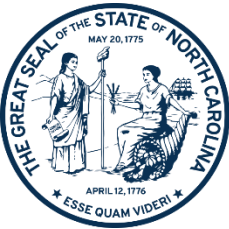


2025 ENVIRONMENTAL HEALTH AND SAFETY AND WORKERS' COMPENSATION REPORT



NORTH CAROLINA Office of *State Human Resources*

Activities and Accomplishments

Office of State Human Resources (OSHR): Environmental, Health and Safety Workers' Compensation

Pursuant to N.C.G.S. §143-583 | For Fiscal Year 2024-2025

Staci Meyer | Director, Office of State Human Resources
Edward H. Johnson, State Environmental, Health and Safety Director
Cathy H. Pope, Esq., State Workers' Compensation Manager

*This online report was produced by the North Carolina Office of State Human Resources in
January 2026.*

Members of the North Carolina General Assembly,

I am providing this annual report pursuant to N.C.G.S. §143-583 highlighting the ongoing activities and special projects of the Office of State Human Resources (OSHR) Environmental, Health and Safety Division and Workers' Compensation Division (WC) for fiscal year (FY) 2025.

OSHR's annual report details the Environmental, Health and Safety Division and the Workers' Compensation Division (formerly Safety Health and Workers' Compensation Division) statewide services to the Executive Branch and Council of State Agencies, as well as the North Carolina General Assembly, Judicial Branch, UNC System, and Community Colleges through ongoing collaborations with workplace safety and human resources staff.

This report includes statistical data as of June 30, 2025, provided by the State's third-party administrator. New workers' compensation claims increased by approximately 8.06 percent between FY2024 and FY2025, rising from 3,100 to 3,350 new injuries. The increase can be attributed in part to injuries associated with Hurricane Helene and response activities. Even so, the total number of open claims decreased from 3,276, as of June 30, 2024, to 3,125 as of June 30, 2025. This decrease in the number of claims open can be attributed to agencies' commitments to return employees to work, heightened attention to claim closing, the effect of the 500-weeks cap on indemnity in certain claims, and the commitment to saving costs by settlement of claims.

The State Workers' Compensation Program (SWCP) and the State Safety and Health Program (SSHP) administered by OSHR cover approximately 190,000 State employees in Agencies, the UNC System and State-funded Community Colleges. A steadfast commitment to eliminating or mitigating workplace hazards, continuous safety education and strong safety culture at all levels of an organization are essential to improving workplace safety. Handling claims consistently and in partnership with contracted vendors will help contain costs borne by taxpayers and ensure injured employees receive benefits in a timely manner.

OSHR's Environmental, Health and Safety Division and Workers' Compensation Division will continue collaborating with all covered entities to provide consultation, technical assistance and educational resources for employees, as well as safety professionals and workers' compensation administrators, to reduce workplace hazards and injuries, and control workers' compensation claim costs.

If you have any questions or need further information, please do not hesitate to let us know.

Sincerely,

Staci Meyer, Director
Office of State Human Resources

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INTRODUCTION AND EXECUTIVE SUMMARY

N.C.G.S. §143-583 requires the Office of State Human Resources (OSHR) to report annually to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Oversight Committee on General Government, on the safety, health and workers' compensation activities of State Agencies; compliance with Chapter 143, Article 63 of the North Carolina General Statutes; and fines levied against State Agencies pursuant to Chapter 95, Article 16 of the General Statutes.

Pursuant to N.C.G.S. §143-583, the OSHR Environmental, Health and Safety Division and Workers' Compensation Division engage in the following:

- Provides consultative and technical services to assist State Agencies in establishing and administering workplace safety and health programs.
- Administers the State's self-insured workers' compensation program regarding contracting with vendors for specific claim services.
- Provides training and makes advisory recommendations regarding specific technical issues related to workplace safety and workers' compensation claims administration.
- Establishes guidelines for the creation and operation of State Agency safety and health committees.
- Maintains model safety and health programs to guide State Agencies in developing their individual programs to comply with N.C.G.S. §95-148 and Chapter 143, Article 63 of the General Statutes.

In this report:

- Pages 4-18 provide information on the activities of the OSHR Environmental, Health and Safety Division, Workers' Compensation Division and the safety, health and workers' compensation activities of State Agencies.
- Pages 11-17 provide information on compliance with Chapter 143, Article 63 and fines levied against State Agencies pursuant to Chapter 95, Article 16.
- Pages 18-28 provide information on workers' compensation trends for the State of North Carolina.

SUMMARY OF STATE ENVIRONMENT HEALTH AND SAFETY DIVISION AND STATE WORKERS' COMPENSATION DIVISION FUNCTIONS

Oversight of Statewide Safety and Health Programs (SSHPP)

- Provides rapid response consultative and technical assistance services through onsite and virtual visits to State Agencies regarding workplace safety, health and industrial hygiene to reduce or eliminate workplace safety hazards.
- Reviews and assists with the development of Agency-specific safety policies and programs.
- Researches and advises Agencies on workplace safety-related matters.
- Offers alternatives to identify, analyze and control new or existing physical, chemical and biological hazards, conditions and operations.
- Reviews Agency, university and vendor adherence to safety programs and policies, and identifies trends for future injury prevention.
- Develops, in collaboration with State Agencies, new and revised model programs, guidelines, best practices and other technical resources to help Agencies meet safety standards.
- Works in partnership with Statewide safety professionals via the OSHR Hazard Prevention Network to address shared workplace safety challenges and concerns.
- Mentors new State Agency safety leaders regarding OSHR written model safety programs, building safety culture among all employees, compliance with regulatory requirements, available safety training, and other resources for success.

- Administers OSHR's web tool, *Flag the Hazard*, which allows State employees to report workplace hazards to their respective Agency safety leaders for correction and response.
- Maintains OSHR SHWC SharePoint Safety Zone to communicate and maintain a virtual library of safety resources.
- Administers *WalkSmartNC*, OSHR's pedestrian safety initiative. This is a multi-Agency collaboration whose mission is to establish and promote pedestrian safety best practices. *WalkSmartNC* also provides toolkits and other resources for use in public and private sector safety campaigns statewide.

Oversight of State Workers' Compensation Program (SWCP)

- Administers vendor contracts for workers' compensation claim services.
- Monitors vendors' performance and adherence to contractual requirements.
- Establishes claim handling guidelines and provides guidance on claims administration practices to State Agencies and vendors.
- Monitors State Agency and vendor compliance with N.C.G.S. § Chapter 97, the North Carolina Workers' Compensation Act.
- Provides training to State employees on fundamentals of workers' compensation law and proper claims management.
- Assists State Agencies with ongoing claim status assessment and appropriate claims handling.

- Assists State Agencies in discovering evidence of fraud.
- Serves as a rapid response resource for Agency and university workers' compensation administrators.
- Monitors claim litigation and settlements.
- Identifies ongoing claims for improved claims outcome and cost containment opportunities.
- Maintains OSHR SHWC SharePoint site *CompWorld* to maintain a virtual library of workers' compensation resources.

Training and Resource Development

Safety

OSHR safety staff collaborated with safety professionals via the *Hazard Prevention Network* to generate new and revised model programs, guidelines, best practices, and other technical resources to help Agencies meet safety standards.

