

# GUIDE TO IMPROVING LAG TIME

June 2020



Loss Control Services  
**WORKERS' COMPENSATION TRUST**  
47 Barnes Industrial Park Road, Wallingford, CT 06492  
(203) 678-0123 ♦ [losscontrol@wctrust.com](mailto:losscontrol@wctrust.com) ♦ [www.wctrust.com](http://www.wctrust.com)



## **MANAGER/SUPERVISOR EDUCATIONAL TRAINING GUIDE**

### **What is Lag Time?**

Lag time is defined as the period of time between the date that the claim/injury/incident occurs and the date that the claim is reported to the Workers' Compensation insurance company (the Trust). Delays in reporting claims to the carrier may impact the treatment received as well as affecting the ultimate cost of the claim.

### **What is the Lag Time Goal?**

Claims should be reported to the Trust within 24 hours of occurrence.

### **What monetary impact does Lag Time have on our organization?**

Workers' Compensation costs increase each day a claim goes unreported. Some studies indicate that a week's delay in reporting the injury to the carrier can increase the cost by 10%. Claims filed a month or more after an injury cost 48% more to settle than those reported in the first week. Other studies have shown that claims that are reported more than 24 hours from occurrence are 33% more costly. Studies also support conventional wisdom, the longer the reporting period, the higher the probability of litigation leading to higher costs. The National Council on Compensation Insurance (NCCI) study found that litigated claims cost 40% or more than non-litigated claims.

### **What are the additional benefits of reporting claims within 24 hours?**

- Allows the Trust and your organization to establish a relationship with the injured worker early in the process to assure them the claim is being handled properly vs. wondering if they should contact an attorney to "help" represent their interests
- Ensures the injured worker receive their benefits quickly and accurately if the claim is compensable
- Enables your organization to get the injured employee back to work quicker
- Minimizes litigation and fraud
- Minimizes lost time

### **Resources available to assist members with managing lag time**

- The Report Center located on [www.wctrust.com](http://www.wctrust.com) includes a lag time report. Lag time can be tracked via individual claims; by lost time and medical cases or by yearly average.

### **Additional methods to reduce lag time**

- Report all incidents including Record Only claims-these do not count as "claims" on your loss runs but will reduce the lag time should the claim turn into a treatable injury.
- Clarify and include in new hire training
- Complete annual employee and supervisory training the reporting requirements.
- Designate and assign responsibility to a person responsible for reporting all claims; ensure a back up is available, assigned and trained.
- Train supervisors on Accident Investigation which includes same day reporting of claims.
- Establish lag time goals, track results and hold manager's responsible to achieve these goals.

The Trust has several ways that our members can report claims; onsite via the website: [www.wctrust.com](http://www.wctrust.com); email: [1streports@wctrust.com](mailto:1streports@wctrust.com) and by telephone: (800) 506-2655.

# **SAMPLE ACCIDENT REPORTING POLICY AND PROCEDURE**

## **POLICY**

Employees must report all accidents or incidents resulting in injury or illness, regardless of severity, occurring during the course of employment with NAME OF THE ORGANIZATION within 24 hours.

## **PURPOSE**

In an effort to maintain a safe and healthy work environment, accidents that occur during the course of employment must be reported when the incident/accident occurs but after the injured employee is first taken care of. Do not prolong necessary treatment for the injured employee.

## **SCOPE**

The accident/incident reporting policy requirements apply to all accidents and incidences involving NAME OF THE ORGANIZATION which result in personal injury or illness.

## **DEFINITIONS**

“Accidents” are events that cause injury or illness to a person. Even “minor” injuries such as cuts or sprains are considered accidents. If in doubt, treat a situation as if it were an accident.

“Incidents” are near-miss events that have potential of causing personal injury.

“Occupational accidents” are accidents that occur to a NAME OF ORGANIZATION employee while conducting work related activities for the organization.

## **RESPONSIBILITIES**

Employees are responsible for:

- Following safe work practices and policies
- Reporting of any unsafe conditions that they consider unsafe to their supervisor/manager
- Promptly reporting occupational accidents and incidents to their supervisor

Supervisors are responsible for:

- Obtaining prompt medical treatment for the injured employee and securing the accident scene as appropriate.
- Immediately reporting occupational accidents or incidents to Human Resources or no later than 24 hours following the accident or incident.
- Completing the First Report of Injury.
- Investigating occupational accidents in areas and with employees under their supervision using the organization’s Accident Investigation form(s).
- Assuring proper employee involvement in occupational accident investigations in an attempt to get their input to identify root cause(s) and corrective actions.
- Correcting unsafe conditions or actions that contributed to the accident as appropriate
- Assuring that the employees under their supervision understand the reporting requirements and are aware of the safety policies and their responsibilities.

Name and Signature: \_\_\_\_\_

Date: \_\_\_\_\_