

Districts Mutual Insurance - Risk Managers Quarterly Meeting
WCTC – Pewaukee, WI
July 14, 2006 – 10:30 a.m.

Members Present: Dick Shikoski (BTC); Doug Olson (CVTC); Cindy Dross (LTC); Mary Rapp (MATC-Madison); Tom Mercier (NTC); Tom Eckert (NATC); Tom Hinz (NWTC); Stan Hollmann (SWTC); Jim Rehagen (WCTC); Amy Schmidt (WTC); John Will (WITC); Steven Stoeger-Moore (DMI)

Via WISLine: Nelson Dahl (MSTC)

Guests Present: Anne Ring, Barb Galluppi (Arthur J. Gallagher); Dan Follmer (United Heartland); Tim Greene (WCTC)

Recorder: Geri Justinger – DMI (Via WISLine)

The meeting was called to order at 10:30 a.m.

1. Introductions

Steve Stoeger-Moore welcomed everyone and thanked Jim Rehagen for the meeting accommodations.

2. DMI Claims Management Manual – Barb Galluppi (Gallagher Risk Services)

Ms. Galluppi went over the Claims Manual with the group – it is available in both hard copy and electronic documents (for ease in customizing). Ms. Galluppi stated that all the Districts should feel free to adapt it to their needs – it should be used freely and manipulated. At some point this information will also be placed in a passworded (not available to the general public – [Members Only]) section of the DMI website. The various sections were reviewed and described. All members are encouraged to review this document carefully, customize it and utilize it as it covers procedures and contains resources for many different situations. Several Members commented that they thought this was a wonderful item and supported the reason why DMI was created. Ms. Galluppi was asked to prepare a section on “stress” injuries.

3. Incident Investigation Kit

Mr. Stoeger-Moore described the contents of the kit. He encouraged everyone to use this kit “hand in glove” with the DMI Claims Manual. He described two recent incidents – one that had photos taken and one that did not – he stated that the incident with pictures has had a much better outcome than the incident without. He furthered encouraged

Districts NOT to use the WKC-12 form internally – use either the provided forms or another as your first report of incident.

4. Claims Analysis

a. United Heartland – Dan Follmer

Dan Follmer compared the first and second years of DMI claim history. He stated that there has been some good progress made and encouraged all to continue their good work. He stated that one of the goals of United Heartland for this year is to increase support and training for material handling situations – he told all present to contact their Risk Control Representative if they have a concern that they would like help in addressing. He reminded everyone to contact their Claims Representative if they have any questions regarding open claims. He spoke about mod factors and the savings associated with lowering them – he also stated that United Heartland re-files stat cards with the Wisconsin Rating Bureau if a claim closes out lower than originally filed which will positively affect the mod factor.

b. Midwest Claims

Steven Stoeger-Moore reviewed the data with the group. He stated that Districts should be judicious in the incidents that they report – it should be determined if the damages fall below your deductible. He stated that it is always appropriate to file a report that relates to injury of any kind. He encouraged all attending to “listen to your guts” – if you feel unsettled or have doubt regarding an incident he suggests filing a claim. A question was asked if Districts should be recording expenses associated with “ground up” expenses – Mr. Stoeger-Moore stated that the underwriters do like to see that data and that all Districts should keep record of it. Another question was asked - if an employee is dismissed and there could be allegations of discrimination, etc. should that be filed as an incident report – Mr. Stoeger-Moore stated that that sort of situation should be filed as an incident report.

Steven Stoeger-Moore stated that he received a call from Mr. Jim Youngblood stating that Midwest Claims has been purchased by a company in Houston, Texas. Mr. Youngblood assured Mr. Stoeger-Moore that nothing will change in claims handling or other aspects of the current relationship.

5. FY07

a. Revised DEC Pages

Mr. Stoeger-Moore stated that all of the Districts received 2 revised DEC pages and two new policies for FY07 to try to cut down on paper usage.

b. Endorsements

See above.

c. Coverage Review

Mr. Stoeger-Moore reminded everyone that they should look to him as a reference and feel free to contact him with questions, concerns or suggestions.

6. Affiliation Agreements and Acknowledgement of Risk Template

Mr. Stoeger-Moore announced that DMI has contracted with Gander Consulting to write a “white-paper” regarding Students in Practicum. Mr. Stoeger-Moore stated that the Affiliation Agreements and Acknowledgement of Risk that were provided in the e-packets were created by DMI Counsel – in the near future they will be placed on the DMI website in a password protected (Members only) area. These documents should be treated as “soft clay” and customized for District specific use. There was much discussion about these issues. Mr. Stoeger-Moore asked that all Districts make sure that they read these agreements and make sure that the language is appropriate and accurate for their location and situation.

