



# EHSSSENTIALS 2018

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# Healthcare Injuries: The Real Costs

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## Healthcare Injuries: The Real Costs



**317**

million

accidents occur on  
the job annually



**4%**

global GDP

The estimated cost of poor  
occupational safety and health  
practices each year

### Range of Direct Costs

1. Workers compensation payments
2. Medical expenses
3. Lost time, absenteeism, lost productivity
4. Legal services
5. Cost of fines, work stoppage

### Indirect Costs

1. Costs of injury investigation
2. Increased insurance costs
3. Business disruption
4. Replacing employees
5. Reduced employee morale
6. Impact on company image/reputation

## Hospital Staff Injury Costs

- **\$22,300** – Average cost of a lost-time workers-comp claim
  - The average hospital would need to generate an additional \$1.5M in revenue to cover the cost of that injury
- The average hospital experiences \$0.78 in workers-comp losses for every \$100 in payroll



**\$1 Billion/year**  
Unnecessary costs



**\$24,000**  
Avg. cost of each low back injury



**\$15,600 per claim**  
Avg. patient handling related WC claims

## Hidden Costs

- 24% of nurses and nursing assistants changed shifts or took sick leave to recover from an unreported injury
- Eight out of 10 nurses say they frequently work with musculoskeletal pain
- A study in 2012 found that for every 10% increase in turnover, nurse injuries increased by 68%
- Average *cost of turnover* for a bedside RN ranges from \$38,900 to \$59,700 resulting in the average *hospital* losing \$5.13M – \$7.86M, annually. Each percent change in RN *turnover* will *cost/save* the average *hospital* an additional \$410,500.

## Hidden Costs

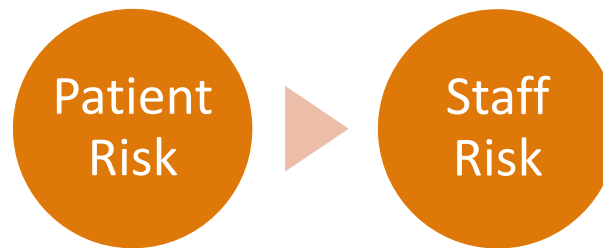
- Injury investigation time
- Labor costs for absences not covered by workers comp
- Increased use of employee healthcare benefits
- General deterioration of productivity and morale
- Under-staffed units increase risk of medical errors and patient infections
- Support services impacts
  - Room cleaning
  - Supply/equipment delivery



## Shared Hazards



Manual lifting puts the caregiver at risk, and can also put patients at risk for falls, bruises, and skin tears



Slippery floors and trip hazards impact both staff and patient falls

# Making the Case for Investment in Worker Safety





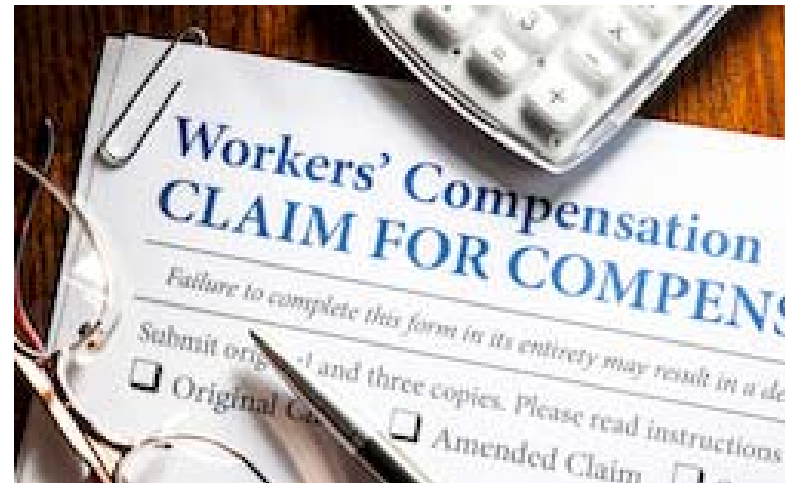
## Building Blocks



## Direct Costs: Understand Your WC Structure

Work internally to understand insurance program:

- Self Insured
- Guaranteed Loss
- Captive



## Direct Costs: Integrity of Comparative Data

Work internally to understand insurance program:

- Open/Closed claims
- Development factors and age of claims
  - Consider looking at claims aged 12 or 18 months
- Zero dollar claims included or not



## Direct Costs: Data Confirming Risk Perceptions

Which body part has the most expensive claims cost in patient handling claims?

Which department has the highest average cost of claims for nurses?

