

Board Declares \$950,000 Dividend Return to Members!

What better way for the Trust to wish its members a joyous holiday season than to announce the return of nearly \$1,000,000!

A \$950,000 dividend return has been approved by the Trust Board of Directors. Continued strengthening of cash reserves combined with favorable loss experience has allowed the Trust to once again return a tremendous amount of money to qualifying members. This year's dividend is nearly double last year's dividend of \$500,000 and over 93% of Trust members have qualified to receive a portion of this distribution.

Throughout its 26 year history, the Trust has now declared over \$18,200,000 in returns to its members due to exceptional claims management and loss prevention services. The dividend program rewards currently active members based on a combination of the Trust member's longevity with the Trust, loss ratio and proportionate share of premium.

"Our staff takes great pride in providing Trust members with superior services and competitive pricing. As Connecticut's only workers' compensation provider dedicated solely to the healthcare market, the Trust's commitment pays off in a multitude of ways for our members. Returns like this are the end result of a partnership between a dedicated, experienced staff and our members who work diligently at their end to reduce losses says CEO, Diane M. Ritucci. We remain strongly committed to our guiding principles of providing a stable, available workers' compensation market for healthcare

employers and to reducing the cost of workers' compensation for our members."

Each qualifying member will receive their check in the 30 day period preceding the renewal date of their 2008 policy. Those members whose policies renew on January 1, 2008 will be the first to receive their dividend checks which will arrive later this month.

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Worker's Compensation Trust Announces New On-line Training!

The Trust in partnership with FirstNet Learning, a leader in e-learning solutions, will offer training courses on a variety of topics beginning in January through the newly created **Trust University**. Trust University can be accessed through the Trust website at www.wctrust.com

Courses are available for all types of healthcare employers: Nursing Home/Residential Care, VNA/ Home Health Care, Rehabilitation, Convalescent, Hospitals, Community Organizations, Human Services, Medical Transport and other Medical Services. These courses will fulfill basic training needs.

Managers will have the ability to control the course selection and timing as well as be able to track your employee's progress and completion. Employees will be able to print out a certificate of completion once they have successfully passed the course.

The training can be done at any time, any place, and any pace; 24 hours a day, 7 days a week, 365 days a year (or 366 next year!) A home computer? Take your on-line training course when it is convenient for you. Just received a new project handed to you in the middle of a 1 hour course? Go ahead, you can start it and then continue later. Your e-learning course will wait for you.

The Trust University provides courses in General Safety that all employees should take over a period of time. In addition, depending on the role in the organization, the Trust University also offers courses for management and employee relations.

The interactive courses range in length from 30 minutes to 1 hour. Each course holds your

interest while you learn via sound, video, fun quizzes and more!

This is just the first phase of our Trust University. Soon we will add other courses developed specifically for our members to meet your training needs. Courses related to the prevention of patient moving, transfer and repositioning injuries, root cause identification and patient handling devices will be developed in the near future. We also welcome suggestions from the membership as to new courses you would like to see.

The Trust University launches on January 2, 2008. To begin using, go on the Trust website at www.wctrust.com to Quick Links. Select Trust University and enroll your company. You will then be given a password that will allow the access you need. Then Pick! Click! Go! Learn! Enjoy! Any Time! Any Place! Any Pace! Any questions contact Alexandra Powitz at 203-678-0161

**HAPPY HOLIDAYS
FROM
THE STAFF AT THE TRUST !!!**



Are Impairment Ratings unrelated to Work Injuries Compensable? What do You Think?



The employee began working for the employer in 1994. He sustained a compensable lung injury due to a mild allergic reaction to mold. He was placed on medications after allergy testing showed multiple allergies to dust and mold. The treating physician opined that the employee's chronic symptoms of breathing trouble, headaches, tiredness, and chest congestion appeared to be environmentally related. The employee stopped working for the employer in 2003. At the same time he was diagnosed with coronary artery disease and underwent coronary bypass surgery.

