

BWC's
Division of Safety & Hygiene
annual report

July 1, 2007 to June 30, 2008

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Executive letter

This year, BWC unveiled a new strategic plan for Restoring Operational Excellence. It emphasizes safety and health, as does BWC's new mission statement.

To protect injured workers and employers from loss as a result of workplace accidents, and to enhance the general health and well-being of Ohioans and the Ohio economy

BWC's Division of Safety & Hygiene (DSH) promotes safety and health at all levels of a company. We believe it is the best way to prevent workplace accidents and illnesses. This is one of the four key performance objectives of BWC's new strategic plan.

Our DSH experts provide on-site consultation services and safety training to thousands of Ohio employers and employees. We also provide library and research services, technical support services, publications, safety councils and an annual conference — the Ohio Safety Congress & Expo. The division's ultimate goal is *to help Ohio workers and employers prevent workplace injuries and illnesses*. Providing effective services for Ohio employers and creating innovative solutions for workplace problems are our strengths.

This year, DSH identified select customers in four industries with high accident rates. We will focus outreach to help these employers improve their safety processes. Our goal is to help them reduce the frequency and severity of claims by 5 percent within the next two years. We will report on the progress of these four industries during this period. Their experience will help us to develop best practices, which we will share with other Ohio employers.

Committed leadership is the basis of a solid safety culture. This leads to a healthier and safer work force with decreased absenteeism and increased production, quality and morale. In the coming year, DSH will continue to provide high-quality products and services to help employers build their safety cultures. This will help to reduce the risk of injury and illness, and allow workers to go home without incident each day.



Don Bentley
Interim Superintendent
BWC Division of Safety & Hygiene

2008 initiatives

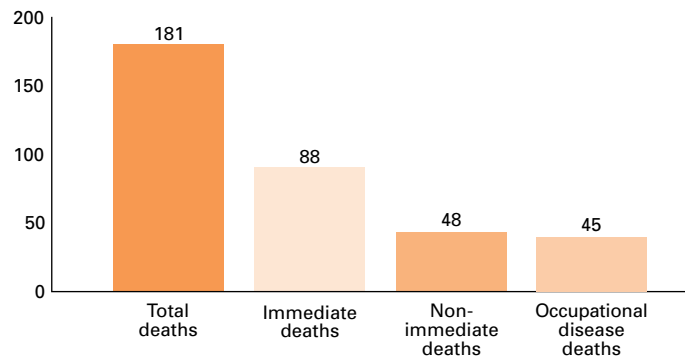
Fatality analysis

Despite everyone's best efforts, workplace accidents take the lives of Ohio workers every year. DSH has developed a statewide report to study fatality trends. The report also includes accident causation data. Analysis of these trends will help to focus DSH's intervention efforts.

Ohio occupational fatalities

In calendar year 2007, 181 workers lost their lives in Ohio as a result of workplace injuries or diseases. Of this, 88 (49 percent) were immediate deaths. This means the death took place on the same day as the injury. In 48 cases (27 percent), the worker died on a different day or year than when injured. The remaining 45 deaths (24 percent) resulted from occupational diseases.

Ohio occupational fatalities, 2007



*2007 data is not fully mature

The fatality analysis has also revealed several interesting factors. Research shows that:

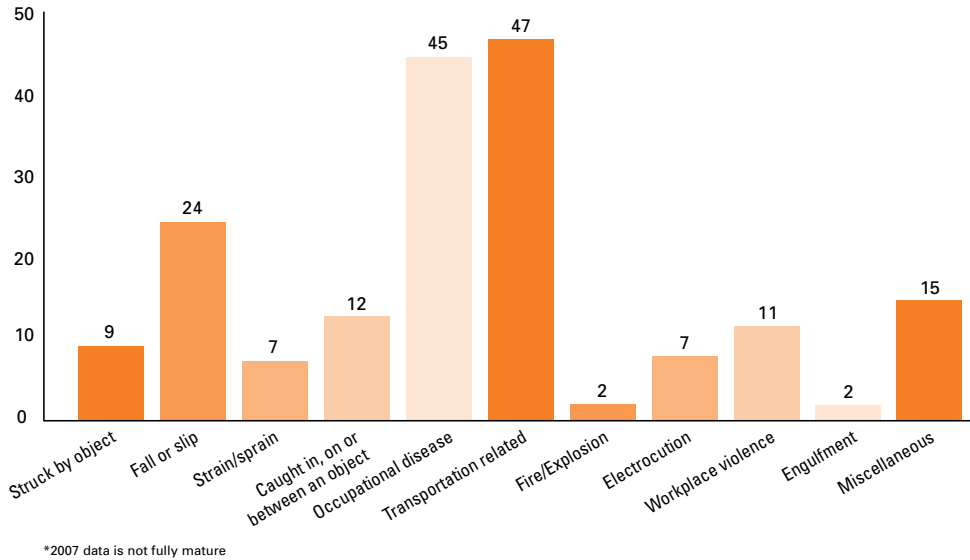
- More workers died on the job during June and July;
- Proportionally, more workers died on the job between midnight and 8 a.m.;
- Men died at a rate of more than 15 to 1 compared to women — 170 versus 11 in 2007.

