



A SNAPSHOT OF YOUR SAFETY RECORD

Your e-mod and incidence rates are lagging indicators of worker safety. However, you can start to build a clearer picture of your safety record and its potential impact on your workers' comp premium if you can keep an eye on reported claims, close calls and days out of work from an illness or injury, among other factors.

E-MOD

An **e-mod factor** is one of the components that helps determine your workers' compensation premium. Your e-mod, calculated by the **National Council on Compensation Insurance**, takes into account workers' comp claims processed over the preceding three years.* It compares your actual losses to expected losses for similar businesses in your state during that period, factoring in your payroll plus the frequency and severity of accidents.

Your e-mod gets applied to the premium of a qualifying policy. It's one way businesses can reap benefits for good safety records. Companies with an e-mod below 1 can potentially reduce their premiums, while those above 1 typically will have to pay more for coverage.



INCIDENCE RATES

Incidence rates may also impact whether your bid for a project is accepted. These rates can reveal not just the number of incidents but also the number of days affected employees have been away from work. The Bureau of Labor Statistics offers a **calculator** to compare your incidence rate to others' in your industry.

The Occupational Safety and Health Administration keeps a close eye on incidence rates. An uptick in rates could lead to OSHA sending inspectors to monitor your business.



*An interval year is added between the current year that's being rated and the three-year period. The interval year is excluded because the ultimate claims costs for that year are still unknown as the e-mod is being calculated. For example, in 2020, the interval year is 2019 and NCCI would base their calculation on 2016-18.



Have questions about your safety record?
Contact Pinnacol for clarification or assistance:

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