

Social Service Contractors Indemnity Pool

Assessing Risk and Limiting Liabilities

July 17, 2013



Social Service Contractors Indemnity Pool

Don't you have better things to
do with your budget dollars?

July 17, 2013



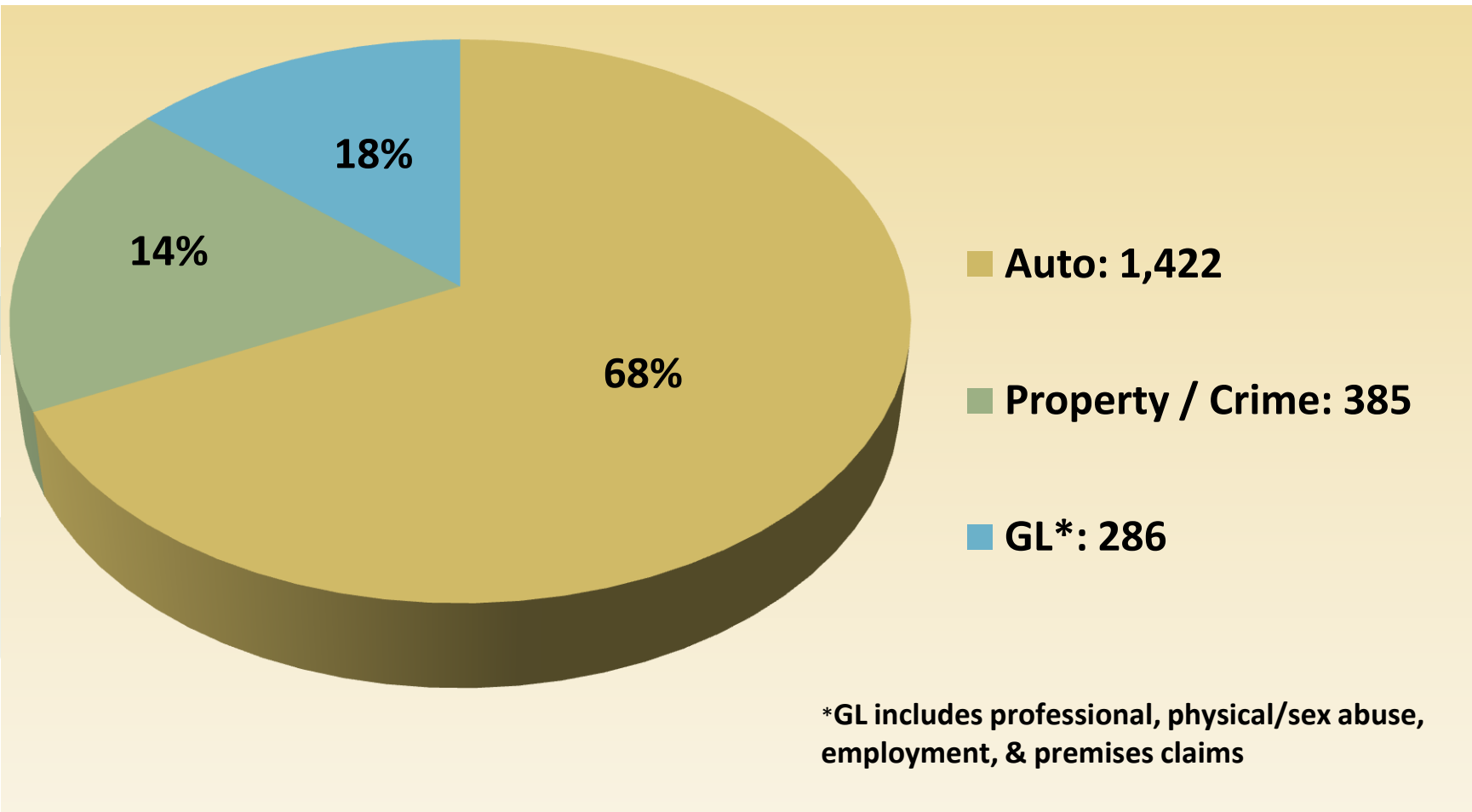
Context

- Information from the Social Service Contractors Indemnity Pool (SSCIP)
- Pool has credible data spanning 26+ years
- Data presented today is from 2009 forward

