

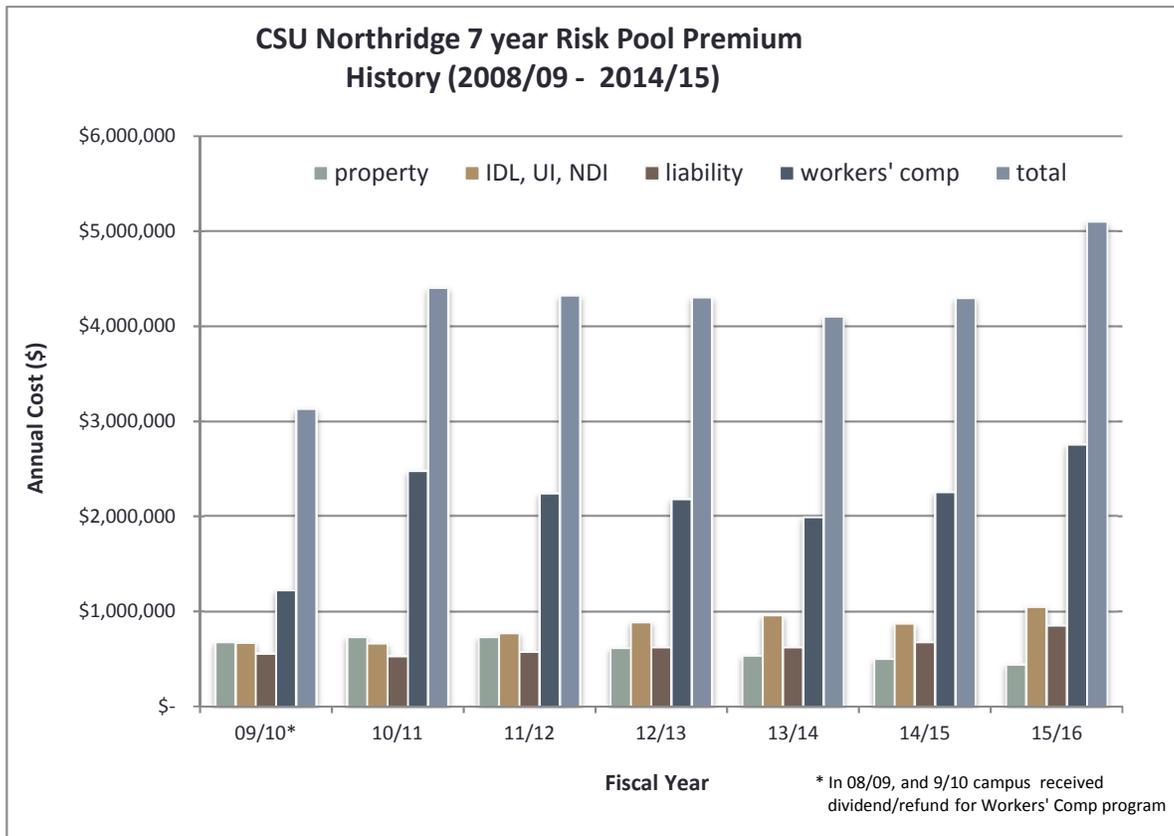
CSU Northridge Safety and Risk Management 2014/15 Annual Report

Background

Prior to FY 95/96, the CSU Chancellor's Office paid all liability, workers' compensation and IDL/NDI/UI claims and related expenses. The CSU funded these liabilities on a cash basis as the claims became payable. Beginning in FY 95/96, individual campuses became responsible for these liabilities. The "risk pool" was developed as a funding mechanism so that campuses could share these costs while simultaneously being encouraged to manage risks. To fund the pool, each campus pays an annual premium to the California State University Risk Management Authority (CSURMA) and receives coverage in the following program areas:

- Workers' Compensation
- General Liability (CSUN's deductible is \$750K/claim)
- Property Insurance
- IDL/NDI/UI

The 7-year premium costs for CSU Northridge under this program can be seen below:



The group tasked with overseeing these programs is the Risk Management Working Group. The group meets regularly with the goal of minimizing University risk through:

- Developing and implementing proactive programs, strategies and measures to minimize incidents that impact risk pool costs and potential costs;
- Regularly reviewing risk pool costs as well as specific incidents or trends that contribute to these costs;
- Providing regular updates to senior management regarding University risk;
- Educating constituent groups regarding risk management issues and responsibilities.