DSH will investigate the data further to better understand these trends and develop appropriate safety programming. This will help us to identify and combat the causes of fatalities. For instance, further research could reveal a way to lower the fatality rate for men while maintaining a low rate for women.

Occupational fatalities by cause

The causes of Ohio's workplace fatalities reflect national trends. Transportation-related accidents continue to lead the way. They accounted for 26 percent of Ohio fatalities in 2007. Occupational disease accounted for another 25 percent and falls or slips 13 percent. These three categories made up 64 percent of all death claims in 2007.

Occupational fatalities by cause, 2007



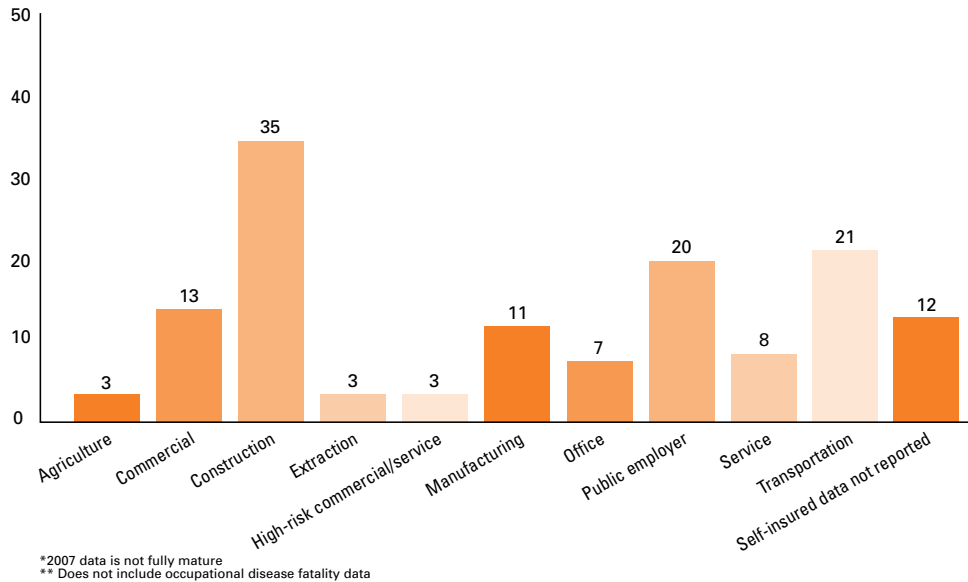
The leading causes of fatalities are significantly different from those of lost-time claims. There, strain/sprains and cuts/abrasions are the leading causes. However, the causation data for both is important for identifying the skills BWC field safety consultants should possess.

The data reflected in this study identifies the need for more work in the area of transportation safety. This includes partnering with the Ohio Highway Patrol, the Ohio Department of Public Safety, the Public Utility Commission of Ohio and the Ohio Department of Transportation. These agencies play a larger role in over-the-road safety. But, we can aid the cause by helping companies to build better safety and fleet management systems.

Occupational fatalities by employer industry

Construction jobs make up a relatively small segment of Ohio's overall job market. It only makes up 4.5 percent of Ohio's jobs per the U.S. Census Bureau. Yet, it accounts for more than a quarter of all workplace fatalities in the state. Transportation jobs are second, followed by public employee and then commercial manuals. Together, these groups account for 65 percent of all the identified workplace deaths in Ohio. As a result, BWC has identified the construction and public employer groups as preferred customer markets. BWC will work with select employers in these segments as the focus of additional safety and health attention.

Occupational fatalities by employer industry, 2007



DSH has made important steps toward servicing the specific needs of the construction sector with the preferred customer strategy. However, DSH will analyze the data more thoroughly to identify how to better reach this segment. BWC is also identifying the special skills safety consultants need to work with construction clients.

