



# Cost Containment Certification

**Presented by:**

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## Program Agenda

- What is the Cost Containment Program?
- Description of the certification process
- The six primary program elements
- Application process
- Maintaining your certification



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## What is Cost Containment Certification?

- A certification awarded by the State of Colorado Department of Labor to employers who have implemented practical risk management programs that meet specific State requirements.



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## How Does an Employer Become Certified?

- Certification status is granted by the Premium Cost Containment Board to employers who can document that they have had a risk management program in force **for at least one full year.**

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## Who Can Earn Cost Containment Certification?

- Any size employer in Colorado is eligible to apply for certification, except for those that are self-insured.

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## Benefits of a Cost Containment Program

- Prevention/reduction of workplace injuries
- Reduction of accident and claim costs
- Improvement in employee morale, efficiency, and your safety culture
- Can qualify employers for a discount on their workers' compensation premiums
- Can help drive down your organization's experience modifier

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### Certification Process

- All program elements in place for 12 months
- Application to State, reviewed by CC Advisor
- Application approved by CC Board
- Employer issued certificate, and eligible for discount on workers' compensation premium.

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### Important Points

- Documentation is essential
  - Documents dated
  - Employee signatures and dates
  - Stay organized
- Cost Containment vs. OSHA Compliance

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## Cost Containment Program Elements

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**Six Primary Program Elements**

1. Safety Policy Statement
2. Safety Coordinator/Committee
3. Safety Rules
4. Safety Training
5. Designated Medical Providers
6. Claims Management Policy

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**Step 1: Safety Policy Statement**

- Formal declaration of a company-wide safety program
- Communicated to all employees
- Signed and dated by management/owner
- Posted where all employees can see it

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**Step 2: Safety Coordinator/Committee**

- Written designation of safety coordinator/committee, and their responsibilities
- Oversees and reviews the safety program
- Authority – not just responsibility
- Formal Incident investigation

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**The Importance of Incident Investigation**

- Formal vs. informal
- When must it be done?
- Who should conduct investigations?
- What is the goal?
  - Determine root cause(s)
  - Develop appropriate corrective actions
  - Ensure proper follow-up on recommendations
- How should the investigation be documented?

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**Step 3: Safety Rules**

- Specific and clearly defined
- Must be applicable and up-to-date
- Must be signed and dated by each employee

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**Step 4: Safety Training**

- New hire orientation
- Hazard awareness training
- Job/Task training
- Minimum quarterly
- Must be documented

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### Step 5: Designated Medical Providers

- Must offer a choice of 4 DMP's to injured workers
- DMP list must be in writing and communicated to all workers
- Employees should sign and date an acknowledgement of the DMP list
- DMP list posted and/or otherwise communicated to workers

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### Step 6: Claims Management Procedure

- Written procedure for managing claims
- What to do from the moment an injury occurs
- Should encourage immediate reporting of injuries
- Policy should address return-to-work/modified duty

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### Claims Management (cont.)

- Policy should include wording that modified duty will be offered whenever feasible
- What kind of documentation is necessary?
- Communication between the employer, injured worker, adjuster, and treating physician is essential.

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**Certification and Renewals**

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**Certification and Renewals**

- Initial certification is good for 1 year
- First renewal is good for 1 year
- Subsequent renewals good for 3 years
- Renewal notices sent by State 90 days in advance of expiration
- Notify Advisor if employer changes address and/or primary contact

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**New Certification Timing**

- Certification can happen any month throughout the year
- Workers' compensation premium discount is not retroactive and cannot be prorated...an employer must be certified when their policy renews in order for the discount to be applied.
  - \*60-day grace period

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### Timing (cont.)

- Applications must be received by the 20<sup>th</sup> day of the month preceding the next Board meeting.
- Certifications are dated based on the date of the Board meeting, which is not always the first day of the month.

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### Application Process

- Complete the application form
- Assemble documentation by program element
- Copies of policies/procedures for each step
- Include signed/dated examples of safety rules, DMP notification letter, and safety meeting rosters
- Include completed incident investigation forms
- Include currently valued loss runs

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### Application (cont.)

- Send application and documentation to the State
  - Physical address is listed on application, but the state now prefers electronic application submissions
- Email is now preferred
  - F&P can provide you with contact info for the advisors

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**Conclusion**

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**Things to Remember**

- Documentation
- Signatures/dates
- Investigate incidents immediately, and document these investigations
- Modified duty

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**Inquiries from the State**

- Response is key
- Answer all questions to the best of your ability
- F&P Risk Control can help you

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**F&P Assistance**

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**Questions?**

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