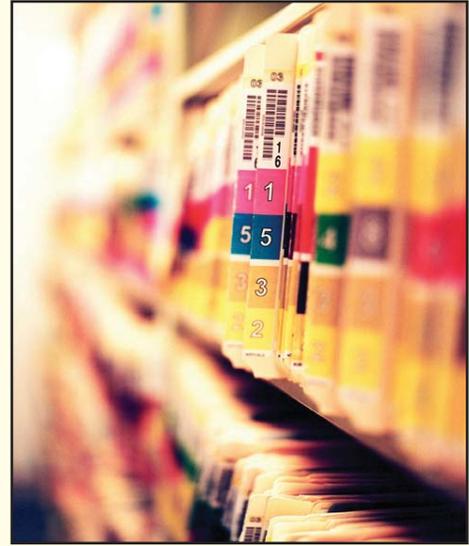


Job tenure and insurance – What’s the connection?

By Brian Zaidman, Policy Development, Research and Statistics

An examination of injured workers’ job tenure, the length of time they were employed by their employers when they were injured, shows an interesting relationship with the type of insurance arrangement used by employers to provide workers’ compensation coverage.

In Minnesota, workers’ compensation coverage can be arranged through: the Assigned Risk Plan (ARP); purchase of insurance on the open market (voluntary insurance); group self-insurance (group SI), where groups of small employers organize to form self-insurance groups; public self-insurance (public SI), which involves state and local government units providing self-insurance coverage either individually or through associations; and through all other self-insurance (other SI), which involves an employer (usually a large employer) providing self-insurance for its own Minnesota workers. Unfortunately, there is one other group, albeit a small one, uninsured employers.



As shown in the figure, injured workers from uninsured employers were the most likely to have been employed for less than three months and the least likely to have been employed for more than five years. This is due to the short-term nature of many uninsured businesses. At the other extreme, injured workers from public SI employers were the least likely to have been recently employed and the most likely to have job tenures in excess of five years. This is due to the job stability provided by public employment and the low rate of hiring in recent years.

The other insurance arrangements are ordered by decreasing prevalence of newly-hired workers (or increasing prevalence of long-tenured workers).