- OSHR worked with DPS and State Capitol Police to create and produce a new Active Assailant training video for State employees that may be customized by Agencies with additional content. OSHR collaborates with State Capitol Police to provide building security risk assessments for State agencies.
- OSHR Safety Staff authored an OSHR New Employee Safety and Health Orientation training addressing a wide variety of workplace safety topics. Other Agencies may use this training as a template to create their own worksite-specific safety training for new and existing employees.
- Reorganized and revised content of OSHR Safety program webpages on OSHR's website.
- Safety Staff conducted training as follows for State employees:
 - Conducted DHHS' Annual Environmental, Health and Safety Training Presentations, and OSHA 10 training for 90 State employees.
 - Conducted Confined Space training for 25 NC State University employees.
 - Conducted Aerial Lift and Fall Protection training for 15 East Carolina University employees.
 - Conducted annual maintenance safety training for DPS Samarcand for employees.
 - Conducted OSHA 10 training for 45 Department of Public Safety (DPS) and Adult Correction (DAC) State employees.
 - Conducted OSHA 10 training for 26 Department of Natural and Cultural Resources (DNCR) employees.
 - Conducted suspicious package training with Local Emergency Planning Committee (LEPC) Wake County, and State Bureau of Investigation (SBI) for 56 employees.
 - Conducted Understanding Respiratory Protection, Understanding Spirometry – Pulmonary Function Testing and virtual respiratory protection training for 3 Department of Administration (DOA) State employees.
 - Conducted OSHR Recordkeeping Refresher Class for 20 Department of Health and Human Services (DHHS) employees.

Workers' Compensation

- Promoted and monitored state employee completion of Qualified Workers' Compensation Professional Certification, 15 detailed training modules created by OSHR in collaboration with the Attorney General's office and available on the improved North Carolina Learning Center, accessible through the Integrated HR-Payroll System (BEACON), since June 28, 2021.
- Created virtual training including an overview of workers' compensation law and claim handling for North Carolina local government staff.
- Created new or revised virtual trainings:
 - *2024 Workers' Compensation Update* addressing recent legal

developments and important reminders in claims handling;

- *How to Set Up a Workers' Compensation Program in a NC State Agency* providing guidance to new agencies regarding setting up the agency's workers' compensation program. Revision of existing workers' compensation training modules to edit and expand content and to make the modules more interactive and engaging. Updated claims handling resources as needed pursuant to workers' compensation vendor services contracts implemented July 1, 2023. This information was provided to vendors and Agencies and posted on the OSHR workers' compensation webpage and *CompWorld* SharePoint site.

SUMMARY OF STATE SAFETY AND HEALTH PROGRAM (SSHP) FY2024/2025 ACTIVITIES

A. Safety Consultative and Technical Assistance

Pursuant to N.C.G.S. §143-581, OSHR provides State Agencies with model safety and health programs based on federal and State law to ensure the protection of employees from job-related injuries and health impairment.

In FY2024/2025, SSHP restructured the *Safety Consultative and Technical Assistance Visits* Program to simultaneously build partnerships and assist State Agencies with achieving adherence to model programs. During these in-person or virtual visits, SSHP continues engaging directly with State Agencies. SSHP staff completed 38 on-site safety consultative and technical assistance visits in FY2024/2025.

These visits included a review of the Agency's policies and procedures, documentation of safety reports, training programs and records, safety goals, injury analysis, hazard assessments and safety committee meeting minutes.

As OSHR is not a regulatory Agency that issues citations or fines, these visits provide State Agencies with ongoing risk management assessments of potentially hazardous conditions that could result in future injury or assessment of regulatory fines. SSHP conducted 1,214 unscheduled phone, email or text rapid response consultations for State Agency safety professionals.

SSHP staff assisted multiple State Agencies in conducting interviews for various safety professional vacancies.

B. Hazard Recognition and Mitigation

SSHP proactively partners with State Agencies to improve hazard recognition and mitigation. OSHR engages in a 12-month cycle of events with an annual observance of *State Safety Month*, direct communications with State Agency employees, and cross-Agency social media campaigns addressing both general and workplace safety and health topics. OSHR partners with State Agency safety leaders and communications staff to widely publicize these messages and events via print, email and social media.

OSHR's web-based reporting tool, *Flag the Hazard*, is available at hazards.nc.gov. The tool permits State employees to report workplace hazards or safety concerns for any State Agency, with the option to make an anonymous report.

Agency Employees enter detailed hazard reports, including pictures, via the *Flag the Hazard* web portal without being required to include their name or email address. These hazard reports are automatically forwarded to OSHR and the Agency safety designees via email marked "High Importance." Agency safety designees have seven calendar days to respond to the hazard report. The Agency's hazard response includes corrective actions and other relevant information and is automatically relayed via email if provided. If the Agency fails to respond to a hazard

report in a timely manner, SSHP staff contact them directly via email or phone to address the delay.

The system cumulatively tracks all reported hazards, enabling OSHR to analyze detailed data and Agency responses to identify trends and highlight successes. During FY 2024/2025, six Agency hazards were reported, and six of them were resolved.

C. Hazard Prevention Network (HPN)

SSHP works in partnership with the entire network of State Agency safety leaders and professionals via the *Hazard Prevention Network (HPN)*.

The HPN strives to improve safety communications and focuses on establishing collaboration between Agency safety professionals statewide to accomplish a variety of tasks and projects that will positively impact workplace safety and health and build the state's safety culture. FY2024/2025 work groups include Ergonomics, Machine Guarding, Safe Work Environment and Injury Reduction, and Establishing an Environmental Health and Safety Program for State Agencies and Universities. These work groups were initiated and met several times to generate guidance documents.

Quarterly HPN meetings feature a variety of safety professionals addressing many workplace safety issues. Safety professionals statewide received education during HPN quarterly hybrid in-person/virtual meetings on the following topics:

- Ergonomic programs
- Active assailant training and active assailant site assessments.

- NC Department of Labor (NCDOL) quarterly OSHA Updates
- Quarterly Workers' Compensation updates
- Injury reporting
- Working conditions
- Electrical safety
- Artificial intelligence
- Dielectric glove testing
- Emergency response
- Safe work environment and injury reduction
- Agency safety leaders'/workers' compensation administrator collaboration.
- NCDOL Safety Awards
- WalkSmartNC
- National Safety Month

D. Safety and Hazard Education and Training

SSHP staff conducted 1,650 safety-related training hours for 225 state employees in various State Agencies and universities during FY2024/2025, including: OSHA 10 – *General Industry Awareness* and OSHR *Bootcamp for New State Safety Professionals*.

Onsite and virtual preventive ergonomic assessments were conducted upon request for eight State employees. SSHP staff also help Agencies establish their own ergonomic evaluation programs by providing training on proper ergonomic assessment methods and sample documentation.

SSHP regularly updates the OSHR SharePoint site *Safety Zone* for Agency safety leaders and workers' compensation administrators to communicate, share

resources, identify and eliminate workplace hazards, and promote best practices.

E. WalkSmartNC



WalkSmartNC's ongoing work includes:

- The *WalkSmartNC* website features pedestrian safety-related statistics, a fully downloadable detailed social media toolkit, signage, and flyers highlighting safety tips for drivers and pedestrians.
- The *WalkSmartNC* pledge campaign to walk and drive smart has been widely publicized to encourage State employees to be mindful of pedestrian safety.
- *WalkSmartNC* training videos, currently posted on YouTube and the NC Learning Center, that include comprehensive content on driver and pedestrian safety, and proactive steps everyone can take to make walking safer in their communities.

OSHR continued its efforts during FY2025 to provide resources to pedestrians and drivers communicating safety best practices and behaviors that can be utilized in any high-traffic motorist and pedestrian location.

