



OCCUPATIONAL RISK SYSTEM IN ARGENTINA

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OCCUPATIONAL RISK LAW

Main Characteristics

- **IN THE FRAMEWORK OF THE SOCIAL SECURITY SYSTEM**

- **Operating on the basis of a universal and mandatory insurance**

- Insurance rates based on the risk
- Integration between prevention and repair

- **PRIVATE MANAGERS ENTITIES (occupational risk insurance) FOR PROFIT**

- **Automatic Coverage**

- Precise definition of the contingencies
- Objective determination of benefits
- Expeditious administrative procedures

PREVENTION

■ Key Actors and Roles

STATE	<ul style="list-style-type: none">• The National Government regulates and the National Government along with the Provincial States supervise.
EMPLOYERS	<ul style="list-style-type: none">• Based on security duty: compliance with the regulations of health and safety at work.
EMPLOYEES	<ul style="list-style-type: none">• Compliance with specific obligations (Complaints, training, examinations).
OCCUPATIONAL RISK INSURANCE COMPANY	<ul style="list-style-type: none">• Advises under the current regulatory standards, reporting violations and performs periodic medical examinations.

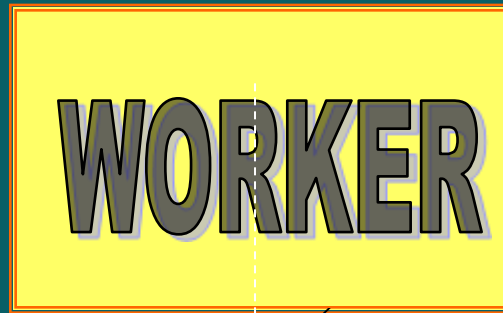
ARGENTINA

■ 2010 Data – SECOND TRIMESTER

Economically Active Population (EAP)	16.561.280
UNEMPLOYED	1.280.086
EMPLOYED	15.281.194
• Employees (wage earner)	11.613.708
• Non formal workers (non standard way of employment)	4.239.003
• Self employed	3.667.487
Employees under the Occupational Risks Law	7.975.107
• ORL vs. EAP	48,16%
• ORL vs. EMPLOYED	52,19%
• ORL vs. Wage earners	68,67%

Source: Based on data from the Ministry of Economy, INDEC, SRT and UART estimates.

- UNEMPLOYED
- NON FORMAL



ACCIDENTS AND OCCUPATIONAL DISEASES



NON WORK RELATED DISEASES



NON WORK RELATED DISEASES

ACCIDENTS AND OCCUPATIONAL DISEASES

- WAGE EARNER

COVERAGE

- **Work Accident**

"All sudden and violent event occurred at work, working or traveling between the worker's home and the workplace"



COVERAGE

- Occupational Diseases

KNOWN AND RATEABLES	UNKNOWN AND UNRATEABLE
On the list of Occupational Diseases, are financed by the premium charged by the occupational risk insurance company	Recognized as such by the Medical Boards, are financed by the Trust Fund for Occupational Diseases



BENEFITS

■ Tools

■ MONETARY BENEFIT

• Temporary disability (TD)

Declared average salary which was provided to social security.

• Permanent disability (PD)

PROVISORY

Cases above 50%. Monthly rent. Until the declaration of permanent disability.

DEFINITIVE

- * Up to 50%. One payment.
- * Between 50% and 66%. One payment and monthly income for life.
- * From 66% and more. One payment and monthly income in addition to providing pension.
- * Death. Idem.

BENEFITS

■ Tools

■ BENEFIT IN KIND

- Immediate attention of the injured worker.
- Referral to specialized centers, depending on complexity.
- Full coverage on medications, prosthetics and transfers (land and air).
- Rehabilitation.
- Requalification for work reintegration.
- Fast and timely payment of compensation.



