Compensation Costs

Public agencies, like private sector companies, have shared in the pain of spiraling costs associated with workplace injuries. The Los Angeles County Metropolitan Transit Authority (LACMTA) is no exception.

Challenge

In California, workers’ compensation costs for employers have skyrocketed 136% over the past four years, on average, driving jobs and employers to move to other states, scale back operations, lay off employees or simply close their doors. Though the Governor and State Legislature worked diligently to pass comprehensive reforms, under the new law California employers are expected to see a reduction of just 10% on their workers compensation bills.

Though legislative efforts are clearly part of the solution, they alone cannot solve the entrenched problem of rapidly escalating workers compensation costs. Preventing injuries and their resulting claims is the most effective way for employers to reap significant savings.

In 2001, LACMTA spent $58 million on workers’ compensation claims, by far the highest cost of any transit agency in the nation. In that year alone, over 3,000 workplace injury claims were filed, almost one claim for every three workers.

Solution

LACMTA partnered with DuPont to assist them with reducing their injury claims by 50% over five years. Remarkably, the partnership of DuPont and LACMTA accomplished the goal in less than three years.

LACMTA’s management took personal and collective responsibility for the administration of the workers’ compensation program, placing critical emphasis on prevention of injuries. All 9,400 employees – from operators to executives – are required to participate in the Safety’s First Program.
Savings Through Safety – a California and USA Success

For more than 30 years, DuPont has provided integrated workplace safety solutions to the nation’s largest companies and government agencies, saving them millions of dollars in injury claims, increasing the productivity of their workforces, and safeguarding their employees’ health and well-being.

In California, USA, the Los Angeles County Metropolitan Transportation Authority (LACMTA) recently announced the mid-point results of its multi-year workplace safety partnership with DuPont. The DuPont/LACMTA partnership reduced the transit agency’s workers’ compensation claims by nearly 50%, saving the agency – and taxpayers – millions of dollars.

DuPont's proven safety methods reduce workers comp claims and prevent injuries through changes in management processes and workplace culture. We provide comprehensive, specific, measurable, time-sensitive, and performance-based safety programs. Let us show you how we can dramatically lower your workers’ compensation claims.

Results

In 2004 reports on the progress of the Safety’s First program, LACMTA concluded:

Workers’ compensation claims were reduced by approximately 50% in less than three years, though it had been expected to take at least five years.6

Average monthly claims fell from 264 to 166.6 Associated costs of new workers’ compensation claims were reduced by approximately 40%.7

“We urged other public agencies to use LACMTA’s program as a model for other government agencies struggling with this program.” – 2003 Report by the Los Angeles Civil Grand Jury.

In 2003, the Los Angeles Civil Grand Jury released a report on the LACMTA’s efforts to initiate workers’ compensation solutions. The Civil Grand Jury, which is charged with studying and reporting its findings on the operations of public agencies, commended the LACMTA’s Safety First program, calling it a “model for other government agencies struggling with [the workers’ compensation claims] problem.”8

In addition to accolades from the Grand Jury, LACMTA’s Safety’s First program was highlighted on the public television program California Connected where its success was trumpeted as an example of how California employers can reduce workplace injuries.9

LACMTA is just one example of how our highly leveraged, deep subject matter expertise and proven change method have helped hundreds of organizations globally reduce workplace injuries and fatalities. Let us show you how DuPont can reduce your workplace injuries and save you money on worker compensation claims.

1 Source: California Chamber of Commerce, April 16, 2004
2 Source: June 5, 2004 Los Angeles Times, Business Section “State Fund Posts 9.9% Dip in Comp Rates; Business and political leaders were seeking deeper cuts by the influential government-backed insurer.” Business Section, Pg 1.
4 Source: “Workers’ Compensation and Safety’s First Program Update,” LACMTA, April 21, 2004, prepared by John Catoe, Jr., Deputy Chief Executive Officer.
5 Source: “Workers’ Compensation and Safety’s First Program Update,” LACMTA, April 21, 2004, prepared by John Catoe, Jr., Deputy Chief Executive Officer.
6 Source: “Workers’ Compensation and Safety’s First Program Update,” LACMTA, April 21, 2004
7 Source: LACMTA
9 Source: California Connected, Corporation for Public Broadcasting, March 2004.