FY2024/2025 *WalkSmartNC* activities have included:

- Pedestrian safety awareness in May and September 2025, in collaboration with State Capitol Police and Raleigh Police Department Traffic Control Unit, and with support from the State Parking Office of the North Carolina Department of Administration.
- Continued promoting virtual [*Walk and Drive Smart Pledge*](#) campaign encouraging safe practices while walking and driving.
- Participated in State Agency facility *Safety Days*.
- Updated rack cards and education materials for drivers and pedestrians are available for download at the *WalkSmartNC* website.

Following *WalkSmartNC's* creation in 2019, the NCDOT Traffic Safety Unit contracted with VHB (Vanasse Hangen Brustlin Inc.) to perform the *Downtown Raleigh Pedestrian Safety Study* to assess the existing pedestrian environment, identify priority locations for short-term traffic and safety impacts, and develop pedestrian safety improvements.

Through news releases and related coverage, direct messages to State employees and social media outreach, *WalkSmartNC* encouraged State employees and others who live in, work in, or visit the downtown complex to participate in this study via an online pedestrian safety survey



and field data collection. This information, along with traffic volume, pedestrian volume and speed data, yielded many suggestions for improvement.

Now, these suggestions have been fully adopted by the City of Raleigh. In the downtown complex, these collaborative efforts have resulted in reduced speed limits, elimination of right turns on red, leading pedestrian intervals at crosswalks, and reconfigured left-turn lanes. Those safety improvements will prevent pedestrian-motorist collisions and save lives.

WalkSmartNC is glad to have served as an impetus for this effort and to have worked with GHSP and NCDOT as part of the coalition to convert these recommendations into realities.

OSHR will continue engagement with State employees via a variety of communication methods to promote pedestrian safety among State employees. OSHR looks forward to future collaboration with GHSP, NCDOT and other pedestrian safety stakeholders as opportunities arise.

State Safety Day

OSHR celebrated June 2025 *State Safety Month*, by collaborating with state agencies and universities (DHHS, DPS, DAC, DEQ, and UNCG) to plan their safety month events.

FY2024/2025 North Carolina Department of Labor (NCDOL) Inspection Activity: Citations and Fines for State Agencies

Pursuant to the directive of N.C.G.S. §143-583(c), this report includes the following NCDOL Division of Occupational Safety and Health data. OSHR safety staff are available for consultation and technical assistance to all State Agencies regarding NCDOL-identified workplace safety issues.

Description Totals

- Total inspections listed: 18
- Total inspections conducted: 10
- Total inspections with citations: 3
- Total inspections without citations: 15
- Total citations issued currently pending:
6
- Total initial penalties assessed:
\$11,950.00
- Total current penalties assessed:
\$11,590.00

State Agency Citation and Fines Activities – FY2024/2025

Open Date	Company Name	Address	Inspection Number	SIC Code	NAICS Code	S or H	Insp Type	Insp Scope	No Cit	Total Viol	Ser Viol	Wil Viol	Rep Viol	Oth Viol	Disp	Initial Penalty	Current Penalty	*Paid Penalty	Close Date
7/12/2024	Sampson County Schools	1208 Hobbton Road Newton Grove 28366	318290855	8221	611310	S	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	08/19/24
7/19/2024	North Carolina Department of Health and Human Services	1600 East C Street Butner NC 27509	318291465	9431	923120	S	P	B		1	1	0	0	0	CNT	\$10,000.00	\$10,000.00	\$0.00	OPEN
7/26/2024	City of Fayetteville Parks and Recreation	6075 Fisher Road Fayetteville NC 28304	318292133	9512	924120	H	A	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	01/27/25
8/5/2024	Wingate University	204 North Main Street Wingate NC 28174	318292224	8221	611310	S	P	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	09/16/24
9/9/2024	NCDHHS Longleaf Neuro-Medical Treatment Facility	4761 Ward Boulevard Wilson NC 27893	318294162	8051	623110	H	B	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	10/01/24
9/16/2024	Wake County Public School System	5329 Cass Holt Road Cary NC 27518	318294444	8211	611110	H	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	11/21/24
9/20/2024	NC Department Of Transportation	14134 NC 903 Greenville NC 27834	318294766	1611	237310	S	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	12/31/24
9/23/2024	Saint Augustine's University	1315 Oakwood Ave Raleigh NC 27610	318294956	8221	611310	H	B	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	11/21/24
11/18/2024	NC Department Of Transportation	Peppers Creek Road/Orchards Road Marion NC 28752	318297363	9621	926120	S	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	12/03/24
11/22/2024	NC State University	2620 Wolf Village Way Raleigh NC 27607	318297710	8221	611310	H	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	12/18/24
12/3/2024	NCDPS Samarcand Training Academy	157 Eagle Lane Biscoe NC 27209	318298122	9229	922190	H	B	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	03/03/25
1/21/2025	NCDOT Safety and Risk Management Bridge - Johnston	2861 Highway US 70 West Smithfield NC 27577	318300449	9621	237310	S	H	A		3	0	0	0	3	ISA	\$750.00	\$750.00	\$750.00	06/10/25
1/31/2025	Alexander County Schools	311 Stony Point School Road Stony Point NC 28678	318301058	8211	611110	H	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	07/01/25
3/6/2025	Housing Authorities The City of Raleigh	900 Haynes Street Raleigh NC 27604	318303120	9531	925110	S	H	A		2	0	0	0	2	PMA	\$1,200.00	\$840.00	\$840.00	07/09/25
3/25/2025	Wake Forest University	27 West 30th Street Winston Salem NC 27105	318303948	8221	611310	S	A	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	05/13/25
6/4/2025	NCDOT Safety and Risk Transportation Rockingham	1226 North Scales Street Reidsville NC 27320	318308061	9621	237310	S	H	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	07/01/25
6/4/2025	NCDOT Safety and Risk Management Transportation	191 NC 65 Reidsville NC 27320	318308103	9621	237310	S	I	B	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	07/01/25
6/11/2025	Burton's	755 Highland Oakes Drive Winston Salem NC 27103	318308392	8221	611310	S	B	D	X	0	0	0	0	0		\$0.00	\$0.00	\$0.00	06/30/25
TOTALS:										6	1	0	0	5		\$11,950.00	\$11,590.00	\$1,590.00	

North Carolina Department of Labor
Occupational Safety and Health Division

Inspection Number: 318291465
Inspection Date(s): 7/19/2024
Issuance Date: 8/30/2024

Citation and Notification of Penalty

Company Name: North Carolina Department of Health and Human Serv DBA Murdoch
Developmental Center
Inspection Site: 1600 East C St, Butner, NC 27509

Citation 01 Item 001

Type of Violation: **Serious**

29 CFR 1910.219(d)(1): Pulley(s) with any part(s) seven (7) feet or less from the floor or work platform were not guarded in accordance with the standards specified in 29 CFR 1910.219(m) and (o):

a) Edgewood Cottage, in Mechanical Room 2 – where a rubber belt, approximately 4' x 2", connecting the 3-phase electric motor to the fan blade pulley of the air handler was missing a guard. On July 17, 2024, an employee was seriously injured while fixing the air handler.