Occupational disease causes

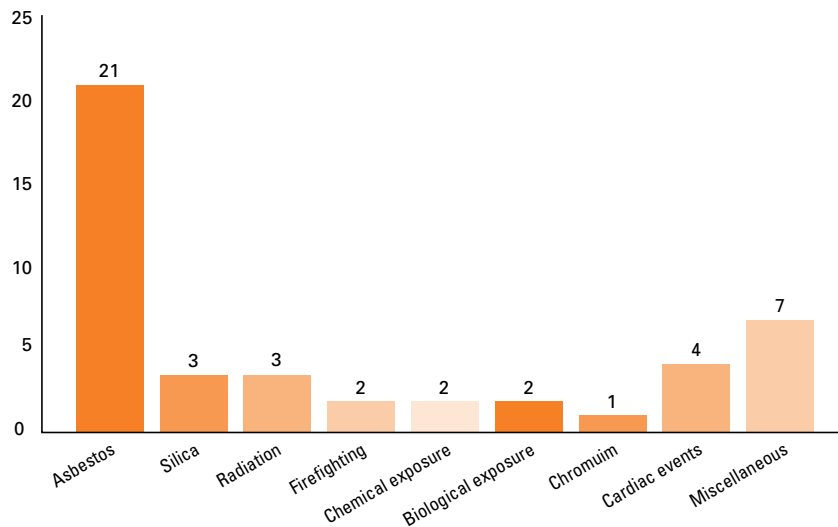
BWC recorded 45 occupational disease deaths in 2007.

An occupational disease is one that a worker contracts in the course of his or her employment. Its causes and characteristics (toxicity) — and the conditions of employment (exposure) — create a greater risk of the worker contracting the disease than would the general public. The exposure also creates a greater risk of the worker contracting the disease in a different manner than the general public would.

The law provides a list of common occupational diseases. It also provides a general definition of the condition. These diseases can result when a worker is exposed to biological, radiation or chemical agents. (*Ohio Revised Code (ORC) 4123 and 4123.01(F)*)

Occupational diseases can be one of two types: acute or chronic. The cause of acute conditions is usually one exposure or a small number of exposures in a short period. Chronic conditions result from continuous exposure over a long period. The majority of occupational disease deaths are the result of chronic exposure to asbestos.

Occupational disease causes, 2007



*2007 data is not fully mature

Things may be improving though. Heavy regulation has led to a decrease in the use of asbestos by all industries. However, many Ohio workers with past exposure have not yet presented symptoms or claims. So, it is possible that claims may rise again in the coming years. This may happen as the work force ages and the latency periods for certain occupational diseases come to an end.

Fighting these diseases can be complicated. Safety-wise, they are difficult to combat. First, we have to make sure that the situations that cause an occupational disease no longer exist today. But, we also have to identify exposures that could lead to future diseases. So, the need for proactive industrial hygiene monitoring is key to prevention.

Conclusion

This fatality analysis provides vital information about the nature of workplace deaths. While this analysis focuses on one year, it has much more far-reaching implications. The results will help to determine the needs and direction of BWC's safety efforts.

The data also shows that BWC must place more emphasis on transportation and construction safety. These sectors drive the workplace fatality rates in Ohio. DSH can lead the charge to reduce or eliminate hazards leading to workplace injuries, diseases and deaths. We will continue to lead the way by partnering with other BWC departments and state agencies.

Report methodology

This fatality analysis includes information from BWC's data warehouse as of Oct. 23, 2008. It uses the following tables: claim, employer and claim accident address/description. It also includes these data selection criteria:

- Injured worker death date between Jan. 1, 2007 and Dec. 31, 2007;
- The current claim status did not include disallowed, disallowed/appeal or dismissed;
- The current claim accident type was death, and the combined flag was N (meaning it was not a combined claim).

It's important to understand how BWC gathered and reported the data. Please note, for instance, that the 2007 data is not yet fully mature. This means there can be claim filings for up to two years from the accident or death date. The law allows for this two-year filing deadline. So, it is not unusual for workers or their dependents to file claims up until that point. Therefore, the fatality numbers may increase. We will know the final results when the data matures in 2009.

Nonetheless, this analysis allows DSH to better allocate staff resources and skills. It allows DSH to target the conditions and industries with high death rates. BWC will repeat this study in upcoming years to discover trends and determine the future needs of DSH.

Preferred customer markets

BWC launched the Preferred Customer Market program this fiscal year. It focuses on four customer groups that experience a high frequency and severity of claims.

