



OSHA DIRECTION

U.S. DEPARTMENT OF LABOR

Occupational Safety and Health Administration

DIRECTIVE NUMBER: DIR 01-02 (TED 3.5)

EFFECTIVE DATE: April 18, 2001

SUBJECT: Interim Guidance for Voluntary Protection Programs

ABSTRACT

- Purpose:** To provide interim guidance concerning implementation of the policy and procedural changes to the Voluntary Protection Programs (VPP) published in the July 24, 2000 *Federal Register* notice.
- Scope:** This Direction applies OSHA-wide.
- Expiration Date:** This Direction expires upon publication of an OSHA Directive in FY2001 which revises TED 8.1A, the VPP Policies and Procedures Manual, but in no event later than 12 months after publication of this Direction.
- Action Offices:** National, Regional, and Area Offices.
- Federal Program Change:** This Direction describes a Federal Program Change for which State adoption is not required.
- Originating Office:** Directorate of Federal-State Operations.
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By and Under the Authority of
R. Davis Layne
Acting Assistant Secretary

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- II. Scope. This Direction applies OSHA-wide.
- III. Expiration Date. This Direction expires:
 - A. Upon publication of an OSHA Directive which revises TED 8.1A, the VPP Policies and Procedures Manual; but
 - B. In no event later than 12 months after publication of this Direction.
- IV. Action Information.
 - A. Responsible Office. Directorate of Federal State Operations, Office of Cooperative Programs.
 - B. Action Offices. OSHA National, Regional, and Area Offices with responsibilities for administering the Voluntary Protection Programs.
 - C. Information Offices. State designees, OSHA Directorates of Compliance Programs, Construction, and Policy, Office of Public Affairs, Office of the Solicitor.
- V. Federal Program Change. This Direction describes a Federal Program Change for which State adoption is not required.
- VI. Major Changes. The following changes took effect January 1, 2001 unless otherwise noted. These changes supercede relevant instructions in TED 8.1A, Voluntary Protection Programs Policies and Procedures Manual. In all other respects, TED 8.1A remains in effect until OSHA publishes an official revision. References in parentheses are to the July 24, 2000 *Federal Register* notice.
 - A. Eligibility. OSHA has extended eligibility for VPP participation to federal agency worksites and to resident contractors at participating VPP sites (III.D.1.). This change took effect July 24, 2000.

- B. OSHA History. To be eligible, an applicant site may not have open OSHA investigations or pending or open contested citations or notices under appeal at the time of application (III.D.3.). This is in addition to the ongoing provision that disqualifies any site with affirmed willful violations during the past 3 years. During application review, the VPP Manager will check these expanded aspects of an applicant’s enforcement history.
- C. Support of Site Employees. A VPP applicant must assure OSHA that site employees support the application. Requirements vary according to whether the site is unionized, as explained in the following table:

<i>If</i>	<i>Then</i>
the site is unionized	employee support must be demonstrated by all authorized collective bargaining representative(s) either signing the application or submitting a signed statement of support for VPP participation (III.D.2.). In the past, such concurrence was required only at sites where a “significant portion” of employees worked within a collective bargaining unit. For new applicants, the VPP Manager will verify that the application or accompanying material includes signed support from all authorized collective bargaining representatives. At existing VPP sites, the OSHA review team will verify the support of all authorized collective bargaining representatives during post-approval onsite reviews.
the site is not unionized	the OSHA review team, during site visits for pre-approval review and subsequent post-approval evaluation, will verify through employee interviews that the employees support VPP participation (II.B.2.).

- D. Timely Correction of All Hazards. The applicant must assure OSHA that it will correct in a timely manner all hazards discovered by any means, with effective interim protection as necessary. Further, the applicant must assure correction, within 90 days, of any site deficiencies related to compliance with OSHA requirements and identified during the pre-approval onsite review (III.E.1-2.). The VPP Manager will check to see that these assurances are part of the application and that deficiencies identified during the pre-approval onsite review have been satisfactorily corrected by applicant within the 90-day period.
- E. Application Processing. To expedite application processing, applicants must

submit to the appropriate OSHA office the requested number of copies of the application. Applicants must submit to OSHA within 90 days any additional information the agency requests (III.I.3-4.).

