
B. J. McGlone & Co., Inc.



Press Release

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B.J. McGlone & Co., Inc. posts a 2011 Experience Modification Rating nearly 40% below the industry average.

B.J. McGlone & Co., Inc. reaches a new low in its Experience Modification Rating (EMR). McGlone's (.634) Experience Mod is well below Unity. Simply speaking your Experience Mod compares your Workers' Compensation claims experience to other employers of similar size operating in the same type of business. Unity or 1.0 would indicate an average Experience Mod, meaning half of the employers within the same industry experienced more claims and or severity and, the other half experience less claims and or severity. Said differently, if your Experience Mod is 40% better than the average your Experience Mod would be .60. Conversely, if your Experience Mod is 40% worse than the average your Experience Mod would be 1.40. Translated into dollars and cents, the difference between a Mod of .60 and a Mod of 1.40 on a rate of \$8.50 per \$100 of payroll with an annual payroll of \$10,000,000 would mean a premium difference of \$660,000 per year. As you can see from the above example, how you control your Experience Mod can have a big impact on your insurance premiums. Not only are there monetary considerations; but more importantly, we all have a responsibility for a safe environment. Further, many owners prohibit Contractors and Subcontractors from bidding projects if there Experience Modification is greater than Unity.

New Jersey Compensation Rating and Inspection Bureau (NJCRIB) was created and established pursuant to the provisions of Revised Statutes 34:15-89. Among other things the Inspection Bureau establishes and maintains rules, regulations, and premium rates for workers compensation and employers liability insurance. Through its rating system the Bureau encourages employers to reduce the number and severity of accidents by adjusting premiums through the use of credits and debits under a uniform system of experience rating.

Understanding your Experience Modification Rating and monitoring it regularly is key in reducing your Workers' Compensation costs. It is also an excellent measure of how your loss prevention and control practices stack up to others in your industry. Companies who effectively manage their Safety Programs not only understand how this works but also have assigned someone to monitor this on a regular basis. It has a direct correlation to how much you pay in Workers' Compensation premiums.

Claims that require medical treatment only are usually less severe so employers should not be penalized when they occur. Consequently, any medical only claims are reduced by 70% before they enter the formula. You can take advantage of this by ensuring that injured employees remain at work when possible or return to work within the waiting period. This is where an effective claims management and return-to-work program can have a dramatic effect.

Further a proactive program encouraging warm up exercise directly prior to beginning work can pay big dividends.

B.J. McGlone & Co., Inc. is proud to claim nearly 40% below the industry average for its 2011 Experience Modification Rating. We all have a responsibility to create and maintain a safe and accident-free work environment for our employees and co-workers.

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