

Accidents at Workplace and Workers' Compensation in Spain: Methods are not Neutral

2.2 million people worldwide die annually from work-related accidents and diseases and work-related deaths appear to be on the rise. Moreover, each year an estimated 270 million people suffer nonfatal, work-related accidents (ILO, 2008). Legal compensation scales, at the international level, are being used to reduce arbitrariness and variability in the calculation of payments for personal injuries. Compensation systems for accidents are usually based on four components: bodily injury, moral damage, property damage, and lost income. However, moral damage is vastly undervalued.

In this study, we address the issues related to workers' compensation to cover damages derived from work accidents and occupational diseases. We propose a method based on the combined utilization of the traffic accidents scale, along with other innovative elements such as "Quality Adjusted Life Years, QALYs". This scheme is applicable when employer blame or negligence has been admitted.

Our method incorporates an economic valuation of moral damage based on willingness to pay for a QALY. This is a concept habitually employed in economic evaluation of health technologies.

Monetary value of a QALY is established from totally independent criteria. This value is based on the willingness of the society to pay, so it is independent from the interests of the agents obliged to pay the compensation. Thus, in this sense, we can say that our method incorporates a social perspective and offers many advantages, both legal and methodological.

Methods are not neutral and the amounts of worker's compensations vary markedly. We present three real cases to illustrate the differences between the proposed method and the method regularly used in Spain. In some of these cases the value of moral damage exceeds EUR 200,000.

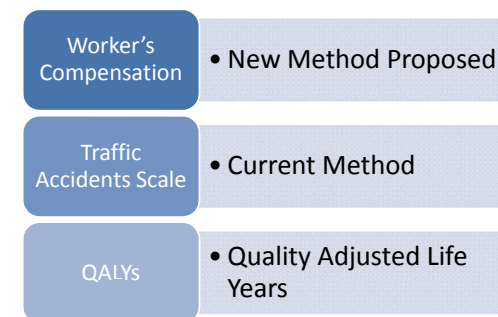
MORAL DAMAGE	CASE 1	CASE 2	CASE 3
Sex (Male / Female)	Male	Male	Male
Age of worker (years)	40	54	56
Annual salary of worker (Euros)	27720	39600	28058
Year of reference for salary	2007	2004	2004
Initial health status EQ-5D	11111	11111	11111
Accident result	Death	Injuries	Injuries
Type of damage		Permanent	Permanent
Moral Damage Value	288894	113970	117949



Traditional components of compensation systems for accidents



New combined method



Workers' Compensation after Fatal Accidents