PREVENTION

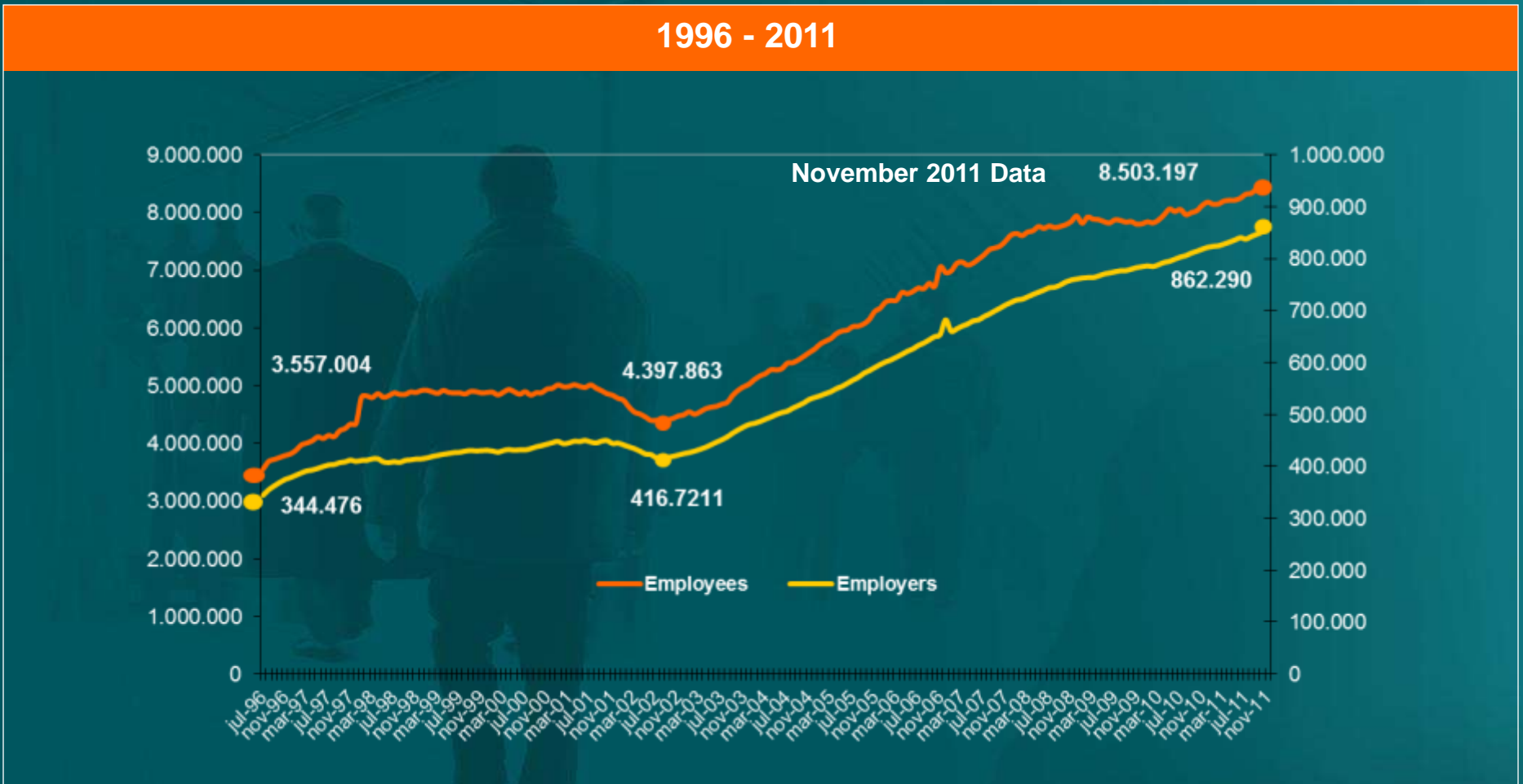
■ Tools

■ PREVENTION

- Creation of specialized institutions with specific counseling duties. (Occupational Risk Insurance Company)
- Definition of roles of each interested party (Government, employers, workers and ORIC).
- Specific regulations by sector (agriculture, construction, mining, etc.)
- Register of incidents (incidents history of the company and the worker).
- Prices according to risks and incidents.
- Budget for research and training, among others.

