

FIRST Benefits Insider

June/July 2019

A First Benefits Insurance Mutual Publication

Demotech Assigns Financial Stability Rating® to First Benefits Insurance Mutual



First Benefits Insurance Mutual, Inc. has earned a Financial Stability Rating® (FSR) of A, *Exceptional*, from Demotech, Inc. This level of FSR is assigned to insurers who possess exceptional financial stability related to maintaining positive surplus as regards policyholders, liquidity of invested assets, an acceptable level of financial leverage, reasonable loss and loss adjustment expense reserves (L&LAE) and realistic pricing.

FSRs summarize Demotech's opinion of the financial stability of an insurer regardless of general economic conditions or the phase of the underwriting cycle. FSRs utilize statutory financial data based on insurance accounting principles prescribed or permitted by the National Association of Insurance Commissioners (NAIC). Since 1989, FSRs of A or better have been accepted by the major participants in the secondary mortgage marketplace.

About Demotech, Inc.

Demotech, Inc. is a financial analysis firm specializing in evaluating the financial stability of regional and specialty insurers. Since 1985, Demotech has served the insurance industry by assigning accurate, reliable and proven Financial Stability Ratings® (FSRs) for Property & Casualty insurers and Title underwriters. FSRs are a leading indicator of financial stability, providing an objective baseline of the future solvency of an insurer. Demotech's philosophy is to review and evaluate insurers based on their area of focus and execution of their business model rather than solely on financial size.

Visit www.demotech.com for more information.

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JUNE 2019

NATIONAL SAFETY MONTH



DEBUNKING THE MYTHS OF **HEAT STRESS**

MYTH #1: You only need to drink water if you are thirsty..

FACT: Always pay attention to what your body is telling you. If you feel thirsty or tired, you need to drink more water. The color of urine is a good indicator for whether you are drinking enough water. Urine should be clear like water if you are properly hydrated.

MYTH #2: You should be careful not to drink too much water, as it can make you sick.

FACT: Although excessive water can cause problems, this is rare and you need to be sure to remain hydrated. Allow your body to dictate when you need water. If you are thirsty or feel tired, drink more water.

MYTH #3: All liquids help prevent dehydration.

FACT: Alcohol and caffeine should be avoided before and during work. You should only drink water or sports drinks, such as Gatorade, while working.

MYTH #4: Salt tablets are a good way of replacing minerals lost through sweat.

FACT: Salt tablets can make matters worse if you have medical problems. To replace liquids and minerals lost through sweat, it is best to drink beverages that contain electrolytes, such as Gatorade. You may also consider adding salt and fruits that have extra potassium, such as bananas and tomatoes, to meals eaten before work.

MYTH #5: Motion sickness tablets help prevent heat stress.

FACT: This is an outdated idea. It is not recommended to take motion sickness tablets before or during work hours.

MYTH #6: Using fans in a dwelling during hot summer can help keep employees cool.

FACT: Air movement across the skin helps evaporate perspiration and cool the body. When the heat index is below 99°F, a fan can enhance the evaporation rate and reduce heat stress in the workplace. However, at indexes above the 99°F threshold, air movement can make the effects of heat even worse. (Note: A heat index of this threshold can be reached when the outdoor temperature is 86°F and the humidity is 75 percent.)

MYTH #7: Healthy people will not have problems with heat stress.

FACT: Heat stress can effect anyone, no matter how young or healthy. Although the body temperature at which sweating begins increases with age, making those over 40 more susceptible to heat stress, workers of all ages face dangers associated with the heat. If you have had a severe injury or infection within 48 hours, you should not return to work.

MYTH #8: If you have previously worked in Mexico, you are accustomed to the heat and will be fine in North Carolina.

FACT: The humidity in North Carolina makes the climate very different from Mexico. Humidity reduces the rate of evaporation, which reduces the body's ability to get rid of heat. Workers need a period of acclimation at the beginning of every growing season even if they have worked in North Carolina before.

MYTH #9: Medications can help prevent heat stroke.

