

## Construction Workers' Compensation: The Real Cost of Injuries

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Construction remains one of the most hazardous industries in the United States, and workers' compensation claims continue to reflect that risk. Construction claims are nearly double the all-industries average in cost, driven by the severity of injuries, extended recovery times, and the physical demands of the work. These claims impact far more than medical expenses and lost wages — they directly affect productivity, insurance premiums, dividends, and a company's experience modification factor (EMR).

### Where the Biggest Losses Occur

The most costly construction workers' compensation claims are those exceeding \$250,000. These high-severity claims often involve life-altering injuries, extended disability periods, and long-term financial consequences. The most common causes of these large losses include:

- ◆ Slips, trips, and falls
- ◆ Overexertion and repetitive motion
- ◆ Being struck by an object
- ◆ Motor vehicle accidents
- ◆ Caught-in or caught-between hazards

Among these causes, slips, trips, and falls alone account for approximately 48% of incurred construction claim costs, making fall protection, housekeeping, and job site awareness essential components of any effective safety program.

### The Impact of an Aging Construction Workforce

The construction workforce continues to age, and this trend has a measurable impact on both claim frequency and severity. Currently, 10% of injured construction workers are age 60 or older, up from just 7% during the previous five-year period.

Injured workers aged 60 and older miss an average of 12 additional workdays compared to the construction industry average. Since the pandemic, this represents nearly five additional lost workdays per claim, increasing medical costs, wage replacement, and operational disruptions.

### First-Year Workers: A Critical Risk Area

Newly hired construction workers face elevated injury risk due to unfamiliarity with job sites, equipment, and safety procedures. First-year workers account for 44% of all construction injuries and drive 47% of total construction workers' compensation claim costs.

These statistics highlight the importance of strong onboarding programs, task-specific training, mentoring, and consistent supervision during an employee's first year on the job.

### The Most Severe Construction Injuries

While less frequent, certain injuries result in the highest claim costs, longest recovery periods, and greatest impact on workers and employers. These severe injuries commonly include:

- ◆ Cardiovascular injuries
- ◆ Multiple trauma injuries
- ◆ Electric shocks and electrocution
- ◆ Head and traumatic brain injuries
- ◆ Crushing injuries and amputations
- ◆ Serious dislocations and musculoskeletal damage

### Why Return-to-Work Programs Matter

When an employee is injured, getting them back to work as soon as medically appropriate is essential to maintaining productivity and controlling claim costs. Well-structured return-to-work programs reduce lost-time days while supporting employee recovery.

Effective programs include written return-to-work policies, light-duty or modified job options, and ongoing communication with medical providers, claims adjusters, and insurance agents. Active claim management helps ensure appropriate treatment, timely recovery, and proper claim resolution.

Workers' compensation claims affect more than just insurance premiums. They can reduce dividend eligibility and negatively impact a company's experience modification factor (EMR), which follows the business and directly influences future workers' compensation costs.

### For further information on maintaining a safe workplace and implementing effective risk management practices, contact:

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