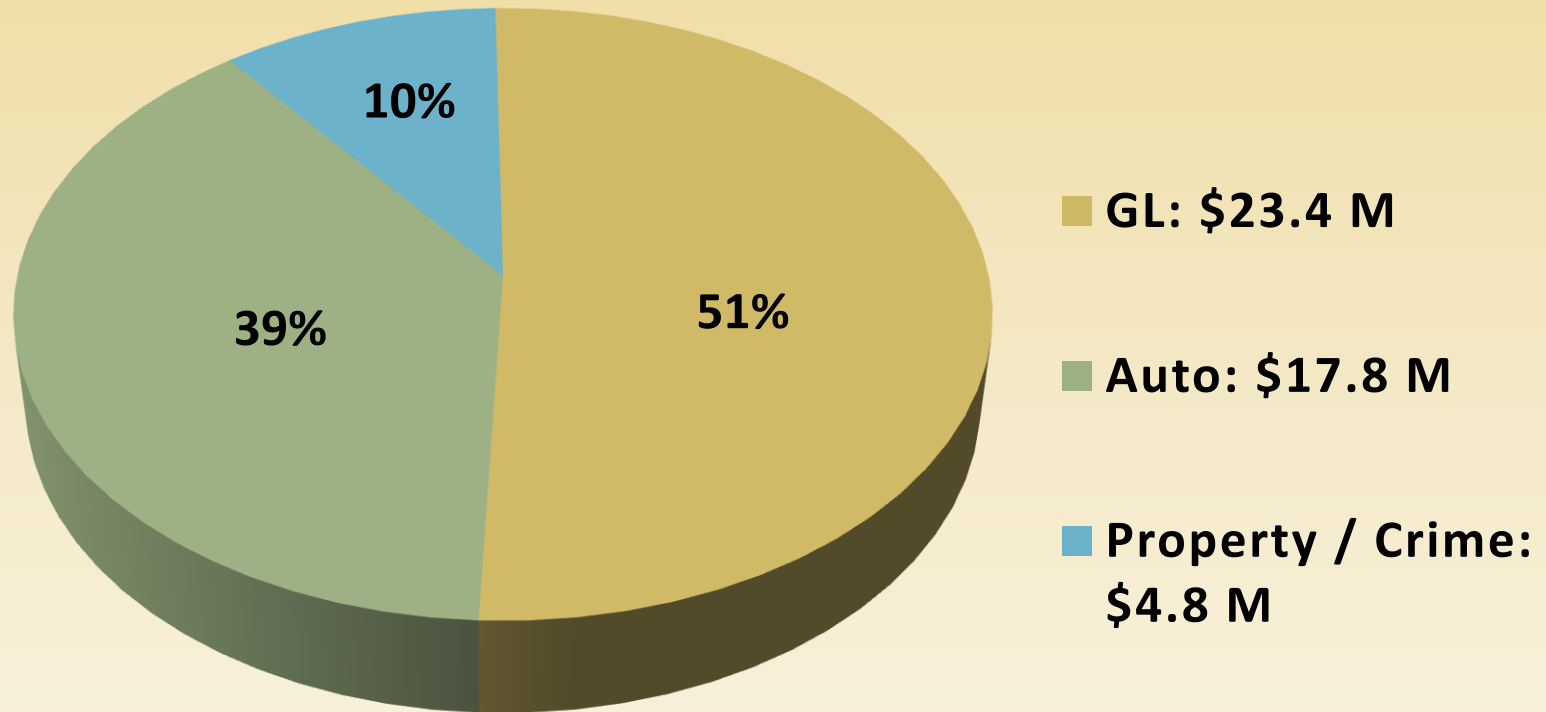
So Why is Loss Data Important to Me?