MANAGEMENT INDICATORS

- Coverage



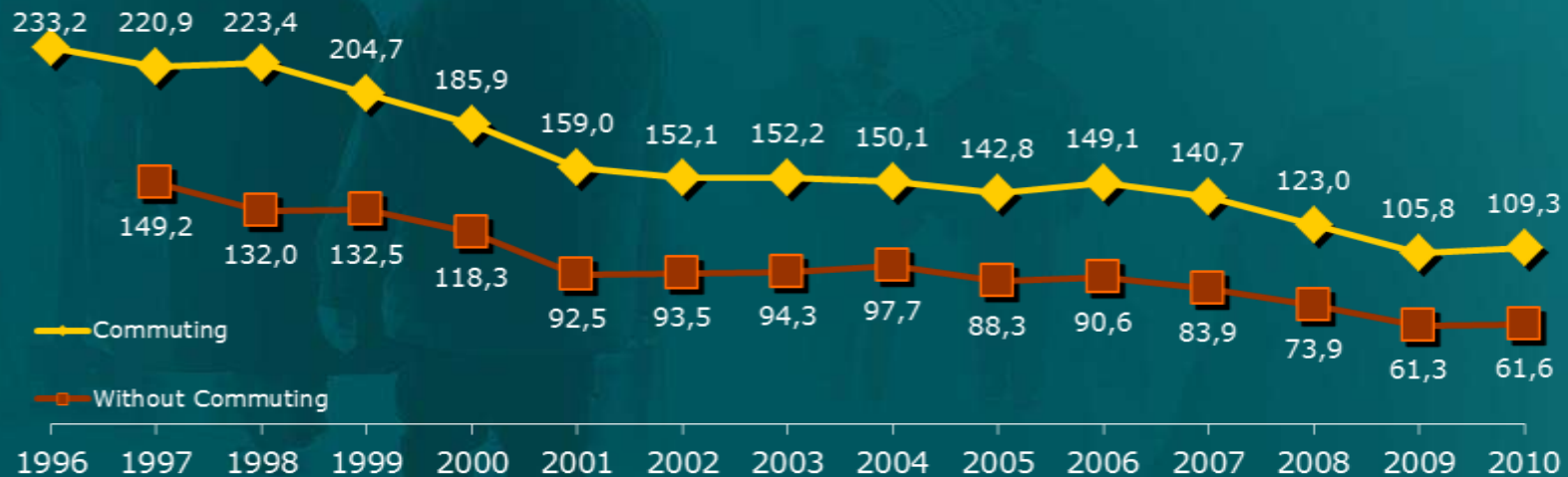
Source: Data from SRT and UART.

MANAGEMENT INDICATORS

- Evolution of death rates (1996 - 2010)

Represents 4.600 avoided deaths

REDUCTION OF DEATH RATES SINCE THE SYSTEM BEGAN
53% (WITH "IN ITINERE" OR COMMUTING) AND 59% (WITHOUT COMMUTING)