Date By Which Violation Must Be Abated:
Proposed Penalty:

Corrected During Inspection
\$10,000.00

Doreen Makaya

District Supervisor
for the Director

North Carolina Department of Labor
Occupational Safety and Health Division

Inspection Number: 318300449
Inspection Date(s): 1/21/2025
Issuance Date: 4/23/2025

Citation and Notification of Penalty

Company Name: NC DOT Safety & Risk Mgmt. Bridge - Johnston
Inspection Site: 2861 Highway US 70 West, Smithfield, NC 27577

Citation 01 Item 001 Type of Violation: **Repeat NonSerious**

29 CFR 1910.157(e)(2): Portable fire extinguishers were not visually inspected monthly:

a) Facility – Where portable fire extinguishers were not inspected monthly.

NC DOT SAFETY & RISK MGMT. WAS PREVIOUSLY CITED FOR A VIOLATION OF THIS OCCUPATIONAL SAFETY AND HEALTH STANDARD OR ITS EQUIVALENT STANDARD 1910.157(e)(2), WHICH WAS CONTAINED IN OSH INSPECTIONS NUMBERED 318245214, CITATION 02, ITEM 001, ISSUED ON 06/29/2022, WITH A FINAL ORDER DATE OF 08/12/2022 AND 318245990, CITATION 01, ITEM 001, ISSUED ON 06/29/2022, WITH A FINAL ORDER DATE OF 08/01/2022.

Date By Which Violation Must Be Abated:
Proposed Penalty:

Corrected During Inspection
\$750.00

North Carolina Department of Labor
Occupational Safety and Health Division

Inspection Number: 318300449
Inspection Date(s): 1/21/2025
Issuance Date: 4/23/2025

Citation and Notification of Penalty

Company Name: NC DOT Safety & Risk Mgmt. Bridge - Johnston
Inspection Site: 2861 Highway US 70 West, Smithfield, NC 27577

Citation 02 Item 001

Type of Violation: **NonSerious**

29 CFR 1910.157(c)(4): Portable fire extinguishers were not maintained in a fully charged and operable condition:

a) Facility – Bull Pin – Where employees meet daily for the department’s morning safety meeting and use break area facilities including but not limited to a microwave, air fryer, stove, oven, and refrigerator, a KIDDE (unknown model) Type ABC Dry Chemical Fire Extinguisher was undercharged rendering it inoperable.

Date By Which Violation Must Be Abated:
Proposed Penalty:

Corrected During Inspection
\$0.00

North Carolina Department of Labor
Occupational Safety and Health Division

Inspection Number: 318300449
Inspection Date(s): 1/21/2025
Issuance Date: 4/23/2025

Citation and Notification of Penalty

Company Name: NC DOT Safety & Risk Mgmt. Bridge - Johnston
Inspection Site: 2861 Highway US 70 West, Smithfield, NC 27577

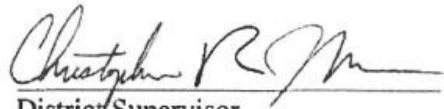
Citation 02 Item 002 Type of Violation: **NonSerious**

29 CFR 1910.1200(g)(8): The employer did not ensure that safety data sheets were readily accessible to the employees in their work area during each work shift:

a) Facility – Where employees were using chemicals such as, but not limited to, Rapid Set Concrete Mix, Rapid Set Mortar Mix, Klean-Strip Paint Thinner, Rust-Oleum Inverted Marking Paint, BIG SHOT Blaster Lubricant Penetrating Oils/Solvents, and Corothane I Coal Tar for Concrete Bridge Deck Maintenance and Inspection of Existing Bridges and the employer did not have safety data sheets readily accessible.

Date By Which Violation Must Be Abated:
Proposed Penalty:

Corrected During Inspection
\$0.00



District Supervisor
for the Director

North Carolina Department of Labor
Occupational Safety and Health Division

Inspection Number: 318303120
Inspection Date(s): 3/6/2025 - 3/7/2025
Issuance Date: 4/25/2025

Citation and Notification of Penalty

Company Name: Housing Authority of the City of Raleigh, North Ca
Inspection Site: 900 Haynes Street, Raleigh, NC 27604

Citation 01 Item 001 Type of Violation: **NonSerious**

29 CFR 1910.132(d)(2): The employer did not verify, through a written certification, that the required workplace hazard assessment had been performed:

a) Facility – Where employees were engaged in residential maintenance and landscaping and were required to use personal protective equipment (PPE) such as but not limited to nitrile gloves, safety glasses, steel toe shoes, knee pads, earplugs, Hi-Vis shirts, and cut resistant gloves and a written certified hazard assessment had not been completed.

Date By Which Violation Must Be Abated: 5/21/2025
Proposed Penalty: \$0.00

SUMMARY OF FY 2024/2025 WORKERS' COMPENSATION ACTIVITIES

A. Administration of Self-Insured Workers' Compensation Program

The OSHR State Workers' Compensation Manager and Workers' Compensation Consultants work directly with state agency human resources staff, contracted vendors and the North Carolina Department of Justice Workers' Compensation Section to administer all state employee workers' compensation program claims in accordance with N.C.G.S. § Chapter 97, the Workers' Compensation Act, accompanying administrative rules and case law.

OSHR has contracts for workers' compensation services with the following vendors contracted beginning July 1, 2023, with an initial three-year term, with the option to renew for two additional one-year terms:

- Third-party administrator (claims administration, medical, pharmacy benefits management, medical bill review): CorVel
- Nurse/vocational case management: Carolina Case Management, Southern Rehabilitation Network
- Physical therapy: MedRisk
- Diagnostic radiology: One Call
- Home Health/durable medical Equipment: One Call
- Transportation/translation: HomeLink

The Workers' Compensation Division seeks to help injured employees and support state agencies throughout the claims process, the duration of which varies from one day through the remainder of the injured employee's life. Effective claims management is achieved by adherence to best practices that promote the best possible outcome for the injured employee while containing lost wages, as well as medical and other related costs.

The charts on pages 23-28 highlight claims filing and cost information for FY 2019-25.

B. State of North Carolina's Workers' Compensation Program Wins National Award for OSHR Workers' Compensation Division's Response to Hurricane Helene



The WC staff consults with stakeholders to continuously update and implement claims handling guidelines and practices in accordance with state law and specific needs. This was especially critical following Hurricane Helene. After Helene struck Western North Carolina on September 27, 2024, OSHR's Workers' Compensation Division took the steps necessary to offer support to the state's injured employees in the impacted area by providing continuity of benefits in a chaotic time.

Through coordination between OSHR, the contracted workers' compensation service vendors, and our State agency personnel, workers' compensation services were preserved without disruption. Injured workers continued to receive the care they needed, with minimal delays in treatment scheduling, as well as prescription access, Nurse Case Management and vocational services, and disability payments. OSHR's Workers' Compensation Division worked with the contracted vendors to develop a comprehensive response rooted in cross-functional coordination, proactive outreach, and adaptive care delivery to ensure that no injured worker fell through the cracks due to infrastructure damage or communication breakdowns.

As a result of the post Hurricane Helene response by OSHR Workers' Compensation Division and their contracted vendors, the State of North Carolina was nominated for and won the Theo Award, a national award for excellence and effective workers' compensation solutions.

C. "Extended Compensation" Claims Litigation-Supreme Court Decision

Pursuant to 2011 amendments to the Workers' Compensation Act, an employee is entitled to indemnity compensation for only 500 weeks from the date of first disability, unless the employee qualifies for extended compensation per N.C.G.S. § 97-29(c). To qualify for extended compensation benefits, an employee may file an action with the North Carolina Industrial Commission after 425 weeks have passed (since their first weekly payment) and must establish a "total loss of wage-earning capacity." The definition of this standard has been litigated in numerous cases.