- Public employer taxing districts limited to cities, counties and schools
- Construction employers
- Temporary staffing agencies
- Nursing homes

The program's goal is to reduce claims frequency and severity by 5 percent for select employers in each of these industries. The chart below shows baseline frequency, severity and costs for the four employer groups participating in this initiative. DSH will focus time and attention on these employers to help them reduce their numbers by 5 percent over a two-year period.

| Select employer | Number of employers | Claims | Days absent | Loss dollars | Total premium | Loss ratio |
|---------------------------------|---------------------|--------|-------------|----------------|----------------|------------|
| Construction | 864 | 3,004 | 201,392 | \$22.9 million | \$80.9 million | 0.28 |
| Nursing home | 637 | 4,966 | 231,006 | \$21.3 million | \$65.4 million | 0.33 |
| Public employer taxing district | 75 | 9,168 | 462,966 | \$55.5 million | \$107 million | 0.52 |
| Temporary agency | 85 | 2,901 | 148,118 | \$15.4 million | \$24.5 million | 0.63 |

We anticipate a number of deliverables from this project. It should lead to increased participation in these BWC programs.

- Safety grant applications
- Long-Term Care Loan program
- Safety council memberships
- Other agency involvement

Employers participating in this project can look forward to many extra benefits from BWC.

- Enhanced employer management teaming
- Development of best business practices
- Professional staff development
- Enhanced communications
- Development of job aids

Services

Safety services

The safety services DSH provides reflect the changing needs of BWC’s external and internal customers. To meet these needs, DSH has streamlined its processes and aligned services to match the overall goals and objectives of BWC. The Ohio Safety Council and SafetyGRANT\$ programs continue to service our customers. However, we are also developing new services to meet specific industry needs. We are also improving outreach to Ohio employers and workers by partnering with others. Our partners include industry groups, local area chambers of commerce and other state agencies.

This chart shows the number of individual employers (by industry type) who received DSH services this fiscal year.

Baseline for preferred customer market employers (fiscal year 2008)

| | Private employers | Public employers (non-state agencies) | State agencies | Self-insuring employers | Black Lung Fund | Marine Insurance Fund |
|----------------------|-------------------|---------------------------------------|----------------|-------------------------|-----------------|-----------------------|
| Field consultations* | 5894 | 569 | 42 | 405 | – | 1 |
| Safety Congress | 1590 | 224 | 29 | 297 | 1 | 1 |
| Safety council | 7738 | 894 | 15 | 458 | – | 1 |
| Educational services | 3694 | 255 | 27 | 235 | – | – |
| Video library | 1448 | 187 | 16 | 162 | – | – |

**Note: Includes individual employers who received on-site visits, phone calls and other customized services from field staff*

Field consultations

Ninety-eight BWC safety and health consultants service our customers around the state. Loss prevention is the focus of their on-site consultation with Ohio employers. Consultation includes:

- Safety program advice;
- Hazard assessment and control assistance;
- Safety cultural/behavioral change processes;
- Safety team/committee evaluation and design.

On-site consulting allows our field staff to meet one-on-one with customers. They made 6,836 on-site visits to 4,898 individual employers this fiscal year.

- 5,515 visits to private employers
- 641 visits to public employer taxing districts
- 127 visits to state agencies
- 552 visits to self-insuring employers
- One visit to a marine insurance fund employer

Meetings and conventions

DSH's meetings and conventions staff develops programs and events that impact thousands of workers and employers. The Ohio Safety Congress & Expo and the Ohio Safety Council Program are the two primary tools for accomplishing this goal.

Ohio Safety Congress & Expo

The Ohio Safety Congress & Expo is the largest state conference of its kind in the United States. It drew more than 5,000 attendees this fiscal year. The free, three-day event showcased the latest information and tools to control workers' comp costs and ensure workplace safety and health.

As usual, this year's event featured more than 150 educational sessions. Employers of all types attended. In addition, BWC used the event for its own professional development purposes. More than 200 BWC employees also attended.

As in the past, DSH sold expo space to safety and health product and service providers. These sales generated \$204,735 in revenue.

DSH also put in place a number of cost-saving measures to decrease expenditures for the safety congress. These resulted in costs of only \$14.16 per participant for BWC.

Safety councils

DSH sponsored 79 active safety councils around the state this fiscal year. Each provides a forum for workplace education in local communities. The safety councils meet monthly. Topics include safety and health, accident prevention, risk management and workers' comp issues. Local chambers of commerce, American Red Cross chapters or business organizations coordinate the meetings. The program allows members to network and share ideas about improving workplace safety.

This year, BWC spent \$1.5 million sponsoring safety councils. This subsidy helped to promote the program to employers in the local community. It also helped to underwrite the administrative costs of the service. The safety councils have seen tremendous growth each year. It started with 3,000 members in fiscal year 2005. Now there are nearly 10,000 members.

BWC again offered a premium-discount incentive program for safety council members this year. Employers who met enrollment, attendance and reporting requirements could earn a 2-percent discount. Those employers could also earn an additional 2-percent performance bonus. To qualify, they had to reduce their claims frequency or severity by 10 percent, or keep them both at zero.

