

Is Substance Abuse Costing Your Company?



According to a nationwide study,¹ more than 70 percent of the nearly 120 million admitted drug and alcohol abusers are employed—and some may be working for you.

Substance abuse costs U.S. employers more than **\$276 billion**² each year. The costs stem from lost

productivity, workplace accidents, and increased health-care and insurance costs, so it makes sense to do whatever you can to keep your workplace drug-free.

Just the facts

Drug and alcohol abuse affect all employees, not just the users. A survey sponsored by the National Institute on Drug Abuse found that drug-using employees are—

- 2.5 times more likely to have absences of eight days or more
- 2.2 times more likely to request early dismissal or time off
- 3 times more likely to be late for work
- 5 times more likely to file a workers' compensation claim

According to the American Council for Drug Education, substance abusers don't have to use drugs or drink while at work to negatively impact their workplace. Compared to coworkers, substance abusers are—

- 33 percent less productive
- 10 times more likely to miss work

And there's more—

- Alcoholism is estimated to cost 500 million lost workdays annually.³
- Substance abusers are 3.5 times more likely to be involved in workplace accidents.⁴
- It is estimated that up to 40 percent of industrial fatalities and 47 percent of workplace injuries can be linked to alcohol consumption.⁵

- Health-care costs for employees with alcohol problems are at least twice those for other employees.⁶
- People with drug or alcohol problems were more likely to report having worked for three or more employers in the previous year.⁷

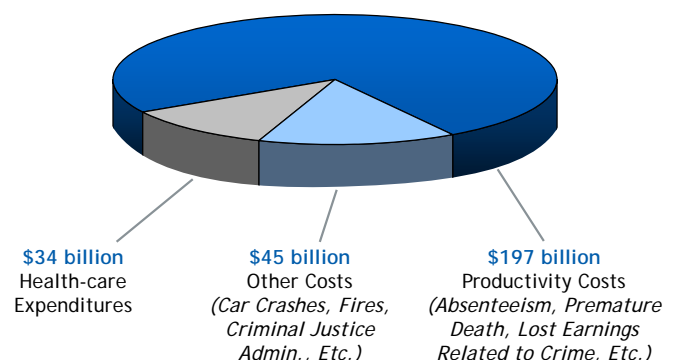
The small business challenge

Because small-business owners are less likely to have formal programs in place to combat substance abuse, they become the “employer of choice” for illicit drug users who don't want to risk being tested, observed or caught. No matter what the business size, creating a culture of zero tolerance for drugs and alcohol abuse is not difficult or particularly costly, and the payoffs can be big.

Bottom line

Impaired employees increase the workloads of coworkers, compromise quality, increase turnover and can potentially harm a business's reputation. And according to one national poll, more than 60 percent of adult employees know people who have gone to work under the influence of drugs or alcohol⁸—but most didn't know what to do about it. Ultimately, substance abusers impact profitability, competitiveness, morale and safety.

Economic Cost of Drug and Alcohol Abuse in the United States, 1995⁹



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A Message from Carol Sipe, Summit president and CEO



Carol Sipe
Summit President and CEO

This year is the 23rd anniversary of the federal Drug-Free Workplace Act, and a myriad of data continues to be tracked. One recent Quest Diagnostics Drug Testing Index (DTI)* report about tests for drug and alcohol impairment shows a steady decrease in positive drug test results, from the 1988 high point of 13.6 percent to just 3.8 percent in 2007. This trend is encouraging, but

preventing employee substance abuse remains a challenge. In fact, the latest National Survey on Drug Use and Health** reports that 8 percent of full-time workers admit to having used illegal drugs, and the prevalence of heavy alcohol use among full-time employed adults is 8.5 percent. For employers, the potential for employee impairment on the job requires continued vigilance, and new dangers continue to evolve.

** 2009 U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration Office of Applied Studies

Prescription drug use on the rise

Today, more American workers and job applicants are testing positive for prescription opiates—such as oxycodone, hydrocodone, and codeine—according to data in the 2009 Quest DTI. In addition, post-accident drug tests detected opiates up to four times more often than preemployment tests, which suggests that these drugs may be playing a role in workplace accidents.

