

Partnering for Safety and Savings

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

Public Agency Becomes National Expert in Preventing Workplace Injuries



A Proven Solution for Lowering Workers Compensation Costs

Public agencies, like private sector companies, share in the pain of spiraling costs associated with workplace injuries. The Los Angeles County Metropolitan Transportation Authority (LACMTA) is no exception.

Challenge

In California, workers compensation costs have caused employers to move to other states, scale back operations, lay off employees or simply close their doors.¹ Even legislative efforts cannot solve the entrenched problem of rapidly escalating workers compensation costs. Preventing injuries and their resulting claims is the most effective way for employers to reap significant savings.²

With approximately 9,000 employees, LACMTA provides bus and rail transportation to approximately nine million Los Angeles County residents with approximately 500,000 riders per day. For fiscal year 2001, LACMTA Actuaries estimate that LACMTA will pay \$68 million and receive 2,700 claims for injuries occurring in that year, approaching one claim for every three employees.³

Solution

LACMTA partnered with DuPont to assist with reducing injury claims by 50% over five years. The success of the partnership resulted in the goal being accomplished in less than three years. Management took personal and collective responsibility for the administration of the workers compensation program, placing critical emphasis on prevention of injuries.



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The new safety performance management process was established to provide line managers with actionable information in four main areas:

New rules and procedures that set safe standards for how employees carry out their work.

Field observations to raise safety awareness and ensure everyone is performing their work safely.

Incident investigations to identify root causes of injuries and take action to prevent recurrence.

Integrated disability management that helps return employees to work and minimizes time lost due to injuries.

Special programs were also put in place to target high risk areas. To help drive improvements in employee and vehicle safety, "Safety's First" was kicked off in 2001. All 9,000 employees — from operators to executives — are required to participate in the Safety's First Program.

Additionally, new business processes were designed for use throughout the organization. One key process was "Return to Work," which focuses on a productive return to work for injured employees. Tracking and reporting number of employees off work allows management to focus on the key cases and return those employees to work through a structured transitional duty program. Combined with injury reduction, the transitional duty program helped MTA reduce lost work days by 47%.

LACMTA learned that long-term performance is driven by assigning management responsibility and motivating employee involvement in order to create processes and a safety culture. This innovative approach to managing safety enabled LACMTA to implement sustainable structures, processes and training programs that produced impressive results.

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Results

Between LACMTA's fiscal year 2001 and fiscal year 2007:

- Total workers compensation ultimate losses went down 54%.
- Bus accident ultimate claims went down 15%.⁴
- New workers compensation ultimate claims went down 58%.
- Lost work days went down 47%.

Despite inflation, the estimated ultimate losses for workers compensation went down 18% between 1994 and 2006. Projected at current actuarial growth rates, those losses would have been 80% higher than 1994.

In 2003, the Los Angeles Civil Grand Jury, which is charged with studying and reporting on the operations of public agencies, commended LACMTA's Safety's First program and urged other public agencies to use the program as a model. In addition to accolades from the Grand Jury, LACMTA's Safety's First program was highlighted on the public television program California Connected where its success was trumpeted as an example of how California employers can reduce workplace injuries.

Let Us Help

LACMTA is just one example of how the highly leveraged, deep subject matter expertise and proven safety methods of DuPont have helped hundreds of organizations globally reduce workers compensation claims, workplace injuries and fatalities. Let us show you how we can dramatically lower your workers compensation claims.

¹ Source: April 16, 2004, California Chamber of Commerce

² Source: June 5, 2004 Los Angeles Times, Business Section "State Fund Posts 9.9% Dip in Comp Rates; Business and political leaders were seeking deeper cuts by the influential government-backed insurer." Business Section, Pg 1.

³ Source: June 30, 2007, LACMTA Actuarial Report

⁴ LACMTA experienced a significant work stoppage in fiscal year 2001.