A total of 6,448 employers met the participation requirements this fiscal year. Together they earned a \$16.6 million discount. Of these, 4,783 shared an additional \$10.8 million (approximate amount as of press time) for meeting the bonus standard.

Review of the Safety Council program is part of an ongoing actuarial study of all BWC discount programs. Deloitte, an independent firm, is conducting this study. The findings will help BWC to determine if or how the program should continue. BWC makes this decision on an annual basis.

Educational services

The DSH training center, which provides educational services, celebrated its 20th anniversary this year. In the past 20 years, DSH has serviced 108,198 students. It has also offered 4,658 safety and health classes on 330 topics.

This year, the training center serviced a total of 9,980 students.

- It partnered with BWC customer service offices to create a statewide calendar of classes. This partnership also resulted in 33 on-site training classes for Ohio employers and workers. Six-hundred and fifteen students attended.
- The training center also offered 66 courses at 12 locations around the state. This resulted in 396 classes. A total of 8,375 students attended.
- In addition to classroom-based instruction, the center offered seven online courses. These Web classes served 990 students.

DSH customer contact center

Contact center staff answers customer questions and registers students for training center classes. The center received 16,553 calls from July 1, 2007 to June 30, 2008. From November 2007 to June 2008, we processed calls through the new ePower Center (ePC) customer contact tracking system. This enabled BWC to collect unsolicited, real-time feedback and demographics from customers. ePC processed 9,086 of the total calls received by the contact center this fiscal year.

Resource centers

DSH operates two libraries to serve internal and external customers. The William Green Building in Columbus houses the central library. And the Ohio Center for Occupational Safety and Health in Pickerington is home to DSH's resource center and video library.

These lending libraries provide free information services. They specialize in occupational safety and health, rehabilitation and workers' compensation. BWC provides the only such libraries in Ohio and one of a few in the nation. The video library offers a large selection of safety and health videotapes and DVDs. It is a convenient and popular source for Ohio employers to get training aids for their workers.

Technical advisors

Our six technical advisors are experts in industrial and construction safety, industrial hygiene and ergonomics. They support internal and external customers.

The technical advisors help BWC's field consultants apply the most current safety knowledge and practices. They research changes and developments in safety and health regulations, best practices and other information of interest. Technical advisors also update the Ohio Administrative Codes. They are updating the fire-fighting code (section 4123-1-21). They completed an update to the construction code 4121-1-3 this year.

This fiscal year, the technical advisors also had 32 external speaking/training engagements. They taught 11 classes a total of 19 times over a 31-day period. Plus, they participated in 60 special projects.

Special projects include: the fatality report; Jarod's Law training; and development of the Preferred Customer Market (detailed in a separate heading in this report). School safety has been a difficult issue to address. So, schools are a part of BWC's Preferred Customer Market for the public taxing districts. Also, House Bill 203 (Jarod's Law) will boost school safety efforts. The law will go into effect early next fiscal year. It requires the Ohio State Board of Health to inspect all schools for unsafe health and safety conditions. DSH assisted the Ohio Department of Health with this task. Our technical advisors provided regional training for representatives of more than 250 schools. The training focused on the development of comprehensive safety and chemical hygiene plans.

These activities by the technical advisors show an intense focus on services to our customers. This includes internal customers such as the BWC customer service offices and safety and health consultants.

Business development and oversight

This unit also supports internal and external BWC customers. The staff develops new products, services and systems. The goals are to improve internal business processes and help our external customers. Examples include the development and maintenance of the projects listed here.

- Safety GRANT\$ program
- Long-Term Care Loan Program
- Best practices interactive Web page
- BWC's complaint and compliance SharePoint tracking systems

Staff members of this unit also support DSH management projects. They assist with the development of annual reports, technical papers and research data reporting. The unit is also a partner in maintaining and governing the Learning Management System. The system provides BWC customers access to Web-based training classes and classroom management tools. This year, the unit supported the establishment of the fatality and accident causation report and the Preferred Customer Market program through data mining and reporting for both projects.

Long-Term Care Loan Program

DSH began the Long-Term Care Loan Program this year. The program aims to help Ohio nursing homes and hospitals reduce injuries that result from manually lifting patients. This specialized program reimburses them for the interest they pay on loans for floor, ceiling or other lifts, and fast electric beds.

Four Ohio nursing homes applied and received approval for the program this year. They purchased \$44,542 in equipment to reduce injuries. Reimbursements for interest totaled \$1,779.

SafetyGRANT\$ programs

Safety grants help Ohio employers eliminate workplace injuries and illnesses. They provide funding for equipment interventions and drug-free workplace programs. BWC has funded the program since 1999.