Contact us for assistance

Summit will continue to work to help you create and maintain drug-free workplace policies and programs. I hope you will feel free to call your agent or Summit Loss Control department for assistance. We want to support your efforts to keep your workplace safe and drug-free. ■

**The Quest Diagnostics Drug Testing Index is published as a public service for government, media and industry and has been considered a benchmark for national trends since its inception in 1988. It examines positivity rates — the proportion of positive results for each drug to all such drug tests performed — among three major testing populations: federally mandated safety-sensitive workers; the general workforce; and the combined U.S. workforce.*

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A drug-free program is the best line of defense

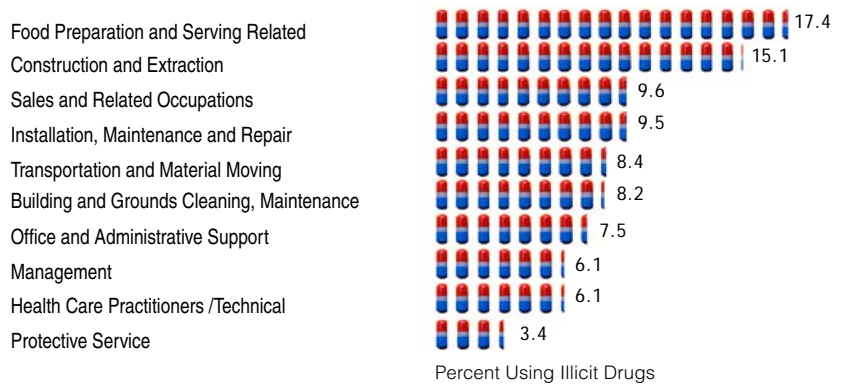
Preventing accidents is the most effective way to keep your comp costs low, and creating a drug-free workplace is a smart place to start. Many states offer workers' compensation premium credits to employers with formal drug-free workplace programs in place.

Get started now!

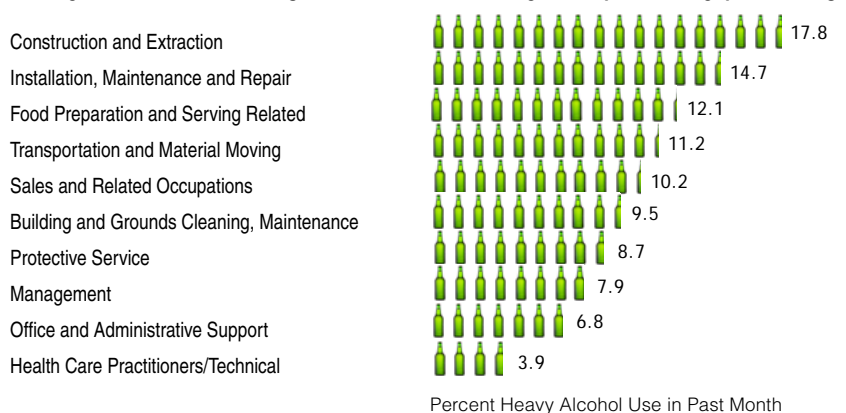
An effective program requires planning, communication, training, assistance and documentation. Check out the steps on page 3 and call your Summit loss control representative to help you develop a drug-free workplace program for your business. Also be sure to check with your agent about taking advantage of any premium credits available in your state. ■

For a complete list of sources for this article, please visit our website at summitholdings.com.

Illicit Drug Use among Full-time Workers by Occupation (by percentage)**



Heavy Alcohol Use among Full-time Workers by Occupation (by percentage)**



Larson, S. L., Eyerman, J., Foster, M. S., & Gfroerer, J. C. (2007). Worker Substance Use and Workplace Policies and Programs (DHHS Publication No. SMA 07-4273, Analytic Series A-29). Rockville, MD: Substance Abuse and Mental Health Services Administration, Office of Applied Studies. <http://www.oas.sahmhsa.gov/work2k7/work.htm>

Drug-Free Workplace Tips

Create an action plan

A written policy is the foundation of a successful drug-free workplace program. You'll want to include the components listed below.

