

82 Years of Experience ATLAS

Risk & Claims Consulting Newsletter

Enjoy your Retirement, Roy Sasuga!

It is with mixed emotions Roy Sasuga will be retiring after many years with the Island Holdings family of companies (Island Insurance & Atlas Insurance). I have had the privilege of working with Roy for approximately 12 years at Atlas Insurance. Although we will miss Roy, he has worked hard his entire career and has earned the opportunity to enjoy more time with his family and grandchildren.

I would like to share with you some things you might not know about Roy that we will surely miss:

- Loves to shine shoes! Is the official “Shoe Shiner” for Atlas
- Provides legal massages for staff upon request
- “Babooze” is one of his favorite words
- Has every tool or piece of equipment you can think of
- Raises beautiful orchids
- Drinks Diet Coke throughout the day
- Chews nicotine gum after every meal
- Loves to have a beer or two with friends
- Will always have “Manapua” at every claim review meeting
- Looks forward to “Pho” three times a week
- Always volunteers for Company Community Service Events



There are probably a lot more memories you have of Roy. If you have not had an opportunity to see Roy, he will be with Atlas until the middle of May.

Roy, enjoy your retirement!
We are all envious and we wish you well on your next stage of life.

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Inside This Issue

- 2 WC Compensation Benefits
- 3 Motorist Coverage
- 4 Tips for Safety Meetings
- 5 Can you see the light?
- 6 About: SB No. 2165



Workers' Compensation Settlement Basics

There are several different options available when resolving a WC claim. Some of them are very straight forward and others are individually crafted to meet the specific needs of all parties. Although these settlements are being paid by the insurance carrier, it is critical that the employer is involved in any settlement discussions as it could impact their future liability. As always, communication is key. The following is a summary of the different settlement types:

Straight PPD Settlements

This is the simplest and most common type of settlement. Permanent Partial Disability (PPD) benefits are statutory under Chapter 386 and are calculated based on an impairment rating per the AMA Guides. If an injured worker has been deemed medically stable from their injuries and sustained a ratable impairment under the AMA Guides, they will be due statutory PPD benefits as part of their claim resolution. This type of settlement will *not* affect the claimant's eligibility for future medical care under the claim. All WC settlements must be approved by the Disability Compensation Division (DCD).

Non-Compensable/Nuisance Settlements

For claims that are disputed, this is an option if the cost of investigating or defending the claim exceeds the anticipated payable benefits. The settlement could be as little as a couple hundred dollars just to eliminate the exposure without accepting liability.

Indemnity and/or Medical Waivers

To eliminate *future* exposure for indemnity (disability) and / or medical benefits on a claim, the carrier can offer additional monies to have the claimant waive these future benefits. These should not be pursued when the claimant is still employed with the insured as they could get injured again the very next day. In addition, medical waivers would not typically be an option if the claimant is eligible for Medicare / Social Security benefits as this could require a very expensive set aside.

Global Settlements

Global settlements would include *all* future WC benefits, employment waivers and *any* other issues related to the claim. The portion relating to employment waivers would be negotiated and funded by the employer but done concurrently with the WC settlement. The employment portion would not require approval by DCD.

Medical Advances

When medical waivers are not practical for whatever reason, and when future medical costs are minimal, the claimant can be offered a medical advance to fund his / her future medical treatment. The value of the advance would be steeply discounted based on the estimated future medical costs, and the claim would be closed upon settlement. To re-open, the claimant would have to exhaust the monies and provide full documentation that the monies were spent as stipulated. If not re-opened in 8 years, the claim remains closed forever. The advantage is that most people will not spend their own money on medical care.

Structured Settlements

For very large settlements, an annuity can be purchased at a discounted value, and the monies would be paid out over many years by a third party. These are appropriate when the future medical costs are very high. These are complicated settlements drafted by specialists in the field, and they would be global in nature.

Should you have any questions regarding settlements, or anything else relating to your workers' compensation program, feel free to contact one of our claims consultants.