Safety Intervention Grant

This fiscal year, BWC funded more than \$2.7 million in safety intervention grants to 98 employers.

The research component of this grant is significant. Employers agree to meet additional obligations when BWC funds their projects. Once the equipment is in use,

they must continue to meet eligibility requirements. They must also file quarterly reports and agree to be a part of BWC case studies over a two-year period.

This detailed evaluation helps BWC to determine how well the interventions work in preventing injuries. BWC shares successful interventions with other employers. DSH shares these best practices online via a new, interactive Web page.

Drug-Free Workplace Safety Grant

BWC continues to promote safety through the Drug-Free Workplace Program (DFWP) and Drug-Free EZ (DF-EZ). We provided 618 DFWP grants totaling \$775,193 this fiscal year. DF-EZ participants received 490 safety grants totaling \$274,910.

OSHA On-Site Consultation Program

The OSHA On-Site Consultation Program receives 90 percent of its funding from the federal government. The rest comes from BWC. The program services small employers in high-hazard businesses. It helps them to identify and abate workplace hazards.

The program's annual goals align with OSHA's (federal) strategic plan. The federal government's fiscal year is October through September. However, this report details accomplishments during BWC's fiscal year (July 2007 through June 2008).

The program's goal was to conduct 700 visits, based on full staffing of all positions. Despite limited staffing, the On-Site team conducted 839 visits. This is 120 percent of the established goal.

OSHA's federal requirements call for employee participation at all consultations. The team met this goal again this fiscal year. These visits impacted more than 58,000 employees — whether directly or indirectly. They also resulted in training for about 1,500 individuals.

The On-Site team also presented a workshop on OSHA recordkeeping at this year's safety congress.

Public Employment Risk Reduction Program (PERRP)

PERRP's goal was to help public employers identify 8,000 serious workplace hazards this fiscal year. PERRP consultants exceeded this goal by 38 percent. They identified 11,079 hazards. They also found that 29,605 public employees had exposure to serious workplace hazards.

The staff creates detailed reports of these hazards and measures to correct them. The program aims to issue these reports within 30 days from the date of a consultation. This fiscal year, the average processing time was 22 days (or 136 percent of the goal). Customer surveys also reflected a high level of satisfaction.

- 98 percent satisfaction with the quality of service
- 98 percent satisfaction with the quality of consultation reports
- 95 percent would use PERRP services again

PERRP also provides a Web database of hazards for employers to reference. It categorizes hazards identified at public employer work sites by frequency from calendar year 1999 to present. It lists the top 10 or top 25 most frequently cited hazards.

Financials

DSH budget

One percent of premium dollars from state-fund employers funds BWC's safety and health services. BWC also assesses self-insuring employers to fund DSH.

DSH's budget for this fiscal year was \$20.7 million. This appropriation includes funding for field consultation, and safety products and services (education services, meetings and conventions, etc.). It excludes safety grants, the loan program, Safety Council Incentive Program and OSHA On-Site's federal grant. As of June 30, 2008, DSH spent \$19.7 million.

Again, the OSHA On-Site Consultation Program receives 90 percent of its funding from a federal grant. The U.S. Department of Labor funds this grant. BWC provides the remaining 10 percent of funding. The federal grant and BWC funding appear separately in the disbursement table on the next page.

The table breaks down spending per department. Please note that any open encumbrances may remain through November 2008. However, the numbers may not reflect these encumbrances.

Below is a description for each department listed in the table.

