

One of the largest chunks of the workers compensation claims cost is the disability portion. Disability payments for workers compensation injuries make up 40% of the total cost of claims. Paying your employee a salary while he or she is disabled and nonproductive can add up quickly. And since your workers compensation insurance rates are based on your past losses, these costs will translate to higher workers compensation insurance rates for your restaurant over the long haul. You can't do much about the higher medical and pharmacy costs related to workers compensation insurance but you can have a huge impact on the disability portion of your workers compensation claims.

Let's start with a look at a few of the numbers related to workers compensation injuries and loss costs. The National Safety Council reports that a disabling injury occurs every 1 second in the US. That's more than 63,000 per day. They also estimate that a single work related disabling injury costs an average of \$48,000. Now consider that research has shown that injured employees recover faster, return to their full time positions more quickly and are more satisfied with the claims process if they are offered transitional work opportunities.

What does this mean for you? Well, if you are serious about controlling your workers compensation insurance costs, one area where you have a lot of control is in implementing an effective back to work program. If you can put your temporarily disabled employee back to work in some capacity then you will have a better chance of reducing the total amount of the disability claim. The American College of Occupational and Environmental Medicine tells us that the odds of an employee ever returning to work again drop by 50% after the 12th week of disability. And you do not want a temporary disability monthly payment to turn into a permanent one.

So you need a plan to get your injured workers back to work in some capacity as soon as possible. This may mean creating work for them that is below their skill level, or perhaps allowing them to work part time during their recovery period. Another option that has become much more popular is to pay them to provide voluntary work to a local nonprofit. This type of transitional duty to keep them occupied until they can return to their old job on a full time basis has been proven to be very beneficial, both for the restaurant owner and for the injured employee.

Back to work programs need to be creative and dynamic. You don't have to invent the wheel yourself on this. Instead, choose a dedicated workers compensation insurance company, one that only sells workers compensation insurance. These companies often have much more creative back to work programs that have been tested and proven to work.

Restaurant insurance is complicated and if mishandled can be dreadfully expensive for the restaurant owner. You should hire an insurance agent with experience insuring restaurants just like yours. At Clinard Insurance Group, located in Winston Salem, NC, we currently insure more than 100 restaurants all across North Carolina and South Carolina, from Charlotte to Wilmington and every small town in between. Please call us with your restaurant questions; we would love to help you. You can reach us, toll free, at 877-687-7557 or visit us on the web at www.TheRestaurantInsuranceStore.com

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