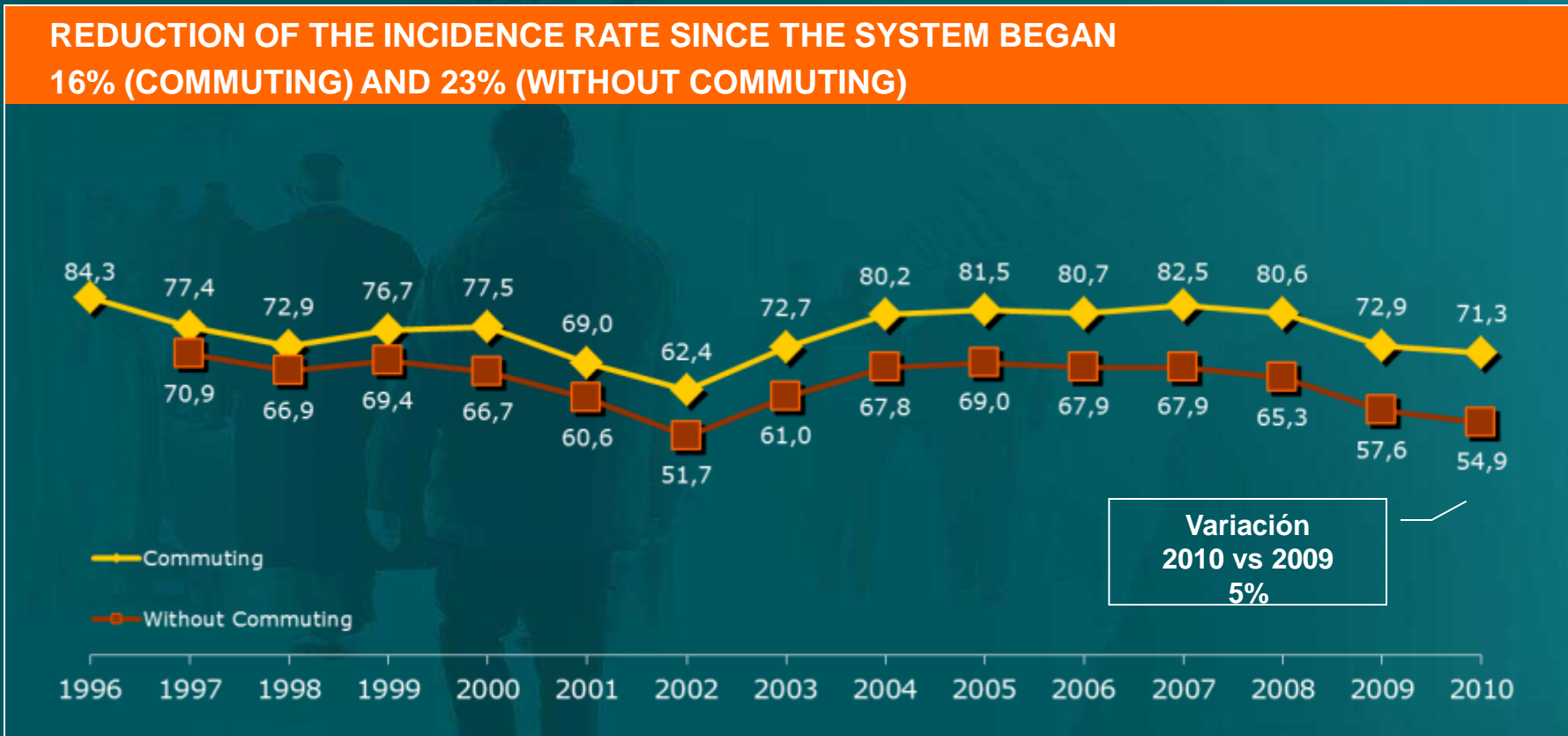


Source: SRT.

Death rates: Number of deaths / Exposed workers* 1.000.000

MANAGEMENT INDICATORS

Evolution of the incidence rate (1996 - 2010)



Source: SRT.

Incidence rate: Number of accidents in the workplace with at least 1 day down / exposed workers *1000.

MANAGEMENT INDICATORS

- Evolution of GDP and rates of impact on occupational accidents and diseases
(base rate 1997=100)



MANAGEMENT INDICATORS

■ Participation of commuting accidents

WITHIN THE TOTAL DEATH RATE

Since the beginning of the system 12 points were reduced from the incidence of death in the workplace