- 1. Put it in writing.** Explain the need for safety and the potential problems with drug abuse on the job. Describe the prohibited behaviors, including, "The use, possession, transfer or sale of illegal drugs by employees is prohibited." And finally, spell out the consequences. Visit our website at summitholdings.com for sample drug-free workplace programs.
- 2. Train supervisors.** It's not about diagnosing substance abuse problems; it's about monitoring job performance and being aware. The goal is to balance the individual's right to privacy and fair treatment with the right of the group to a safe workplace. Check with your HR department, your agent or Summit loss control representative.
- 3. Educate your employees** about the danger of drugs in the workplace. The U.S. Department of Labor offers tremendous resources.
- 4. Drug test.** Today there are a variety of methods employers can use to pretest for employment, random test and posttest for accidents. The costs vary geographically and by need, so check with your agent or Summit loss control rep for options.
- 5. Offer an Employee Assistance Program (EAP).** Replacing an employee costs between 25 percent to almost 200 percent of annual compensation—not including the loss of institutional knowledge, service continuity, and coworker productivity and morale that can accompany employee turnover.⁸ So, it makes sense to have programs in place to give your employees access to substance abuse treatment options.



Substance abuse warning signs

While different types of drugs produce different physical symptoms, there are many ways that abuse affects work behavior and, in the end, job performance and safety.

Signs of possible drug or alcohol problems may include:

- Unexplained, frequent or prolonged absences
- Excuses that seem farfetched or unbelievable
- Violations of safety and health procedures
- Involvement in accidents—both on and off the job
- Physical signs such as bloodshot or glassy eyes, dilated pupils, exhaustion or hyperactivity, unsteady walk, slurred speech, poor hygiene
- Decline in productivity and/or erratic work patterns
- Behavior issues, such as—
 - Carelessness
 - Risk taking
 - Unreliability
 - Overreaction to real or perceived criticism; argumentative
 - Unwillingness or inability to follow directions
 - Failure to fulfill obligations; uncooperative

Note: These signs do not necessarily mean the employee has a drug or alcohol problem but the possibility should not be overlooked.

A Self-Rehab Policy that Works

One resort company offers a novel policy for employees who test positive for drugs or alcohol: They give them the opportunity to self rehabilitate. Over the following year and a half, an employee who tests positive is tested randomly. If there is positive result from any one of those random tests, the employee is automatically terminated. While some are not successful, those who choose to work at rehab become incredibly loyal employees—and everyone wins. ■

Workplace Safety

Online Safety Training Webinars

Summit offers free online webinar programs geared toward creating and maintaining safe workplaces. We've selected some popular topics and created easy-to-follow presentations that allow you to participate from the convenience of your own desk.



Heat Stress	April 1, 2011
Control of Hazardous Energy (Lockout/Tagout)	May 6, 2011
Emergency Action Plans	September 2, 2011
Motor Vehicle Safety	October 7, 2011
Fall Protection (Construction/Nonconstruction)	November 4, 2011
Hearing Conservation	December 2, 2011

Each webinar begins at 10:00 a.m. Eastern Time and runs 30 to 60 minutes.

For more information, visit our website, contact your Summit loss control consultant or call Loss Control at 1-800-282-7648.

OSHA 300 Summary Posting Requirements

February 1, 2011, marked the beginning of this year's three-month period during which employers must have their company's injuries from their 2010 OSHA Summary of Work-Related Injuries and Illnesses (Form 300A) posted.

For more information, please visit Summit's website or www.osha.gov.



The Eyes Have It

- March is Workplace Eye Wellness Month.
- About 2,000 work-related eye injuries occur everyday in the United States.
- The cost of protective glasses runs as little as \$10.

New Florida "Broken Arm" posters

The state of Florida has given the "Broken Arm" poster a fresh new look and has also revised content requirements for the poster labels. But don't worry, we've got you covered, and we'll supply you with everything you need.

In April, we will send you a new poster for each of your business's Florida locations. **Be sure to replace your red posters with this new version by May 1.** And remember that Florida law requires you to display this notice where all of your employees can easily see it.

