

American Tescor, LLC *(A division of Merchants Information Solutions, Inc.)*

Workers' Compensation Benchmarking

As a customer service, American Tescor examines the difference between Tescor Screened and unscreened applicants. Since the Tescor Survey is only given to new hires, a built-in control group of existing, unscreened employees is automatically available. The differences in claim frequency and severity rates between Tescor Screened workers and unscreened employees can be readily calculated. These "within year" studies provide an objective comparison of the difference in compensation losses between the two groups – even when multiple risk control strategies are implemented concurrently with Tescor screening.

For example, suppose a company decides to implement Tescor Screening, a new return-to-work program, and new safety incentives all at the same time. How can the impact of the Tescor program be accurately measured when two other new programs are operating concurrently? Simple. All employees (screened and unscreened) receive the benefit of the return-to-work and safety incentive programs. The only difference is that some workers were Tescor Screened.

As almost all other risk control protocols apply to the entire workforce (new hires and existing employees), Tescor Screening provides a unique opportunity to measure its effects on workers' compensation losses since it only applies to new hires.

Over the past several years, American Tescor has completed over a dozen major workers' compensation benchmarking studies. The results of some of these studies are summarized below. The average 63% comp loss reduction shown in the table below represents the combined effects of lower claim frequency and severity in Tescor Screened workers compared to unscreened employees working in the same type of jobs at the same time.

Workers' Comp Case Studies Prove Tescor Screening Enhances Earnings

Study Period	Industry	Frequency Reduction	Severity Reduction*	Total Employees in Study	Total Comp Loss Reduction Among Tescor Screened
1996	Staffing	56%	40%	32,158	74%
1997 - 2000	Manufacturer	71%	36%	8,486	82%
1999	Staffing	67%	-7%	50,710	64%
2000	Staffing	93%	26%	6,904	95%
2002	Food Processor	45%	48%	11,659	68%
2002 - 2003	Insurance	78%	29%	6,165	84%
2003 - 2004	Hospitality	49%	50%	33,345	74%
2002 - 2004	Long-Term Care	55%	18%	9,054	63%
2004	Home Healthcare	55%	18%	5,035	63%
2003 - 2005	Staffing	48%	15%	207,509	54%
2005	Retail	70%	45%	18,200	83%
2005	Commercial Laundry	56%	14%	10,596	59%
Total and Weighted Average		54%	20%	399,821	63%

*The severity reduction is based on all claims, open and closed. When the analysis is based on closed claims, the severity reduction is significantly higher.

To learn more about how our behavioral psychological assessment can increase both your productivity and earnings, please contact sales at 1.800.422.6659, or visit us at www.americantescor.com.

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