



# Risk Management

by Raymond C. Ellis, Jr.

## Off-the-job safety is often overlooked when seeking to cut insurance costs

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There are probably not too many readers with an immediate and adequate reply to the question: “How many lost time injuries or illnesses were experienced by your employees in *off-the-job* incidents last year?” For a typical lodging establishment, it will probably be in excess of the number of incidents recorded in on-the-job injuries or job-related illnesses. Since on-the-job incidents will usually require reporting for both Workers Compensation and OSHA, there will be comprehensive information in this regard based upon investigation, witness statements and medical reports.

There is greater sensitivity to on-the-job injury or illness as it directly impacts the Workers Compensation record and as an experience-rated insurance instrument, the cost and lost time and medical-related costs on non-lost time incidents are critical data at renewal time. Several such reports could result in increased premiums. Prior to the new healthcare legislation, it could result in a cancelled policy. Implementation of the new law should avoid cancellation, but that will depend upon interpretation and application.

### Health insurance premiums

Frequently, for employers that provide a health insurance program for their employees, the program will be “experience-rated”. This means that employee accidents or illnesses, regardless if they are job-related or occur while away from work, would affect the cost of the insurance program. Essentially, the more that employees need to utilize healthcare services that are covered by the health insurance, the more that the employer will likely pay in premiums (and the more that employees may be expected to contribute as their fair-share portion).

In an effort to maintain a safe work environment and reduce health insurance and Workers Compensation premiums, many employers choose to implement a safety program within the workplace. This makes perfect sense. However, due to employee privacy rights, employers typically have less access to data relating to off-the-job injuries and illnesses of their employees. And resultantly, employers frequently fail to consider the cost-saving benefits or improvement in the quality of employees’ lives that can be derived by considering preventable safety threats away from the workplace.

### Tracking off-the-job injuries and illnesses

To be better able to address these situations, hotels should establish a policy where department heads and supervisory staff obtain as much information as possible when an employee reports absent due to an off-the-job incident. This information should then be forwarded to the person assigned to handle all Workers Compensation and OSHA records. For larger properties, this will assuredly be the responsibility of a Human Resources staff member. In most limited-service, select-service, and small luxury properties, this task will likely become the responsibility of the general manager.



Management should develop a brief questionnaire to be completed by a department head or supervisor when an off-the-job report is received. Subject to review by legal counsel and the doctor serving your property, the following items might be considered for inclusion:

1. What happened? How did it happen?
2. What is the extent of the injury or illness?
3. Who is the medical contact person for this injury?
4. What is the anticipated date the employee can return to work?



Include other information as determined by medical and legal review. Obviously, this will require that the department manager or supervisor contact the absent employee to ascertain this information.

Whether time is lost due to an injury or illness incurred on-the-job or off-the-job, the same logistical problems will occur. Other staff members will have to cover the work usually performed by the absentee. This may require authorizing overtime or a creating a temporary part-time assignment to properly cover the absent employee's function.

### **A safety focus away from work**

Assuming that your hotel has an effective Loss Prevention Committee (Safety Committee, Risk Management Committee, or a special group functioning within the Executive Committee), assign development of an off-the-job-safety program to the appropriate group. Again, for smaller properties this task may fall in the hands of the general manager or a boilerplate program may be available from a lodging brand's Risk Management department. An initial step may be developing a survey to focus on some of the critical issues that pertain to employees away from the workplace. Some examples might include:

1. Have you had slips, trips or falls at home or during recreational activities? Do these include bathroom falls, tripping over rugs or carpeting, or other floor irregularities? Of these, are there falls from heights, steps, ladders, trees, etc.?
2. Do you have working smoke detectors in your home? Do you have a regular battery replacement plan for your detectors?
3. Do you have a fire drill plan for your family? Do all family members know exactly what to do and what alternative methods of escape exist?
4. If you have a swimming pool or use a community pool, is there rescue equipment visible and readily accessible? Is the pool fenced in to prevent access by unsupervised children? Do you have the rule no one is allowed in or near the pool without adult supervision? (That includes your own children as well as those of neighbors or family visitors.)

Using this as a format, or one with less detail, the Safety Committee should quickly focus on specific areas where an off-the-job safety program would be beneficial. There are significant sources to help in the development of a highly successful program.

A key motivation for extending safety to environs outside of the workplace is the incorporation of many of the same aspects of on-the-job safety that should be part of the away from work environment of the employee. In other words, safety should not be checked at the door when the employee leaves the property at the end of a work shift.

The hotel employee charged with coordination of the off-the job program should register with various government and agency sources. For example, the H1N1 Flu Pandemic is still present; but currently at a lesser level of infection. It is expected to become a problem once again as we move into the year. By registering at [www.CDC.gov](http://www.CDC.gov) the contact employee will receive a weekly report containing information important to families within the community. This information can then be shared with hotel employees through bulletin board postings, monthly newsletters, or even inserted inside employees' paycheck envelopes.

The hotel should also register with the Consumer Product Safety Commission at [www.cpsc.gov](http://www.cpsc.gov). CPSC will report to the subscriber all product recalls. This will be of great assistance to the employee and his or her family, as recalls of clothing, toys, furniture, appliances and other personal items or equipment are announced. Keep in mind that not all employees will have access to a personal computer or possess the knowledge how to access pandemic information or recall information on the Internet.

Finally, two other safety-oriented national organizations which offer membership to lodging properties are the National Fire Protection Association ([www.nfpa.org](http://www.nfpa.org)) and the National Safety Council ([www.nsc.org](http://www.nsc.org)). They both have websites where membership is not mandatory in order to obtain information; especially that relates to special events. ✧

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