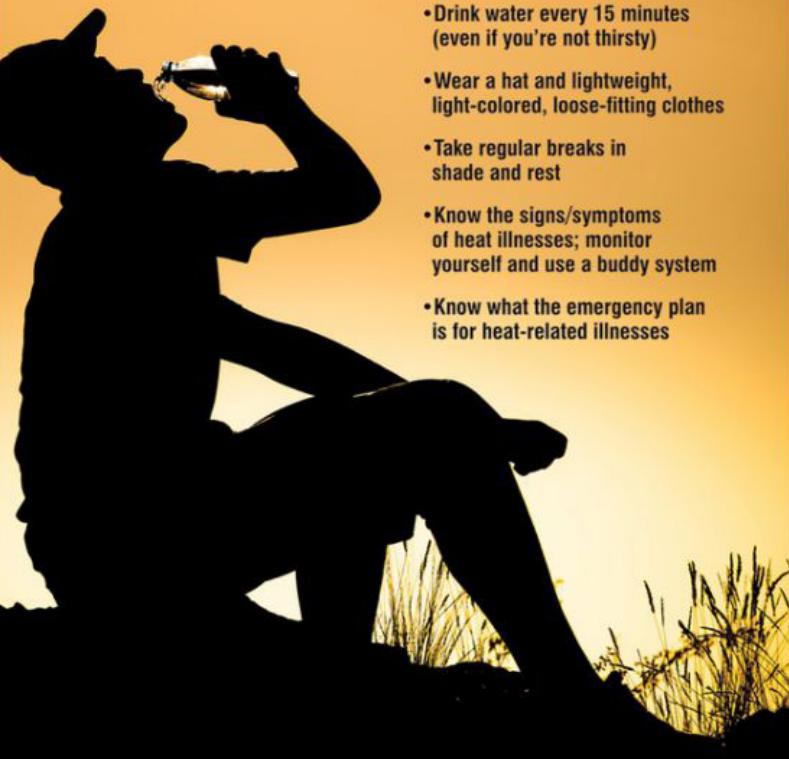
FACT: Some medications can increase the likelihood of heat stress and heat stroke. Some antihistamines and blood pressure medicines can make you more susceptible to a heat problem. Consult a doctor to discuss whether you should continue taking these medications. Consuming enough cool water is the best line of prevention.

MYTH #10: Heat-related illnesses are not life threatening.

FACT: Heat-related problems can be very serious and can even result in death and should be taken very seriously. In fact, farmworkers in North Carolina have died as a result of heat-related problems.

PREVENT HEAT STRESS

- Drink water every 15 minutes (even if you're not thirsty)
- Wear a hat and lightweight, light-colored, loose-fitting clothes
- Take regular breaks in shade and rest
- Know the signs/symptoms of heat illnesses; monitor yourself and use a buddy system
- Know what the emergency plan is for heat-related illnesses



First Benefits is Expanding

Come Grow with Us

First Benefits is now writing workers' compensation in Virginia and Georgia.

The North Carolina-based workers' compensation carrier is now offering workers' comp insurance to small, mid-size, and large businesses in three states. The expansion of service allows appointed partner agents, who are licensed in those states, to begin extending coverage today.

At First Benefits our long-held belief is we must provide the best customer service possible in each interaction with our agents, insureds and injured workers. That core belief will not only continue to dictate how we do business in North Carolina but will extend to Virginia and Georgia as well.

If you have any questions, please feel free to contact one of our territory managers, Ted Bradley or Michael Eades (see page 6). Or, if you'd prefer, you may also call our main office at 919-832-7215.

We are excited for this expansion and look forward to growing with you.





Hiring Teens for Summer Jobs? Here's What You Need to Know

As the longer and warmer days of summer begin knocking on our doors, so too will teenagers seeking jobs. Before hiring teens, employers should be educated about both federal and state youth employment regulations.

Contrary to what many may think, the Occupational Safety and Health Administration (OSHA) does not actually set the standards for young workers. Employers often believe that OSHA regulations cover worker age limits, however, it is the Department of Labor's Fair Labor Standard Act (FLSA) that sets these guidelines.

FLSA prohibits workers under the age of 18 from operating hazardous equipment - including forklifts - in non-agricultural operations. Under the FLSA, the age of the young worker typically determines which child labor rules apply. In particular, the age of the worker determines how many hours in a day or week, or what hours during the day, they may work.