A second physician retained by the respondents, diagnosed the employee with a respiratory impairment caused equally by work-related mold allergies and early chronic obstructive pulmonary disease (COPD). He indicated that the employee had reached maximum medical improvement with a 35% respiratory impairment of both lungs, attributing 5% to prior coronary artery disease, 15% to allergic disease, and 15% to COPD. The respondents contended that the employee's 22-year smoking habit had exacerbated his COPD and his coronary artery disease, both of which are a separate and distinct concurrent disease process that is unrelated to his mild allergic reaction to mold spores.

Was the lung impairment rating related to the coronary artery disease and COPD found to be compensable?

Please send your responses to: Robert MacDonald, Claims Manager, at macdonald@wctrust.com. The answer will appear in the next newsletter.

Answer to Case from the September Newsletter :

Thanks for the many responses. The injury was deemed to have arisen out of and in the course of employment

The Connecticut Review Board (CRB) found that despite the commissioner not being able to determine the exact date of injury in the case, the possibilities were narrow enough to ensure the one-year notice requirement was comfortably satisfied. The circumstances did not require the commissioner to dismiss the claim because he could not determine a precise date of injury. The CRB did remand the case for further proceedings to allow the employer the opportunity to demonstrate prejudice as a result of the defect in the notice caused by the absence of a date of injury.



The Trust welcomes the following:

NEW MEMBERS

Grove Manor Nursing Home, Inc.
Hartford Interval House, Inc.
Waterbury Youth Service Systems, Inc

RETURNING MEMBERS

Kids in Crisis
Montowese Health & Rehabilitation Center, Inc.
St. Joseph Living Center, Inc.

Trust Announces “Award of Excellence”



Alexandra Powitz presents “Award of Excellence” to LouAnn McInnes, Executive Director, Association for Retarded Citizens of Greater New Haven, Inc.

The Trust has announced the two winners of the Award of Excellence for 2007. The two honorees are Groton Ambulance Service, Inc. and Association for Retarded Citizens of Greater New Haven, Inc. Plaques have been prepared for each of the members.

The Award of Excellence is given to Trust members who have achieved significant frequency reduction in the prior 2 years as measured by Trust data. Additionally, management commitment and written employee safety programs had to be in place as evidenced by loss control over the previous year. The award is offered annually and is determined by a Trust Awards Committee, comprised of representatives from claims, loss control, underwriting and managed care. Congratulations to Groton Ambulance Services and Association for Retarded Citizens of Greater New Haven!

General Surgeons Removed from Medical Care Plan

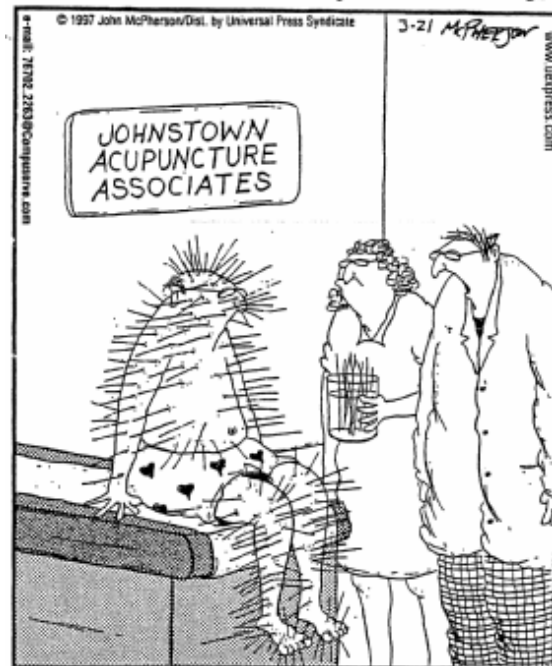


Effective January 1, 2008, the Trust will be removing the specialty of General Surgery from the state-wide Medical Care Plan Network. This decision was based after careful review found that this specialty was not utilized by injured workers enough to warrant continuing use of this specialty in the network.

Should an injured worker need a general surgeon they can choose their own. General surgeons requesting surgical services will still be subject to our internal clinical reviews to determine if the requests are medically appropriate.

New Medical Care Plan directories reflecting this change will be sent to our Members and First Treatment Care Centers in January. Any questions concerning this change should be directed to Brian Downs, the Director of Provider Relations at (203) 678-0103.

CLOSE TO HOME JOHN McPHERSON



"You gotta be kidding! Your back *still* hurts?!"

