



STATE OF NORTH CAROLINA  
OFFICE OF STATE HUMAN RESOURCES  
1331 MAIL SERVICE CENTER • RALEIGH, NC 27699-1331

PAT MCCRORY  
GOVERNOR

C. NEAL ALEXANDER, JR.  
STATE HUMAN RESOURCES DIRECTOR

**MEMORANDUM**

To: State Human Resources Commission Members

From: John Bogner, Director  
Division of Safety, Workers' Compensation & Wellness

Date: January 20, 2013

Subject: NC State Employees Workplace Requirements Program for Safety  
and Health (Fiscal Years 2012 and 2013) Report

The State Employees Workplace Requirements Program for Safety and Health Report for fiscal years 2012 and 2013 are attached for your review. The reports provide a summary of programs in compliance with Article 63 of Chapter 143, of the NC General Statutes, and were prepared by the Division of Safety, Workers' Compensation & Wellness within the Office of State Human Resources (OSHR). Upon the Commissioners' approval, this report will be provided to the Governor's Office and the Legislative Sub-Committee for Government Operations.

Attachments

C: Neal Alexander, Director, State Human Resources  
Delores Joyner, Administrator, State Human Resources Commission  
Kathy Conner, State Safety Consultant, Division of Safety, Workers' Comp. & Wellness  
Cynthia Leeks, Worker's Compensation Manager, Division of Safety, Workers' Comp. & Wellness

**State Human Resources Commission  
Report Summary  
January 20, 2014**

**Title of Report:** Workplace Safety and Health Requirements Program

**Policy:** Workplace Requirements Program Manual for Safety & Health

**Background/ Description of Report:** North Carolina General Statutes (GS) 143-583 requires the Office of State Human Resources (OSHR) to monitor state agency programs once a year to verify compliance with applicable safety and health regulations and performance indicators established by the OSHR Safety and Health Steering Committee.

**Purpose:** This Manual contains the philosophy, policies, and procedures of the State Employee's Workplace Requirements Program for Safety and Health and was prepared for the information, instruction, and guidance of managers, supervisors, and employees, in the implementation of this program.

**Period Covered:** FY 2012 and FY 2013

**Highlights:** OSHR has new Safety and Worker's Compensation Leadership and has been establishing relationships with Safety Leaders and Worker's Compensation Administrators across the state. Communications have improved and needs for training and support have been accessed.

**Communication/Distribution:** NC General Assembly & State Human Resources Commission

**Commission Action Requested:** Approval of the Report by the State Human Resources Commission. The report will be forwarded to the NC General Assembly upon approval by the Commission.

**Associated Rule:** 25 NCAC 1N .0100 State Employees Workplace Requirements Program for Safety & Health.

**Moving Forward:** On January 21, 2014 Governor Pat McCrory laid out his goals for 2014 and beyond. He has assigned Office of State Human Resources (OSHR) Director, Neal Alexander the task to reduce state employees' accidents and to manage over 4,000 open workers' compensation cases that is costing the state millions of dollars that can be better utilized elsewhere in the state.

# **North Carolina State Employees Workplace Requirements Program For Safety and Health FY 2012 and 2013**

**Summary of Programs in Compliance with Article 63 of Chapter 143**

**Prepared By  
The North Carolina Office of State Human Resources  
Division of Safety, Workers' Compensation & Wellness**

# CONTENTS

Executive Summary (Introduction) .....	1
Assessment Summary for Agency and University	
Recommendations .....	2
State Employee Fatalities Fiscal Year 2012-2013 .....	3
North Carolina Occupational Safety and Health Fines .....	3
Summary FY 2012 and FY 2013 Department of Labor Occupational Safety and Health Fines – Departments & Universities .....	4, 5
FY 2012 and FY 2013 Workers' Compensation Statistics .....	6

# **EXECUTIVE SUMMARY**

## **Fiscal Year 2012 and FY 2013**

### **Introduction**

This report summarizes the safety and health program activities of State Agencies and Universities according to Article 63 of Chapter 143 of the General Statutes, ratified in July of 1992 as well as Department of Labor activities in state government.

