

Rates watch



An assessment of workers' compensation rates in your industry

Why your rates have gone up Here's what you can do to control future costs

Logging

Risk Classification
5001-03



■ **The Bottom Line:** The most common injuries in traditional logging (risk classification 5001-03) occur when workers are struck by an object, fall, or suffer a musculoskeletal injury through overexertion or lifting.* In addition to medical payments, these injuries often result in missed work days, lost wages, and even permanent

disability. They also drive up claim costs and consequently increase premiums. The often-serious nature of logging injuries is one of the reasons why workers' compensation rates for this classification increased 14 percent in 2009.

Please see important safety information on the reverse side.

*Data source: Washington State Department of Labor & Industries, workers' compensation claims.

Questions about safety?

Call Tom Ford,
L&I's Logging Safety
Specialist.
360-902-5428

Questions about managing a claim?

Call Rich Walker,
L&I's Logging
Account Manager,
who can connect you
with resources.
360-902-4823

Questions about your rates?

Call Rich Walker,
L&I Logging Account
Manager.
360-902-4823

In Washington State, employers with similar operations and exposures are grouped together in the same workers' compensation risk classification. They pay premiums based on the degree of hazard their workers are exposed to.

At the request of many employers in the logging industry, the Department of Labor & Industries (L&I) over the past several years moved the less hazardous phases of logging into a separate risk classification. Premiums for some employers (mechanized logging machine operation) have gone down. Your premiums have increased, in part, because the most hazardous work is concentrated in risk classification 5001-03.

Preventing injuries protects your employees and reduces future premiums. Read this Rates Watch for information on safety steps and resources. To learn more about your rates and risk classification, visit L&I's Web site: www.Lni.wa.gov/ClaimsIns/Insurance/RatesRisk/How/ or see Pages 7-8 of the *Employers' Guide to Industrial Insurance* www.Lni.wa.gov/IPUB/101-002-000.pdf.

Statistics and a breakdown of what's happening in your industry can be found on **Page 2** of this *Rates Watch*.

Logging

Membership

Risk Classification 5001-03 represents 558 companies in traditional logging. These companies currently report hours that equal about 663 full-time employees.

Premium rates

On January 1, 2009, the base premium rate went from \$9.49 per hour per employee to \$10.80. Within this risk classification, employers' rates range from \$6.51 to \$26.94 per hour, depending on their claim history. On average, employees pay about 16 percent of the total premium in this risk classification. Graph 1 on Page 2 shows the highest and lowest premiums per employee currently being paid, along with the base rate.

Injuries drive up rates

Data show that most severe injuries occur to younger and less experienced workers. We are also seeing an increasing proportion of severe injuries involving older workers. A good safety program must meet the training and orientation needs of the new hire, while keeping safety fresh and relevant for experienced employees.

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Increase safety to keep workers safe, control premium costs

Safety standards for logging operations (296-54 WAC) identify minimum safety requirements. Most injuries can be prevented by following these requirements and by building a good training program that emphasizes:

- Best safety practices.
- The importance of each worker being aware of their surroundings and working conditions.

Some of the subjects that an L&I logging safety specialist can discuss with you to help establish or strengthen your safety program are listed below.

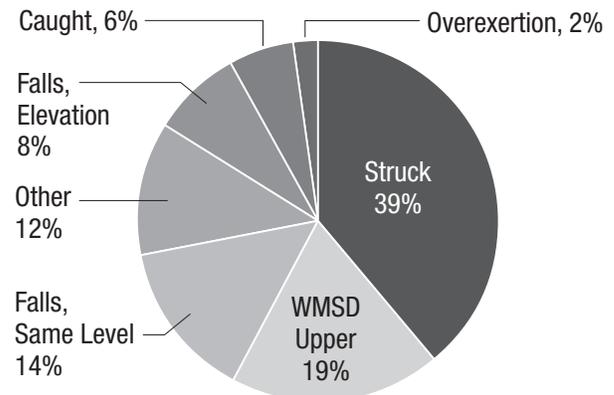
Safety requirements

- Each new hire must have a safety orientation including job-specific training.
- Employers must have a site-specific medical emergency plan.
- Safety meetings must be held monthly and at the beginning of each new job site.
- Fallers must work within visual or audible contact of other workers.
- Workers must be wearing/using the required safety equipment.
- “Danger trees” within reach of work areas must be removed as soon as possible.
- Fallers must use their escape path and get behind cover (if possible) when a tree falls.

Best practices

- Pair each new hire with an experienced worker.
- Size up the lay of a tree before limbing and bucking.
- Learn from a “near miss” to understand what happened and how to avoid it again.
- Communicate clearly with workers – do not assume they know what you are thinking.

Chart 1: Distribution of Compensable Claims
Logging, 2004-2008



Note: WMSDs are work-related musculoskeletal disorders. These include injuries to the muscles, tendons and related nerves of the back, neck, shoulder, arm, hand and wrist, usually from overexertion or repetitive motion.

Compensable claims are those that involve time-loss (partial wage-replacement) benefits.

Graph 1: Annual Premiums per Employee
Employer Premium and Employee Deductions
Cost per Full-time Employee