New Trust Website Has Been Updated!

www.wctrust.com

The Trust is excited to announce the addition of new features to our web site. The changes primarily consist of new links and tools; and since the main content and look of the web site is similar, users should have no problem with the new navigation items. The new features are outlined below.

Additions to our Home page

Our home page now offers links to Professional Affiliations that are relevant to our members. These associations have partnered with the Trust to ensure our mutual members have the best service.

We've added a new section called "Safe Lifting News" which will offer articles and information on topics related to safe lifting. This section will also have a direct link to 'Liko' a company that develops, manufactures and markets patient lifts, such as mobile lifts and overhead lift systems. Also added were links to provide information on current events at the Trust.

Quick Links have been added. Members will now have access to claims data and historical loss runs. The available reports are: Historical Loss Report, Policy Year Summary Report, Injured Worker Claim Summary (previously called Claim Abstract), Injured Worker File Notes, and Injured Worker Payment History.

Members can run the Historical Loss Run Report using policy period and claim status filters. For example, a member can run the report listing all claims for all policy periods, or only open claims for a specific policy period.

The content of The Historical Loss Run Report remains unchanged; however, there are small formatting changes. The data which populates all the reports will be available as of the prior days claim activity.

Each user that needs access to the reports section of our website must first complete a confidentiality agreement. Once this is completed a user name and password will be issued. All current passwords for the current on-line reports will become invalid at the end of December. More details will be sent in a mailing to members.

Beginning January 2, 2007, the Trust in partnership with FirstNet Learning, a leader in e-learning solutions, will offer courses on-line through the Trust

Website. The Trust On-Line University, another new link, will offer courses in Human Resource Management, Defensive Driving and Health and Safety. Employees can learn at their own pace and place, 24 hours a day, 7 days a week.

Injured Workers area

This is a new tab that the Trust is currently working on. It will be available at a future date and have information to help injured workers better understand the workers compensation system—rights and responsibilities.

Donations For Our Members



In the spirit of the season, proceeds from our recent employee book fair will be donated to

Shelter for Women

an organization committed to providing excellent residential and educational services for at risk girls and young women ages 13-21.



In recent weeks, the Trust employees have:

Adopted a family of 5

Staff has done a fine job of providing necessary household items, clothing, food and toys for the single mom and her 4 children in the hopes of making the season brighter for them.



In Lieu of Holiday gift cards, the Trust will donate to

The Children's Home of Cromwell,

a full service Christian treatment center providing residential treatment, special education and outpatient therapy services for struggling children and families.



The Legal Corner

John M. Letizia, Managing Partner
LETIZIA, AMBROSE & FALLS, PC
New Haven, Connecticut

HOW TO CHOOSE LEGAL REPRESENTATION

Some of the toughest decisions an employer has to make involves hiring or evaluating its legal representation. We have all been barraged with television ads and billboards telling us whom to hire for personal injury lawsuits. But there is little advertisement or guidance for employers that are considering whether to hire what is traditionally called a defense attorney. Employers frequently retain defense counsel in “crisis mode” and may not properly consider the scope of services or fees. The following are some points for employers to consider when hiring and evaluating your legal representation.

Experience: Does the attorney or firm you are hiring have experience representing employers similar to your organization? Ask for a copy of the attorney’s and firm’s biography, and also request a list of clients that can be contacted as references. This information will enable you to evaluate the attorney’s experience with other employers who operate similar businesses.

Limiting Representation: Does the firm primarily represent employers or employees? Although it is not a violation of the attorney’s code of ethics to represent an employee who is suing an employer while also representing employers in defense of lawsuits by employees, such situations could lead to problematic results when such firms appear in front of the same court arguing both sides of the law in two different cases. Therefore, you should inquire as to whether a firm primarily represents employers or employees.

Legal Fees: How will you be charged? Beforehand, inquire about the legal fees being charged or how much it will cost to address a particular matter or lawsuit. While it is sometimes difficult to provide exact estimates, all attorneys should be able to provide you with an estimate. Employers should also consider requesting a specific limit or cap on a project that lends itself to such a limit. Will you be billed for phone calls, travel time, any other costs?