The OSHR State Workers' Compensation Manager has monitored Industrial Commission decisions on extended compensation requests to determine what types of evidence have been considered persuasive by the Industrial Commission, and has monitored third-party administrator adherence to the comprehensive procedure developed by OSHR WC Division to put these claims in the best posture for a successful outcome. OSHR's WC Division coordinated its efforts with the Attorney General's Workers' Compensation section and has kept State Agencies and vendors of related services apprised of rulings and trends.

On April 18, 2023, the N.C. Court of Appeals issued its first "extended compensation" ruling in COA 22-421 *Martin Sturdivant v. DPS (now DAC)*. The Court of Appeals interpreted the meaning of "total loss of wage-earning capacity" finding the meaning was synonymous with the old definition required for qualification for TTD benefits. In response to the Court of Appeals ruling in the *Sturdivant* case, the N.C. legislature passed a clarifying amendment that specifically defines the legislative intent as to the definition of the term "total loss of wage-earning capacity" as used in N.C.G.S. § 97-29(c).

The State filed a petition for discretionary review of the *Sturdivant* case to the N.C. Supreme Court challenging the Court's ruling concerning the legal standard for award of disability compensation after 500 weeks. The N.C. State Supreme Court granted this petition, heard the case, and filed their opinion on December 13th, 2024. The Supreme Court rejected the Court of

Appeals interpretation of General Statute section 97-29(c). The Supreme Court further stated the North Carolina Industrial Commission had properly applied the correct meaning of “total loss of wage-earning capacity” to the case interpreting it to mean the employee had suffered “a total loss of the ability to earn wages in any employment.” The NC Supreme Court essentially held that disability compensation benefits beyond the 500th week should only be awarded in extraordinary situations wherein the injured worker’s capacity to earn wages is completely eliminated.

The Supreme Court also addressed the North Carolina General Assembly’s “clarification” of the statute indicating it was unnecessary since the plain meaning of General Statute section 97-29(c) was clear when enacted in 2011. The Court noted “the term ‘total loss of wage-earning capacity’ in the 2011 version of the statute already meant what the 2023 amendment now says.” In essence, the Court found the legislative intent of the statute was clear all along from the wording of the statute despite the Court of Appeals’ misinterpretation.

The Supreme Court’s *Sturdivant* ruling should limit indemnity compensation to 500 weeks from the date of first disability in the majority of State claims.

D. Partnership with State Agencies

The OSHR State Workers’ Compensation Manager works alongside the Workers’ Compensation Consultants, who are assigned to individual state agencies and engage in the following activities to provide subject-matter expertise and technical support for all workers’ compensation-related matters:

- Serve as an information resource for Agency workers’ compensation administrators and legal staff regarding workers’ compensation-related claim handling matters.
- Assess open claims on a quarterly basis and transmit written reports to State Agencies for selected subsets of claim inventory, including claims with and without lost workdays.
- Develop extensive virtual training resources for employees, supervisors, and Agency workers’ compensation administrators regarding a variety of compensation-related topics.
- Communicate with contracted vendors, state agencies and the North Carolina Department of Justice Workers’ Compensation Section, regarding the handling of various claims management issues.
- Work in partnership with contracted vendors to address claim issues or concerns raised by injured employees, state agency workers’ compensation administrators, North Carolina Department of Justice’s Workers’ Compensation Section, or independent review of OSHR.
- Work directly with vendors to ensure workers’ compensation service contract compliance and continuous performance improvement.
- Maintain the SharePoint website CompWorld and generate informational job aids, checklists, process charts, flowcharts, and other resources to aid in workers’ compensation claims management.
- Participate in professional organizations serving the workers’ compensation community to stay abreast of current trends, cost-saving measures and return-to-work strategies that may be utilized to improve the State’s Workers’ Compensation Program.

E. Training Resources Development

The Workers' Compensation Division developed comprehensive workers' compensation claims management training for workers' compensation administrators, human resources staff, safety professionals, supervisors and other Agency and university staff. The training became available through the *North Carolina Learning Center*, accessible through the Integrated HR-Payroll System (BEACON) on June 28, 2021. OSHR took the steps necessary to make the training accessible to agencies and universities that do not use the Beacon payroll system.

The 15 modules cover topics addressing the details of handling workers' compensation claims. Each module includes information concerning the respective roles and responsibilities of the employee, employer, third-party administrator, other vendors, and the Attorney General's Office as applicable, concerning each feature of claim handling. The modules were developed by Workers' Compensation Division staff and reviewed by the North Carolina Department of Justice Workers' Compensation Section head. The on-demand training modules allow new personnel immediate access to training and other vital information whenever needed.

OSHR constantly promoted the modules, monitored usage, and recognized employees who completed all training modules throughout FY 2025.

OSHR has additional workers' compensation training modules available in the learning system including *2022 Workers' Compensation Update*, *Medicare Reporting and Conditional Payments* and *Workers' Compensation Basics for Supervisors*, and *2023 Workers' Compensation Update*. During FY 2025, the workers' compensation staff developed new trainings *How to Set Up a Workers' Compensation Program in a NC State Agency* and *2024 Workers' Compensation Update-The Years in Review* as well as revising many of the 15 core training modules to update and expand content and to make the trainings more interactive and engaging.

F. OSHR Qualified Workers' Compensation Professionals program

To incentivize the completion of all training modules, employees in any Agency or university may obtain recognition as a *Qualified Workers' Compensation Professional (QWCP)* by completing all currently available WCA training modules on NC Learning Center. This includes a passing score on each quiz at the end of the modules. QWCPs receive an electronic certificate and letter from OSHR including instructions for keeping abreast on training. QWCP recipients are encouraged to complete the annual update training modules that will include any updates on law and claim handling procedures for the prior calendar year.

As of the end of FY 2025:

- 2,906 training modules completed.
- 695 employees participated, representing 42 agencies, universities and the community college system trained.
- 169 employees completed all 15 modules and were presented with *Qualified Workers' Compensation Professional* certificates.



OSHR workers' compensation staff also make workers' compensation training available to local government employees through live workers' compensation basics training webinars, which are offered twice a year. In addition, OSHR workers' compensation staff participate in some Agency-specific trainings and serve as presenters at workers' compensation-focused trainings and conferences, including the State of North Carolina Risk Management Conference held in April 2025. In addition, on September 30, 2024, the workers' compensation staff conducted in-person training which was attended by personnel from 16 State agencies.

