

**Districts Mutual Insurance - Risk Managers Quarterly Meeting**  
**Wisconsin Technical College Foundation, Waunakee, WI**  
**April 28, 2006 – 10:00 a.m.**

**Members Present:** Doug Olson (CVTC); Mark Zlevor (GTC); Cindy Dross (LTC); Nelson Dahl (MSTC); Janice Falkenberg (MATC-Milwaukee); Mary Rapp (MATC-Madison); Bonnie Baerwald (MPTC); Tom Eckert (NATC); Jim Blumreich (NWTC); Stan Hollmann (SWTC); Les Rognstad (WTC); Chuck Levine (WITC) [excused himself at 12:50 p.m.]; Steven Stoeger-Moore (DMI)

**Guests Present:** Bonnie Vandrebewett (MATC-Madison); Tom Hinz (NWTC); Rick Spiers, Kevin Williams (Genesis); Jim Lang (Gallagher Bassett); Rob Elliott (NTC); Linda Joski, Anne Ring (Arthur J. Gallagher); Dan Follmer (United Heartland)

**Recorder:** Geri Justinger - DMI

The meeting was called to order at 9:45 a.m.

**1. Claims Analysis**

**a. United Heartland – Dan Follmer**

The contract with United Heartland has been extended another year. Dan Follmer made a presentation comparing trends and statistics. Mr. Follmer stated that there has been a nice reduction in both frequency and severity of claims compared to last year. He stated that slips/trips/falls are still the highest in frequency and dollar amount. There has also been an increase in material handling claims to make it the second most frequent/amount. NTC is currently doing testing on “high-risk” groups to obtain “baseline” and annual hearing testing. It was suggested by Chuck Levine that DMI adopt this as a “practice”. Steve Stoeger-Moore will follow-up with the Risk and Loss Committee and make a presentation to the group to adopt at a future meeting. Mr. Follmer stated that although the slips trips and falls are most frequent the costs associated with them are usually much lower than some of the other injuries e.g. repetitive movement. Steve Stoeger-Moore spoke to the issue of \$ in reserve – United Heartland reserves a claim at the “worst possible scenario”. Linda Joski and Anne Ring stated that this strategy does affect the experience mod factor and that each District should follow-up routinely and ask questions. Dan stated that the unit stat cards are refiled if the case does close out much lower.

**b. Midwest Claims**

Steven Stoeger-Moore review the data with the group. He stated that out of the 249 total files there 121 actual claims, 128 incident reports and 14 open claims. A

question was posed as to how Districts handle their reporting – Steve Stoeger-Moore stated that thus far it has been up to each District individually as to how to handle this. Several Districts stated that they were not aware that DMI was charged for each Incident Report (\$60). Steve stated that there is a responsibility of each District for timely reporting of incidents which should be based on severity, and good judgment. It was stated that the accident investigation portion of this meeting should be helpful in this area. Steve further stated that if there is a serious injury please contact DMI. Linda Joski stated that if there is a requirement of DMI to report severe claims to GenRe. Steve will begin to assemble a claims process for each District to use as guidelines. Nelson Dahl asked if there was a way of varying the degree of investigation – Jim Lang stated that yes – but qualified that with there still needs to be training on filling out forms, etc.

**2. Worker Compensation Presentation – Genesis Underwriting Management Company – (GenRe) Richard A. Spiers (Claims Manager) & Kevin Williams (Underwriting VP)– Managing the Not-So-Obvious**

(This presentation followed #8 on the agenda) Mr. Spiers made a presentation regarding Workers' Compensation. This presentation will be found on the DMI website. Mr. Williams gave some industry perspective. He stated that the industry understated the length of time that WC claims pay out as well as the dramatic inflation of medical costs. He stated that there has been an industry-wide change in the reporting of WC reserves and accountability at management levels. Both gentlemen stated that they were impressed with the questions asked and cooperative spirit that they have noticed from this group.

Mr. Spiers presented a second portion of his presentation entitled "It Can Happen Anywhere" that consisted of seemingly small incidents (non-workers' compensation) that became very large.

**3. DMI Presents...May 2, 2006 – ITV Training Session 10:30 – 11:45 a.m.**

Steve Stoeger-Moore stated that this presentation is not a repeat of the January – DMI Presents...The packet from Joy Gander was sent to everyone via e-mail.