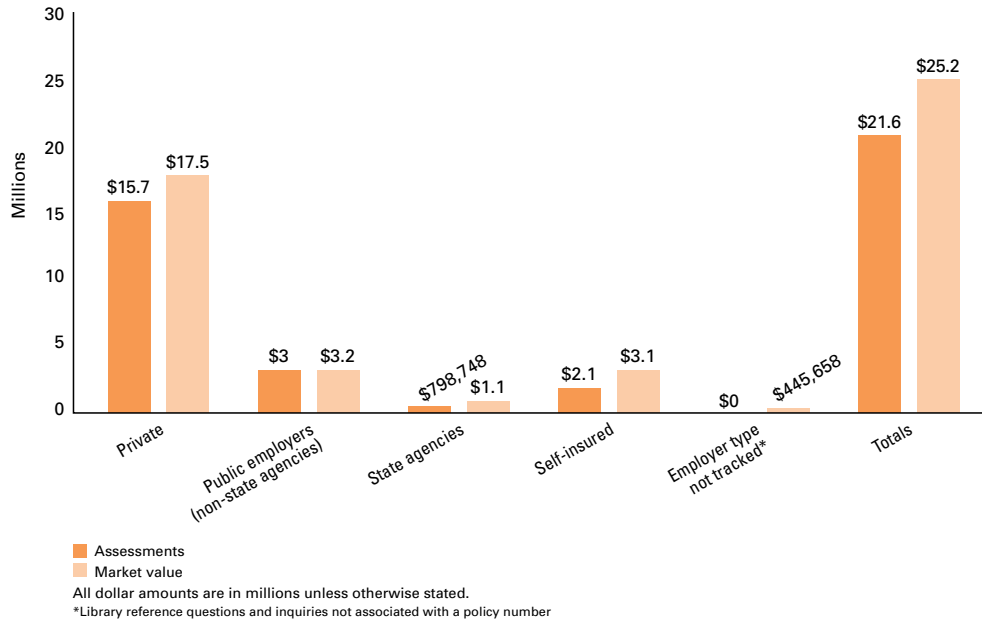
- 1) Safety administration — DSH administrative positions and special projects
- 2) Field consultations — DSH field staff and equipment purchases, including cars and travel expenses
- 3) Meetings & Conventions – Safety Congress and safety councils
- 4) Education services — Training center staff and training services
- 5) Customer Contact Center — DSH call center staff
- 6) Resource centers — Resource library and video library
- 7) Technical advisors — Technical advisor staff and electronics support for field equipment
- 8) Business development — Support for safety grants, LMS, loan program, data research
- 9) OSHA On-Site federal grant — U.S. Department of Labor provides 90 percent of funding
- 10) OSHA State-fund match — BWC match to the federal grant provides 10 percent of funding
- 11) PERRP — Administrative and field consultants under the PERRP program and their expenses
- 12) ERI — Early retirement incentive buyout
- 13) Training overhead — Additional personal-service contracts for training center classes

Division of Safety & Hygiene disbursements by safety services

| | Safety administration | Field consultations | Meetings and conventions | Education services | Contact Center | Resource centers | Technical advisors | Business development | OSHA On-Site federal grant | OSHA On-Site state-fund match | PERRP | ERI | Training overhead | Totals |
|---------------------------|-----------------------|---------------------|--------------------------|--------------------|------------------|------------------|--------------------|----------------------|----------------------------|-------------------------------|------------------|------------------|-------------------|---------------------|
| Payroll | \$80,547 | \$11,258,545 | \$251,527 | \$481,626 | \$166,211 | \$296,410 | \$707,928 | \$450,798 | \$1,166,657 | \$201,711 | \$950,229 | \$594,748 | \$0 | \$16,606,937 |
| Overtime | \$0 | 0 | \$0 | \$302 | \$37 | \$5 | \$0 | \$0 | 0 | \$0 | \$0 | \$0 | \$0 | \$344 |
| Purchased services | \$52,310 | 0 | \$63,520 | \$397,802 | \$0 | \$73,365 | \$8,635 | \$0 | \$34,379.00 | \$3,145 | \$453 | \$0 | \$0 | \$633,809 |
| Other personnel service | \$15,686 | 7019 | \$0 | \$5,264 | \$0 | \$0 | \$175 | \$616 | 2920 | 324 | \$0 | \$0 | \$11,468 | \$43,472 |
| Total | \$148,543 | \$11,265,564 | \$315,047 | \$884,994 | \$166,248 | \$369,780 | \$716,938 | \$451,414 | \$1,203,956 | \$205,180 | \$950,682 | \$594,748 | \$11,468 | \$17,284,562 |
| Supplies | \$166,217 | \$26,986 | \$9,904 | \$32,767 | \$0 | \$157,742 | \$101,463 | \$400 | \$5,242 | \$960 | \$3,840 | \$0 | \$0 | \$505,521 |
| Vehicle maintenance | \$12,432 | \$183,318 | \$2,440 | \$0 | \$0 | \$0 | \$12,345 | \$0 | \$16,941 | \$1,842 | \$13,665 | \$0 | \$0 | \$242,983 |
| Travel | \$3,905 | \$55,640 | \$28,740 | \$9,139 | \$0 | \$3,288 | \$5,578 | \$0 | \$25,549 | \$1,053 | \$3,872 | \$0 | \$0 | \$136,764 |
| Communications | \$39,277 | \$113,165 | \$33,658 | \$873 | \$0 | \$21,039 | \$3,397 | \$864 | \$7,930 | \$2,009 | \$6,632 | \$0 | \$0 | \$228,844 |
| Fuel/Utilities | \$0 | \$0 | \$81 | \$101 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$182 |
| Maintenance/Repairs | \$12,840 | \$10,803 | \$0 | \$3,708 | \$0 | \$7,343 | \$21,414 | \$209 | \$8,671 | \$1,032 | \$0 | \$0 | \$0 | \$66,020 |
| Rentals | \$591,108 | \$250 | \$154,966 | \$62,390 | \$0 | \$0 | \$104 | \$151 | \$0 | \$0 | \$0 | \$0 | \$0 | \$809,969 |
| Printing/Advertising | \$6,601 | \$8,472 | \$28,988 | \$0 | \$0 | \$32,671 | \$0 | \$2,310 | \$31 | \$3 | \$4,464 | \$0 | \$0 | \$83,550 |
| General/Other/Subsidies | \$48,404 | \$20,319 | \$1,516,113 | \$0 | \$0 | \$8,910 | \$288 | \$2,472 | \$4,376 | \$1,046 | \$1,615 | \$0 | \$0 | \$1,603,543 |
| Total | \$880,784 | \$418,953 | \$1,774,900 | \$108,978 | \$0 | \$230,993 | \$144,589 | \$6,406 | \$68,740 | \$7,945 | \$34,088 | \$0 | \$0 | \$3,676,376 |
| Office equipment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$990 | \$0 | \$429 | \$0 | \$0 | \$1,419 |
| Motor vehicles | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$72,896 | \$8,100 | \$0 | \$0 | \$0 | \$80,996 |
| Communication equipment | \$0 | \$0 | \$0 | \$174 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$174 |
| Data processing equipment | \$200 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$200 |
| Copy/Print equipment | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,767 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,767 |
| Total | \$200 | \$0 | \$0 | \$174 | \$0 | \$3,767 | \$0 | \$0 | \$73,886 | \$8,100 | \$429 | \$0 | \$0 | \$86,556 |
| Grand total | \$1,029,527 | \$11,684,517 | \$2,089,947 | \$994,146 | \$166,248 | \$604,540 | \$861,527 | \$457,820 | \$1,346,582 | \$221,225 | \$985,199 | \$594,748 | \$11,468 | \$21,047,494 |