F. Programmed Inspection Lists. Once the VPP Manager schedules a pre-approval onsite review, the Regional Administrator will remove the applicant worksite from the programmed inspection list. However, this will not occur more than 75 calendar days before the scheduled onsite review (III.M.1).

G. Pre-Approval Onsite Review

1. OSHA conducts the pre-approval onsite review in a non-enforcement capacity (III.J.1.).
2. OSHA acknowledges the importance of having a back-up team leader on the review team whenever possible (III.J.2.).
3. The VPP Manager will schedule 4 days for a typical onsite review (III.J.3.).

H. Withdrawal of VPP Application. In situations where the OSHA review team determines, as a result of its onsite assessment, that an applicant does not meet VPP requirements, the agency will allow the applicant reasonable time, up to 30 calendar days, to withdraw its application (III.L.1.). The Regional Administrator will ensure that an applicant is informed that it does not meet VPP requirements and that it has reasonable time, not to exceed 30 calendar days, to withdraw its application before the Regional Administrator makes a formal denial recommendation to the Assistant Secretary.

I. Management Responsibilities. OSHA has expanded VPP sites' management responsibilities.

1. Management must have established and communicated goal(s) for the safety and health program and results-oriented objectives for meeting these goals (III.F.5.a.(1)(b)). The VPP Manager will review the application's description of safety and health program goals and how management communicates these goals. During onsite reviews, the OSHA team will assess management's communication of goals.
2. The site must create an environment that allows reasonable employee access to top site management (III.F.5.a.(5)(c)). The VPP Manager will

review the application's description of how employees are provided such

access. During onsite reviews, the OSHA team will review the access process and will solicit employee feedback concerning management's performance of this requirement.

3. Management must ensure that all workers at the site, including contract workers, are provided equally high quality safety and health protection (III.F.5.a.(5)(d)). The OSHA team will assess management's performance of this requirement during onsite reviews.

J. Contract Worker Safety and Health. (III.F.5.a.(7)) As part of its safety and health program, a site must:

1. Require all contractors and subcontractors to follow worksite safety and health rules and procedures applicable to their activities while at the site;
2. Encourage its contractors to develop and operate effective safety and health management systems;
3. Have in place a documented oversight and management system for all contractors. One important element in this process is attention to safety and health considerations during the contractor-selection process as well as when contractors are onsite.

The VPP Manager, during application review, will determine whether the above requirements are adequately addressed in applicant's discussion of contractor safety and health. The OSHA pre-approval onsite review team will assess how well the site's contractor oversight and management system is functioning. The VPP does not have minimum contractor injury/illness rate requirements. However, consideration of contractor injuries and illnesses is a logical and necessary aspect of the onsite team's examination of this system.

During **post-approval** onsite reviews, OSHA will examine the most recent 3 years of applicable contractor site data (For definition of applicable contractor, see Appendix, Section I.). However, to ensure fairness in implementing this new requirement, the agency is phasing in its review of applicable contractor rates. In 2001, the onsite review of contractor data will cover calendar year 2000. In 2002, it will cover calendar years 2000 and 2001. Thereafter, the review team will expect to examine a full 3 years of contractor data (III.O.1.c.).

If a review of all contractor data would place undue burden on the OSHA team

because of the large number of applicable contractors at a particular site, it will be reasonable, at the discretion of the OSHA review team leader, to limit data review to a representative sample of contractors or to contractors who perform especially hazardous work at the site.

K. Employee Involvement. VPP requires that employees have at least three active and meaningful ways to participate in safety and health problem identification and resolution. This must be in addition to the process enabling employees to notify management of hazardous conditions and practices and to have issues addressed (III.F.5.a.(6)). The VPP Manager will verify that the application describes at least three kinds of employee involvement. The OSHA team will verify and assess employee involvement during onsite reviews.