**4. Annual Meeting Results - Report from the Board of Directors – Jim Blumreich**

Mr. Blumreich gave a report regarding the BOD Meeting yesterday. He stated that DMI had a good annual report. He stated the Board asked Steve Streff to provide the DMI Board with a retrospective study. They passed an ethics policy, privacy policy and

conflict of interest policy. They renewed the contract for the office lease in Port Washington for 2 additional years. They also renewed Steven Stoeger-Moore's contract for an additional 2 years. Jeff Carew (PMA) made a presentation to the Board regarding DMI investments – he was asked to make this presentation a regular event. He was also asked to set a benchmark for comparing the growth of DMIs investments to others. The BOD voted to keep premiums (and capital) flat for the third year in a row – Jim stated that this is dependant on exposure changes.

**5. Renewal Terms and Conditions for 7/1/06**

Steve Stoeger-Moore asked that any District having Board members that are over the age of 70 need to supply Steve with their names and date of birth. Linda Joski stated that the Foreign Travel component cost stayed the same \$2500. Crime costs also stayed flat with one change in deductibles. Linda asked that all Districts sign the papers in the packets and fax or e-mail them to her.

**6. Best Practices in Worker Compensation [Handout provided by Michael Best]**

Steven Stoeger-Moore distributed these forms to those attending.

**7. Use of Rental Vehicles**

Steven Stoeger-Moore stated that there have been three claims on damage to rental vehicles. He urges that all Districts purchase the damage waiver when renting vehicles. He also encourages all Districts to look into Enterprise as DMI has a corporate account.

**8. Accident Investigation Process – United Heartland – Dan Follmer**

(This presentation directly followed item number 1 on the agenda.) Dan Follmer presented information regarding Accident Investigation and how it is handled. This presentation will be available on the DMI website. It was suggested by Tom Hinz (NWTC) that DMI provide an accident investigation kit for each District. Steve Stoeger-Moore suggested that lock-out tag-out items be included in the kit. Mr. Follmer suggested that it is very important that the details of the injury are specific. The primary goal of accident investigation is determining the root cause of the injury.

**9. Statute of Limitations on Real Property – Jim Blumreich**

Jim Blumreich stated that some buildings at their campus constructed in the 1970s had some structural issues. The cost of these repairs will be approx. \$2-3M. The statute of limitations on real property is 10 years.

#### **10. Summary of Student Health Insurance Programs**

Steven Stoeger-Moore stated that the handout is merely for reference/resource.

#### **11. Spring Campus Visits**

Steven Stoeger-Moore stated that he looks forward to visiting each District.

#### **12. Risk Manager Meeting Dates / Times and Places**

October 13, 2006 - January 26, 2007 - April 27, 2007 (also the Annual Meeting – NO phone-in option) - July 13, 2007 are the proposed dates. The call-in option will be available for the October, January and July meetings. The WTCS Foundation Office will be the location - 10:00 a.m. – 2:00 p.m. with working lunch.

#### **13. Special Event Underwriting Data**

Steven Stoeger-Moore is requesting that the 12 delinquent Districts please return this requested data. The due date of this request is three weeks from today. The definition of a “special event” is an event that is not a “usual and customary” use of your facilities. This is an attempt to qualify what is happening at each location and to get each District thinking like a Risk Manager – so that risk management is addressed. It was stated that this is not an attempt to stop special events – rather it is an attempt to cover the interests of each of the Districts.

#### **14. Return To Work Programs**

Steven Stoeger-Moore reminded each District that the Board of Directors adopted that each District have a “formal” Return to Work Program by April 2006. At this date only one location (MPTC) has responded to this formal request. He stated that this is an attempt to manage Worker’s Compensation Coverage costs which are the largest component of insurance. Bonnie Baerwald stated that earlier this year they were able to have a managers’ meeting regarding this program including a presentation from United Heartland. Steve continued that United Heartland has re-stated this as their goal to continue help each District with their Return to Work Programs.

**15. Content Modeling Exercise**

Steven Stoeger-Moore stated that there was a program from American Appraisal Services sent to each of the Districts. There are several Districts that have not responded. Please be aware that this will affect your premiums for FY08 (2007-2008). This is an attempt to capture data without the expense of hiring an appraiser. Steve stated that it is critical to have good centralized documentation. The better organized you are the faster you will be able to return to pre-loss ??

**16. Website Update**

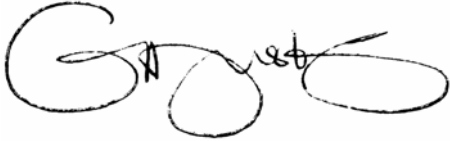
Geri Justinger updated everyone on the status of the website update. The goal is to have the passworded (Forms) section and other updates functional by mid-May. It was suggested that the information on the Board of Directors as well as other policy/procedure information be added to the website.

**17. Other Topics from the Group**

None.

**18. Adjourn** at 1:38 p.m.

Respectfully submitted,



Geri A. Justinger  
DMI Administrative Consultant