The market value of DSH's services

One percent of premium dollars from state-fund employers funds BWC's safety and health services. BWC also assesses self-insuring employers to fund DSH. However, the market value of these services is greater than the assessments. The chart below compares this year's premium assessments to the market value of services each type of employer received.



The table and notes below explain how DSH calculated the market value of specific services by employer type.

Calculated market value of specific DSH services by employer type

| Type of employer | DSH services | | | | | Market value |
|---------------------------------------|------------------|-------------------|---------------------|---------------------|-------------------|--------------|
| | Consultative (1) | Video library (2) | Training center (3) | Safety Congress (4) | Library/other (5) | |
| Private | \$12,676,654 | \$1,799,820 | \$1,603,520 | \$1,378,650 | \$ - | \$17,458,644 |
| Public employers (non-state agencies) | \$2,382,250 | \$291,780 | \$154,080 | \$322,350 | \$ - | \$3,150,460 |
| State agencies | \$811,125 | \$51,840 | \$81,455 | \$128,625 | \$ - | \$1,073,045 |
| Self-insured | \$1,925,125 | \$227,340 | \$279,175 | \$645,750 | \$ - | \$3,077,390 |
| Employer type not tracked | \$ - | \$ - | \$ - | \$ - | \$445,658 | \$445,658 |
| Totals | \$17,795,154 | \$2,370,780 | \$2,118,230 | \$2,475,375 | \$445,658 | \$25,205,197 |

(1) DSH calculated the market value of consultative services by multiplying the number of billable field safety service hours by \$125, which is the average cost per hour identified by review of 15 safety consulting firms in the private sector. This calculation includes BWC customer service office safety field staff and the PERRP field staff.

(2) DSH calculated the video loan market value by multiplying the number of videos borrowed in fiscal year 2008 times \$180, which is the average cost of similar video rental from eight private industry sources.

(3) DSH calculated the training center market value by multiplying the number of students who completed classes times the average market value per seat. The market value was determined by analysis of cost per seat to attend the same or similar class in the private sector. The type of class and length of class was included in the market value analysis.

(4) DSH calculated Safety Congress' attendee market value by multiplying the number of event registrants times \$525. This value was determined by analysis of six statewide safety and health events throughout the Midwest and four comparable safety events offered nationally.

(5) Library/other: DSH calculated the library research inquiry market value by multiplying the number of inquiries the library received times \$161.23, which is the average cost for a typical inquiry in the private sector. DSH also calculated the library reference inquiry market value by multiplying the number of reference requests times \$16.12. DSH calculated this as 10 percent of the cost of a more complex research inquiry.