This report provides the following:

- Safety and Health Program Needs Assessment Summary for Departments and Universities
- State Employee Fatalities
- North Carolina Occupational Safety & Health Inspections and Fines for State Facilities
- FY 2011 Workers Compensation Statistics

### **Assessment Summary for Agencies and Universities**

The new State Safety Consultant and the new Workers' Compensation Manager conducted a needs assessment of every agency and university by having face to face meetings or conference calls with all Agencies/Universities Safety Coordinators and Worker's Compensation Administrators. The needs assessment included gathering data regarding injury types, implementation of Return to Work Programs, satisfaction of case management with CorVel, quality and timeliness of supervisor's accident investigations. OSHR staff shared lag time reports and explained the monetary effects of delayed reporting; deciphered the level of management support to implement safety programs and gathered data to understand each agency and/or university's greatest safety and workers compensation need. Below is a summary of the findings:

- Leadership never set safety expectations to align with management.
- Most University Safety Leaders did not have a direct line to management's support to implement programs that fell under various organizations in academia. Security was often the priority in the university setting if the safety position was housed under Campus Police.
- Workers' Compensation and Safety positions reported to various positions within the organization and were not consistent throughout.
- Safety objectives are listed in some position's performance plan but not uniformly across all departments and universities.
- Safety support positions were rified in some universities and one large agency that got reorganized two years ago had not appointed a Safety Coordinator.

- The legislation for salary continuation for certified law officers was not utilized to correlate to its original intent, hurt while in the line of duty. There were a number of salary continuation cases that were being funded that did not have anything to do with violence.
- Lack of structured training for newly appointed Safety Coordinators.
- Lack of sharing of procedures, policies and training programs across agencies and universities. Resources were requested to fully implement the following OSHA Programs: Arc Flash, Lockout/Tag out, Laboratory Safety Standard, Personal Protective Equipment Standard, Confined Space Standard, Fall Protection Standard, Hazard Communication, and Respiratory Protection
- The Industrial Commission made some decisions that showed a lack of education regarding hazards i.e. if a chemical causes cancer and it was being used by the employee and the employee got cancer there was an automatic conclusion that the chemical caused the cancer.
- Functional Demand (job readiness/job fit) testing prior to hire for certain jobs that require heavy labor is wanted in some agencies but there is no known way to pay for this proactive measure.
- Some agencies can't find work for injured workers and would like to see an injured workers pool across agencies to share workers.

Due to changes in personnel at the Office of State Human Resources (OSHR), there was only one facility assessment conducted based on the criteria of the Workplace Safety and Health Program Requirements.

## **Recommendations**

1. Management commitment is required to promote and support a proactive and unrelenting effort by each agency and university to make safety a priority, thereby reducing occupational injuries and illnesses, and associated Workers' Compensation costs. This can be accomplished by management actively supporting the implementation of safety and health programs, maintaining safety and health committees, providing safety resources, and training both new employees and personnel responsible for implementing an effective employee safety and health program.
  - a. Governor Pat McCrory signed Executive Order No. 13 to measure the safety performance of state government agencies and prepare an annual report. This Leadership Team shall provide adequate financial, human and organizational resources to implement the Safety & Health program.
2. OSHR need to have influence on the organizational design of Safety and Workers' Compensation personnel to ensure that these positions are supported.
  - a. Executive Directive to provide additional positions to oversee, monitor and create efficiency in reducing injuries and workers' compensation costs. Establish better organizational communication with the safety and workers compensation positions reporting to the HR Director.
3. OSHR will be coordinating the sharing of programs, procedures and training to help each agency and university be in compliance with the Workplace, Safety

and Health Requirements as well as OSHA regulations. OSHR will be developing training curriculums for management, supervisors, Workers' Compensation Administrators, Safety Coordinators and employees.

4. Reduce State Employee injuries:
  - a. Governor and Leadership Team supported a 10% reduction in reported injuries over the next three fiscal years. (FY14-FY16)
  - b. Establish a behavior based hazard recognition training for management and employees.
  - c. Ensure all agencies and universities fully implement established elements of GS Article 63 Chapter 143 and track to make sure procedures are being followed.
5. Implement a process to reduce workers'
  - a. Establish a priority category system to analyze and manage open workers' compensation cases.
  - b. Provide training for managers, supervisors, and Workers' Compensation Administrators (WCA's).

## **State Employee Fatalities Fiscal Year 2012**

There was one reported State employee occupational fatality in FY 2012:

- A probation officer in the Department of Corrections died in an auto accident after being struck from behind by a private owned vehicle on August 4<sup>th</sup>, 2011.