L. Worksite Analysis

1. The VPP Manager during application review and the OSHA team during onsite review will put greater emphasis on the identification and evaluation of health hazards through comprehensive surveys, industrial hygiene sampling, and other strategies (III.F.5.b.(2)).
2. The program now specifically requires VPP sites to analyze injury and illness trends (III.F.5.b.(7)). The VPP Manager during application review and the OSHA team during onsite review will examine site's performance of this analysis and site's use of the analysis findings.

M. Hazard Prevention and Control.

1. OSHA has expanded the list of means for eliminating or controlling hazards with the addition of administrative controls. The OSHA team will pay particular attention to engineering controls, which are the most effective and reliable type of controls, followed in effectiveness by administrative controls, work practice controls, and personal protective equipment (III.F.5.c.(3)). Whichever controls a site chooses to employ, the controls must be (III.F.5.c.(1):
 - Understood and followed by all affected parties;
 - Appropriate to the site's hazards;
 - Equitably enforced through the disciplinary system;
 - Written, implemented, and updated by management as needed;

- Used by employees; and
 - Addressed in training programs and recognition/disciplinary programs.
2. VPP participants now must document their system for monitoring and maintenance of workplace equipment (III.F.5.c.(2)(b)). The VPP Manager during application review, and subsequently the OSHA onsite review team, will review this documentation.
- N. Occupational Health Care Program. The Medical Program is now referred to as the Occupational Health Care Program to acknowledge that qualified professionals from various disciplines play important roles in the identification, analysis, prevention and control of workplace hazards. In some instances the appropriate choice may be an occupational physician, in others an occupational health care nurse, a certified safety professional, an industrial hygienist, or an expert from another recognized professional field. At a minimum, employees on all shifts must have access to certified first aid and cardiopulmonary resuscitation (CPR) providers, physician care, and emergency medical care (III.F.5.c.(2)(c)). Whether these services are provided onsite or by offsite health care providers, the same quality protection must be offered. The VPP Manager during application review and the OSHA team during onsite review will assess the site's occupational health care program.
- O. Emergency Training Drills. Emergency response procedures now must include provision for emergency evacuation drills for all shifts at least annually. Sites' written emergency response procedures must include a requirement that practice drills be conducted annually (III.F.5.c.(2)(d)). The VPP Manager will verify that the application's written emergency response procedures include this requirement. The OSHA onsite review team will verify that the site holds actual evacuation training drills for all shifts.
- P. Safety and Health Training. Sites must provide managers and supervisors with safety and health training that ensures they understand and are able to effectively carry out their safety and health responsibilities (III.F.5.d.(1)). The OSHA onsite review team will add verification of this requirement to its assessment of the safety and health training element.
- Q. Construction Worksites. OSHA no longer requires – although still allows –

construction worksites to have labor-management safety and health committees.

R. Changes in Rate Requirements.

1. **Star Rates.** The 3-year nonfatal injury/illness total recordable case incidence rate (TCIR) and the 3-year incidence rate for cases involving days away from work and restricted work activity (DARCIR) must be below (rather than at or below) the industry average (III.F.4.a.(1)). As in the past, construction sites must have qualifying rates from site inception until time of application (at least 12 months), and these rates must reflect the injury and illness experience of all workers at the site, including all subcontractors. See Appendix, Section V for instructions on calculating the combined injury/illness rates.

Since **Demonstration** sites must meet Star requirements, this change in Star rate requirements also applies to Demonstration participants.

2. **Small worksites** applying for VPP may qualify for an alternative method of calculating injury/illness incidence rates (III.F.4.a.(2)). This alternative method will help small sites to qualify for Star even when they have experienced one year of abnormally high rates. This change took effect July 24, 2000. See Appendix, Section VII for instructions on calculating the alternative rate.
3. **Merit Rates.** For OSHA to approve to the Merit Program a site whose rates do not meet Star requirements, the site must have a plan to achieve Star rate requirements within 2 years. It must be statistically possible to achieve this goal (III.H.2.b.(1)). The VPP Manager will check that the site's VPP application adequately describes a feasible plan to achieve Star rates within 2 years. A rate reduction plan agreed to by the site and OSHA will become part of the Merit goals for the site. The VPP Manager is responsible for monitoring the site's progress.