POSITIVE SCENARIO

1997

68%

32%

Work Place

Commuting

2010

56%

44%

High incidence of commuting deaths



44% of total deaths



24% of total deaths

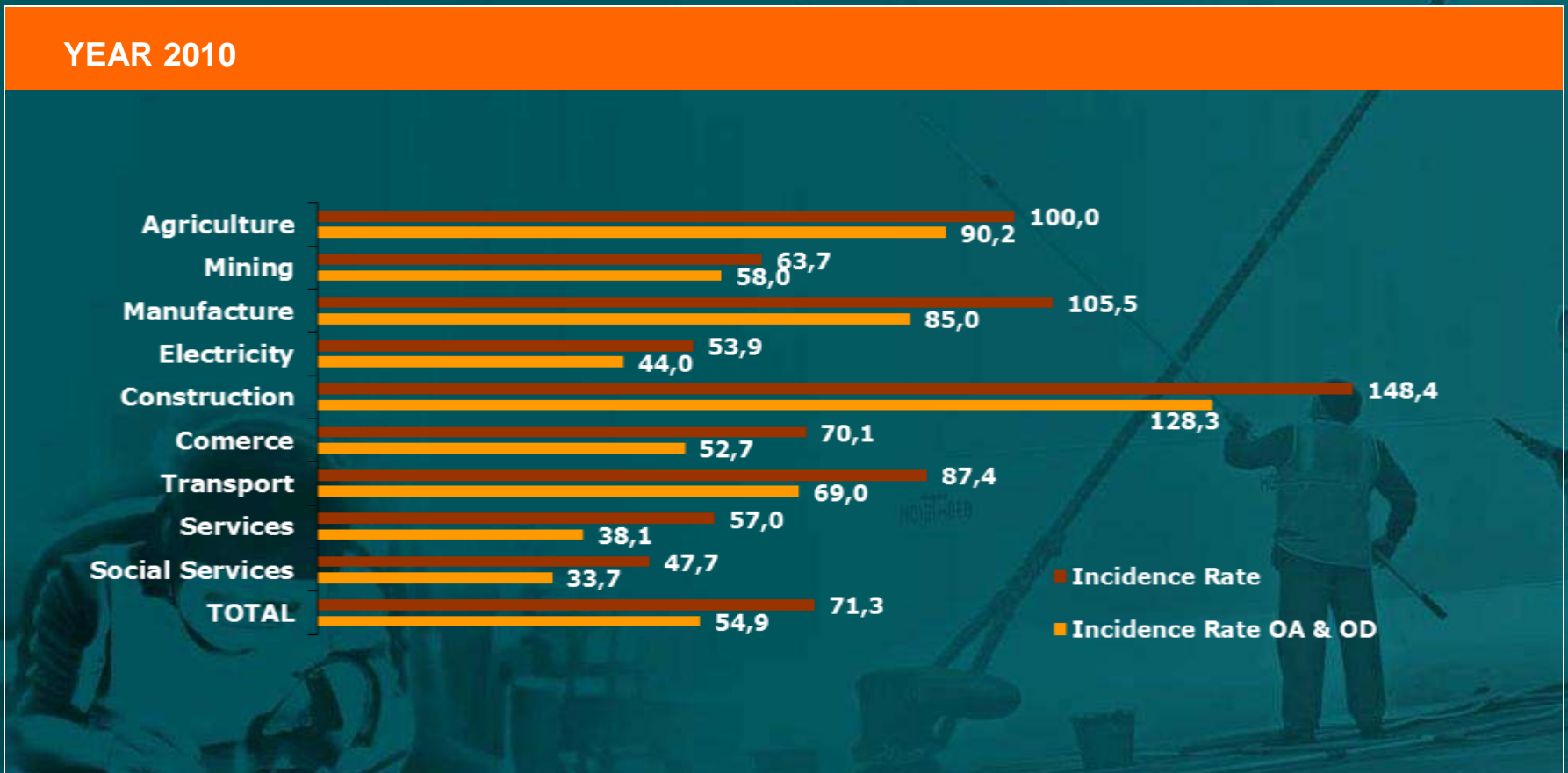


