



# State of Nevada

Department of Administration

## Risk-y Business Risk Management Division

Volume 2002 – 03

July/Aug/Sept 2002

### GOVERNORS EXECUTIVE ORDER

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The Executive Order signed 27<sup>th</sup> of June 2002 by the Governor, provides that the State of Nevada continue to provide a healthful and safe workplace for its employees. The Order directs agency heads and other appointing authorities to maintain and monitor its written safety program and:

- Development of a workplace violence prevention program by January 1, 2003.
- Reporting and responding to water damage.
- Budget for standard ergonomic equipment using credentialed vendors that will assess needs and provide training to employees.
- Add a section on indoor air quality to the agency written safety program.
- Injured employees that are performing 51% or more of their regular duties may have their

temporary assignment extended beyond 90 days.

- Risk Management to assess a \$1,000 deductible to agencies that don't provide light/modified duty to injured employees within 30 days.
- **Agencies to cooperate with Risk Management and Division of Industrial Relations in regards to safety inspections, training and audits.**
- **Develops a plan to prevent, identify and correct indoor air quality problems within buildings occupied by State employees.**

For assistance with the executive order visit our website at [www.risk.state.nv.us](http://www.risk.state.nv.us) or call out office at (775) 684-7056.



Nevada hosts the 2002 western states risk and Insurance managers conference

Nevada was chosen as the site for this year's Western States STRIMA conference, which was held in Carson City June 3-6<sup>th</sup>. The conference highlighted Nevada's Risk Management Program and our very successful Dept. of Corrections Program. Emergency management planning, terrorism strategies, and alternate risk financing were just a few of the other issues addressed during the conference. Guest speakers in attendance were Steve Kahn and Angie Terry of ARMTECH, and the

senior partner of Milt Wright and Associates, Richard Pimental, who is a nationally renowned expert on disability management, worker's compensation cost containment, rehabilitation and job retention in the workplace. Guest speakers from the Dept. of Corrections and a tour of the Nevada State Prison were also included in the conference. Representatives from Oregon, Arizona, Idaho, Wyoming, California, Utah and New Mexico attended the conference.

## POTTED PLANTS and MOLD



There will always be some unavoidable environmental exposure to mold. Molds or fungi are everywhere, including the dust and soils both inside and outside of our buildings. The objective is to identify and remove or control conditions that may contribute to indoor mold growth. The fact that potted plants are reservoirs of pathogenic (infectious or disease causing) fungi has been well established and documented especially in hospital environments because of the immediate danger some fungi present to people struggling with some health issues.

A study by Summerbell and co-workers were able to isolate many species of fungi from potted plant soils. So as we provide the soil, regular watering and nutrients to our potted plants, molds also thrive and generate spores and odors similar to the molds that are growing on water damaged building materials. It may also be possible that the occupants in office buildings that are sensitive to the molds that are growing on water damaged building materials are also sensitive to molds growing in the potted plants that are decorating their buildings.

Is it possible to maintain potted plants in a mold free condition? If not, what types of mold are growing in potted plant soils? Are the molds pathogenic or allergenic? Should we identify individuals in the building that may be immune compromised, asthmatic or have other health issues that make it dangerous for them to be exposed to some fungi? Some of these questions could be debated and studied, at great expense, forever. However there is a general agreement that mold growth on building materials is an unhealthy condition for both the building being decayed by the fungal digestive processes and the building occupants that are exposed to the fungi. Similar logic may apply to mold growth in potted plant soils.



Caring for plants indoors may be more problematic and require more awareness than most people realize or are prepared to provide. An effort should be made to educate and monitor building maintenance and staff regarding ways to minimize proliferation of mold in houseplants. It is extremely important to control water usage, because water is the necessary requirement for the survival of both plants and fungi. Factors such as over watering, standing water in drip pans, spilling water on adjacent surfaces, and wet materials around plant pots (wicker baskets, porous ceramic bases, paper towels, leaves, etc.) should be reduced or eliminated to help control mold problems. It is also important to remove dead vegetation and keep the plant containers and overflow catch basins clean and dry.

Whether or not to keep potted plants in our buildings is a difficult topic but improving how they are cared for is a relatively easy and inexpensive way to improve Indoor Air Quality for everyone. It may be that you or someone near you is symptomatic to mold exposure and will show improvement as a result of these simple suggestions. But if you are not prepared to give your plant the attention it needs, perhaps one of the many faux plants should be considered as an alternative although even these will require frequent dusting or they will become another Indoor Air Quality problem.

**Remember:**

An effort should be made to educate and monitor building maintenance and staff regarding ways to minimize proliferation of mold in houseplants.