NOTE: OSHA personnel are instructed to use, and to encourage sites to use, the new rate terminology and acronyms.

- S. The Effect of Adding Illnesses to Star Site Rates. At some Star sites, the addition of illnesses to rate requirements may result in site rates rising above the acceptable level. If the site's 3-year rate(s) rise to the level of the industry's average or above and the site desires to remain in VPP, the Regional Administrator has the following options:

1. Require the site to develop an agreed-upon 2-year rate reduction plan in

order to continue VPP participation (III.N.2.c.). This option is appropriate when the VPP Manager determines that the site is operating a Star quality safety and health program and that, with continuous improvement, the site can be expected to reduce its rates.

- When the site's proposed 2-year rate reduction plan is part of its annual self-evaluation submitted to OSHA, the 2-year period will begin January 1 following the year covered by the self-evaluation, i.e., immediately after the self-evaluation period.
- When the site's 2-year rate reduction plan is submitted to OSHA during or following a post-approval onsite review, the Regional Administrator will determine the appropriate starting date for the 2-year period.
- The VPP Manager will monitor the site's progress under the plan.

2. Place the site on 1-Year Conditional status (III.O.1.e.(2)). This option is appropriate when a post-approval onsite review team discerns one or more deficiencies in the Star site's safety and health program that appear linked to the unsatisfactory rates and that can be corrected within 90 days. The VPP Manager will monitor the site's submission of quarterly reports during the 1-year period following the 90 days;

3. Place the site on 1-Year Conditional status and, at the same time, require the site to develop an agreed-upon 2-year rate reduction plan. The site will be expected to

- correct program deficiencies within 90 days,
- maintain a Star quality program thereafter, and
- reduce its rates to Star quality within 2 years.

The VPP Manager will be responsible for monitoring the site's submission of quarterly reports during the Conditional period and overall site progress during the entire 2-year period; or

4. Offer the site the opportunity to withdraw from the VPP and then, if the site chooses not to withdraw, recommend to the Assistant Secretary that the site's participation be terminated.

T. Merit Program. In addition to adding illnesses to the rate requirements,

1. OSHA has tightened Merit Program participation. The agency expects Merit sites to achieve Star within 3 years (III.H.2.a.(2)). At the end of that period, if OSHA determines that a site has not made sufficient progress to qualify for Star, the site's VPP participation will end. In certain unusual circumstances, when unanticipated developments slow a participant's progress toward accomplishing the Merit goals, the Regional Administrator may recommend and the Assistant Secretary may approve a second term (III.H.3.).
2. For an applicant with rates above Star level to qualify for the Merit Program, the site must have a plan to achieve Star rate requirements within 2 years of approval, and it must be statistically possible to achieve this goal. See VI.R.3. above. The site's safety and health program must be at Star quality within 3 years.
3. For construction applicants, if the applicant site's rates do not meet Star rate requirements, OSHA will consider broader company incidence rates. The Assistant Secretary must approve the designated geographical area from which company rates will be considered if that area is less than nationwide (III.H.2.b.(2)).
4. The program now clearly provides that OSHA will list site deficiencies related to compliance with OSHA requirements as 90-day items and will not include these items in longer-term Merit goals (III.H.2.c.).

U. Accommodation for Merit Sites Affected by Increased Star Requirements

The Regional Administrator, upon the recommendation of the VPP post-approval onsite evaluation team and/or the VPP Manager, may approve an extension of the basic 3-year term for sites that were in the Merit program on December 31, 2000 when:

1. A site has shown good faith efforts and progress in meeting its agreed-upon Merit goals, including the goal to reduce injuries;
2. The site needs additional time to accomplish the revised VPP Star performance requirements, including new injury/illness rate requirements, published in the July 24, 2000 *Federal Register*; and
3. The site appears reasonably able to achieve Star no later than December 31, 2003.