24% of total deaths

NEGATIVE SCENARIO

MANAGEMENT INDICATORS

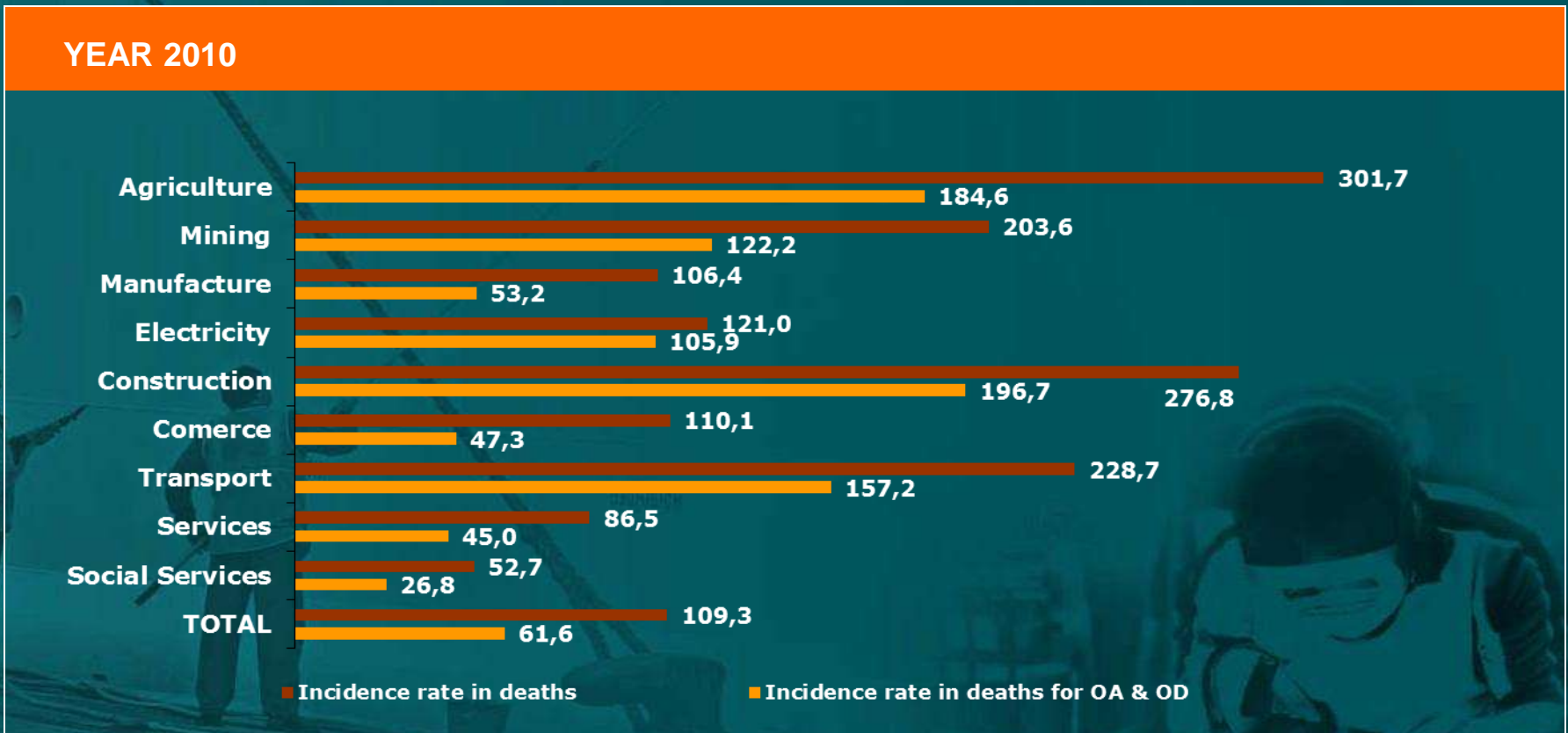
Incidence Rates



Source: SRT

MANAGEMENT INDICATORS

■ Incidence rate in deaths



