

# Why Insourcing Occupational Health Management Poses Challenges for Employers

In today's fast-paced business world, nothing is more crucial than prioritizing employee well-being. Occupational health management goes beyond compliance to nurture a healthy, productive workforce. Insourcing this function **may seem cost-effective but can lead to unforeseen challenges.**

The stake in workplace safety extends beyond policy compliance and has significant economic implications for employers in the realm of occupational health management. Workplace incidents result in tragic losses and substantial financial burdens. In 2018, employers dealt with **over \$1 billion weekly in workers' compensation costs** for non-fatal injuries. By 2019, **work-related incidents incurred a cost of \$171 billion.** Adhering to safety standards is paramount, as effective safety programs reduce injuries and costs and enhance productivity.

**\$1B weekly**

2018 worker' comp

**\$171B total**

2019 workers' comp

## Complexities of ROI with Internal Resources vs. External Specialists

Employers may expect cost savings and ROI when insourcing occupational health management. However, managing this function internally can lead to **financial complexities**, diverting resources and creating unpredictable costs. Partnering with specialized providers offers **accountability, clear ROI metrics, and improved safety standards.**



## Lack of Specialized Expertise

Occupational health is a distinct field that requires a deep well of specific knowledge and experience. In addition to:

- ▶ The legislative environment is intricate and ever-changing.
- ▶ Insourcing may lack expertise in navigating occupational health laws.
- ▶ Non-compliance risks and oversight of health initiatives can arise.

## Resource Intensiveness

Creating an in-house occupational health program requires a substantial **investment in time, training, and finances**. The costs can be high for small to medium enterprises, including training, certification, staffing, and ongoing operational expenses. Scaling up and down quickly can pose additional challenges due to the intricate nature of these programs.

## Focus Shift from Core Business Activities

Companies managing occupational health in-house may divert attention from core functions, leading to **diluted focus, reduced efficiency, and decreased performance**. Prioritizing insourcing for this specialized area can undermine primary goals.

## Rapidly Changing Regulations and Compliance Requirements

The regulatory landscape for occupational health and safety is dynamic, **requiring constant monitoring and adaptability**. Staying abreast of these changes and ensuring compliance can be particularly challenging for companies without dedicated occupational health expertise, which can lead to:

- ▶ unintentional non-compliance
- ▶ risking legal repercussions
- ▶ damage to the company's reputation

## Data Security in Occupational Health Management

Securing personal health information is vital in the digital age. Internal occupational health management poses challenges, including compliance, expertise needs, and data protection. This can lead to potential:

- ▶ **Accidental Oversharing:** Unintentional sharing of sensitive health data can harm individuals and diminish trust within the organization.
- ▶ **Data Security Threats:** Inadequate data protection raises the risk of unauthorized access to health information, exposing legal vulnerabilities and reputational harm.

Professional occupational health service providers ensure secure data handling, compliance with regulations, and robust protection measures to prevent breaches. Companies boost compliance, efficiency, and data security by relying on experts, strengthening trust in employer-employee relationships.

## Integration Challenges of Work-Related & Personal Healthcare

In the evolving field of occupational health, the line blurs between work-related and personal healthcare, especially with onsite medical staff like nurses or doctors. While beneficial for immediate care and employee health, challenges include:

- ▶ **Privacy Concerns:** Employees fear sharing personal health info with in-house medical staff due to job security fears.
- ▶ **Scope of Practice:** Clear boundaries are needed between work-related and personal health issues to avoid ethical and legal issues. Protocol and training are crucial for compliance.

## A Strategic Approach to Occupational Health

While insourcing occupational health management may appear advantageous initially, the specialized knowledge depth needed, potential cost escalation, and diverted focus from core business objectives present numerous challenges. Employers should weigh these factors thoughtfully, gravitating towards solutions that foster compliance, workforce well-being, and productivity. Partnering with Axiom Medical for outsourced occupational health management is the ideal choice. Empowering your employees with robust health and safety standards goes beyond regulatory compliance—it becomes a **strategic asset**.

Source:

<https://www.osha.gov/businesscase>



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## Lead the Way in Workplace Health and Safety

Don't risk the unforeseen challenges and complexities of insourcing Occupational Health Management—partner with Axiom Medical for expert, compliant, and efficient solutions. Make employee health and safety your strategic advantage today.