Any Merit term extension granted under these circumstances must specify a deadline of no later than December 31, 2003. The Regional Administrator may give the site less than the full extension when circumstances warrant.

- V. Required Annual Site Reporting. OSHA has expanded the information that participating sites must submit to the agency each year by February 15.
1. The program requires sites to report combined injury/illness rates each year by February 15 (III.E.10.). See Appendix Section V. for the calculation method and examples.
 2. Sites must report the number of cases involving injuries and illnesses and the number involving days away from work and restricted work activity (III.E.10.). The VPP Manager will use this data to ensure that the site has calculated its rates correctly.
 3. For OSHA to begin calculating a participant's 3-year incidence rates for injuries and illnesses combined, the agency needs some historical data. Therefore, OSHA directed sites to submit an expanded report by February 15 in the year 2001 only. The report should have included, for calendar years 1998 and 1999 as well as calendar year 2000:
 - Total Recordable Case Rate (TCIR) for nonfatal injuries and illnesses for each calendar year. See Appendix Section V. for the calculation method;
 - Incidence rate for days away from work and restricted work activity for injuries and illnesses combined (DARCIR) for each calendar year;
 - Total number of cases reflected in these rates for each calendar year;
 - Total hours worked for each calendar year; and
 - Estimated average number of employees for each calendar year.

NOTE: Sites were not directed to submit contractor data for calendar years 1998 and 1999 unless a contractor was directly supervised by site

management and normally included in the site's employee injury/illness data reporting.

4. OSHA has changed the definition of applicable contractor. The definition governs which contractors' data a site must report annually. In the past, applicable contractors were those with employees working 500 or more hours in any calendar quarter at the site. Now, applicable contractors are those with employees working 1,000 or more hours in any quarter at the site (III.E.11.a.).
5. Sites must report each applicable contractor's prior year injury/illness rates each year by February 15 (III.E.11.b.). The site must submit the following data on each applicable contractor's employees:
 - The appropriate SIC code for the contractor's work at the site;
 - The total recordable case incidence rate for the contractor's experience at the VPP site (the contractor TCIR);
 - The incidence rate for cases involving days away from work and restricted work activity (the contractor DARCIR);
 - Total number of cases from which these two rates were derived;
 - Hours worked; and
 - Estimated average employment.
6. Participants must submit the annual self-evaluation of their safety and health program. (III.E.10.)

W. Review of Site's Safety and Health Program Evaluation Submission. Sites are now required to submit their annual safety and health program evaluation to OSHA by February 15 (III.E.10.).

1. The VPP Manager will determine whether participating sites in the Region have met this requirement. During review of a site's evaluation, the VPP Manager will determine whether the site has:
 - Evaluated all elements of its program, preferably in a format recommended by the agency; and
 - Used individuals who have appropriate training, experience, or both to conduct the evaluation.

2. Construction participants, in addition to conducting and submitting an annual evaluation, must perform a final evaluation immediately prior to completion of construction. If a construction company fails to submit this evaluation to OSHA, the agency will not consider subsequent VPP applications for other sites operated by that company (III.F.5.a.(8)(d)). The VPP Manager will determine whether this final evaluation has been submitted before considering further company applications.
 3. The VPP Manager's review will include an examination of participant injury and illness rates and contractor rates for work at the site. Where these rates indicate potential problems, the VPP Manager will take appropriate action as needed.
- X. Onsite Reviews. OSHA has expanded the scope of onsite reviews to reflect new VPP criteria.
1. OSHA has clarified the document review the agency will conduct during onsite reviews (III.J.4.n.).
 - The onsite review team has discretionary authority to ask about additional documents when site documents are insufficient to establish VPP qualification.
 - OSHA does not require a site to provide corporate audits during the onsite review. However, a site's decision not to provide such documents may result in insufficient information and OSHA being unable to qualify the site for VPP participation.
 2. The frequency of onsite evaluations of participating sites has changed.
 - At Star sites, OSHA will conduct the *first* post-approval evaluation within 30 to 42 months of the initial Star approval. In recognition of Star sites' lower risk potential, OSHA will have the option to conduct onsite reevaluations at intervals 5 years from the last evaluation instead of the old requirement of 3 years from the last evaluation (III.O.1.b.).
 - If a Demonstration Program site has been approved to Star, the first post-approval evaluation will occur within 30 to 42 months of the last Demonstration evaluation (III.O.1.b.).

