



## DID YOU KNOW

A safety culture is more valuable than just savings on workers' compensation costs. A recent study from the National Opinion Research Center at the University of Chicago revealed that safety is what's most important to workers – above wage, maternity leave and paid sick days.

The study collected data from dozens of surveys and polls conducted from 2001 to 2010 by NORC, and found that about 12 percent of workers reported an on-the-job injury during the past year. Most importantly, more than eight in 10 workers rated workplace safety first in importance among labor standards.

## Upcoming Events

OSHA 30-Hour Construction Industry Safety Course

February 21<sup>st</sup>-25<sup>th</sup>

OSHA 10-Hour Construction Industry Safety Course

March 16<sup>th</sup> & 17<sup>th</sup>

More events on our web site!  
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## Insurers Speculate End to Decline in Workers' Compensation Claims

The long-running trend of declining frequency in workers' compensation claims may be coming to an end, according to several insurance companies. Claims frequency, which is a substantial driver of workers' compensation loss costs and rates, has been falling an average of 4 percent per year since the 1990s as a result of safety programs and worksite automation, but this year has experienced a slight uptick in many cases.

What is behind the change? Conditions related to the weak economy may have been drivers. Some insurers speculate that the

hiring of employees who are less experienced, and therefore more prone to injuries than experienced workers, could be a factor. Others call the flattening a fluke, a result of employers' temporary inability to invest in safety programs during difficult financial times.

Employers hiring inexperienced workers should emphasize training and safety initiatives to control the number and severity of workers' compensation claims.

Friedman Associates has resources to assist you in your safety education efforts. ♦

## Inside this issue:

Insurers Speculate End to Decline in Workers' Compensation Claims

Risk Management in the New Year

Agent Corner: Neil Friedman

Flu Season

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Builders Reserve recognizes the top 10 Champions Club agencies. These 10 agencies represent Builders Mutual's "Best of the Best"

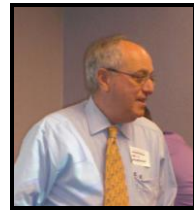
Friedman Associates has been named as a Builders Reserve Member for 2011



*"Thanks to all our Builders Mutual Clients for helping us achieve this honor!"*

## Agent Corner

Neil Friedman



As the economy starts to improve and everyone's consumer confidence recovers from the last few years, I want to give a small report on the condition of commercial property and casualty (P&C) insurance premiums. There is no doubt that the P&C market is still very soft, meaning prices are still lower than they have been in recent memory. Insurance carriers have had record profits for the past several years, allowing them to lower insurance premiums to below comprehensible levels. This is very good news to our clients, however, it is not sustainable in the long-run.

One area where further reductions are scheduled in 2011 is with Workers Compensation premiums. Workers Compensation (WC) premiums will have an average rate reduction of 12 percent for policies that are renewing after April 1<sup>st</sup>. The state of Virginia sets the WC base rates that companies can charge for premiums using data that was two years old so these reductions are probably not a trend for the future.

Overall, the industry is starting to show an unfavorable trend with some carriers showing losses for 2010. These losses could predict rate increases in the coming years, however, I have learned after over 35 years in the insurance industry that things change on an inconsistent basis. We will have to "wait and see" and enjoy paying lower P&C premiums while they last. ♦

## Risk Management in the New Year

The risk management environment at the beginning of 2011 is characterized by the sluggish economy, the shift in Congress and health care reform laws. Operating with limited resources and regulatory uncertainty poses challenges for risk managers.

However, stable insurance pricing allows risk managers to concentrate less on insurance negotiation and more on the prioritization of loss prevention programs, business continuity plans and enterprise risk management (ERM) initiatives. This year, resources will also be concentrated on ERM programs that address cyber risks and protecting customer information. ♦

## Is Your Personal Insurance In Need



### of Review?

♦ Homeowners' ♦ Auto ♦ Umbrella ♦ Flood ♦ Renters' Insurance ♦ Boat/Watercraft ♦ Classic Car

Contact Tina DeMaria @ 420-9600 ♦ [tina@friedman-insurance.com](mailto:tina@friedman-insurance.com)



## Planning for the Flu Season

Many employers may not realize the impact that the flu season can have on their company. If a major influenza outbreak hits your community, you may face highly elevated employee absenteeism rates, which could lead to business interruption and lost production. Being prepared for a possible severe outbreak in your community will help ensure that your business runs as smoothly as possible throughout the flu season

### Prevention

As an employer, there are steps you can take to help your employees avoid catching seasonal influenza. Stress the importance of washing hands thoroughly and often, and consider providing hand sanitizer in common areas. Emphasize other personal health strategies, such as avoiding touching one's nose, mouth or eyes and covering coughs and sneezes with a tissue.

Make sure that commonly touched objects like elevator buttons, door knobs and keyboards are disinfected frequently. Encourage employees to get vaccinated against seasonal flu each year, and consider offering seasonal flu shots in your workplace.

Keep employees educated on prevention techniques, and encourage them to apply those strategies to their own households as well.

### Preparing for an Outbreak

Influenza is spread easily through person-to-person contact, so the best way to prevent the spread of it in your workplace is for sick employees to stay home until their symptoms are gone.

Consider implementing plans for such employees to work remotely from home if possible. By accommodating ill employees or employees with ill family members, you can keep business interruption to a minimum while also avoiding the spread of influenza throughout your workplace.

It is important that all employees completely understand the sick leave policies and any new provisions in place, so if the flu hits, they are informed and prepared.

You may not realize the huge impact that the flu season could have on your business, but preparation now can minimize business interruption during an outbreak

### Containing a Local Outbreak

There is a strong likelihood that your workplace will experience seasonal flu occurrences at some point during the fall or winter season. Encourage all ill employees to stay home until their symptoms subside. Try to be flexible with ill employees or employees who must stay home to care for their family members. If employees feel pressured to work through their illness, it will likely spread around your workplace, and you may face even more employee absence. If your community is experiencing increased flu occurrences, you may consider canceling nonessential face-to-face meetings and travel to avoid close contact between employees. Take advantage of telecommuting, e-mail and other remote conferencing options.◇

Protect yourself and your business.

Get the facts BEFORE you hire!

Employment Screening Services – For More Information Contact Us:

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