Who is Handling Your Work? Is the work being done by the attorney you hired or by a subordinate

who may not have the necessary experience. Of course, many matters are sometimes handled by lower-level associates who bill at lower rates, but if you have a difficult or specific matter and have hired a specific attorney to represent you, you should make certain that the requested attorney is at least supervising or overseeing the work.

Billing: How will the bill be prepared? You should ask if you will be receiving detailed bills that indicate the time spent and the attorney working on a specific matter, as opposed to a brief narrative.

Retainers: If you are seeking representation from a new firm, you should be prepared to provide a retainer. A retainer usually refers to funds that the attorney should not access until after the work is performed and the client is notified of the billed amount. The larger and the more established an employer, the less likely an additional retainer will be requested.

Interviewing: Consider interviewing at least two firms in person or, if the matter is urgent, on the telephone. In-person interviews, will give you a sense of how the office is organized and whether a particular attorney is sufficiently skillful and experienced.

Terminating Representation

Many employers may not be aware that ethical rules prohibit an attorney from limiting a client’s ability to terminate representation. Attorneys are obligated to allow clients to terminate representation at any time and for any reason. However, the client is still obligated to pay the legal bills for that representation up to the time that services are terminated.

Disagreement Over Services or Fees

Strangely enough, many employers who have concerns regarding fees or the handling of specific matters do not address their concerns with their attorneys, even though they would have no problem raising such concerns with other vendors or consultants. All good law firms welcome this discussion, especially if a longstanding client has a concern with regard to the handling of a matter by a particular attorney or the fees charged for the work.

These are just some general pointers to assist you in hiring an attorney. Please do not hesitate to call Attorney John Letizia at (203) 787-7000 or e-mail him at letizia@laflegal.com, if you have any questions.

Author’s Note: The representations made in this advisory are the analysis of the law offices of Letizia, Ambrose & Falls, PC, which is responsible for its content. This information and analysis are provided gratuitously and for information purposes only. You are encouraged to consult with counsel prior to relying on this information or analysis.

The Medical Corner



Mark Russi, MD, MPH
Medical Director

Antivirals in an Influenza Pandemic

To date, clear Federal guidance addressing use of antivirals to protect the U.S. workforce during an influenza pandemic has not existed. This has been problematic for healthcare employers seeking to make decisions about stockpiling and prioritization of medication. Currently, draft guidance from a Federal working group is being circulated among Federal advisory committees, key stakeholders, and the public.

The guidance bases its prioritization of antivirals on exposure risk of specific occupational groups, as well as on how critical certain occupational groups are to maintaining essential operations. The “Very High Exposure Risk” group includes healthcare employees (doctors, nurses, dentists) and laboratory personnel directly engaged in high-risk procedures in which respiratory specimens are collected from pandemic influenza patients or during which there is a high likelihood of the virus being aerosolized. The “High Exposure Risk” group includes healthcare workers exposed to known or suspected pandemic patients, (healthcare workers who must enter patient rooms). Emergency medical technicians transporting known or suspected pandemic patients are included in this group as well. “Medium Exposure Risk” includes employees with high frequency contact with the general population (schools, high population density work environments, some high volume retail). The “Lower Exposure Risk” includes those with minimal general population contact, such as office workers.

It is anticipated that those in the Very High and High Exposure groups will be recommended to

receive antiviral drug prophylaxis for the duration of a community pandemic outbreak. This would be expected to consist of once daily oseltamivir (Tamiflu) for approximately 12 weeks. For healthcare workers who less frequently contact pandemic influenza patients, post-exposure antiviral prophylaxis would be recommend following each exposure. This would consist of once daily oseltamivir for a period of 10 days following each exposure. In non-healthcare and non-emergency work settings, antiviral prophylaxis should also be given to a small cadre of workers who are considered so individually critical that their absence would jeopardize the maintenance of essential community services. For Medium and Lower Exposure Risk work settings, the decision whether to stockpile antivirals will likely be left to employers.

Still open to question is how the financial burden of antiviral prophylaxis will be borne, particularly in the healthcare sector, where costs, to say the least, will be substantial.

OSHA Offers New Health Care Compliance Assistance Module

OSHA added a [Health Care module](#) to its [Compliance Assistance Quick Start](#) tool, the online guide to free compliance assistance resources on OSHA's Web site. The module is designed to help employers understand OSHA regulations applicable to the healthcare industry, including recordkeeping, reporting and posting requirements. It also contains information on developing a comprehensive safety and health program and on training employees.