- Demonstration Program participants will receive an OSHA onsite evaluation every 12 to 18 months, instead of the prior requirement of 12 months (III.O.2.b.).
 - A Merit site will receive its first onsite evaluation within 24 months of approval instead of the prior requirement of 12 to 18 months. However, OSHA’s preferred time-frame for a first onsite evaluation is 18 months, and the VPP Manager will make reasonable effort to schedule accordingly (III.O.3.b.).
3. VPP participants must continuously improve their safety and health program management systems. This is now an explicit measure of effectiveness considered during periodic onsite evaluations (III.O.1.d.(1)).
- Y. VPP Reevaluations Following Significant Events. Employee complaints, fatalities, catastrophes, and other significant accidents or events may trigger VPP reevaluations, whether or not injuries/illnesses have occurred, and whether or not normal enforcement procedures apply to the situation. OSHA may decide that investigation is needed to determine if a serious deficiency exists in the safety and health program that reflects on the site’s continuing qualification for VPP (III.M.3.).
- Z. Authorization of Continuing Participation in Star or Merit Program

Authority has changed for deciding continued participation of a Star or Merit site following a post-approval onsite evaluation visit.

1. The Regional Administrator will make the decision to continue a participant in Star (III.O.1.e.). As before, the Regional Administrator will recommend and the Assistant Secretary will decide whether to restore to full Star status a Star site that has been on 1-Year Conditional status.
2. During a Merit site’s basic term of participation (not to exceed 3 years), the Regional Administrator will make the decision to continue the site in Merit (III.O.3.e.). The Regional Administrator also will make the decision to extend a Merit site’s basic term of participation (see VI. U. above). However, if the Regional Administrator recommends approval of a second Merit term (III.H.3.) or advancement to Star (III.O.3.e.), the Assistant Secretary will make the decision.
3. As before, the Assistant Secretary will make the decision to continue a Demonstration participant (III.O.2.e.).

- AA. Approval of Demonstration Program Sites to Star. OSHA may approve a Demonstration site to Star when the Assistant Secretary announces to the public a decision changing the Star Program requirements to allow inclusion of the Demonstration Program's alternative provisions. As announced in the July 2000 *Federal Register* notice, Demonstration sites no longer need wait for publication of the Assistant Secretary's decision in the *Federal Register* (III.G.4.a-b).

Demonstration sites may move into Star without submitting a new application or undergoing further onsite review, so long as approval occurs no later than 18 months (instead of the previously required 12 months) following the site's last evaluation under the Demonstration Program. If more than 18 months have elapsed, the site must undergo an onsite evaluation before OSHA can consider it for Star approval (III.G.4.c.).

- BB. VPP Site Termination. In addition to other reasons for termination (III.P.1), the Assistant Secretary may decide to terminate a VPP site when the Regional Administrator presents evidence that trust and cooperation no longer exist among labor, management, and OSHA (III.P.1.i.).

Termination procedures include a site's right to a written appeal (III.P.2.). A terminated site must wait 3 years before OSHA will consider a reapplication to VPP (III.P.4.). This provision ensures that the site will have sufficient time to reestablish an effective safety and health program.

- CC. Requirements for Federal Agency Participants. In addition to the other VPP requirements, the following requirements apply to federal agency worksites:

1. A federal agency site will notify its Designated Agency Safety and Health Official (DASHO) of its intent to apply to VPP.
2. OSHA will assign federal worksites applying to the VPP a SIC/NAICS code of a like or similar private sector company for purposes of the rate requirement. Should an equivalency not exist, OSHA will make rate comparisons to similar government agency worksites or the average government rates.
3. Federal agency worksites are required to record injuries and illnesses as if they were a private company and submit their rates to OSHA annually.