The group includes representation from the following areas:

- Environmental Health and Safety
- Workers' Compensation
- Risk Management
- Employee Relations

Other campus departments are routinely included depending upon the specific issues being addressed.

This annual report is intended to provide a summary of significant events and accomplishments that occurred in 14/15 as well as the objectives for the working group for 15/16. This report also satisfies the annual report requirements of CSU Executive Order (EO) 715 "Risk Management" and EO 1039 "Occupational Health and Safety".

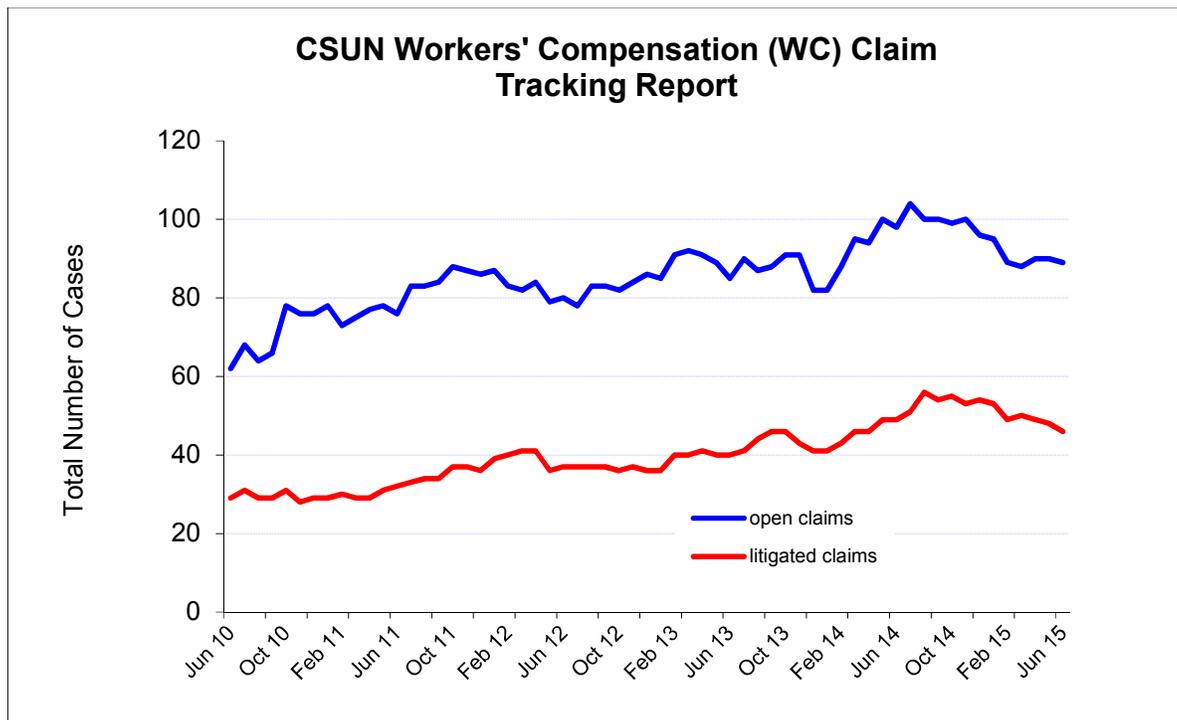
Key Measurements

Workers Compensation

Campus workers' compensation costs are driven by two factors: campus payroll and actual workers' compensation expenses (such as medical and legal). Since payroll costs cannot be controlled, the focus has been on strategies for minimizing workers' compensation expenses. Not surprisingly, the best strategies are to minimize the number of new cases that are opened and to close existing cases - especially cases that are greater than 2 years old.

To help track progress in this effort, the following claim activity information is reviewed on a regular basis. Litigated claims (claims where an employee is represented by an attorney) are also tracked because these claims tend to have higher expenses.

