

OPERATING ENGINEERS WORKERS' COMPENSATION CARVE-OUT PROGRAM

Why Join the Program

The benefit of joining the program is to reduce employer's worker compensation costs and improve the quality and delivery of Workers' Compensation benefits for their injured employees. In 1999, Labor and Management established the "Operating Engineers' Workers' Compensation Trust," with the intent to reduce the waste and excessive costs that have historically been associated with the delivery of workers compensation benefits.

How it Works

- **Ombudsperson**
The Trust has appointed an Ombudsperson whose sole duty is to advise and assist injured workers on workers' compensation claims procedures. The Ombudsperson shall, upon request from an injured employee, assist the employee in filing claims, receive complaints and shall assist in attempting to resolve those disputes.
- **Non-Confrontational Claims Administration**
Each insurance company that provides workers' compensation policies utilizing the Operating Engineers Carve-Out Program has established a separate claims department that is familiar with the programs claim procedures and time lines.
- **Prevention**
The Operating Engineers Workers' Compensation Safety Committee has been established and working with both SCCA and ECA safety committees in assisting contractors in becoming more aware of safe practices.
- **The Alternet Dispute Resolution System (ADR)**
If a dispute cannot be simply resolved, an employee, with the assistance of the Ombudsperson, will first step up Mediation and if this process is not successful, the Arbitration proceedings follow

Proven Results!

Because of the shorter time in settling claims, as compared to the standard statutory claims procedures, and limited attorney's participation to only to disputes that could not be resolved by either the Ombudsman or Mediation, this results in lower claim costs.

A study by the California Workers' Compensation Institute, CWCI, compared an insurance company Carve-Out Program's to Standard Industry Results and the results were as follows:

- **25% Reduction on Average Length of Claims**
- **39.5% Savings on Average Total Claim Costs**

Because of the favorable reduction in total costs, some insurance companies will apply a **10% credit or higher** to their policies. In addition, with these types of savings, it substantially **lowers the experience modifications on future policies.**

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Who's Eligible?

- Contractors who have at least 51% of their operations in the construction, construction maintenance, activities limited to rock, sand, gravel, cement, and asphalt operations, heavy duty mechanics, surveying and construction inspection.
- Contractors that our signatory to the Operating Engineers Collective Bargaining Agreement.
- Be a member of: SCCA, ECA, BIA or Associate member of SCCA.
 - Associate members fee is \$300 for the first year. Two cents per hour will be added to your current monthly reporting form sent to the Operating Engineers.

Participating Insurance Companies

- ~ American Contractors Insurance Group
- ~ Chartis Insurance Comp
- ~ SeaBright Insurance Company
- ~ State Fund Insurance Company
- ~ Am Trust (Formerly Majestic)
- ~ Zurich Insurance Company

Any questions call or have your insurance agent call the Program Administrator for more information.

Contacts

Program Administrator

Sullivan Curtis Monroe
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Ombudsperson

Shogren Ombudsperson Services
7177 Brockton Ave. #101
Riverside, CA 92506

Barbara Shogren (800) 905-7595

SCCA (For Associate Membership)

6055 E. Washington Blvd. # 200
Los Angeles, CA 90040

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