Source: SRT

ACCIDENT RATES INDICATORS

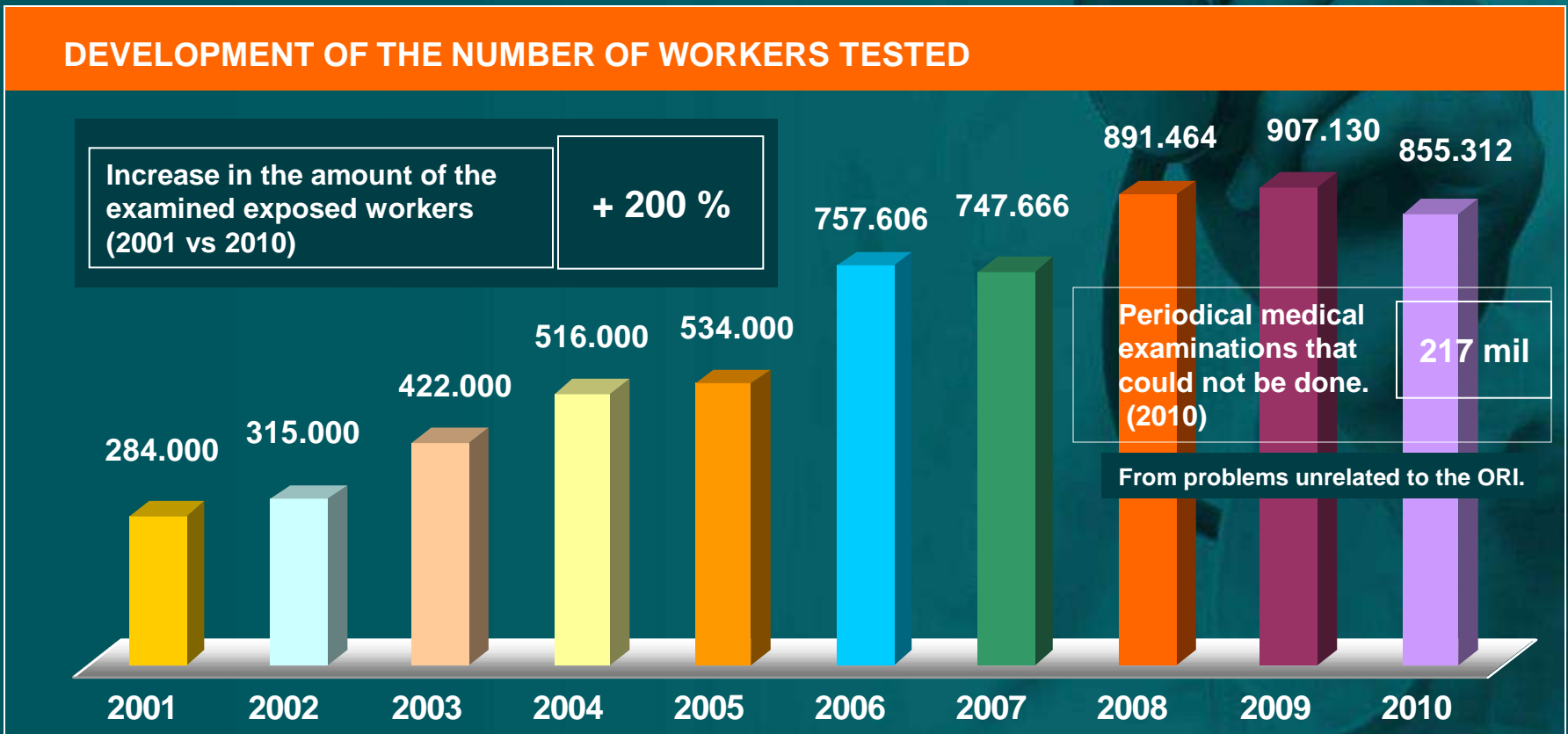
- Cases based on the characteristics of covered incidents



Fuente: UART en base a datos SRT.