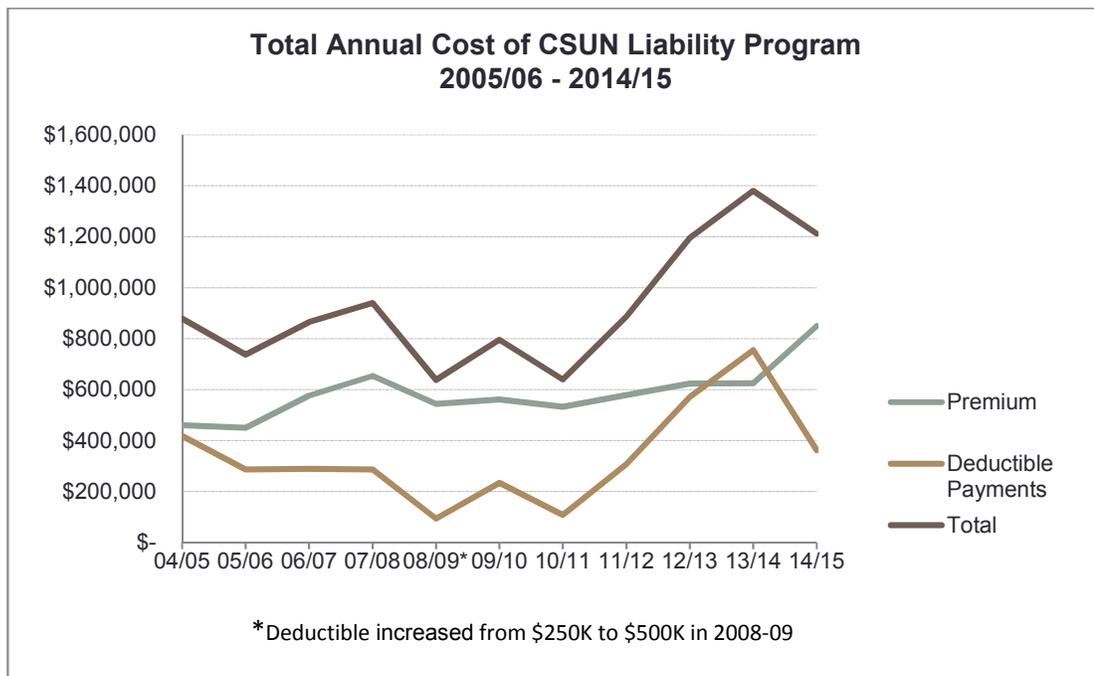
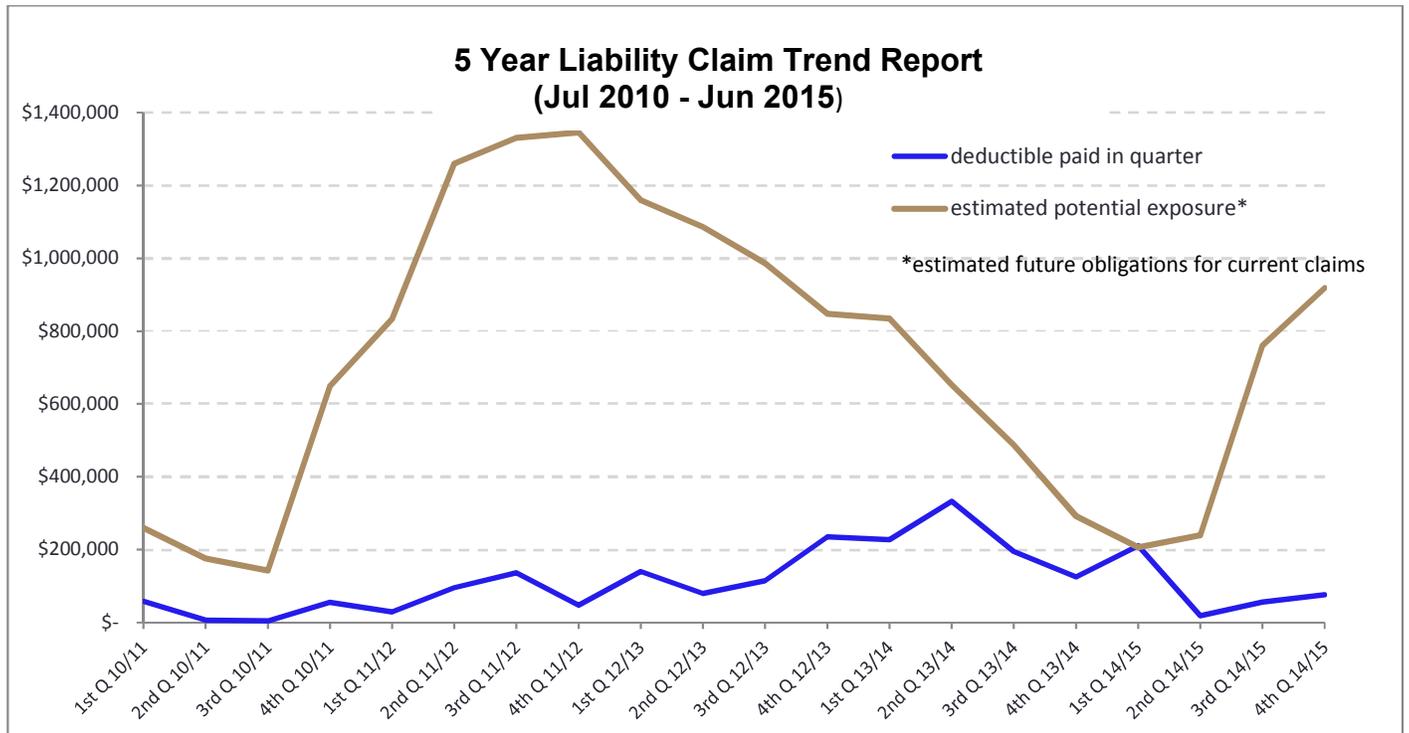
As the graph below indicates, FY 14/15 started with 104 open claims (51 litigated) and ended with 89 open claims (46 litigated).