~Martin Beardeaux, Claims Consultant

Uninsured & Underinsured MOTORIST COVERAGE

Did you ever think what would happen if you got into an automobile accident where the other driver is at fault? The assumption is that there shouldn't be a problem since the other driver would be insured and their insurance would pay for your damages and injuries. Unfortunately, in reality, there are often times when the adverse party is not insured or is insured but does not have adequate limits to compensate for the loss. This, whereby purchasing Uninsured Motorist Coverage or Underinsured Motorist Coverage, would fill in the gaps in the scenario just described.

Uninsured or underinsured motorist coverage can pay for injuries to you and your passengers when there is an accident and the other driver is both legally responsible for the accident and considered "uninsured" or "underinsured."

An **uninsured motorist or UM** is someone who did not have any insurance at the time of the accident. A hit-and-run driver can also be defined as an uninsured motorist.

An **underinsured motorist or UIM** is someone who met the minimum legal financial responsibility requirements, but did not have limits high enough to cover the damage they caused.

Both uninsured motorist and underinsured motorist coverage will not cover the physical damage sustained to the automobile you occupied in the accident; but it will cover any bodily injury claim that you may have against the adverse driver.

Too often, clients have asked the question as to whether or not you need this coverage and as a claims consultant, you absolutely need this coverage because if you get into an accident with someone who is driving without insurance or doesn't have enough insurance, you want to be made financially whole again. Both UM and UIM coverage is not a gift or present from your insurance company. You will be charged a premium for these coverages so don't think you're taking advantage of your insurance company if you have to make a UM or UIM claim. This coverage is for your own protection and benefit which is another compelling reason why you should purchase it.

This is a very brief overview of UM and UIM coverage but should you have any questions or concerns, make sure that you consult with your agent or call Atlas Insurance Agency who will be more than happy to address any of your questions.

~Roy Sasuga, Claims Consultant



Tips for Holding an Effective Safety Meeting

Safety meetings are a great way to ensure health and wellness in the workplace. But having an effective safety meeting can sometimes be a difficult task. Keeping employees interested in your meetings can be challenging at times as they tend to lose interest quickly during long speeches or presentations.

Having an effective safety meeting can be a piece of cake if you have the right tools and ideas to get everyone involved. Here are a few tips on having an effective safety meeting which may help you get your employees involved and interested in safety:



1 Be Prepared

Go over the safety topics and what you plan to cover before you actually go to the meeting. It will be easier to keep everyone's attention when you are on point and not stumbling from topic to topic.



2 Get Everyone Involved

People tend to remember things they actually do, better than things they hear. Try to encourage questions and discussions throughout the meeting as interaction is the key. Be sure to include enough time at the end of the meeting for a questions and answers session.



3 Keep It Short

Many people's minds will start to wander after thirty minutes. Try and keep each new safety topic discussion under thirty minutes and take a few breaks if the meeting is running long. This will give people a chance to move around and use the restroom or return phone calls. Sitting for long periods of time can also make people restless.



4 Making the Most of Your Time at Safety Meetings

The most important tip for having an effective safety meeting is time management. Learning how to use the allotted time correctly and efficiently is the only way to have a productive safety meeting.

Make a list of all the topics that you need to cover during the meeting. Then break each topic up into a certain amount of time. Once you have decided how long each topic will get for discussion make a few notes on what you feel must be covered about that topic. Don't forget to leave time for Q&A with your audience.

5 Workplace Toolbox Topics

Workplace safety talks (toolbox talks) are generally short meetings that happen before the beginning of a work shift. The purpose of a workplace safety talk is to cover topics that are relevant to the workplace and can be helpful to employees throughout the day. If you are discussing how to use a piece of equipment in order to lift something, it is always a good idea to have an actual demonstration with the piece of equipment to show first hand how it can be used correctly. There are thousands of safety talk topics that you can cover every day before the job begins.



~Kurt Sibayan, Risk Consultant

Seeing the Light

Falls from heights is one of the leading causes of fatalities in the construction industry today. Workers fall from unprotected sides and edges, and working near skylights, skylight openings and other roof openings. There are existing standards that require the guarding of skylights and other roof openings. So why do these falls occur?