Work Hour Restrictions

The basic rules for when and where a youth may work are:

- Youth 18 years or older may perform any job, whether hazardous or not, for unlimited hours.
- 16- or 17-year-olds may perform any non-hazardous job for unlimited hours.
- 14- and 15-year-olds may work outside school hours in various non-manufacturing, non-mining, non-hazardous jobs.

They cannot work more than:

- 3 hours a day on school days (including Friday)
- 8 hours a day on non-school days
- 18 hours per week in school weeks
- 40 hours per week when school is not in session.

Also, 14- and 15-year olds may not work before 7:00 am, nor after 7:00 pm, except from June 1 through Labor Day, when their permissible hours are extended to 9:00 pm. Under a special provision, 14- and 15-year-olds who are enrolled in an approved Work Experience and Career Exploration Program may be employed for up to 23 hours during school weeks and three hours on school days (including during school hours).

Employer's Safety Checklist for Young Workers

To be sure, some tasks and tools present more of a hazard than others. Many hazardous activities are limited or prohibited for young people by the FLSA. But employers can take some simple steps to prevent injuries to working teens.

- Understand and comply with the Federal and State youth employment and occupational safety and health rules.
- Stress safety, particularly among first-time supervisors who have the greatest opportunity to influence teens and their work habits. They are important role models. Make sure that young workers are appropriately trained and supervised to prevent injuries and hazardous exposures.
- Work with supervisors and experienced workers to develop an injury and illness prevention program and to help identify and solve safety and health problems. Many injuries can be prevented through simple work redesign.
- Train young workers to recognize hazards and to use safe work practices. This is especially important since teens often have little work experience and new workers are at a disproportionate risk of injury.
- Make sure young workers know the Federal and State youth employment rules and frequently remind them that they must be obeyed. Let them know safety is a priority.

Hazardous Job Restrictions

In addition to restrictions on hours, the Labor Department has determined that certain jobs (outlined in the FLSA's prohibited occupations section) are too hazardous for anyone under 18 to perform.

These rules must be followed unless one of the FLSA's child labor exemptions apply:

- 18 year or older may perform any job, whether hazardous or not.
- 16- or 17-year-olds may not perform any hazardous job.
- 14- and 15-year-olds may not work in the manufacturing or mining industries, or in any of the following hazardous jobs:
 1. Public utilities jobs
 2. Construction or repair jobs
 3. Driving or helping a driver
 4. Manufacturing and mining occupations
 5. Power-driven machinery or hoisting apparatus
 6. Processing occupations
 7. Public messenger jobs
 8. Transporting persons or property
 9. Workrooms where products are manufactured, mined or processed

NC Youth Employment Certificate

Any youth under the age of 18 who works in North Carolina for any employer must have a youth employment certificate.

Please call the NC Department of Labor at 1-800-625-2267 or visit <https://www.labor.nc.gov/workplace-rights/youth-employment-rules/youth-employment-certificate> if you have any questions.

First Benefits is excited to welcome these new employees to serve you.



Ted Bradley - Western Territory Manager

919-268-0679

tbradley@firstbenefits.org

Ted brings to the position over 25 years of experience as a producer for direct-writing insurance carriers and independent agencies. Ted's emphasis has been on medium to large commercial risks in North and South Carolina. Ted enjoys golf and weekend travels with his wife, Sue. They live in the Charlotte area.

Ted looks forward to meeting with your team members to explore the opportunities your agency has with First Benefits.



Michael Eades, AAI - Eastern Territory Manager

919-395-1332

meades@firstbenefits.org

Michael is an Accredited Adviser in Insurance (AAI) with a background in commercial underwriting and agency marketing. A Raleigh native, Michael's experience includes working for both a carrier and an independent agency. In his free time, Michael likes to travel and attend concerts and sporting events.

Michael's goal is to continue to grow our partnerships with our appointed agents in order to help you provide your clients with workers' compensation insurance you can trust.



Rodney Garrett, CPCU - Underwriter

919-832-7215

Toll Free 888-393-2667

rgarrett@firstbenefits.org

Rodney is a Chartered Property Casualty Underwriter (CPCU) with 16 years of experience as a commercial lines underwriter. Rodney is a Raleigh native and an avid fan of North Carolina State University athletics.

Rodney looks forward to working with you to provide your clients with workers' compensation insurance and to continue to provide the unmatched customer service that you have come to expect from First Benefits.