To view the available resources, go to www.OSHA.gov, click “C” site index; click on Compliance Assistance; click “Quick Start OSHA Compliance Assistance; click *new* Health Care.



Connecticut's Workers' Compensation System Remains Strong and Stable According to NCCI

The National Council on Compensation Insurance Inc., (NCCI) held its annual *Connecticut Worker's Compensation State Advisory Forum* on October 18, 2007 and reported on workers' compensation patterns and trends occurring on a national and regional level and compared them against Connecticut's experience. The overall comments from the presenters were that Connecticut's Workers' Compensation System remains strong and stable. Some general findings and key takeaways from the forum are highlighted below:

Claims frequency continues to decline - Claim frequency throughout the country including Connecticut continues to decline. In fact, for each of the last 9 years (and 14 of the last 16 years), on-the-job claim frequency for workers' compensation injuries has declined from the previous year's level. That being said, NCCI reports that the data clearly pinpoints that time and experience on the job matters, and that inexperienced workers have a disproportionately higher share of total injuries. This should be of particular concern to employers in the Education and Health Service sectors where job growth is forecasted to be the strongest among younger and less experienced workers over the next 3 to 5 years in Connecticut.

Medical claim severity in Connecticut slightly below countrywide experience- For several years now, NCCI has reported that workers' compensation medical losses account for more than half of the total losses on a countrywide basis with a 59% medical - 41% indemnity split as reported in their 2006 data. Connecticut is trending slightly below the national average with a 52% indemnity - 48% medical split for the same time period. Regardless of the difference, all reports suggest that medical expenses will continue to rise both nationally and in Connecticut. Cost drivers contributing to this increase include higher utilization of medical services such as physical therapy, complex imaging studies, arthroscopic surgical procedures and high cost pharmaceuticals used for pain control.

Baby boomers exiting the workforce will probably change the patterns and trends previously experienced over the past 20 years - There was much discussion on how baby boomers (Workers currently in the labor market between the ages of 45 and 64) have contributed to the lower frequency rates and higher medical severity rates in workers compensation experienced over recent years. It has been widely reported that statistically, older workers have fewer injuries, but once an injury occurs, it takes them longer to recover and more medical dollars are spent during their recovery as compared to a younger

worker. As the demographics of the workforce change over the next decade, more baby boomers will be exiting the workforce and thus will likely diminish the upward pressure on medical severity that has been experienced to date. Based on this scenario, the question must be raised whether claims frequency of the inexperienced younger workers now entering the labor market will out pace any positive gains experienced through decreased claims severity with the exiting baby boomers from the labor market. Stay tuned.

Trust Helps Members to Avoid Being on OSHA's Annual Site Specific Targeting Plan List through Exceptional Loss Control Services

The number of Trust members who received letters from the Occupational Safety and Health Administration (OSHA) announcing that they have higher than average injury and illness rates has dropped to 9% in 2007 from a high in 2004 of 16%.

Only 21 members of the Trust in 2007 were issued letters for a possible unannounced comprehensive inspection compared to 55 in 2004.

At the beginning of every calendar year OSHA sends out letters to about 14,000 high rate workplaces across the nation informing them that their injury and illness rates are higher than average and that they need to improve the safety and health environment in their workplaces.

In 2007, high rate workplaces were identified by OSHA through employer-reported data from calendar year 2005. Approximately 80,000 employers were surveyed around the country. The program will cover worksites that reported 11 or more injuries/illness resulting in days away from work, restricted work activity or job transfer for every 100 full-time employees (DART Rate). The national DART Rate in 2005 for private industry was 2.4

OSHA will inspect nursing homes and personal care facilities, but only the highest 50% of rated establishments will be included on the primary list. Inspections will focus on ergonomic hazards relating to resident handling; exposure to blood and other potentially infectious disease; exposure to TB; and slips trips and falls.

The drop in Trust members who receive notice from OSHA is due to knowledgeable underwriting, excellent loss control services and educational programs and a growing awareness by employers that it pays to be proactive in preventing injuries.