



**CONTRACTORS
MUST READ!**

Basic Crafts Workers' Compensation Program

HOW IT WORKS

Each Collectively Bargained Workers' Compensation (CBWC) program is unique in certain ways. However, all contain the same basic components that form the basis of their operation and success. These include the following:

Alternative Dispute Resolution (ADR)

Alternative Dispute Resolution (ADR) expedites the resolution of disputed claims by replacing the jurisdiction of the Workers' Compensation Appeals Board with a highly streamlined process. With ADR, all disputed claims are subject to a simple, three-step process.

1. **Ombudsman.** An impartial liaison between the injured worker and the insurance company, the ombudsman works in an informal and proactive way to resolve all claims issues quickly and fairly. Over 90 percent of all disputes are resolved at this step of the process.
2. **Mediation.** If the ombudsman can't resolve the dispute and the injured worker seeks further redress, a mediation session is scheduled, and a mediator is assigned to the matter.
3. **Arbitration.** When the matter can't be resolved through mediation, a formal arbitration session may be scheduled with an arbitrator assigned to hear the case and render a final decision.

The efficient process minimizes the need for costly legal representation. With specific time frames given to each step, this process ensures that the disputed claims are settled as fairly and effectively as possible.

Exclusive Medical Provider Networks

Selected by labor and management, each CBWC program has a designated, exclusive network of medical providers from which injured workers must obtain medical treatment. The use of the networks ensures that appropriate, quality medical care is always available without delay.

Joint Labor/Management Safety Initiatives

Because workplace safety activities significantly cut down on injuries and resulting claims, labor and management work closely together to develop safety standards and

promote safety initiatives. The CBWC program provides an effective platform for delivering these to all participants and works in tandem with the loss control services offered by the insurance carrier.

Joint Labor/Management Oversight

Every CBWC program is the creation of labor and management, and oversees and controls its operation. To ensure that the needs of its members are being met and that operational quality is maintained, a labor/management oversight body is responsible for all aspects of the program, including:



- Funding and payment for program operations, including the ombudsman
- Selection and approval of the ombudsman, mediators and arbitrators
- Approval of the participating insurance carriers and medical networks
- Regulatory compliance

Benefits on Both Sides

CBWC delivers significant benefits to all parties involved.

For Union Members

- Access to quality medical care
- Faster recovery and return to work for injured workers
- The assistance of a knowledgeable, proactive liaison — the Ombudsman — to help navigate the claims process
- A fast and simple dispute resolution process — ADR — that saves time and aggravation
- The preservation and enhancement of union jobs due to lower employer costs and increased competitiveness for new work

For Union Employers

- A proven means to control and reduce claims costs
- A means to prevent or mitigate expensive and time-consuming litigation
- Reduction of workers' compensation premiums
- A more competitive position for new business in the marketplace due to lower workers' compensation costs

For Insurance Agents and Brokers

- Value and long-term benefits for their clients
- Value added to their client relationships
- A competitive advantage over other agents and brokers

Benefits to the Employer

- Reduced workers compensation premiums from their insurance carrier for union employees only
- Control and reduction of claims costs by controlling the modification rate

- Average claim closes in 200 days; in contrast, the state system claims close in two to five years, on average
- Helps prevent or mitigate expensive and time-consuming litigation

Benefits to the Injured Worker

- Access to quality medical care through an extensive network of doctors, including all Blue Cross PPO, Health Net PPO and Kaiser doctors in Northern California
- Assistance of the ombudsman to help navigate the injured worker through the claims process

Contractor members, if you have questions regarding the program or have an employer who expresses interest in the program, contact Mason Gunn, marketing director at (916) 224-1538 or mgunn@ncbcg.org.

Basic Craft Workers' Compensation Program

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