



RAPID REPORTING REDUCES CLAIM COSTS

Several carriers have done the research and all agree that prompt reporting of a workers' compensation claim can reduce the overall cost of the claim. In fact, **claims reported more than five days after a loss cost an average of 35% more than claims reported within the first five days.**

It is important to quickly complete a First Report of Injury. Filling out this form **does not** mean you are accepting liability; it is only an initial report. An investigation will be conducted to determine whether or not the claim is compensable. Establishing a goal of completing the First Report of Injury form within 24 hours of an incident will help your company avoid state penalties, litigation, delayed return-to-work, low employee morale and medical costs. Reporting a claim within 24 hours also helps in:

- Faster Claim Resolution
- Reduction in the Average Claim Cost
- Responding to the Needs of the Injured Employee
- Reducing Downtime, Loss of Use, and Business Interruption Losses
- Allowing for Immediate and Thorough Investigation

Your company will realize three primary benefits by reporting claims promptly:

1. Because of the reduced costs associated with rapid reporting, **your premiums can decrease.**
2. You also will be able to **get injured employees back to work quicker.**
3. Because of these, **your employer's interests are protected.**

It's The Law!

It is strongly advised that a death or serious injury be reported to your insurance company and to the State of Minnesota within 24 hours of the occurrence. The clock starts when any supervisor, manager or human resource department representative becomes aware of the injury. An employer is required by state law to report a work injury to its workers' compensation company within 10 days of the employer's knowledge of the claim. A late reporting penalty of up to \$500 can be assessed to the employer for missing this deadline. At 14 days from the employee's first day of lost time or employer's notice, there are also penalties related to wage loss benefits or the issuance of the denial of liability that can be assessed to both the employer and workers' compensation carrier. These can result in fines up to \$2,000.

Sources: State Fund Mutual "comptalk;" The St Paul "How to Report a Claim;" Travelers "Results of Early Intervention;" General Casualty "Guidelines for Reporting a Potential Work-related Injury."