Liability

Campus liability costs are based on a number of factors including the campus loss history relative to the rest of the CSU. While there tends to be a relatively low number of open claims, the potential for a high value claim always exists - and a single high cost claim can significantly affect the month to month “estimated potential exposure”. Case in point: The majority of the \$1.1M increase from the 3rd quarter 10/11 to 2nd quarter 11/12 was due to only 3 high value claims.

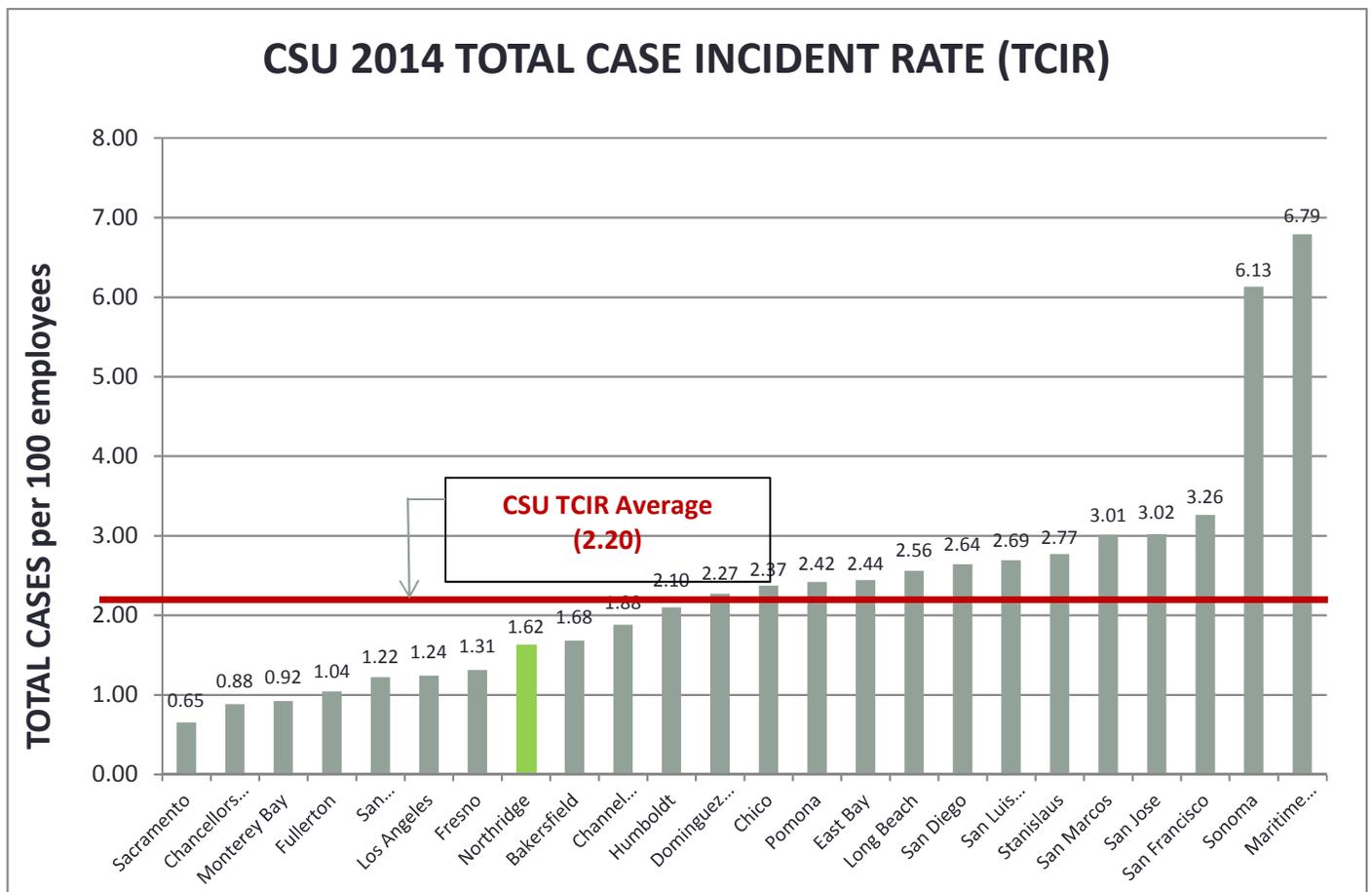
The Liability Claim Trend Report tracks the estimated cost exposure for all open claims (established by Alliant - our Risk Pool third party administrator), and the actual quarterly costs for managing these claims. It is also important to note that the maximum campus exposure for a single claim is limited to \$750,000 (for claims after 7/1/14 – the new campus deductible).



