



Midwest Builders' Casualty Group

The Right Direction in Casualty Insurance

Post-Offer Employment Testing

One bad hire can haunt your experience modification factor for years. By selecting the best candidates from the labor pool, you are taking the first step in effective risk management and accident prevention. Adding Post-Offer Employment Testing (POET) to the hiring process allows an independent third party to assist in protecting your company's most valuable resource - the employees. POETs assist in securing a safe and able-bodied workforce. **WorkSTEPS** and **Select Physical Therapy** are industry leaders in POETs and **Midwest Builders' Casualty** has partnered with both to offer assistance to members who are interested in learning more or implementing POETs.

POETs evaluate and assess a potential employee's functional capabilities, which are then correlated with the physical demands, or essential functions, of the job for which a candidate is being considered. Valid essential function testing and medical testing have been a part of the WorkSTEPS process since its inception. Such individualized assessment data is invaluable when questions arise about work-related injuries. Additionally, by using independent third parties such as WorkSTEPS and Select Physical Therapy, you are protecting your company against claims of discrimination and bias. WorkSTEPS stands behind their testing results.

Return on Investment (ROI) - Measuring the benefit of POETs

The ROI of POETs can be measured by the injuries that don't occur. The expected "Not Capable" results of POET exams are projected to be 7-10 percent of tested candidates. If you hire 100 employees in a year and 10 percent are "Not Capable," that is 10 people that more than likely have become injured on the job. OSHA estimates the average cost per claim is \$60,000.

Measuring the Return on Investment:

- Cost: 10 "Not Capable" candidates found through POET exam: 10 x \$175 = \$1,750
- Savings: 10 "Not Capable" had they been hired and been injured x \$60,000 = \$600,000
- Net Projected Savings: \$582,500

An added benefit of POETs is the objective baseline it creates for new hires:

- Historical pre-injury data from POET can be used as a baseline for expected medical recovery of an employee who suffered an injury. The post-accident medical recovery goal stops at the point of the employee's physical condition pre-injury.
- WorkSTEPS testing data can assist in resolution of claims by providing clear and objective medical outcomes.
- WorkSTEPS data determines required work restrictions and assists in identifying accommodations to return to work which reduces the employee's time-lost due to injury.

For more information on Midwest Builders' Casualty's endorsed POET Program, please contact your designated claims adjuster or loss control representative.