



**WCTI**  
WORKERS' COMPENSATION  
TRUST OF ILLINOIS



SUMMER 2011

# TRUST WORTHY

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TRUST OF ILLINOIS.

# NEWS

## Ergonomic Improvements Implemented during Mech-Tronics Kaizen Blitz

WCTI's three-day Kaizen Blitz event at Mech-Tronics LP in May was a tremendous success. Meredith Wayant and Dennis Coleman trained two Kaizen teams in Ergonomic Principles and Lean Techniques to evaluate two workstations with employee muscular skeletal disorders (MSD) exposures. The teams evaluated the workstations, developed an opportunity list of possible improvements and developed new workstations with employee exposures.

The photos below show before and after photos reducing employee exposures to the neck, shoulders, arms, wrist and hands that can prevent costly claims.

Kaizen Blitz Team members included Dennis Coleman, Meredith Wayant WCTI, Jim DeMuro, Manny Gomez, Dan McGladdery, Sal Sandoval, Nora Wilkins, Lesia Chartrand, Jerry Griffith, Maria Alarcon from Mech-Tronics.

**Before**



Standing during de-burring operation

**After**



Seated de-burring and angled operation

continued on page 3

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**WCTI ANNUAL MEETING**  
*A recap of the 2011 Annual Meeting*

pg3

**WORK COMP REFORM**  
*Highlighted legislation changes*

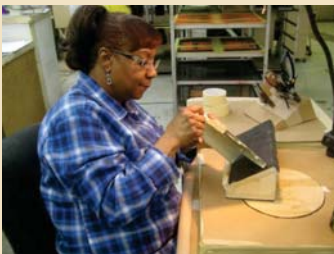
**KAIZEN BLITZ**  
*Continued from Cover*

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**THE LATEST WCTI INFORMATION**  
*Shared claims, prospect referrals information and new members.*



Masking operation using hand to support part



Masking operation with support tool & Lazy Susan

# 2011 WCTI Annual Meeting

## May 13, 2011

### INCIDENT ALERT



### MATERIAL HANDLING

#### ACCIDENT DESCRIPTION:

WCTI has experienced several employee hernias in 2011. One employee was lifting a heavy grinding wheel in excess of the member's posted single person lift limit. The other employee was tightening a bolt and moving heavy parts while repairing a machine. The injuries required expensive surgical procedures and involved lost workdays.



#### POTENTIAL CORRECTIVE MEASURES:

1. Never exceed the company's posted single person lift limit.
2. Employees doing those jobs should be trained in proper body mechanics

##### Example:

- Be aware of the potential injury hazard
  - Employees should avoid lifting heavy objects in bad postures
  - Use mechanical tools to lift if possible
  - Ask for help from other workers
3. Any new employees being hired to do that job should have a medical functional capacity exam prior to doing the job.

We hope that you were able to join us for the 2011 WCTI Annual Meeting.

The following vendors attended the meeting so that members could meet with them for assistance with safety and claims related issues:

**CIS onsite**  
**Alert Safety Products**  
**AOMS**  
**Magid Glove & Safety**  
**Mobilear**

**Rockford Systems**  
**Bradley Consulting & Management**  
**Steel Grip, Inc.**  
**Concentra**

Members who were celebrating their 5 year, 10 year, 15 year, 20 year and 25 year anniversary with the Trust were recognized.

Janet Caldwell, the WCTI Chairperson, discussed why the program was formed, what the benefits are of belonging to the program and the reason that WCTI works today and in the future. A five year history of membership, standard premium, loss ratio, shared claims, incident rate and capital surplus was also reviewed.

Bryan Webster, the WCTI Loss Control Committee Chairperson, discussed members' safety successes, loss control services that are available, the current focus of the Loss Control Committee and why it's important for members to work together to create a safe work environment for their employees.

Bill Lowry discussed the possible changes in the workers' compensation law and workers' compensation fraud.

Dave Sander discussed how WCTI has helped the company with their safety performance and how the recent economic downturn affected their safety program.

Members were then invited to attend two of the following four sessions: Adjustment Bills, OSHA Top 10 Manufacturing Citations for 2010, Ergonomic Corrective Actions and Disputed Accident and Causal Connection Case Decisions.

Here are some of the survey responses from the attendees:

- **I have a much better understanding of the billing process.**
- **I was pleasantly surprised as to the overall quality of the Annual Meeting- it was well worth the 2 ½ hour drive (each way).**
- **Good resource information provided.**



#### NLT Award Recipients

- Acme Industrial Company
- Admiral Steel
- ATK Foods
- Brave Products
- Chemring Energetic Devices
- Coral Chemical
- Cormark, Inc.
- David Architectural
- Flexco
- Flexco Engineered Systems Group
- Forest Packaging Corp.
- Genesis Automation, Inc.
- Granite City Pickling & Warehouse, Inc.
- Hudson Precision Products
- Karl Lambrecht Co.
- Kenall Manufacturing Co.

- Keystone Display
- Kiene Diesel Accessories
- Lewis Machine & Tool Co.
- Manor Tool & Mfg.
- Mead Fluid Dynamics
- Meaden Precision Machined Products
- Metal Recycling Systems, Inc.
- Midway Windows & Doors
- Mushro Machine & Tool Co.
- The Pate Company
- Perfection Spring & Stamping
- Perkins Products, Inc.
- Phoenix Closures
- Primrose Candy
- Rockford Spring
- Roesch, Inc.
- Scientific Metal Treating
- Spartatics
- Sterling Multi Products, Inc.
- Stocker Hinges
- Subtronics Assembly Corp.
- Tech-Max Machine, Inc.
- Thermoflex
- Valley Fastener Group, LLC
- Webster-Hoff Corp.

