

B&D Industries Inc. of Albuquerque Wins AGC Safety Award!

B&D Industries, Inc., a Builders Trust Participant, was recently recognized by the Associated General Contractors of America for having one of the nation's top construction safety and health programs in 2022. They, along with 47 other companies, were selected as winners for their commitment to safety and occupational health management and risk control. This is one of the highest honors in the nation for a construction company. The award "recognizes construction companies that go above and beyond minimum safety and risk control standards."



We congratulate B&D Industries, Inc. for this honor, and for the great example you set for all builders in New Mexico!

To Direct Care or Not to Direct Care... why does it even matter

As an employer, the single biggest choice you get to make in relation to a claim is whether you will direct medical care up front for your injured worker or let them select where to go.

Please keep in mind that any Emergency Room or Urgent Care (aside from Concentra) is not considered direction of care, it's neutral ground. If a worker needs to go to the ER or Urgent Care, it is only after this visit that the direction of care comes into play.

The New Mexico Statute that spells out direction of care is 52-1-49. It is robust, but the long and short of it is this: when a worker is injured, the employer can direct the worker where to go for the first 60 days of the claim, or conversely, let the worker select where to go for the first 60 days of the claim. **Whoever does NOT get the first selection of care, come day 61 (or any day thereafter), can change the medical provider on the file, for the life of the claim.**

We at Builders Trust of New Mexico recommend you do NOT direct initial medical care. We believe that while this may cause some concern for the first 60 days of the claim, it's better for us to have the opportunity to take over medical control of the file, if needed, come day 61. This is not to say that you cannot direct medical care. We simply recommend that you do not as we have seen the long-term effects of what can happen when we have no medical control on a file. Keep in mind some claims have been around for 20 – 30 + years. Not having the opportunity to control any part of the medical care can be a real issue.

Each employer needs to make the decision that is best for them and their workforce. If you want to direct medical care, this is your right and you should make sure you are sending your injured worker to a provider that you are comfortable with.

If you do not direct medical care, and your injured employee isn't sure where to be treated, you can NOT make recommendations in any way, shape or form; that is considered a direction of care. What you can do is refer the injured worker to the NM Workers' Compensation Administration at (505) 841-6000 and the Administration can assist the injured worker. It can feel rather mean to do this, but these are the rules. The last thing you want to do is not direct medical care up front and make a mistake where you (we) lose medical control of the claim for a technicality.

When in doubt, please do not guess. You can reach Ethan LeCam (VP of Claims) or Nicole Simon (Claims Manager) at the Builders Trust of New Mexico Claims Department for assistance. They can be reached at (505) 332-9867.



The New Mexico Spring Winds are Here!

March came in like a lamb but it went out like a lion. Spring winds in NM always bring tons of pollen, dust and hazardous conditions for construction. Be careful out there!



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The Evolution of the Workers' Compensation System in the U.S.

Workers' compensation insurance has been around for over 100 years in the U.S., with Wisconsin being the first state to implement a system in 1911.

However, before there was a workers' compensation system, even though an employer was responsible for paying for a worker's injuries, it was up to the worker to file suit against the employer and prove negligence. This was quite a burden on the injured worker, and few were in a financial position to go to these lengths.

The process finally evolved into a "no fault" system. This means that regardless of liability, the costs of a work related injury or disease was charged to the employer who then passed along these costs to the consumer. In the end, the system is successful because it benefits both the worker and the employer:

- Employers gain predictability of costs for job related injuries
- Employees receive guaranteed compensation through work comp benefits

Each state has implemented their own laws and New Mexico is no different. In 1991 there was a major reform of the work comp laws in New Mexico to what it currently is, and it has been the model for other states around the country.

These benefits fulfill two of Builders Trust's core values: "Focusing on our injured workers and facilitating their successful return to work" and "Helping to keep our Participants competitive by providing cost effective workers' compensation coverage."

What is Experience Rating? Part One—WHO and WHY



The Experience Modifier or E-MOD is an integral part of calculating your workers' compensation premium. The E-MOD, though seemingly mysterious and unexplainable, is actually not that complex. Let's try to de-mystify this a bit.

The National Council on Compensation Insurance (NCCI) creates all the factors that go into an E-MOD and the E-MOD itself. Each year, carriers send payroll and loss data to NCCI for the purpose of rate making and calculating modifiers. This E-MOD will go with you no matter what carrier you use.

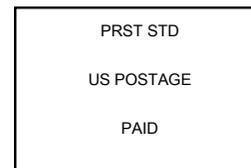
In Part One, we'll explore a bit of the WHO and the WHY. Who gets an experience mod? Well, not everyone. In New Mexico, you must have an average premium of \$5,250 for each rated year on the E-MOD. An E-MOD generally includes at least three years of payroll and loss information but can include less than 12 months and up to 45 months of data. Each of those years must meet the premium qualification. However, a company can qualify with fewer than three years worth of data if the premium is high enough. Anyone not meeting the premium requirement does not qualify for rating.

The WHY is to tailor a company's workers' compensation costs to their personal experience. The manual rates by class code reflect the loss experience of a class of work (i.e. roofing or painting.) The E-MOD further adjusts the premium based on your individual losses and payroll by class code. The better your claims history the better your E-MOD. It creates an incentive to practice safety on your jobsites and to return injured employees back to work as soon as reasonably possible.

Exp Mod	Exp Mod	Exp Mod
(J) / (K)	(J) / (K)	(J) / (K)
.83	1.00	1.05
Credit Mod	Unity Mod	Debit Mod

E-MODs can be a debit or a credit or even a 1.00 which is called a Unity Factor. A credit E-MOD is less than 1.00 and a debit E-MOD is anything above 1.00.

In Part Two we'll discuss a couple of important factors on your E-MOD: frequency vs severity and the Split Point.



PLEASE ENJOY THIS COMPLIMENTARY ISSUE OF BT BLUEPRINTS!

To find out how you can join Builders Trust of New Mexico AND receive the best value in workers' compensation coverage for New Mexico contractors, please contact us at PH: (505) 345-3477, (800) 640-3369 or www.builderstrust.com

Changes to COVID-19 Reporting Coming Soon

More than three years into the Corona Virus pandemic, the National Council of Compensation Insurance (NCCI) has filed for the following changes to COVID-19 reporting. Effective 7/1/2023, COVID-19 claims will no longer be reported under code 0012 and that class code will expire. These claims will now be reported in the class code that the affected employee works in. In addition, these claims will no longer be exempt from unit statistical reporting to the NCCI which means that they will now be included in your experience modifier calculation.

WHY NOW?

- The workforce will likely be living with COVID-19 for the foreseeable future
- COVID-19 losses are expected to continue into the future but they are no longer a novel peril in workers' compensation
- The special treatment of COVID-19 was meant to be temporary

Should you have any questions about reporting COVID-19 claims, please contact our Premium Audit Department at (505) 345-3477.