# Direct Costs: Data Confirming Risk Perceptions

A five year review of claims showed:

| Patient Handling by Body Part Injury | Average Total Cost - Unlimited |
|--------------------------------------|--------------------------------|
| Shoulder                             | 13,400                         |
| Neck                                 | 12,700                         |
| Knee                                 | 11,300                         |
| Back                                 | 8,700                          |
| Arm                                  | 8,500                          |

| Department | % of All Injured Nurses Claims |
|------------|--------------------------------|
| Surgery    | 33.6%                          |
| ER         | 12.7%                          |
| ICU        | 12.1%                          |

\*2016 Healthcare Workers' Compensation Barometer Report

## Indirect Quantifiable Costs

- Staff time investigating and managing injuries
  - EHS Professional making \$44/hour, 10 hours/week following up on injuries, \$440/week or \$22,000/year
- Time training new patient care or support staff in a new job
  - Estimate minimum and maximum time required to get new team members up to speed on the department specific
- Talk to HR and get a sense of current turnover rates; use these numbers to calculate additional costs due to loss of staff.
- Support services
  - Hourly cost impact of OR uptime
  - Cost impact of delayed room turnover (terminal clean)



## Additional Cost Considerations

Example Cost Considerations to include related to patient lift equipment (-)

- The cost of lift equipment
- Installation and structural changes e.g. when installing ceiling lifts
- Maintenance of the equipment
- Equipment related supplies such as slings; batteries
- Training costs e.g. staff time, staff backfill, and training supplies
- Program development and evaluation costs
- Costs for replacement supplies due to loss or theft



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## Additional Cost Considerations

Example Cost Considerations to include related to patient lift equipment (+)

- Decrease in combativeness with use of lifting equipment
- Patients report feeling more comfortable and secure
- Reduced shearing injury in patients, which lead to skin damage and exacerbate pressure ulcers
- Reduction in falls
- Increase in physical functioning and activity level