TOTAL NEWLY REPORTED WORKERS' COMPENSATION CLAIMS

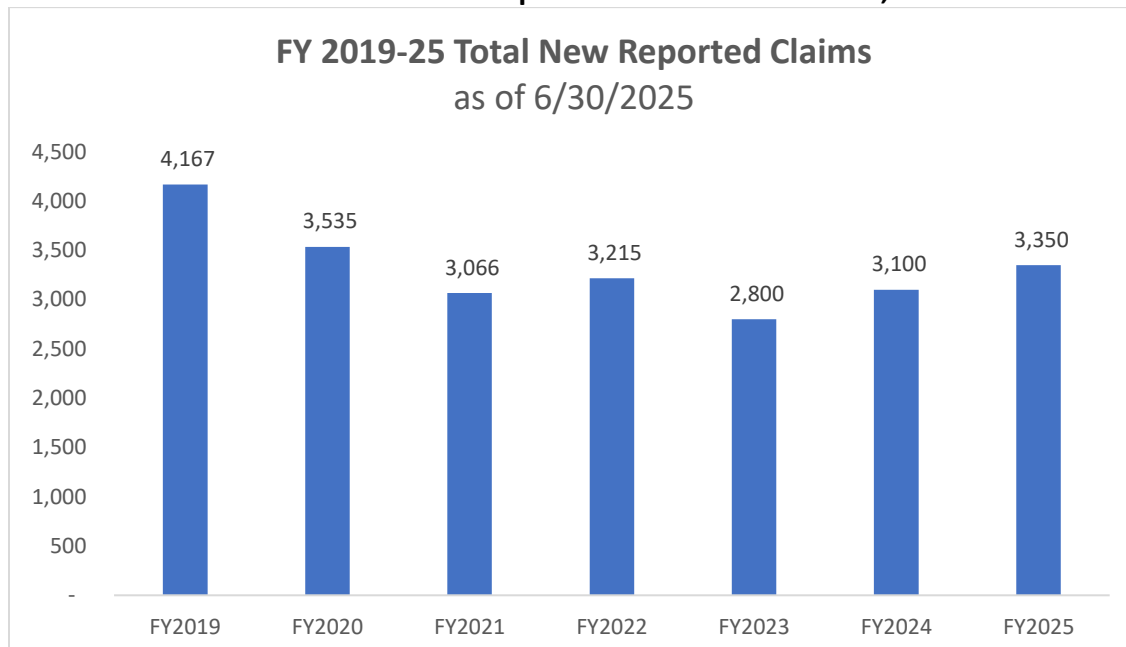
The Number of Total New Reported Claims Increased in FY 2025

The total number of newly reported claims increased from 3,100 in 2024 to 3,350 in 2025 but still remains below the number of newly reported claims in FY 2019-20. The increase of 250 new claims or 8.06 percent in FY 2025 can be attributed, in part, to injuries associated with Hurricane Helene which struck Western North Carolina on September 27, 2024. Of the new claims, 67 or 26.8% of the injuries occurred while the employees were taking part in Helene response or cleanup or are associated with risks stemming from Helene. Even with the increase, the 3,350 new claims in FY 2025 is a decrease of 817 claims from the number filed in FY 2019.

This approximate decrease of 19.61 percent in newly reported claims over the past six fiscal years, from FY 2019 to FY 2025, may be attributed in part to increased awareness of workplace hazards and the importance of eliminating or mitigating identified risks (before an injury occurs) by state agency employees and employers, and by an increase in the number of employees working remote or hybrid schedules.

OSHR works to identify effective and innovative ways for agency workers' compensation staff to collaborate on improving workplace safety and addressing all concerns as they arise.

FY 2019-25 Total New Reported Claims as of June 30, 2025



TOTAL WORKERS' COMPENSATION CLAIMS COST

Total Claims Cost Increase in FY 2025

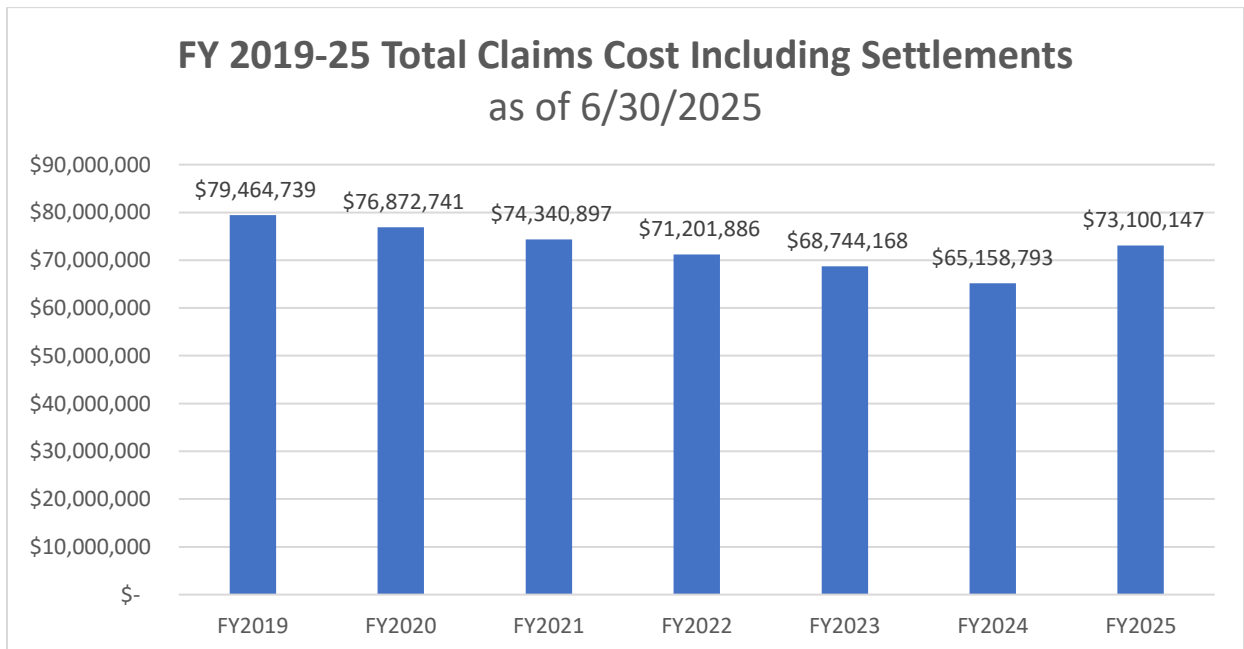
Total workers' compensation claims cost, which includes settlements, increased from \$65,158,793 in FY 2024 to \$73,100,147 in FY2025, representing an overall increase of \$7,941,354 or approximately 12.19 percent.

This increase in total claims cost can be attributed in part to the increase in new claims, an increase in cost associated with the settlement of claims, as well as increased wages resulting in increased indemnity values. While claim cost increased in FY 2025 over FY 2024, costs remain lower than cost in FY 2019-21. Even

with the increase in cost in FY 2025, cost would have been even higher but for the ongoing commitment by state agencies to reduce lost time from work via comprehensive return-to-work programs and OSHR's direct contractual relationships with claim services vendors, which allows OSHR to engage in greater oversight and directly hold vendors accountable for adhering to contractual requirements associated with the delivery of services.

NOTE: These figures do not include salary continuation payments pursuant to N.C.G.S. § Chapter 143, Article 12B, Salary Continuation Plan for Certain State Law-Enforcement Officers.

FY 2019-25 Total Claims Cost Including Settlements as of June 30, 2025



TOTAL CLAIM SETTLEMENT COSTS

Claim settlements continue to provide cost savings

Claim settlements in FY 2025 totaled \$7,960,310. Total settlement dollars increased by 16.42 percent. Projected future cost avoidance resulting from these settlements is estimated to be \$22,721,748.37.