**Factors such as over watering, standing water in drip pans, spilling water in adjacent carpeting, and wet materials around plant pots (wicker baskets, porous ceramic bases, paper towel, leaves, etc.) should be reduced or eliminated to help control indoor problems.**

## AUDIT OF IC CONTRACTS



An audit of randomly selected IC contracts was recently completed. The results, which will be provided to each agency participating, indicated compliance deficient in three areas: 1) obtaining an additional insured endorsement; 2) certificates of insurance complying with the insurance schedule requirements; and 3) obtaining new certificates of insurance as vendor insurance policy(s) expire. Each one of these is critical to the State's ability to recover funds from the vendor's insurance company in the event a claim is filed. Increased diligence in obtaining compliance with the insurance requirements contained in Paragraph 15 of the Independent Contractor Contract is a must. The Risk Management Division would like to thank each agency involved with the audit for their cooperation of providing the requested information to our auditor, Willis of Seattle.

### PROPERTY INSURANCE

9-11 had a major impact on the July 1<sup>st</sup> renewal of the State's property insurance program. Insurance companies were unable to put together the capacity for risk that would meet our needs. Amounts of coverage offered were slashed. A 45% non-negotiable rate increase was considered "reasonable" in the current market. Only one competitive quote from an alternate insurance company was offered at 82%, and sources indicate rates are continuing to escalate upward. The State renewed its policy with FM Global. We increased the State's deductible from \$100,000 to \$500,00 per claim, which brought the rate increase down to 32%.

	FY02	FY03
Policy limit	\$3,100,000,000	\$500,000,000
Deductible	\$100,000	\$500,000
<b>Flood</b>		
Deductible	\$250,000 all locations	\$500,000 per building
Limits	\$100,000,000	\$5,000,000
Terrorism	Policy limit coverage	Not Covered
Automatic Cov.	90 days/ policy limit	90 days/\$10M limit

**Bottom line** – Most all Carson City and areas

of Las Vegas are sited in a flood plane. All agencies should dust off their disaster plans, review them and make certain that everything possible is being done to protect the state's property, most particularly from a flood event. If you need assistance, please contact the Risk Management office.

# Back Belts – Do They Protect Workers?



Back injuries account for a large number of injuries and illnesses in the workplace and cost the economy thousands of dollars. In response to the increasing human and economic costs of back injuries, companies have tried using many devices to lessen the chance of back injury, either in conjunction with or in place of sound ergonomic programs. One such device is the “back belt.”

The decision to wear a back belt is a choice and the National Institute for Occupational Safety and Health (NIOSH) believes that workers and employers should have the best available information to make that choice. So NIOSH conducted an extensive study and concluded that there was “insufficient scientific evidence” that wearing back belts protects workers from the risk of job-related back injury.

In their study, NIOSH found that the back

injury rate among workers who wore back belts every day was “statistically insignificant” from those who didn’t use them regularly. Even employees in the most strenuous types of jobs showed no real difference in either back pain complaints or injury claims when using back belts. A history of back injury was the strongest risk factor for predicting either a back injury claim or reported back pain among employees, regardless of back belt use.

NIOSH does not consider back belts to be personal protective equipment and does not recommend the use of back belts to prevent worker injury. They conclude that back belts do not lessen the hazards to workers who lift, push, pull, twist or bend repeatedly. The most effective way to minimize the likelihood of back injury is to develop and implement a comprehensive ergonomics program. The program should include:

- Ergonomic assessment of jobs and workstations to make sure that work activity can be done without exceeding the physical capability and capacity of the worker,
- On-going, comprehensive training for all workers on lifting mechanics and techniques,
- A surveillance program to identify potential work-related musculoskeletal problems and,
- A medical management program.

On the basis of available evidence, how effective back belts are remains unproven.

NIOSH believes that the most effective way to prevent back injury is to implement an ergonomics program that focuses on redesigning the work environment and work tasks to reduce the hazards of lifting.

## Volunteer, Interns, Board Members and Inmate Labor Reporting Requirements

State law requires all personnel and/or volunteers be covered under workers’ compensation. All required forms can be accessed on Risk Management’s website ([www.risk.state.nv.us](http://www.risk.state.nv.us)) or you may call Ann Schlatter at (775) 684-7062 to have them sent to you.

Once your agency is established in the program, an agency representative will be responsible for maintaining a monthly roster of volunteers, interns, Board Members and inmate labor and to report any activities as well as any inmate labor pay related workers’ compensation premium costs on a quarterly basis. When a budget is setup in the system, the agency of record will receive a notice from Risk Management Division to report any work or meeting activity on a quarterly basis. If at anytime during a month your agency utilizes the services of a volunteer, intern, inmate labor or if your Board Members meet, premiums will be due. Please remember to include the number of volunteers, interns, inmate labor and Board Members when completing your quarterly report, this is a necessary tool used in the Annual Worker’s Comp audit process.



## Employers Held Liable For Accidents Rulings hinge on injuries caused by employees on cell phones in vehicles

Two recent cases, in Florida and California, highlight employer liabilities that may arise from distracted driving. In the Florida incident a construction materials company was ordered to pay \$21 million to a 79-year-old woman whom was injured following an incident involving a salesman for the construction materials dealer. The resulting lawsuit charged the driver was acting within the scope of his work when making cell phone telephone calls to clients and that the employer encouraged the use of cell phones to conduct business.