However, they are not exempted from also filling out their Federal Occupational Injury and Illness Log. Therefore, in addition to the injury/illness rate submissions that OSHA requires of all participants,

federal agency sites must also submit their Federal Occupational Injury and Illness Log for the most recent 3 fiscal years.

4. A federal agency site must be in compliance with 29 CFR 1960, *Basic Program Elements for Employee Occupational Safety and Health Programs* and all applicable OSHA standards. As one consequence of this requirement, a federal agency site will submit to OSHA a copy of its Agency's annual report to the Secretary of Labor. The site should note and correct any applicable elements addressed in the Agency report.

Appendix

INJURY / ILLNESS RATE CALCULATION INSTRUCTIONS & TABLES

I. DEFINITIONS

- A. Total Case Incidence Rate (TCIR): Rate reflecting total number of recordable nonfatal injuries and illnesses per 100 full-time workers that a site has experienced in a given time frame.
- B. Days Away from Work and Restricted Work Activity Case Incidence Rate (DARCIR): Rate reflecting number of recordable nonfatal injuries and illnesses resulting in days away from work and/or restricted work activity per 100 full-time workers that a site has experienced in a given time frame.

NOTE: OSHA personnel are instructed to begin using and to encourage sites to begin using the new rate terminology and acronyms.

- C. Applicable Contractor: An employer who has contracted with the site to perform certain jobs and whose employees worked a total of 1,000 or more hours in at least 1 calendar quarter at the site. An applicable contractor's employees are not directly supervised by site management.

II. RATE REVIEW

- A. New applicants and current participants are required to calculate the site's annual and 3-year TCIR and DARCIR. Current participants also are required to calculate each applicable contractor's annual TCIR and DARCIR.
- B. OSHA Evaluation Teams will calculate the site's rates and, during post-approval evaluation visits, will also review (but not necessarily calculate) the annual site rates of each applicable contractor for the previous 3 full calendar years and year-to-date. [Note: Review of 3 years of contractor rates will not begin until 2003. In the year 2001, the team will review only data from 2000. In the year 2002, the team will review data from 2000 and 2001].

III. CONTRACTOR RATES

- A. Site management must maintain separate records of each applicable contractor's
 - 1. SIC;

2. Annual TCIR and DARCIR for the contractor's work at the site, and the most recently published corresponding BLS average rates;
 3. Total number of cases from which these two rates were derived;
 4. Hours worked; and
 5. Estimated annual employment for the past full calendar year.
- B. Site management must include in the site's rates injury and illness data for temporary employees and for contractor employees who are under direct supervision by site management.

IV. CONSTRUCTION SITES

Construction applicants must provide at least 1 full calendar year's TCIR and DARCIR for all workers who have worked at the site during that period of time, no matter which contractor or subcontractor was their employer. The site's SIC is determined by the type of construction project, not individual trades.

V. RATE CALCULATIONS

- A. Annual rates are calculated by the formula $(N/EH) \times 200,000$ where:

N = Sum of the number of recordable injuries and illnesses in the year.

For the TCIR use the total number of nonfatal injuries and illnesses.

For the DARCIR use injuries resulting in days away or restricted activity plus illnesses resulting in days away or restricted activity.

EH = total number of hours worked by all employees in the year. This includes all overtime, including management staff.

200,000 = equivalent of 100 full-time workers working 40 hour weeks 50 weeks per year.

- B. 3-Year TCIR Calculation. To calculate 3-year TCIR,

Sum the number of ALL recordable nonfatal injuries and illnesses for the past 3 years,

Divide by total hours worked for those years, and

Multiply result by 200,000.

$$\text{3-Year TCIR} = [(\text{\#inj} + \text{\#ill}) + (\text{\#inj} + \text{\#ill}) + (\text{\#inj} + \text{\#ill})] \div [\text{Hours} + \text{Hours} + \text{Hours}] \times 200,000$$

C. 3-Year DARCIR Calculation: To calculate 3-year DARCIR,

Sum the number of all recordable injuries and illnesses resulting in days away from work or restricted work activity for the past 3 years,

Divide this sum by the total hours worked for those years, and

Multiply the result by 200,000.

$$\text{3-Year DARCIR} = \text{Sum of injuries resulting in days away from work or restricted activity} + \text{illnesses resulting in days away from work or restricted activity for past 3 years} \div [\text{Hours} + \text{Hours} + \text{Hours}] \times 200,000$$

VI. SMALL WORKSITE ALTERNATIVE CALCULATION

If a site meets the following criteria, its TCIR and DARCIR may be based on the best 3 out of the most recent 4 years' nonfatal injury and illness incidence experience.