There were 5 reported state employee occupational fatalities during FY 2013:

- A transportation Supervisor in Highway Division 14 was struck by a private owned vehicle that entered a work zone where the employee was working with crew on the shoulder of the highway on 8/3/2012.
- A Transportation Worker in Highway Division 14 was struck by a private owned vehicle that entered the work zone where the employee was working with crew on shoulder of highway on 8/3/2012.
- A State Trooper in Highways Division 11 was cutting a tree that had fallen into the roadway when a private vehicle failed to stop and struck employee from behind on 10/2/2012.
- A Transportation Worker from Highways Division 1 was driving a tandem dump truck and hauling sand on Highway NC 12. A fellow employee was in a disabled tandem truck in the roadway and the Transportation Worker accidently ran into the back of the disabled vehicle on 11/11/2012.
- A State Trooper in Crime Control/Public Safety was attempting to deploy stop sticks to stop a fleeing vehicle when he was struck by the fleeing vehicle on 9/8/2012.

## **North Carolina Occupational Safety and Health Inspections and Fines**

The North Carolina Department of Labor, Division of Occupational Safety and Health conducted inspections or response to complaints in State government facilities:

### July 1, 2011 through May 31, 2012

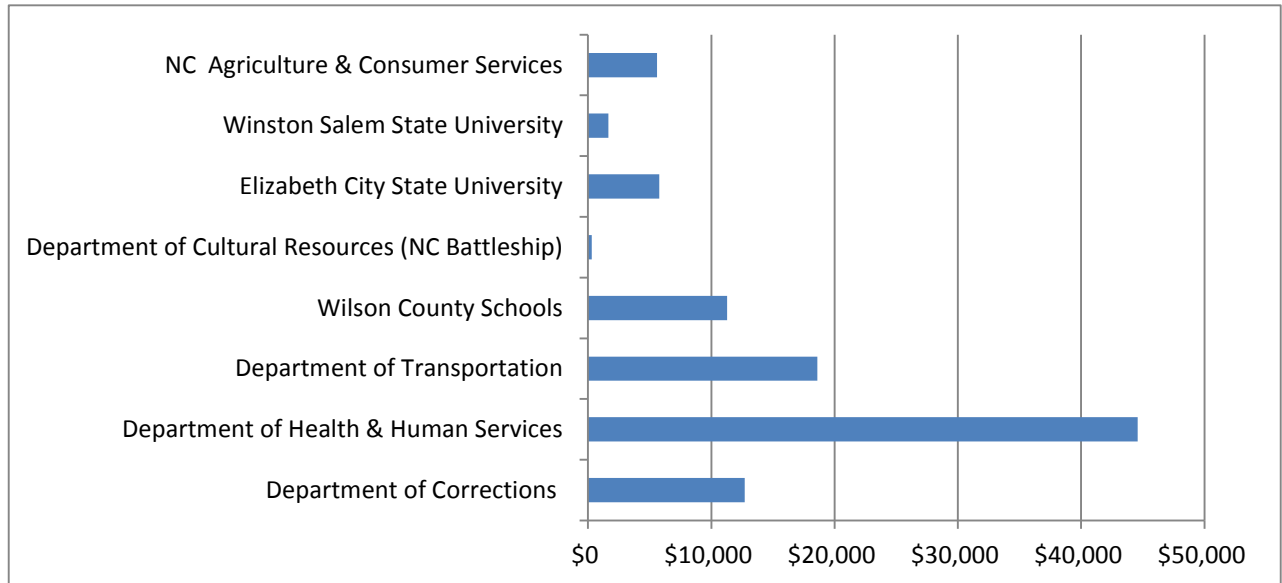
- Forty-nine (49) inspections or response to complaints were conducted.
- Sixteen (16) without citations
- Thirty-three (33) citations
- Initial fines from violations totaled: \$104,425
- Total Current Penalty Assessed through reduced fines following informal hearings totaled: \$100,480

### July 1, 2012 through May 31, 2013

- Fifty (50) inspections or response to complaints were conducted.
- Thirty-two (32) inspections without citations
- Eighteen (18) inspections with citations
- Initial fines from violations totaled: \$38,100
- Total Current Penalty Assessed through reduced fines following informal hearings totaled: \$21,775