# Work Comp Reform

The Illinois General Assembly recently passed, and the Governor has signed into law, Senate Amendment Three to House Bill 1698, making changes to the Illinois workers' compensation system. Below are highlights of the changes the legislation makes to existing law in Illinois.

**IWCC structure and standards.** Key provisions include the termination of all sitting arbitrators. The arbitrators may be re-appointed. The term limit for arbitrators is reduced from 6 to 3-years; subject to re-appointment by the Chairman and approval by the Senate. Additional provisions are included for the duration of the assignment to call sites and ethical and educational guidelines for arbitrators.

**Proof of injury.** Case law is now codified to require that employees claiming benefits prove by a preponderance of the evidence that his or her injury "arises out of" and "in the course of" the employment.

**Limitations on wage differential.** The bill provides for revision of the duration of wage differential payments pursuant to Section 8(d)1. The bill limits wage differential payments to age 67 or five years, whichever occurs later.

**Limits on carpal tunnel claims.** Repetitive or cumulative trauma CTS claims are limited at up to 15% loss of the hand. The maximum number of weeks under Section 8(e)9 is capped at 190 weeks for CTS. There is a provision allowing for benefits up to 30% loss of the hand for good cause shown and with the presentation of "clear and convincing evidence" as to the reason for the increased benefit.

**Adoption of American Medical Association standards to**

**determine disability.** For injuries after September 1, 2011, the Commission shall base its determination of permanent partial disability on the following criteria:

1. AMA Guidelines;
2. The claimant's occupation;
3. The claimant's age;
4. The claimant's future earning capacity; and
5. "Evidence of disability" corroborated by the treating records.

Under this provision, the trier of fact is precluded from relying solely on one of these factors.

**Temporary Partial Disability (TPD).** TPD benefits, which are included in Section 8(a) of the Act, are now calculated based on gross earnings instead of the net earnings.

**Accidents involving drugs or alcohol.** Compensation is denied where intoxication is the proximate cause of accidental injuries. There are specific guidelines, including the 0.08% standard for alcohol in the blood, urine or breath. There are additional provisions defining "proximate cause", including refusal to submit to testing.

**Revision of the Fee Schedule.** The bill includes a 30 percent reduction in the medical fees, restructuring and reduction of the "geozips", caps on the cost of implants and inclusion of prescription medications dispensed outside a licensed pharmacy.

**Utilization review.** The standards for recognition of Utilization Review have been revised with provisions for increasing the recognition and consideration of Utilization Review reports.

**Creation of PPO network.** The bill provides for the creation of provider networks, similar to preferred provider networks already used in health care generally. A key element of this provision is the employer's ability to direct the claimant to the preferred treatment facility. Refusal by the employee to participate is construed as the "first choice" of doctor, which will then limit the employee to one additional choice.

**Interest on medical bills.** Employers are now required to either pay or provide written notification with the basis of denial and request the necessary "data elements" necessary to adjudicate the bill within 30 days. Employers also must be mindful that exposure for interest and penalties will arise after 30 days.

For a detailed analysis on what these changes might mean for employers, please go to [www.nbkl.com](http://www.nbkl.com) and click on the 2011 worker's comp reform section listed on the homepage.



## Flexco Receives Chairman's Award

## Curt Albrecht, Flexco receives Safety Champion Award



## Safety Excellence Award Recipients

- Cormark, Inc.
- David Architectural
- Exact Packaging
- Flexco
- Hudson Precision Products
- Metal Recycling Systems, Inc.
- Perfection Spring & Stamping
- Phoenix Closures, Inc.
- Primrose Candy
- Roesch, Inc.
- Webster-Hoff Corp.

## Kaizen Blitz (continued)

### Quote from the Management of Mech-Tronics Eugene R. DeMuro, President Mech-Tronics

"When you commit three days of time from employees and management you want some bang for the buck. Well – we got it. It was quite satisfying to watch the teams work together and I think we developed some healthy competition between our two teams. We've done Lean events in the past but none generated this kind of enthusiasm. When dealing with Safety and Ergonomics you learn things that can be applied across the entire organization. I felt very good about the event and we were quite pleased with the assistance from Dennis and Meredith. I highly recommend the Lean Safety Kaizen Blitz to any WCTI member company".



# WCTI

# info

## Not a Member of WCTI?

If you are not a member of WCTI and would like to see if your company would qualify:

Check out our website at [www.wcti.info](http://www.wcti.info) or call Angie Blakeney at 217-444-1117.

### WCTI - WORKERS' COMPENSATION TRUST OF ILLINOIS SHARED CLAIMS INFORMATION.

When a Member's claim dollars exceed their maximum claims fund, shared claims are generated. The dollars that exceed a member's maximum claims fund are then distributed to the other members of the Trust.

- Shared claims for 2011 are 8.07%
- Shared claims for 2010 are 7.69%
- Shared claims for 2009 are 5.92%
- Shared claims for 2008 are 18.79%
- Shared claims for 2007 are 9.92%
- Shared claims for 2006 are 21.77%
- Shared claims for 2005 are 16.70%
- Shared claims for 2004 are 23.46%



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## PROSPECT REFERRALS REAP DOUBLE REWARDS

Members of the Workers' Compensation Trust of Illinois receive a double reward when they provide prospect referrals that ultimately become WCTI members. Each new member that joins WCTI reduces the allocated fixed costs of the Trust for all members. This is the first reward. Additionally, WCTI provides a lunch for all employees of a member that refers a prospect that joins the Trust. There is a maximum of \$5.00 per employee, not to exceed \$2,000.

Spread the word to business associates committed to providing a safe workplace. Introduce WCTI to these safety managed companies and receive double rewards!