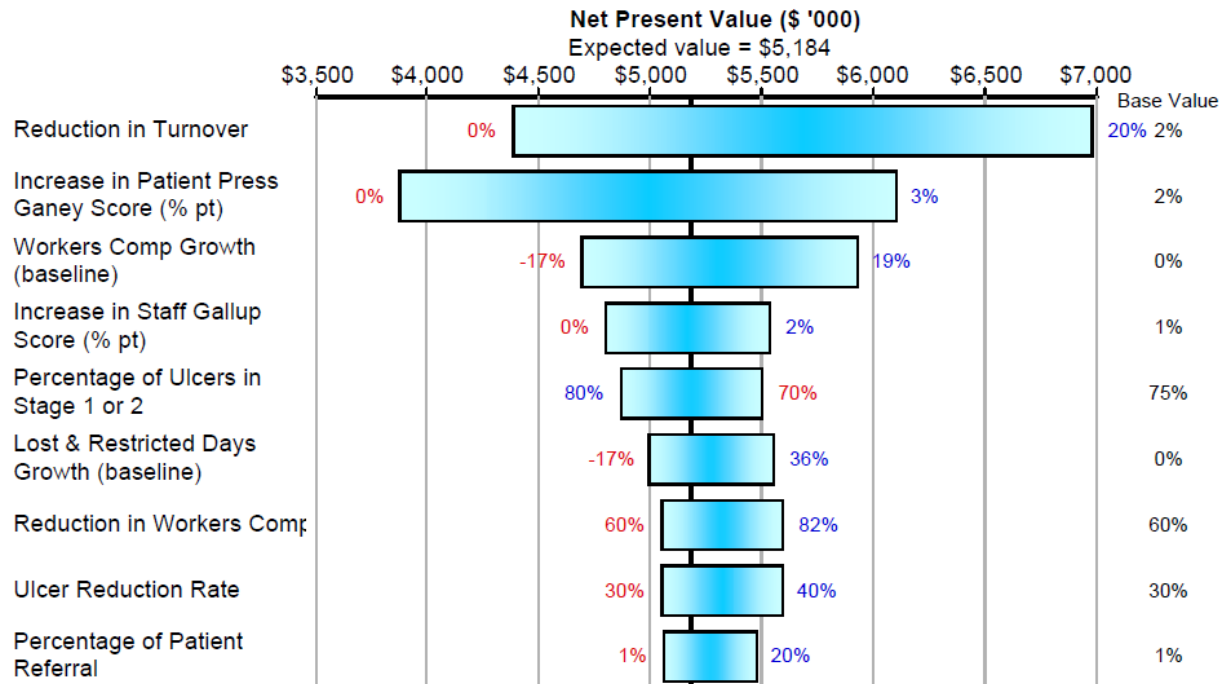


## Strengthening Your Case

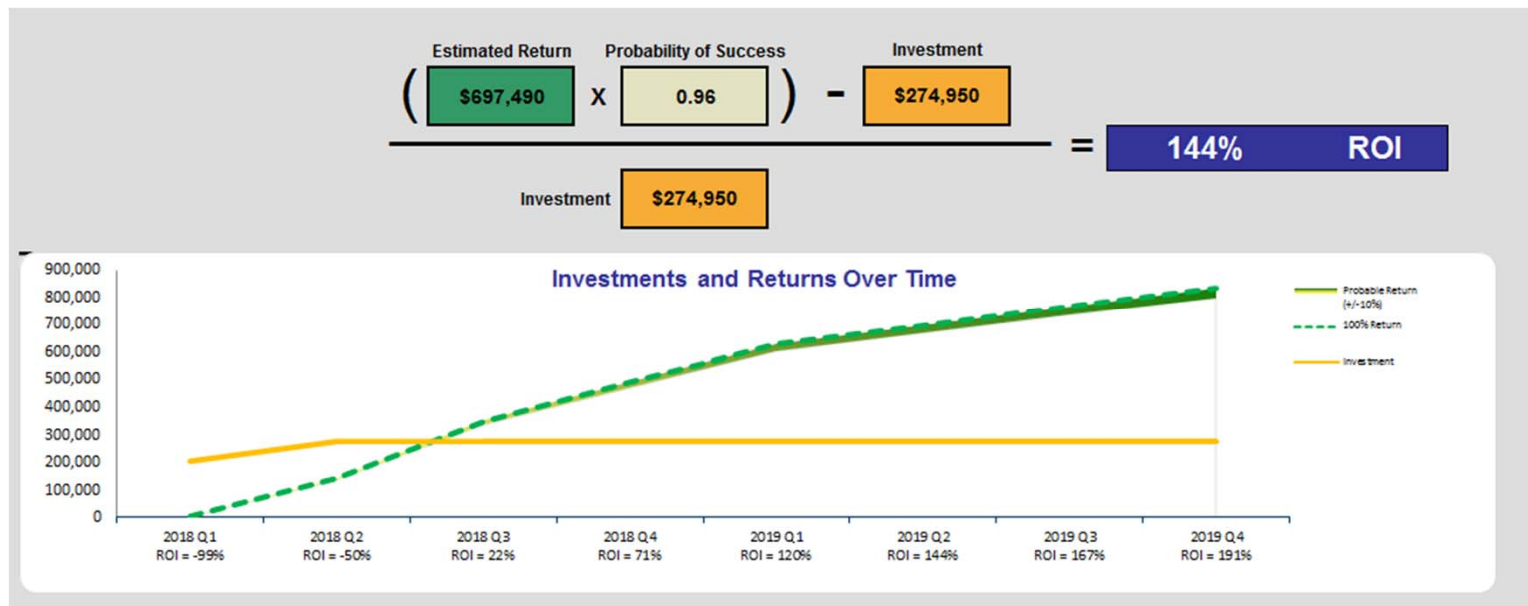
- What is valuable in your organization?
  - Case Studies
  - Patient Safety/Patient Satisfaction
  - HRO



# Strengthening Your Case – Where is the Value?



# Illustrate Your ROI



A picture is worth a thousand words

## Test Drive Your Business Case

- EHS Peer
- Support Services Leadership
- HR
- Financial Analyst



## Case Studies

### EVS Linen Handling

- Facilitated a risk identification process using employees in the department
- Measurable improvements in key outcomes:
  - **Cost of injuries** down 44%
  - **Lost work days** down 60%
  - **Restricted work days** down 23%

### Slips/Trips/Falls

- Analyzed accident reports to identify “Hot” spots where these injuries were occurring
- Controls put into place including footwear, umbrella bags, slip-resistant mats, and a spill response team
- During the six months following the implementation of recommendations, slips, trips and falls had dropped 33%
- In the year following implementation, the slip, trip, and fall rate had decreased 47% compared to the average rate for the prior three years

## Resources

- Risk Management/WC Department and Partners
- Area safety/risk chapters – ASSP and others
- Internal departments and case studies
- Professional Organizations

## References

- [www.nsinursingsolutions.com/Files/.../NationalHealthcareRNRetentionReport2017.pdf](http://www.nsinursingsolutions.com/Files/.../NationalHealthcareRNRetentionReport2017.pdf)
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Questions?



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