

WORKERS' COMPENSATION LOSS PROFILE



Workers' compensation costs remain a top concern for nearly every employer. Although most U.S. employers continue to see workers' compensation costs rise, the costs vary among peer groups and industry. Marsh Risk Consulting's (MRC) Risk Innovation and Quantification (RiskIQ) Practice has developed the Workers' Compensation Loss Profile (WCLP), a portfolio of key metrics designed to identify the unique cost drivers of your workers' compensation program, benchmark performance against your peers, and fine tune solutions to maximize your cost containment efforts and improve bottom line performance.

SERVICE HIGHLIGHTS

The first step in developing your WCLP is conducting a baseline study of your program. Our analysis incorporates the interpretation of over 20 different key performance indicators and metrics, going beyond just a single benchmark, to allow you to understand past years' program performance. In addition, our consultants compare your organization's results against your industry peer organizations, adding another dimension to your profile. Our RiskIQ experts then will discuss your profile results with you to review cost reduction opportunities and develop a continuous improvement plan.

METHODOLOGY

RiskIQ's WCLP leverages both peer benchmark and point-in-time analysis to create your custom loss profile. Our team begins by using our proprietary database to benchmark your severity outcomes against industry peers. To determine your peer group, we look beyond your industry and factor in other variables such as individual NCCI job class code and jurisdiction mix. Next, RiskIQ experts conduct a point-in-time analysis, an internally-focused benchmarking exercise that identifies organization-specific loss trends. WCLP will help you follow the lifecycle of your claims, pointedly identifying cost drivers.

Who it's for

- Organizations that want to know where to focus workers' compensation related resources and improve claims management and bottom line performance.
- Organizations concerned about an increase in their experience mod.
- Organizations with a minimum 100 claims per year for the past five years.
- Organizations that have not completed a WCLP in the past two years.

What you get

- A benchmarking study comparing your results to those of a customized peer group.
- An analysis interpreting over 20 different key performance indicators that illustrate workers' compensation program trends within your organization.
- Identification of potential cost-reduction opportunities and cost drivers.
- Recommendations for the design and implementation of a cost mitigation strategy.

RESULTS SUMMARY

The RiskIQ team provides a results summary which identifies loss cost drivers and offers recommendations to improve specific aspects of your program, including large losses, claim closure rates, severe medical payment types, synergy with third-party administrators and vendors, nature of injury types, and more.

Our comprehensive analysis provides a holistic picture of your workers' compensation program and costs and includes pre- and post loss strategies

that support cost mitigation and loss reduction activities. The WCLP may even lead to cost reductions beyond claims, including, for example, those related to collateral requirements, letter-of-credit requirements, and premiums—which directly impact your bottom line.

In addition to cost saving strategies, our WCLP findings can help validate current policies and procedures as well as become a useful tool in workers' compensation program renewal or marketing efforts.

For more information about WCLP and other MRC solutions, please contact your local MRC or Marsh representative.

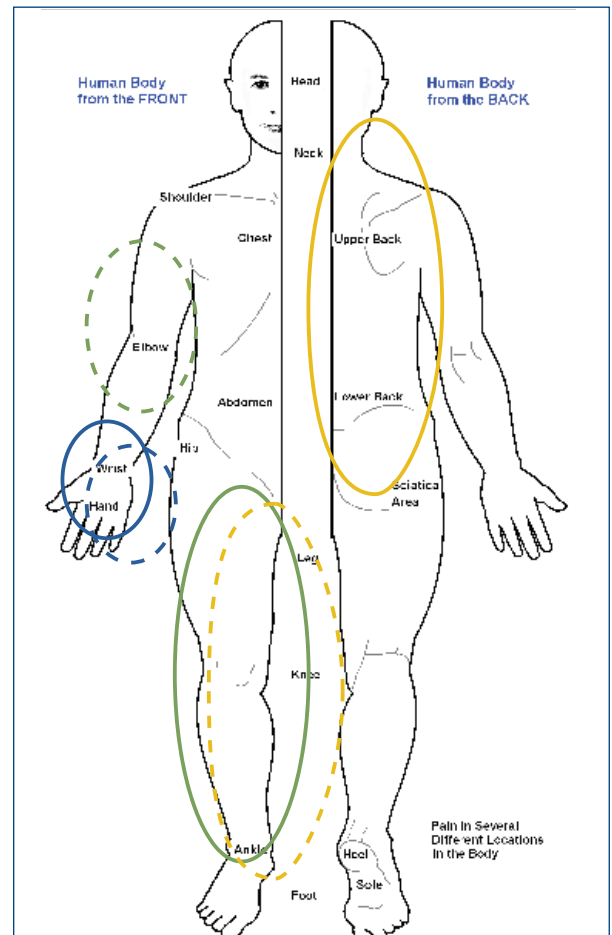
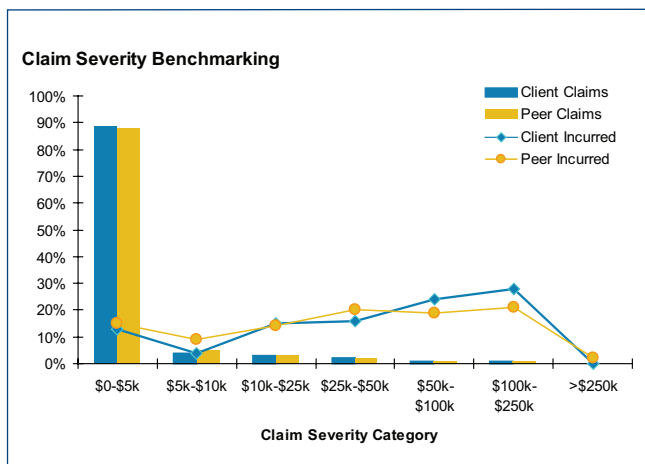
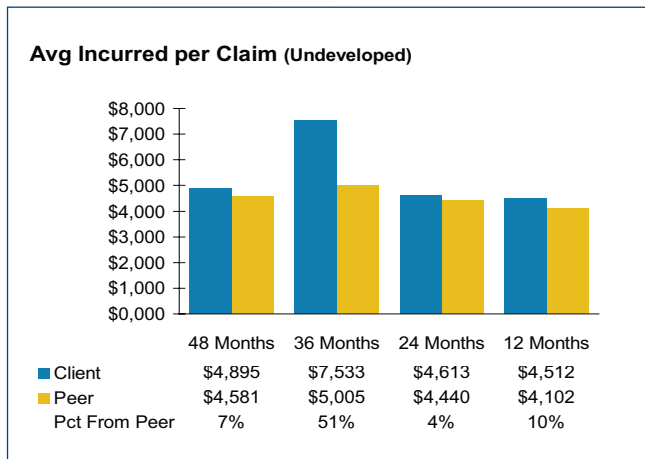
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