

Annual Accident Prevention Report For the Fiscal Year 2015

Reporting Population

The total number of insurance companies and group-funded self-insurance plans that reported for the fiscal year was 452. This is also the total of those licensed during the fiscal year to write workers compensation coverage; **there were no companies in non-compliance for reporting**, compared to the final count of 17 for Fiscal Year (FY) 2014.

The total number of insurance companies and group-funded self-insurance plans that provided workers compensation insurance to policyholders was 259, or 57 percent of those reporting.

Service Provision

The total amount expended by insurance companies and group-funded self-insurance plans on accident prevention (AP) services in the state of Kansas during the fiscal year was \$6,238,618. This amount is down 21 percent from FY 2014, but still nearly one percent higher than the average amounts spent from Fiscal Years 2011 through 2014.

The number of qualified field safety staff hired to provide those services was 1511. This number is down only one-half percent from 2014, but still up 23 percent over the 2011-2014 average, indicating staffing in the AP programs remains strong. No one reported having non-qualified field safety staff on board.

Table 1 shows the breakdown of number of policies in force, number of AP service visits provided, premiums written, and direct losses incurred for each of five cohort or category sizes of policy premiums for the 259 companies/plans that provided workers compensation insurance to policyholders. Policies in force were up five percent from 2014 and six percent over the 2011-2014 average. Total FY premiums written were up five percent from 2014 and up three percent over the 2011-2014 average. As can be seen from the table, nearly 75 percent of the policies were for the smallest employers or risks. This group also ranked second to the highest in direct losses incurred, although these losses were only 21 percent of the total losses incurred. Total FY direct losses incurred were up 19 percent from 2014 but down two percent from the 2011-2014 average. The premiums written to direct losses incurred ratio remained at about three to one.

Premium Size	Number of Policies	Number of Visits	FY Premiums Written (\$)	FY Direct Losses Incurred (\$)
\$0 - \$5,000	45,551	1,068	63,304,025	41,281,908
\$5,001 - \$25,000	11,239	2,383	122,948,706	39,897,628
\$25,001 - \$50,000	2,075	1,413	73,128,571	24,753,407
\$50,001 - \$100,000	1,328	1,490	94,051,310	28,701,665
Over \$100,000	1,205	2,083	272,022,133	60,771,099
Totals	61,398	8,437	625,454,745	195,405,707

Table 1: Policies, Service Visits, Premiums Written, and Direct Losses Incurred By Premium Size

Table 2 shows the distribution of accident prevention services by type. More than 80 percent of the services were provided by the carrier or plan without being requested, demonstrating either an apparent proactive approach to accident prevention on the part of the insurers, or a reaction to increasing losses. The number of services provided but not requested by employers was up eight percent over 2014 but down one percent from the 2011-2014 average.

Of the remaining instances of service provision, where the policyholder requested the service from the insurer, nearly 80 percent were categorized as safety inspections or consultations. More than 17 percent were requests for training on accident prevention. The number of services requested by employers was up five percent over 2014 and 12 percent over the 2011-2014 average.

The difference between the total number of visits in Table 1 and the total number of services provided in Table 2 may be due to a tendency of the insurer to wrongly report onsite visits for underwriting purposes as accident prevention visits.

Total services provided were up eight percent from 2014 and one-half percent over the 2011-2014 average.

Safety	1,194
Hygiene	59
Training	259
Total Requested	1,512
Non Requested	6,754
Total	8,266

Table 2: Accident Prevention Services

Company names and contact information for third party contractors used by any of the insurance companies and group-funded self-insurance plans will be furnished upon request.

Program Challenges

A continuing challenge with this program has been getting insurers to keep contact information updated in a timely manner so that emailed notices are delivered to the person in each company who is currently responsible for reporting to the state. With the downturn in the economy beginning in 2008, there has been an increase in downsizing, mergers, acquisitions and divestitures, all of which often impact company staffing assignments.

Program Software Functioning

System automation has produced significant savings through ease of access to data and communication with insurers, resulting in increased productivity and more time for site inspections. System improvement is a dynamic process. Between September 2014 and February 2015, seven work orders were submitted for system improvements. Since March 2015, eleven work orders have been submitted for system improvements.