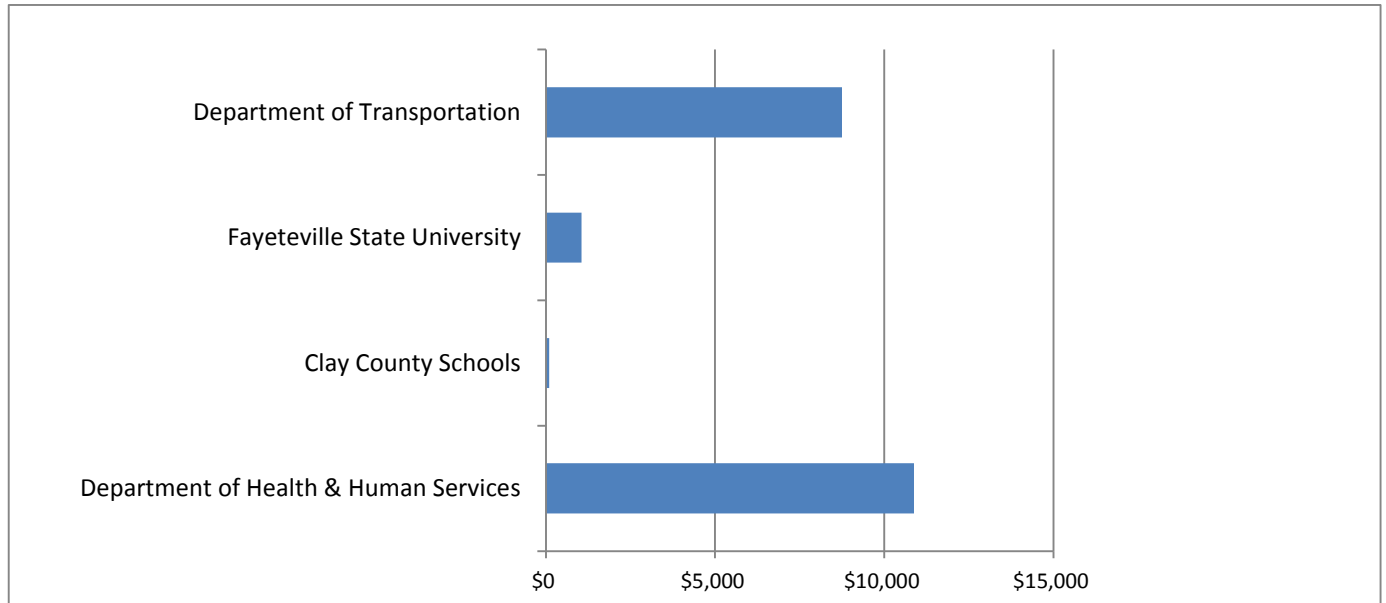
## Summary of North Carolina Department of Labor, Occupational Safety & Health Fines for State Departments and Universities

### Fiscal Year 2012



## Summary of North Carolina Department of Labor, Occupational Safety & Health Fines for State Departments and Universities

### Fiscal Year 2013



### **Fiscal Year 2012 & Fiscal Year 2013 Workers' Compensation Statistics**

Statistical data is provided by the third party administrator, CorVel Corporation and includes agencies and universities, as well as Community Colleges. This data does not include Department of Public Instruction, as that information is combined with DPI public school statistical reports, and it also excluded UNC Health Care.

#### **2011-12 HIGHLIGHTS**

- 4896 New Medical Only Claims which was 3% reduction from previous year
- 1,276 New Indemnity Claims which was a 5% increase from previous year
- 4585 Total Open Indemnity Claims as of 6/30/2012
- 292,889 Total lost and restricted workdays which was a 12% increase from previous year
- \$75,050,135 Total Cost for all new and open claims as of 6/30/2012 which was a 6.43% increase from previous year

The reports on the following pages (Attachments labeled C1 – C5) show Paid Amounts per claim from FYE 2009 to FYE 2012, Total Costs for all open claims, and summarize details and associated costs of the top 5 characteristics of injuries, by Nature of Injury, Part of Body, and Injury Cause

### **2012-13 HIGHLIGHTS**

- 3912 New Medical Only Claims which was 20% reduction from previous year
- 1250 New Indemnity Claims which was a 2% increase from previous year
- 4712 Total Open Indemnity Claims as of 6/30/2013
- 325,411 Total lost and restricted workdays which was a 19% increase from previous year
- \$82,640,360 Total Cost for all new and open claims as of 6/30/2013 which was a 11% increase from previous year

The reports on the following pages (Attachments labeled D) show Paid Amounts per claim from FYE 2010 to FYE 2013, Total Costs for all open claims, and summarize the details and associated costs of the top 5 characteristics of injuries, by Nature of Injury, Part of Body, and Injury Cause