

# 2021 INFRASTRUCTURE PROJECTS AND EXPERIENCE MOD RATES

There are varying opinions about the relative strength of our nation's infrastructure and none are overly positive. In the 2021 Report Card<sup>1</sup> for America's Infrastructure, by the American Society of Civil Engineers (ASCE), a C-grade was given. The report card details infrastructure overviews by state, including the NYC infrastructure overview<sup>2</sup>, and category and provides resources to guide your understanding of the changing elements that affect America's infrastructure.

President Biden ran his campaign with the vision of building of a clean energy infrastructure at an estimated cost of \$2T over the next four years. Whether or not that number is accurate or affordable, something needs to be done to improve our schools, airports, roads, bridges, etc.

In the NYC metro area, the Gateway Program's Hudson River Tunnel (\$29B) is back on the table, along with a LGA redevelopment proposal (\$8B) and a NYCHA housing overhaul (\$12B), providing optimism that more large-scale projects are going to become realities. Additionally, NYC Mayor Bill de Blasio announced that the city is restarting \$17B<sup>3</sup> of capital construction projects.

## Considerations for Contractors

Contracts are going to be awarded to companies that show they have an acceptable Experience Mod Rate (EMR). The thinking behind using the EMR is that a company with a 1.0 or lower is likely safer because it

has a comprehensive safety program and experienced workforce.

Using the EMR for job prequalification is not the intention of the National Council on Compensation Insurance. The rate's sole purpose is to gauge past costs of injuries at a company against its risk for future injuries as compared to others in their class code.

Some contractors suffer due to clerical and procedural errors that find their way into the EMR calculation, from misclassified employees to excessive reserves on claims. Others, especially, smaller contractors, can get hit with one shock loss that blows up the EMR.

## Solution

At AHT Insurance, we have incorporated workers compensation review services for our clients that include EMR and audit reviews. We utilize a proprietary system that allows us to confirm the accuracy of your EMR and, if errors are identified, we work to get the corrections made.

Additionally, our claims advocacy team works with the adjusters to ensure the process is moving towards getting claims closed quickly and that any open reserve amounts are not inflated.

Review services and claims advocacy do not replace proper safety management, but when we combine Loss Prevention services with our expertise in Construction and Surety, we help clients get on and stay on the right track.



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<sup>1</sup> <https://infrastructurereportcard.org/>

<sup>2</sup> <https://infrastructurereportcard.org/state-item/new-york/>

<sup>3</sup> <https://www1.nyc.gov/office-of-the-mayor/news/144-21/transcript-mayor-de-blasio-holds-media-availability>

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