MANAGEMENT INDICATORS

- Management in periodic medical examinations

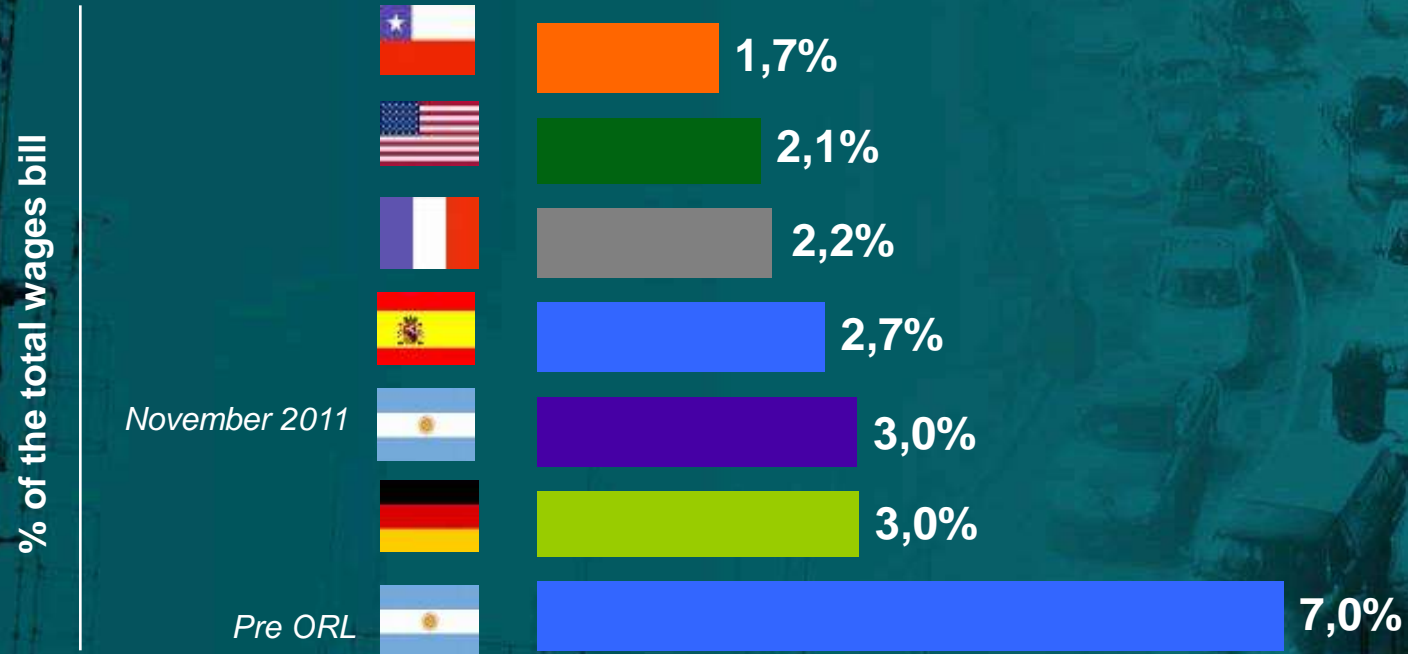


Source: UART

MANAGEMENT INDICATORS

- Cost of coverage

COMPARISON OF INTERNATIONAL COMPETITIVENESS



Source: SRT & UART

MARCH 2012

THAT THE OCCUPATIONAL RISK SYSTEM WORKS MEANS THAT...

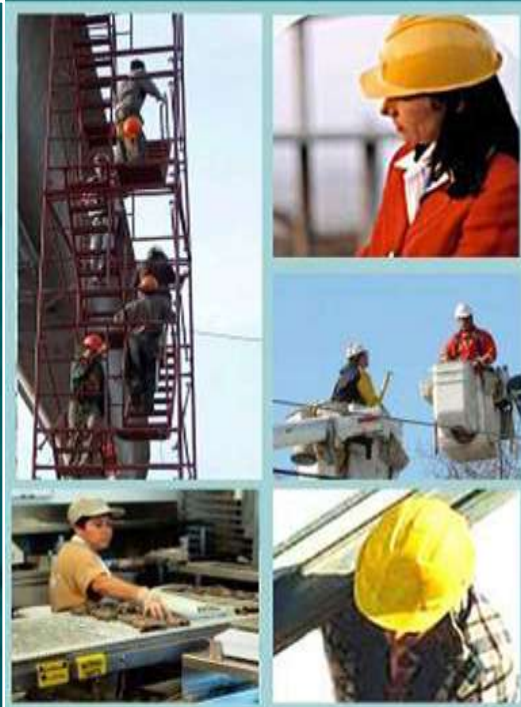
8.503.000
EMPLOYEES AND
862.000 COMPANIES
HAVE EFFECTIVE
COVERAGE



THAT THE OCCUPATIONAL RISK SYSTEM WORKS MEANS THAT...

DEATH RATE IN
WORKPLACES

DROPPED 59%



THAT THE OCCUPATIONAL RISK SYSTEM WORKS MEANS THAT...

**MORE THAN 600.000 EMPLOYEES PER YEAR
RECEIVE INTEGRAL ATTENTION**

UNLIMITED TIME



Providers
Transfers
Medicines
Prosthetics and
Orthotics
Rehabilitation
Requalification

CURRENT SITUATION

■ Development of lawsuits

GROWTH OF THE OPERATING EXPENSES AND COVERAGE DUE TO CONFLICTUALITY

(judicial and administrative)



* Period January – November.

CURRENT SITUATION

- Requirements for a solution

How do we get out from the current situation?



**Safeguarding properly
the current operation**

**Reinstating certainty with a new standard that
allows the insurability**

**By having a standard that is respected by the
various courts of law**

CURRENT SITUATION

- Requirements for a solution

Basic requirements to be met by the new standard



REPAIR

Predetermined formulas that are guaranteed by justice

CONTINGENCIES

Clearly defined through the Baremo Scale and the List of Diseases

PROCEDURES

Mandatory administrative procedure with legal sponsorship allowing the agility of benefits

OBLIGATIONS

Accurate and executable for employers, workers, State and ORIC

THANK YOU



OCCUPATIONAL RISK SYSTEM IN ARGENTINA



Cancun- March 19 to 24, 2012