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MID-MARKET

WEIGHT LOSS INTERVENTIONS WORTH A TRY

Because workers compensation claim costs are statistically higher for overweight employees than for those who are of healthy weight, employers may want to consider incorporating weight-loss interventions into their workers compensation programs, said Misty Price, director of analytics at Adelson, Testan, Brundo, Novell & Jimenez, a workers compensation defense firm based in Westlake Village, Calif.

“We all know that if your 300- or 400-pound worker has that injury, you’re looking at a half-million-dollar claim,” she said. “Their obesity is going to drive it. If an employer spends \$30,000 or \$40,000 helping them with their obesity, they may reduce the total cost of the work comp claim and return the individual to work sooner. Radical things are going to net some radical differences.”

According to “Indemnity Benefit Duration and Obesity,” a report published in June 2012 by the National Council on Compensation Insurance Inc. in Boca Raton, Fla., obesity contributes in significant ways to the length of time during which claimants receive indemnity benefits under workers compensation. For morbidly obese individuals, identified by a body mass index of 40 or higher, medical costs are 6.8 times the costs for employees of healthy weight, the study found. At the same time, an employee in this morbidly obese group is twice as likely to have a claim, while the number of lost workdays is almost 13 times higher.

For individuals with BMIs of between 35 and 40, medical costs are 3.1 times higher, and for individuals with BMIs between 30 and 35, medical costs associated with workers compensation claims were 2.6 times that of employees of recommended weight.

At the same time, the relative multiples for the number of claims was 1.9 for those with BMIs between 35 and 40, and 1.5 for those with BMIs between 30 and 35, while the multiples for lost workdays were 8.3 and 5.3, respectively, according to the NCCI report.

Just as employers use payroll data to calculate their workers compensation exposure, Ms. Price recommends that employers collect BMI data to model how much obese and overweight workers are contributing to their workers comp costs.

“You don’t need to spend a lot of money on fancy predictive modeling to predict your large losses,” she said. “You can lay your eyes on it by looking at your workforce.”

By Joanne Wojcik