When your policy renews, we will mail new labels to your main office for distribution and application to your existing posters at each of your locations. Note that the new labels will include your policy's annual effective date and expiration date, so you will need to apply a new label each year. ■

Karen and David West of the Rolling Pin Kitchen Emporium, Win 2010 ROYAL Award



Karen and David West and their Rolling Pin Kitchen Emporium have been honored as one of the Florida Retail Federation's 2010 Retailer of the Year Award for Leadership (ROYAL) winners. The Wests opened their Rolling

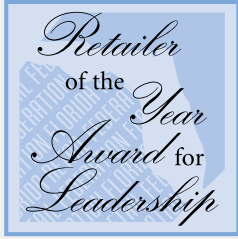
Pin Kitchen in 1995 in Brandon, Florida, and now offer 3,500 square feet of retail space and a 1,000 square-foot culinary center.

Dave West, formally trained at The French Culinary Institute in New York City, heads up the Rolling Pin's cooking classes. The couple's storefront and website offer hard-to-find and old-fashioned items, trendy tools, plus artisan and gourmet foods.

As business owners, the Wests are firmly committed to source locally whenever possible and promote other area businesses. They seek out products and services from local vendors and showcase chefs from local restaurants for their culinary center.

The Wests support various community programs and organizations, which include the Moffitt Cancer Center and the Alpha House of Tampa Bay, where Dave teaches cooking classes to at-risk mothers and mothers-to-be. The Rolling Pin also hosts charity events that benefit the Brandon Nativity Food Bank. ■

Call for Nominations—Florida 2011 Retailer of the Year Award



The Florida Retail Federation is accepting nominations now through Friday, April 22, for the 2011 Retailer of the Year Award for Leadership (ROYAL). Since 1999, the award has honored retailers who operate all types of businesses, and

who blend sound business practices with commitments to their communities, customers and employees.

The ROYAL is given to an individual retailer whose company's current annual sales volume is \$5 million or less.

"From driving the economy to philanthropic support, retailers make tremendous positive impacts in the

communities they serve," says Federation president and CEO Richard A. McAllister. "The ROYAL award is a way to pay tribute to Florida's retail industry, which contributes so much to the well-being of our state. The program also provides a great opportunity for agents to recognize their outstanding retail clients."

Nominate your favorite retailer

Go to www.frf.org and click on the ROYAL logo to make your nomination online. Anyone can nominate and may submit more than one Florida retailer for consideration in any given award year.

For more information visit www.frf.org or contact Brenda Grindstaff at 1-888-357-3824 or FRFAwards@frf.org. ■

What Can Summit Do for You?

Summit offers a variety of programs aimed at keeping your workers' compensation costs low. Here's a sampling of some of the tools and services we have available to make the most of your workers' compensation dollars.

- **Online Business Center**, where you can—
 - Check claims activity
 - Print and download loss runs
 - Print certificates of insurance (COIs) or waivers
 - Find a doctor in our workers' comp network
- **Back2Work™**, Summit's return-to-work program.
- **SafetySmart Online**, a valuable web-based safety training tool offered at no charge as part of your workers' compensation coverage through Summit.
- **Open for Business**. Create and save your own detailed plan for disaster recovery online—it's free!
- **Easy claims reporting**. We offer three easy ways to report a claim 24 hours a day, seven days a week—
 - Call our hotline at 1-800-762-7811
 - Visit us at summitholdings.com and click on **Report an Injury**
 - Fax your report to (863) 667-1871
- **Specialized provider network***, consisting of more than 16,000 doctors and specialists experienced in occupational medicine and workers' compensation.
- **Tailored loss-control services**, including—
 - Safety consultations
 - Drug-free workplace assistance
 - Safety education, training materials, classes and webinars
- **For more information**, tips on workers' comp and frequently asked questions, visit our website at summitholdings.com.

* Proprietary network in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. In Arkansas and Texas, Summit uses a contracted network that offers our clients benefits comparable to our proprietary arrangement.

How to Reach Us

Customer Service

1-800-282-7648

Injury Reporting Hotline

24 hours a day, 7 days a week
1-800-762-7811

Florida/Corporate Office

1-800-282-7648 • (863) 665-6060

Southeast Region

Georgia, Kentucky, North Carolina,
South Carolina, Tennessee
1-800-971-2667 • (678) 450-5825

Southwest Region

Arkansas, Alabama,
Louisiana, Mississippi, Texas
1-800-421-2944 • (225) 926-3264

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