In the California incident the employee, also using a cell phone for business struck and killed a 15 year- old girl. This case has not yet gone to trial, but the relatives of the deceased child are asking for \$30 million.

Neither of the employers had policies and procedures regarding the use of cell phones, or other activities that impact a person’s ability to drive safely. It is wise for all employers to review their current policies and procedures regarding the use of cell phones with their employees. If employers don’t have specific policies and procedures they should develop and implement them.

## STUCK IN CUBELAND?

### Cube Etiquette

Don’t loiter.  
Realize that odors know no boundaries.  
Be more aware of what you are saying and how loudly you are saying it.



### Cube Atrophy

**Lower-back strain due to poor posture from being seated too long.**  
Use an ergonomic chair with armrests you can raise and lower to get the right fit. Your desk /table should also be adjusted to a comfortable level.

**Upper-back strain from talking on the phone.**  
Stretch your arms back over your head and arch your body into a "C."  
This helps reverse the hunched-over posture you may sit in.

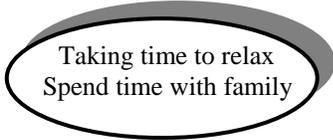
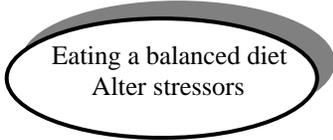
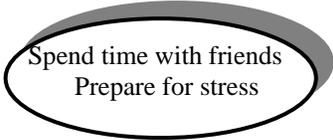
**Shortened pectoral muscles from leaning to type on a computer.**  
Find a doorway and place your forearms against the frame. Lean into the doorway to stretch your pectoral muscles. Don't hold this position too long, though, or you might strain yourself.

**Sluggish circulation in legs from prolonged inactivity.**  
Walk every half hour or so. It keeps your circulation going, gives your eyes a break and lets your whole body move.

Stress is a part of our everyday lives. As a result stress has become one of the most common problems we face. The good news is that stress can be self-controlled. Most people have come to accept stress as a normal part of life, and even though everyone has to deal with it, few seem to understand it and how to cope effectively.

Current estimates indicate that the annual cost of stress and stress-related diseases in the United States exceeds \$100 billion per year, a direct result of health care costs, lost productivity, and absenteeism. Chronic distress raises the risk for many health disorders, including coronary heart disease, hypertension, eating disorders, ulcers, diabetes, asthma, depression, sleep disorders, chronic fatigue, and certain types of cancers. Simply knowing where everyday stress comes from and how to cope with it can significantly reduce the onset of many, if not all of these, diseases.

Stress response results in a series of psychological and biochemical changes that affect every system in the body. The following may help in coping with stress



## Workers' Comp Question of the Quarter:



### *Why is the Early Return to Work Program Important?*



The State of Nevada has an aggressive early return to work program, which is sometimes not understood by either the injured worker or the management. State employees are valued and recognized as a critical resource needed to meet the mission to serve "the citizens of Nevada". The value of the Early Return to Work Program is two-fold in that it helps the injured worker recover and is of benefit to the State. The goal of the program is the safe return of employees to transitional or regular employment. Medical research has shown that people recover more quickly if they remain active and return to their normal routine as soon as possible, avoiding isolation and the mind-set of disability. There are direct costs and indirect costs for the State. The direct costs are the costs of medical expenses and lost time expenses. The indirect costs include: 1) lower production during the employees' time away from work; 2) replacement and overtime costs; 3) training costs for new employees; 4) the cost of losing a valuable employee; 5) additional supervisor time; 6) customer dissatisfaction, and; 7) co-worker frustration.

Requirements for agency cooperation in the program are contained in NAC § 284.6004 thru § 284.601, inclusive. Further requirements are in the State Administrative Manual, section 0500. Basically these requirements state that appointing authorities will support and cooperate with the Early Return to Work Program by providing temporary (transitional) assignments for their injured workers. If the appointing authority cannot provide a transitional assignment the injured worker may be placed in a transitional assignment under the jurisdiction of another appointing authority. However, the employee's original appointing authority must still pay the employee's salary (NAC § 284.6008). The Risk Management Division has been quite successful in finding alternative temporary positions for injured employees. These temporary positions are generally for no more than 90 days, unless the employee is performing more than 51% of their original duties or if additional medical procedures are performed.

Since 2001, the State of Nevada has paid \$1,177,781 in lost time/rehabilitation costs on injuries that occurred from Jan 1, 2001 to June 30, 2002. While this may not seem to be a large number it could have paid the salaries of 32 new employees making \$36,000/year or 392 new laptops at \$3,000 a piece. These are direct costs; the indirect costs may be ten-fold.



Be sure and check out our award winning website at: [www.risk.state.nv.us](http://www.risk.state.nv.us)