1. Using the most recent calendar year's hours worked, calculate a hypothetical TCIR assuming the employer had two cases for the year;
2. Compare the hypothetical rate to the industry average TCIR published most recently by BLS;
3. If the hypothetical rate is equal to or higher than the BLS rate, the employer qualifies for the alternative rate calculation method.

VII. COMPARISON TO NATIONAL AVERAGES

Use the formula below to compare the site's 3-Year TCIR and DARCIR, and its most recent year's applicable contractor TCIRs and DARCIRs, to the most recently published Bureau of Labor Statistics (BLS) national average for the three- or four-digit (if available) standard industrial classification (SIC) code for the industry in which the applicant or the contractor is classified. Find these national averages in the "Table of Incidence Rates of

Non-fatal Occupational Injuries and Illnesses by Industry,” published each year in the BLS

Occupational Injuries and Illnesses Bulletin. Find also at BLS’s website, www.bls.gov.

[Site rate - BLS rate] x 100 = percent above or below BLS national average rate.

- > When comparing the TCIR, the BLS rate used is from column 3 of the BLS table.
 - > When comparing the DARCIR, the BLS rate used is from column 4 of the BLS table.
 - >
- NOTE: When BLS changes from the SIC classification system to the North American Industry Classification System (NAICS), VPP rates will be compared to the rates generated under NAICS.

The following tables may be useful in calculating rates and comparing them to national averages.

Site Employee Recordable Injury and Illness Incidence Case Rates									
Years	Total Work Hours	Total # of Injuries	Total # of Illnesses	Sum # of Injuries & Illnesses	Total Case Incidence Rate for Injuries and Illnesses (TCIR)	Total # of Injuries Involving Days Away from Work and Restricted Work Activity	Total # of Illnesses Involving Days Away from Work and Restricted Work Activity	Sum of Injury & Illness Cases Involving Days Away from Work and Restricted Work Activity	Days Away from Work and Restricted Work Activity Case Incidence Rate (DARCIR)
3 Years Ago (annual)									
2 Years Ago (annual)									
Last Year (annual)									
3-Year Totals & Rates									

Site Employee Recordable Injury and Illness Incidence Case Rates									
Years	Total Work Hours	Total # of Injuries	Total # of Illnesses	Sum # of Injuries & Illnesses	Total Case Incidence Rate for Injuries and Illnesses (TCIR)	Total # of Injuries Involving Days Away from Work and Restricted Work Activity	Total # of Illnesses Involving Days Away from Work and Restricted Work Activity	Sum of Injury & Illness Cases Involving Days Away from Work and Restricted Work Activity	Days Away from Work and Restricted Work Activity Case Incidence Rate (DARCIR)
Current BLS Rates for SIC/NAICS									
Percent above or below BLS National Average									
Applicable Contractors' Recordable Injury and Illness Incidence Case Rates									
Years	Total Work Hours	Total # of Injuries	Total # of Illnesses	Sum # of Injuries & Illnesses	Total Case Incidence Rate for Injuries and Illnesses (TCIR)	Total # of Injuries Involving Days Away from Work and Restricted Work Activity	Total # of Illnesses Involving Days Away from Work and Restricted Work Activity	Sum of Injury & Illness Cases Involving Days Away from Work and Restricted Work Activity	Days Away from Work and Restricted Work Activity Case Incidence Rate (DARCIR)
Last Year's Totals and Rates									
Current BLS Rates for SIC/NAICS									
Percent above or below BLS National Average									