7. Special Events Liability

Mr. Stoeger-Moore explained that no “high-risk” activities such as skydiving, bungee jumping, etc. are excluded in the current policy – they were not however contemplated in the underwriting process. He stated that the Board of Directors is contemplating the exclusion of some of the “higher-risk” type activities for FY08 renewal. Mr. Stoeger-Moore asked that as Risk Managers’ everyone be very aware of these types of events and to pay special attention to increasing controls and management of any “high-risk” event. He explained that DMI is joining URMIA which would make it possible to get TULIP coverage for these types of “high-risk” events.

8. Auto Liability

Mr. Stoeger-Moore stated that DMI has made it policy to check the MVR records of routine operators of District vehicles. To date 224 drivers have been check by DMI – Mr. Stoeger-Moore stated that he realizes that a few Districts check their own but he stated that this number seems very low. He encouraged everyone again to get into the habit of performing these checks. These checks take approximately 48 hours for Wisconsin drivers. He suggests that Districts that have out-of-state employees (or people who have recently moved from out-of-state) get their own driver's record as it is very difficult for DMI as an insurance company to get this information.

9. Cyber Risk

Mr. Stoeger-Moore explained that there is an individualized report in each Districts' e-packet. This report was done by David Hallstrohm in follow-up to the DMI Presents...Cyber Risk session. Mr. Stoeger-Moore asked for a volunteer for a full fledged Cyber Risk Assessment report to be done (a \$2,500 value) – many Districts were interested in this – the group limited the field to NWTC and Madison – the group decided for MATC-Madison to be the site. The report will come back to the group for analysis and review. Mr. Stoeger-Moore stated that the loss of electronic data is not included in current coverages – he stated that DMI is further looking into these coverages. He asked that everyone complete the self-assessment by October 1st and return it to Geri Justinger or Steven Stoeger-Moore so that the results can be presented to the BOD at their October 12th meeting.

10. DMI BOD Report (Doug Olson)

Mr. Olson stated that the BOD received an investment report from Jeff Carew of PMA – although the BOD wants to get some longer term investments but the group felt it was best to wait a while longer to better determine the financial climate. Mr. Olson asked Mr. Stoeger-Moore to describe the additional Risk and Control Services for FY07: 10 additional days were purchased from Gallagher Bassett Risk Control – Gander Consulting will be putting together a report regarding affiliation agreements, as well as a contract check list – DMI will also be joining URMIA that will enable the Districts to purchase the TULIP program for “special events”. Mr. Olson added that Mr. Stoeger-Moore will be looking into extending coverage to various Technical College Foundations

as well as the System Foundation. Mr. Olson stated that the largest amount of time was spent discussing the situation with MATC. He stated that Mr. Sargent was able to attend the BOD meeting to comment on their situation and issues they have with DMI. He stated that he felt that Mr. Sargent did a very good job of explaining their issues. DMI has inquired of Steve Streff to analyze the scenario of MATC leaving DMI – the results of that analysis were that DMI would remain a viable entity if up to 50% of the volume of the Members withdrew (MATC = approx. 20%).

11. Safety and Loss Committee Report

Tim Greene from the Safety and Loss Committee reported on the March and May meetings that were held. Some of the topics that were covered were Blood Borne Pathogen – Severe Weather and Tornado – Pandemic Planning – Accident Investigation, etc. There are two policies that are awaiting approval and adoption from DMI – Chemical Hygiene Plan and Emergency Action Plan. There will be a column from the committee in DMIs The Incident Report on a monthly basis beginning in August. He stated that they have produced some electronic productions for reference. At some point in the future these productions will be available on the Risk and Loss Control Group website.

12. Other Topics from the Group

Mr. Stoeger-Moore told everyone that there will be a payroll audit scheduled within the next 30-60 days. He provided an article from the United Heartland Magazine regarding what you should do to prepare for a payroll budget. The results of this audit (7/1/05 - 6/30/06 payroll period) will be a credit owed or additional premiums due to DMI by each District.

13. Adjourn at 1:54 p.m.

Respectfully submitted,

Geri A. Justinger
DMI Administrative Consultant