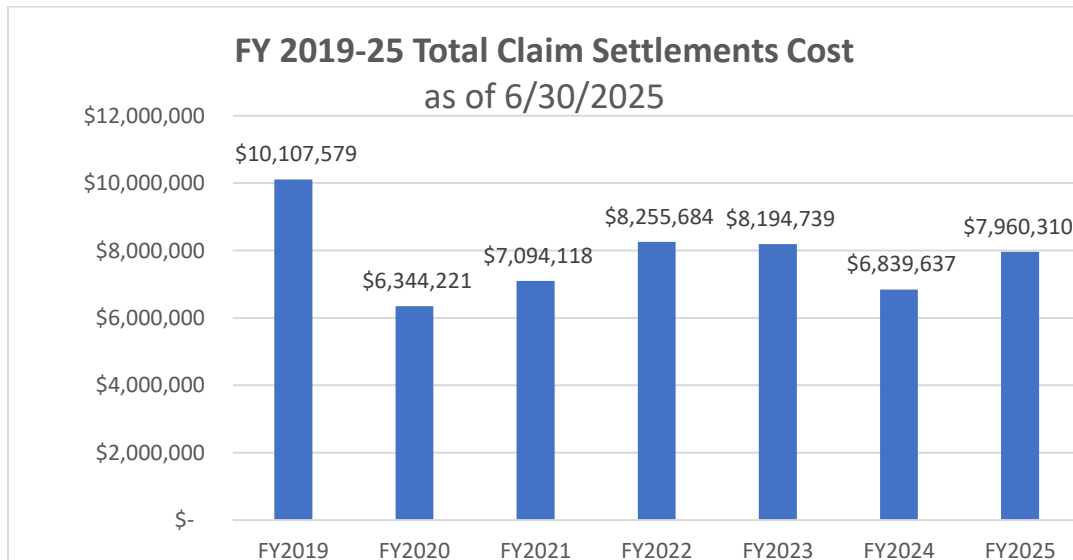
Projected future cost avoidance is the additional estimated amount of claim cost that likely will be spent throughout the remainder of the lifetime of a claim if it is not settled.

Session Law 2015-241, Section 30.18(a) appropriated \$2,000,000 in FY2016, and an

additional \$4.38 million that became available in FY 2017, to assist in closing existing workers' compensation claims. Session Law 2017-57, Section 2.1 also appropriated \$2 million for the same purpose. These appropriations increased the number of claims settled during those years, resulting in increased cost avoidance.

Settlement of claims with the assistance of General Assembly appropriated funds in FY 2016-18 yielded projected future claim cost savings exceeding \$136 million. Continued weekly disability and medical payments for claims not timely settled, typically cost State Agencies more before a claim closes than the lump sum payment required to timely settle it.

FY 2019-25 Total Claims Settlement Cost as of June 30, 2025



Note: These settlement costs are included in the total claim costs listed in the table above. Increased use of settlements can, in appropriate cases, reduce total claim costs by reducing future costs that likely will be spent throughout the remainder of the lifetime of a claim.

SALARY CONTINUATION PAYMENTS PER N.C.G.S. §143-166.13

Salary continuation payments decreased slightly in FY 2025

Salary continuation payments are available when a qualified employee incurs an injury resulting from, or arising out of, an episode of violence, resistance, or other special hazards that occur while the eligible employee is performing official duties.

Salary continuation payments are also available pursuant to N.C.G.S. §115C-338 when an employee of a State-supported educational institution is injured in an episode of violence.

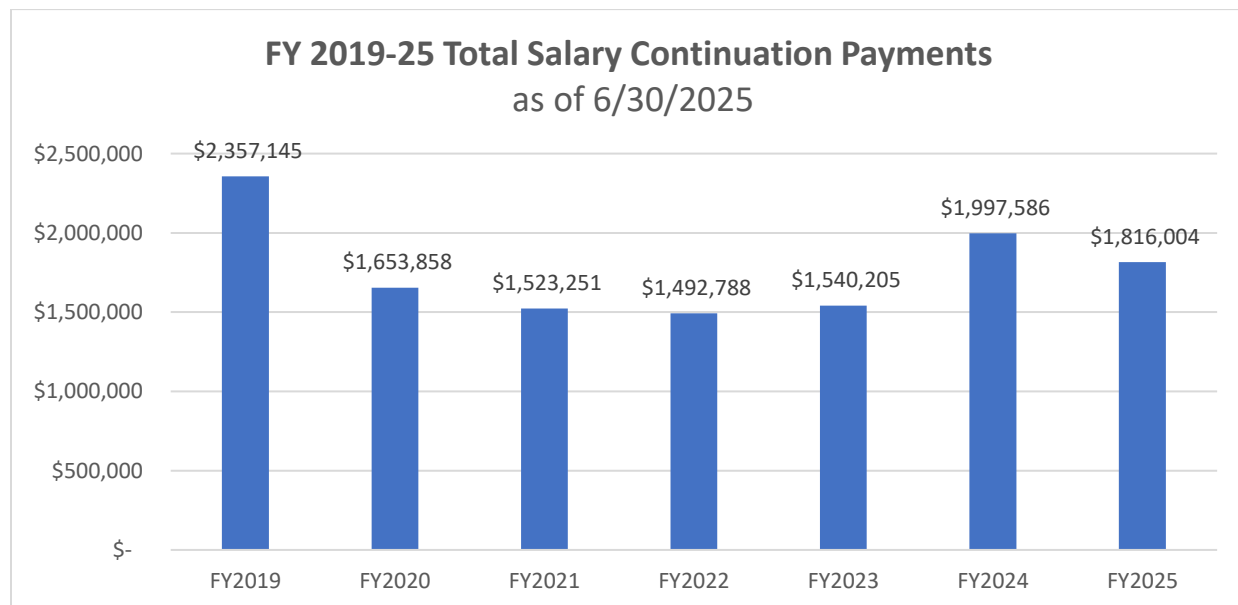
Qualified injured employees are eligible for salary continuation in accordance with N.C.G.S. §143-166.13 for a total of two

years from their date of disability pursuant to N.C.G.S. §143-166.14.

Salary continuation payments decreased by \$181,582 from FY 2024 to FY 2025, or approximately 9.09 percent, despite an increase in new overall claims during the year. This increase may be attributed to closer scrutiny of which injuries qualify for salary continuation and a small decrease in correctional officer injuries as well as efforts on the part of Department of Adult Correction to return injured employees to work as soon as practical.

NOTE: This data is subject to change due to pending salary continuation decisions that may include retroactive payments.