The Total Cost of the Liability Program Report tracks the annual premium payments as well as the payments made on individual claims that fall below the campus deductible (\$500K for all open claims and increasing to \$750K/claim in 14/15). As can be seen in the report, the direct costs for managing liability claims (deductible payments) have been increasing for the last 3 years. This is directly related to managing/settling several high value claims (discussed in “Significant Events” section of report).

Injury Frequency

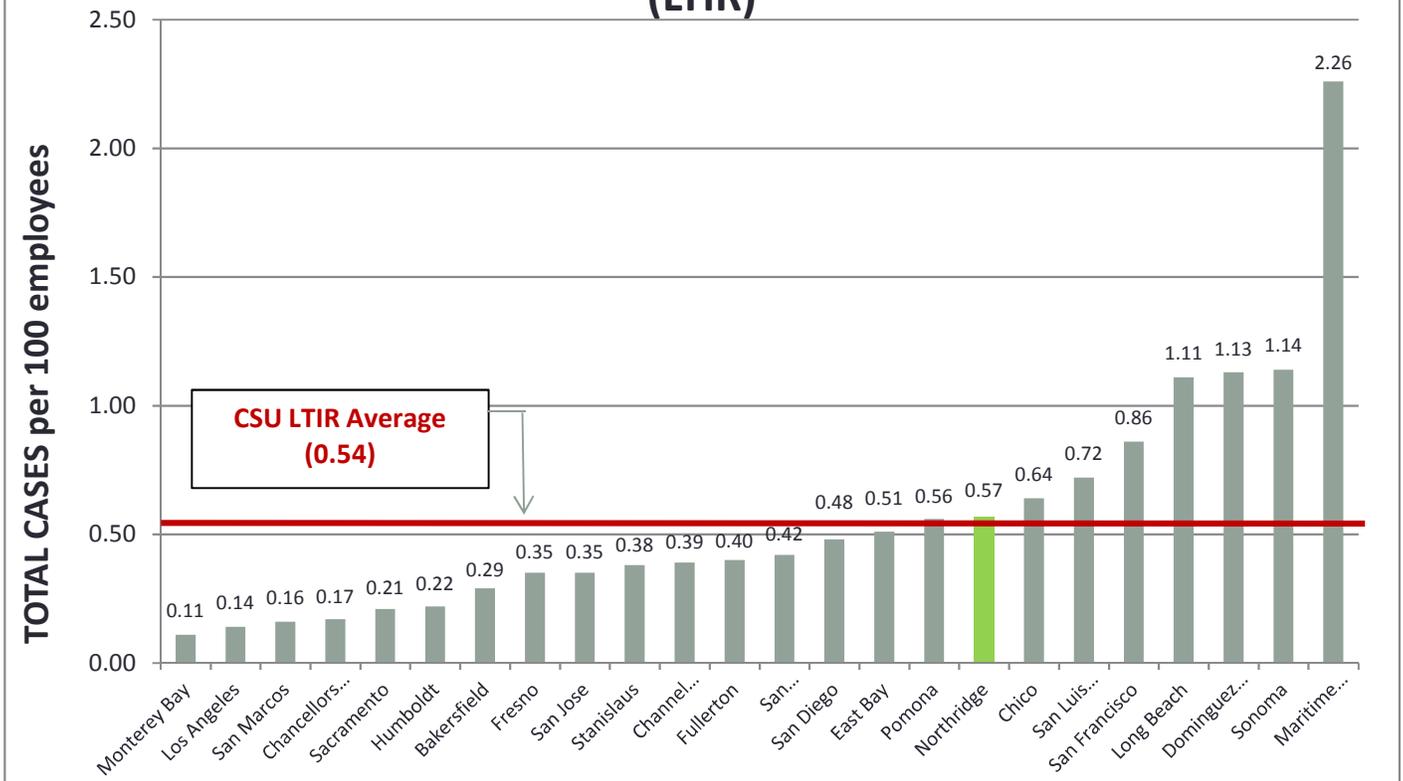
Injury frequency is a normalized measurement of how many injuries have occurred/100 employees. The CSU Injury Frequency graph shown below is from a system wide effort that was conducted in 2013. The risk management working group has been focusing on reducing the number of employee injuries as one of the methods for reducing workers' compensations costs, so this data is useful for measuring progress. We plan to continue to participate in this system wide program and to refine the data by developing a more detailed program for our campus that generates monthly data as well as department or college specific measurements.



Lost Time Injury Rate

The Lost Time Injury Rate is a normalized measurement of how many lost time injuries have occurred per 100 employees. A lost time injury is defined as an employee injury that results in at least one missed day of work. Lost time injuries, especially those that result in more than a few days of missed work, are especially costly to both the employee (pain and suffering, lost income) and the University. Consequently the Working Group is continually exploring methods for reducing the frequency and duration of lost time cases.

CSU 2014 LOST TIME CASE INCIDENT RATE (LTIR)



2014/15 Significant Events

- **Increase in liability claim deductible payments:** Continuing the trend that started in 10/11, the annual amount paid by the campus towards liability claims (deductible) increased from the previous year. The increase is directly related to the managing and settling of several high value claims.
- **Increase in workers' compensation claim activity:** The number of open claims increased slightly from the previous year (average of 90.5 in 2013/14 to 95 in 2014/15). This trend is not unique to CSUN and is being seen throughout the CSU. Possible reasons include an aging workforce and uncertainty and stress brought on by the budget reductions of previous years. Consequently, the campus experienced a 13.2% increase in the Workers' Compensation program premium from the previous year.
- **Learning Management System (LMS):** The use of Skillport as the campus-wide LMS continued. Full implementation will take several years, but a majority of the basic functionality should be in place by the end of 2014/15. New content is being added and we are beginning the development on CSUN specific training modules.
- **Radioactive Materials License:** The campus uses radioactive materials for research and instruction under a license from the California Department of Public Health, Radiologic Health Branch. The renewal process for this license started in March 2012 and is expected to continue into 2016. The license was last renewed in 1997. The campus has had an excellent radiation safety and compliance history and we anticipate a smooth renewal.

