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# Cost containment in Ohio Workers' Compensation

Workplace injuries can carry both financial and emotional weight for employers and employees alike. While ensuring injured workers receive proper care remains the top priority, managing the associated costs is also essential to maintaining a healthy workers' compensation program.

In Ohio, employers have three key strategies available to help contain costs: Settlements, Disability Relief, and Subrogation/No-Fault Motor Vehicle Accidents (MVA). Sedgwick continues to lead the industry in leveraging these tools effectively.

Our approach combines advanced analytics and proactive cost containment strategies to help Ohio employers reduce claim expenses and lower premiums. From the moment a claim is filed, our team is equipped to implement solutions that drive meaningful savings.

Sedgwick's dedicated cost containment team focuses exclusively on delivering impactful results through these three avenues. Our efforts have led to significant savings not only for individual employers but also for those participating in group retrospective rating programs.

## **Settlement Agreements**

A settlement involves a mutual agreement between the employer, the injured worker, and the Ohio Bureau of Workers' Compensation (BWC) to resolve a claim with a lump sum payment. This can result in full or partial closure of the claim, helping employers manage long-term exposure.

## **Disability Relief**

This program supports employers who hire or retain individuals with pre-existing medical conditions. If a disability contributes to an injury or delays recovery, employers may be eligible for reimbursement on related claims, reducing their financial burden.

## **Subrogation / No-Fault MVA**

When a workplace injury stems from a motor vehicle accident involving a third party, the Ohio BWC may assign the claim's cost to the surplus fund—relieving the employer of direct financial responsibility.

Sedgwick is proud to collaborate with our clients in optimizing their workers' compensation programs. Our early, proactive approach to cost containment remains a cornerstone of our commitment to achieving the best possible outcomes for both employers and injured workers.

For questions or support, please contact Julia Bowling at [julia.bowling@sedgwick.com](mailto:julia.bowling@sedgwick.com) or 513-218-4062.

# Situational Awareness at Work

In today's fast-paced work environment, having an acute awareness of our surroundings is a crucial skill that helps employees recognize and avoid potential hazards and dangers around them. The term 'Situational Awareness' refers to **one's ability to observe and understand their environment, comprehend potential hazards and predict their impact**. Everyone has this ability, but it is not always used to its fullest potential.

Heightened situational awareness is very helpful to all workers, but can be especially effective for those who have a changing work environment or those who are required to perform a variety of different job tasks, each with their own unique hazards. Examples include operators of powered industrial vehicles or heavy machinery, outdoor workers where changing weather conditions occur, construction workers on job sites, service providers, educators and even healthcare workers.

To gain a better understanding of this concept, let's take a look at the three core elements of situational awareness:

1. **Observation** - this is the ability to recognize what is happening in the environment around us. This may sound simple, but in today's world with countless distractions, it can be challenging.
2. **Comprehension** – understanding the importance of how the actions of co-workers and the things we observe relate to our current tasks and situation. This is a form of hazard identification.
3. **Predicting** - anticipating future outcomes based on the current situation and assessing how they may impact not only ourselves, but also our work tasks and our coworkers. By identifying and recognizing hazards, we can develop the necessary steps to eliminate or minimize concerns.

Simply put, as we observe the environment in motion around us, we continuously assess for potential threats and respond quickly and appropriately to minimize danger to ourselves and others.

As we gain a better understanding of what situational awareness is and how it plays a role in the workplace, training employees is the next step. The benefits of training on situational awareness include the following:

- ✓ **Enhanced Safety:** Improved situational awareness helps employees identify hazards before they become accidents, thereby reducing the risk of workplace injuries and incidents.
- ✓ **Better Decision Making:** Employees adept at situational awareness are better equipped to assess risk, choose appropriate response actions and make informed decisions quickly, which is vital in an emergency situation.
- ✓ **Increased Efficiency:** By being keenly aware of one's surroundings, employees can detect obstacles, avoid redundant tasks and better coordinate work efforts with colleagues.
- ✓ **Improved Communication:** Employees attuned to their environment can communicate more effectively about ongoing tasks, potential hazards and production or workflow changes, leading to better teamwork and synergy.
- ✓ **Creating a Safety Culture:** A better understanding of the workplace fosters an environment where open communication about safety is encouraged. Employees are more apt to report hazards and share concerns without fear of reprisal, reinforcing the importance of situational awareness.

Situational awareness isn't just a skill—it's a mindset. By staying alert and engaged, employees contribute to a safer, more efficient workplace. Organizations can build this culture through training, leadership and continuous improvement.

If you would like to know more about Sedgwick's safety services or would like to schedule a confidential consultation, please contact Andy Sawan at [andrew.sawan@sedgwick.com](mailto:andrew.sawan@sedgwick.com) or 330-819-4728.