For information about Skylight standards, please go to:

<http://www.osha.gov/SLTC/fallprotection/construction.html>

One explanation is that the recent use of smoke-vent skylights in new construction has increased the exposure to workers to these hazards. Smoke-vent skylights are designed to provide natural lighting into a building and can be activated to open electronically, heat tripped or manual. Smoke-vents are required in many commercial buildings to ventilate hazardous and blinding smoke generated from a fire inside a building.

The following OSHA standards address the worker exposure to skylights:

- 1926.501(b)(4)(i) Each employee on walking/working surfaces shall be protected from falling through holes (including skylights) more than 6 feet above lower levels, by personal fall arrest systems, covers, or guardrail systems erected around such holes.
- 1926.501(b)(4)(ii) Each employee on walking/working surface shall be protected from tripping in or stepping into or through holes (including skylights) by covers.

Although these standards exist, workers still fall through skylights. It could be from non-compliance to the standards by the employer, or employee misconduct. The next 2 case reports illustrate both.



Case #1

On October 30, 1987, a 24-year old male plumber died when he fell through an unguarded skylight opening to a concrete floor approximately 22 feet below. The victim and a coworker were installing plumbing fixtures on the roof of a new building. The roof contained numerous 4 x 4 foot openings framed with 2 x 6 inch wood. These openings were intended for smoke-vent skylights when the structure was complete. Although the victim and others had been working on this project for several days before the incident, no fall protection or guards of any type were in place. At the time of the incident, the victim and a coworker were discussing the relocation of a fixture on the roof. The victim was walking away from his coworker and looking back over his shoulder to talk to him and he stepped through a skylight opening.



Case #2

On May 12, 1986, a 21-year old male laborer died when he fell through a domed, smoke-vent skylight to a concrete floor 27 feet below. The victim had been throwing old roofing materials off a roof with 6 unguarded skylights. During a work break, the victim sat down on one of the skylights, which began to break under his weight. As he attempted to raise himself from the skylight with his arms, the plastic dome failed completely and he fell. Officials from the State of Maryland Occupational Safety and Health Administration reported the victim had been warned by his supervisor and coworkers not to sit on skylights.

Falls through skylights and skylight openings are unnecessary and can be prevented. All employers and employees must adhere to the applicable OSHA regulations. Railings or screens guarding all skylights and other openings in roofs must be installed before roofing work begins and must be in place until construction is completed. Where guardrails or harnesses with lanyards are not practical, employers must provide alternative forms of protection against falls such as covers, catch platforms or safety nets.

Employers should assure that all workers required to work near roof openings or skylights are adequately trained to recognize the hazards of falling through roof openings and the danger of sitting or stepping on skylights.

Atlas Insurance Agency can assist you with a site survey to evaluate your roof conditions. Please contact one of our Risk Consultants for assistance.

~David Ching, Risk Consultant

About Senate Bill No. 2165

“A Bill for an Act Relating to Private Guards”

For those of you who may be unaware, Senate Bill No. 2165, entitled “A Bill for an Act Relating to Private Guards” became law on July 6, 2010. What is this law, and how will it affect you? Effective July 1, 2013, all guards or those who serve in the capacity of a guard must meet registration, instruction, and training requirements prior to employment or maintaining employment.

Requirements include a minimum age, education, psychiatric/psychological well-being, and criminal history clearance. Instructors and curriculum will be approved by the board as described in the Bill. Continuing education and renewal fees will also be required. If you’re wondering who falls under this Bill, it is defined under Section 2. Section 463-1. The Bill goes on to further provide qualifications for guard agencies and license.

Safety and security go hand in hand, so be prepared. Loss of adequate security, due to a lack of preparation of this law, will result in an unsafe and unsecure environment for your guests, clients, residents, and employees when it takes effect.

~Steven Pang, Risk Consultant

For complete details of this Bill, please go to either link below.

http://www.capitol.hawaii.gov/session2010/bills/SB2165_CD1_.htm

http://www.capitol.hawaii.gov/session2010/bills/GM700_.PDF