2014/15 Program Improvements

- Risk Management outreach and support continues to be a top priority. In 14/15 Risk Management worked with the following areas to increase risk awareness and reduce risk exposures:

- University Student Union: Student Rec Center risk issues – waivers and releases in particular.
- Auxiliaries: Big Show and other events - including club events.
- Academic programs regarding:
 - Foreign travel requirements
 - Internships
 - Field trips/conferences
 - Exchange programs
- Human Resources continued to offer training programs for supervisors on the process for accommodating employees with disabilities. The goal of this ongoing program is to ensure supervisors are knowledgeable on how to provide reasonable accommodations which in turn enables employees to continue to perform the essential functions of their job and reduce time away from campus. Program will continue in 15/16.
- Human Resources continued an external partnership with Blue Shield and Facey Medical Group that resulted in four workshops focusing on employee health and wellness. This was part of a larger campus-wide effort to provide employees opportunities to focus on their health and well-being.
- In a partnership with Kinesiology and Physical Plant Management, EH&S revised and re-launched the employee stretching program emphasizing strengthening as a prevention method. The revised program incorporates a strengthening component designed specifically for job duties being performed and is intended to reduce the most frequent types of injuries in PPM (sprains and strains). Implementation will continue in 14/15 and if successful in PPM, will be offered to other campus departments.
- As part of the campus Ergonomics program, over 76 workstation evaluations were conducted. Digital photos were also added to the assessment reports to better illustrate certain recommendations. Implementing an ergonomic outreach program working with departments to understand ergonomics as a method to reduce and prevent ergonomic related illnesses and injuries.

Status of Key Health and Safety Programs

As part of the University's health and safety plan, the following programs have been implemented and are maintained on an ongoing basis. Any recent changes or planned changes are noted:

- Asbestos/Lead management program – *revised January 2014*
- Biological safety – *revised February 2014*
- Blood borne pathogen protection – *revised February 2014*
- Chemical hygiene program - *revised February 2014*
- Confined space entry program – *revised February 2014*
- Electrical safety – *revised January 2014*
- Ergonomics program – *revised January 2014*
- Hazard communication - *revised January 2014*
- Hearing conservation - *revised February 2014*
- Heat illness prevention program – *revised January 2014*
- Indoor air quality program – *updated January 2014*
- Injury and illness prevention program (IIPP) – *updated February 2014*
- Personal protective equipment program – *developed December 2013*
- Radiation Safety Program – *updated May 2016*
- Respiratory protection program – *revised January 2014*
- Sanitation/food safety – *revised February 2014*

2015-16 Objectives

- Continue regular EH&S worker compensation working group meetings. Specific areas of focus in 2015-16 include:
 - Continue to explore strategies for reducing workers' compensation claims. In addition to the ongoing effort to identify injury and illness trends, we will also work with our third party claims administrator (TPA) to maximize the settlement of existing workers' compensation claims – especially those that have been open longer than 2 years.
 - Develop more detailed injury tracking data so that monthly and department level statistics can be utilized.

- Explore methods to improve timely incident / injury reporting, such as on-line reporting tools and education and outreach.
 - Partner with current health care providers to provide more timely and injury focused services to reduce length of treatment and improve patient outcomes.
 - Pursue an “innovation grant” for mitigating university risk from the CSURMA. Target project is the employee Stretching/Strengthening program that is being revised for PPM.
- Continue the use of the LifeMatter@CSUN program. The program is intended to provide professional and personal assistance to all employees and their families in areas such as mental health counseling, health and wellness, relationship assistance, and financial/legal consultation. One of the areas of specific focus in 15/16 will be stress – a serious problem which can effect a person’s personal and professional life.
 - Continue to explore the feasibility of utilizing a modified “enterprise risk management” approach for identifying and managing campus risk. The goal will be to increase awareness and ownership of University risk by partnering with the areas where risk exposures exist.
 - Specific risk management program objectives:
 - Continue to partner with Provost’s office to provide outreach and training in areas where academics departments need assistance.
 - Continue working with other areas on campus (primarily Student Affairs) to ensure procedures are in place for minimizing risk associated off campus activities involving students.
 - Serve as a campus resource for the implementation of the new CSU Sports Club Insurance Program.
 - Human Resources, through a partnership with Blue Shield and Facey Medical group, will offer five workshops on employee health and wellness. This series is part of the ongoing effort to provide opportunities for employees to focus on their health and wellbeing.
 - In coordination with Physical Plant Management, continue to focus on strategies for reducing custodian injuries. Goal in 2015/16 will be to revisit the implementation of a custodial ergonomics program modeled on a program that was successfully implemented at several University of California campuses.
 - Implement a formal laser safety program to support the recent increase in laser usage in the College of Science and Math. Program will be modeled on the Radiation Safety Program.
 - Continue renewal process for the campus Radioactive Materials License.