FY 2019-25 Total Salary Continuation Payments as of June 30, 2025



TOTAL MEDICAL COSTS

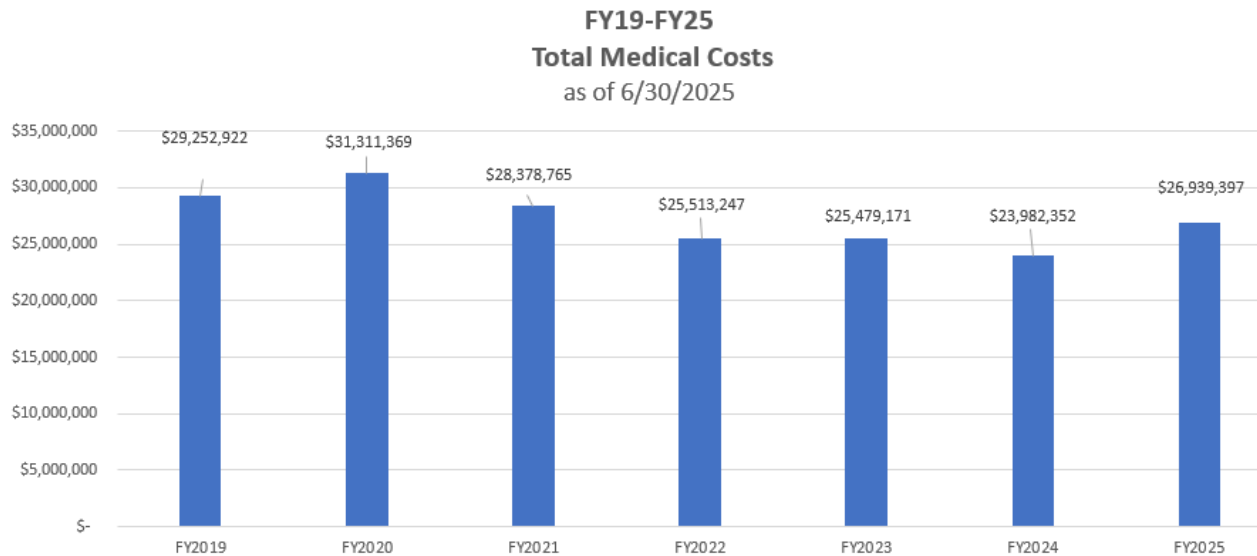
Total medical costs increased in FY2025

Total medical costs include hospital and outpatient treatment, physician visits, prescription drugs, diagnostic radiology, physical therapy, home health, durable medical equipment, transportation, translation and some other ancillary services. Medical costs during FY 2025 were 12.33 percent higher overall than in FY 2024, breaking from the downward trend in annual medical expenses.

The recent increase can be attributed in large part to the increase in the number of new claims filed during the fiscal year as

well as an increase in home health care expenses. Even with the increase, medical costs still remain below the levels of costs during FY 2019-21. The reduction of medical costs in recent fiscal years over the costs in FY 2019 and FY 2021 may be attributed to reductions in the North Carolina Industrial Commission Fee Schedule, which establishes a maximum charge for workers' compensation-related medical treatment; the number of claims settled thereby avoiding substantial medical treatment; and contract measures taken to obtain reduced pricing and more transparent pricing for many medical services.

FY 2019-25 Total Medical Costs as of June 30, 2025



INJURY REPORTING LAG TIME

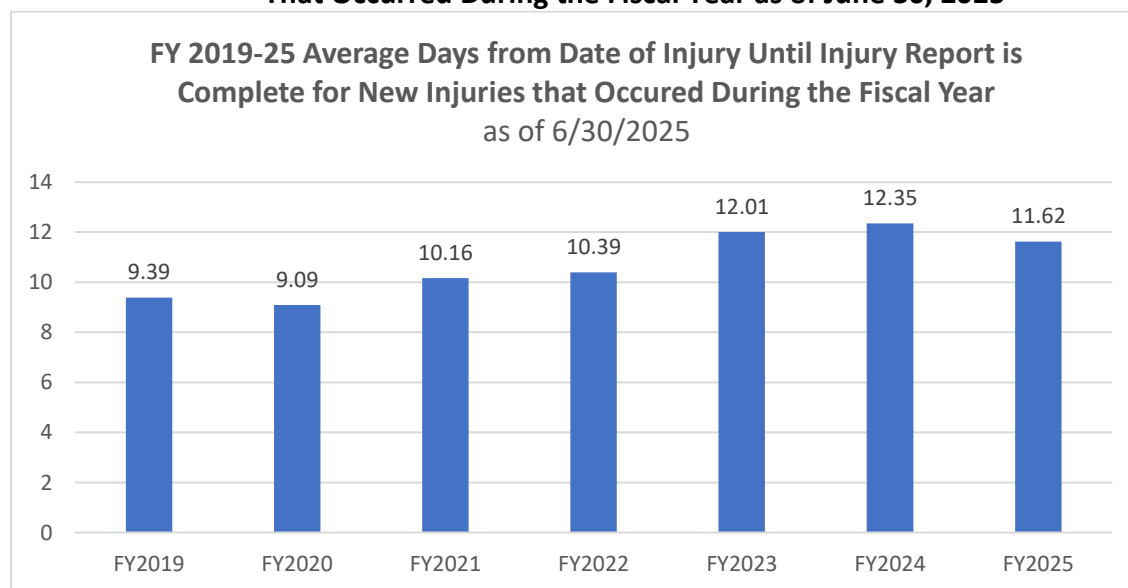
The FY 2025 decrease in injury reporting lag time is attributable in part to some Agencies' commitment to more rapid entry of claims and the third-party administrator's efforts to contact agencies that have only partially completed claim entry to have them complete the process. The lag time likely would have been even lower but for the impact of Hurricane Helene which placed those responding to the emergency in areas outside their typical work locations, resulting in some delays in supervisors reporting injuries to the agency's workers' compensation administrator for entry into the third-party administrator's claim system.

Early claim entry into the third-party administrator system is generally

encouraged. Early claim reporting generates numerous benefits, including ensuring injured employees receive necessary, prompt medical care for work-related injuries, expedited claim investigations and faster compensability determinations.

Minimal claim reporting lag time enables assigned claim adjusters to engage in communication with injured employees earlier in the claims handling process to provide them with needed information and address their concerns. Developing a positive employee-adjuster working relationship is instrumental in generating the best possible claim outcome and increasing employee satisfaction with claim handling.

FY 2019-25 Average Days From Date of Injury Until Injury Report Is Complete for New Injuries That Occurred During the Fiscal Year as of June 30, 2025



CONCLUSION

The Environmental, Health, and Safety Division and Workers' Compensation Division will continue to make necessary modifications in ongoing programs, initiatives and outreach to ensure State Agencies continue moving forward with improvements in workplace safety and workers' compensation claims management.

Ongoing collaborations and partnerships between the Environmental, Health, and Safety Division staff and State Agencies via the *Hazard Prevention Network* will continue to address previously identified short-term and long-term statewide safety concerns.

Workers' compensation claim services are closely monitored, and constant

communication is maintained between OSHR and State Agencies, vendors and the North Carolina Department of Justice Workers' Compensation section to rapidly respond to any concerns and to identify opportunities to promote the best possible claim outcomes.

OSHR Environmental, Health, and Safety Division and Workers' Compensation Division staff provide rapid responses to consultation requests from State Agencies daily, regarding a multitude of topics. OSHR seeks to continue building a bridge between Agency safety professionals and human resources staff handling workers' compensation claims to enhance safety culture statewide. In doing so, OSHR looks forward to declines in workplace injuries and total workers' compensation costs.

DATA DICTIONARY

Claims Cost – Total amount paid pursuant to State law for “disability compensation” as defined in N.C.G.S §97-2(11), “medical compensation” as defined in N.C.G.S. §97-2(19) and other claim cost.

Fiscal Year – July 1st of each year through June 30th of next year.

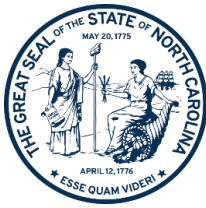
NCDOL – NC Department of Labor.

NCIC – North Carolina Industrial Commission.

NC Learning Center – Online training platform available through the State of North Carolina Integrated HR-Payroll System, Fiori.

Salary Continuation – Benefit paid to eligible injured employee when completely unable to work due to injury, in lieu of weekly disability compensation per N.C.G.S. Chapter 143, Article 12B.

Settlement – Full and final settlement of a workers’ compensation claim, also referred to as “clincher” or “compromise settlement agreement.”



NORTH CAROLINA Office of
State Human Resources

1331 Mail Service Center, Raleigh, NC 27699-1331

www.oshr.nc.gov | 984-236-0800

Staci Meyer | State Human Resources Director
Edward H. Johnson State Environmental, Health and Safety Director
Cathy H. Pope, Esq. | State Workers' Compensation Manager

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