- Premiums! Premiums! Premiums!
- Underwriters look at:
 - Exposures, such as:
 - # and type of vehicles
 - Square footage/construction of buildings
 - Type of services provided
 - Loss Ratios (Loss Dollars ÷ Premium Dollars)
 - Loss trends (vs. single “shock losses”)
 - Loss control—what are you doing to reduce claims?

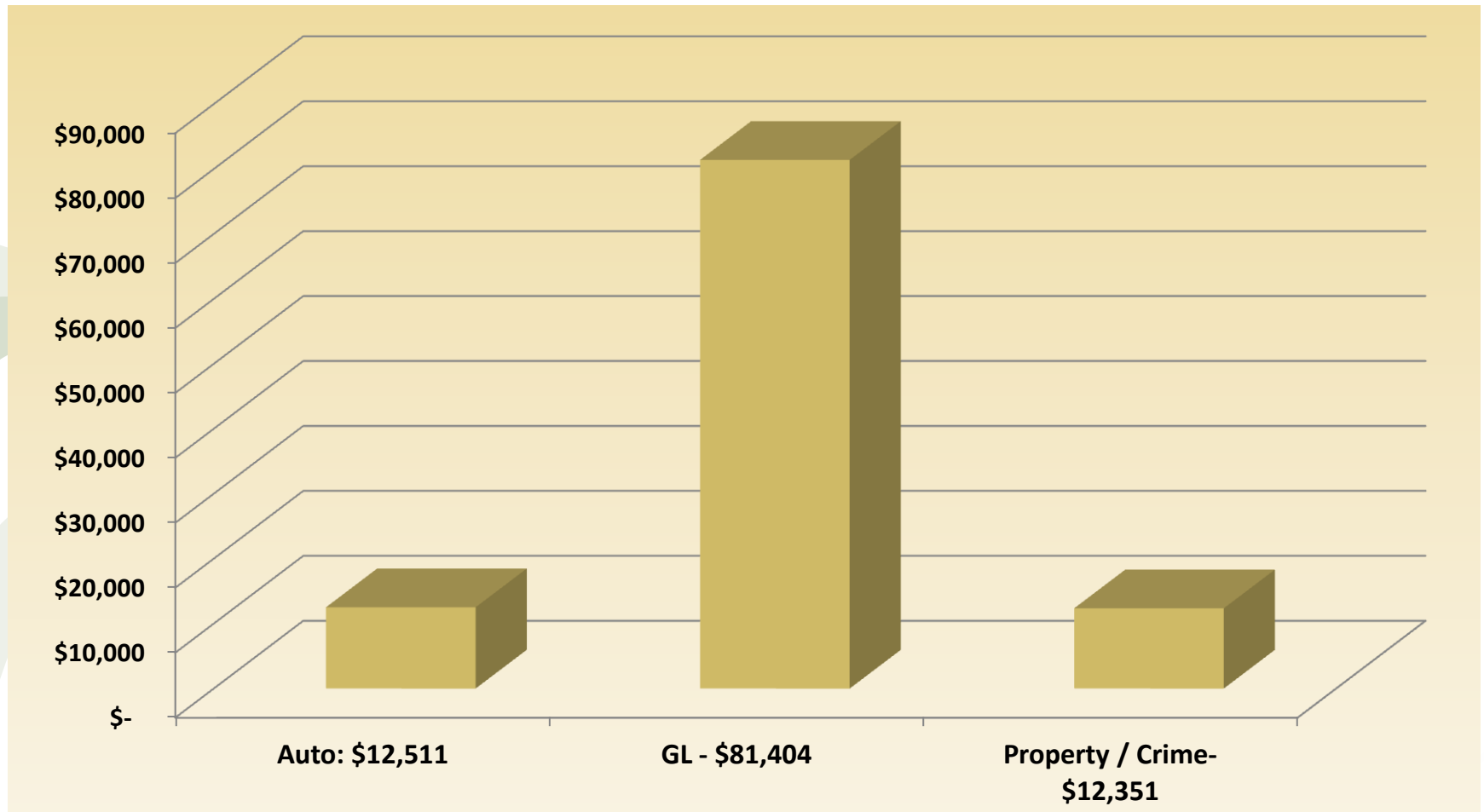
Claim Volume Breakdown: 2009 to 2013



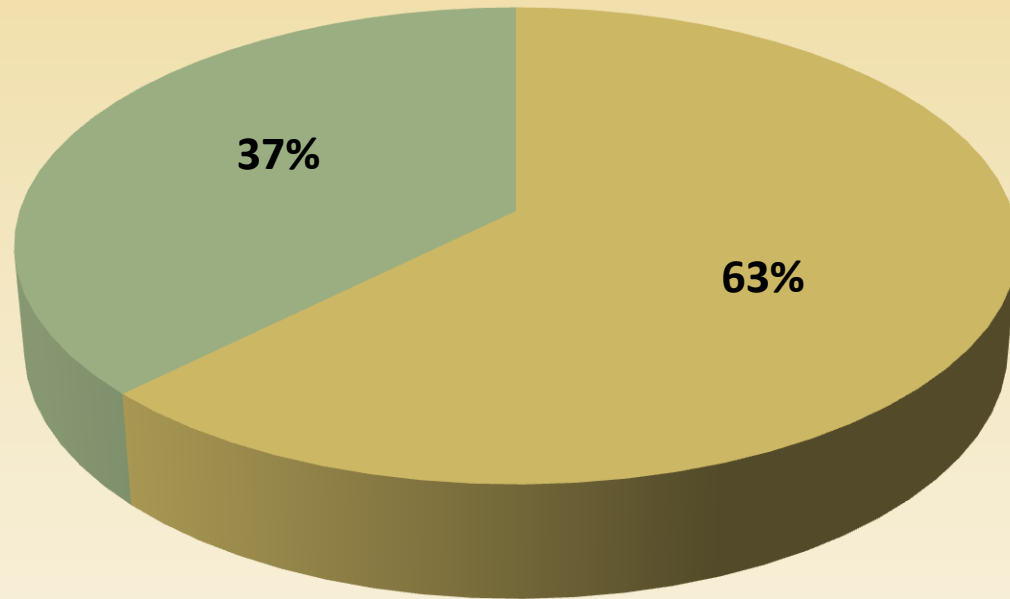
Claim Cost Breakdown: 2009 to 2013



Average Cost Per Claim: 2009 to 2013



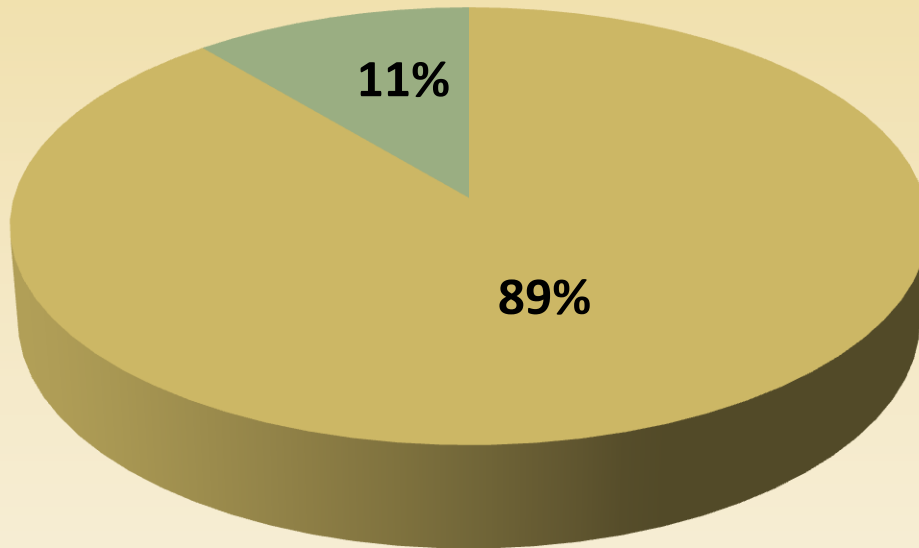
Auto Claim Volume: 2009 to 2013



■ Auto Property
Damage: 890

■ Auto Liability: 532

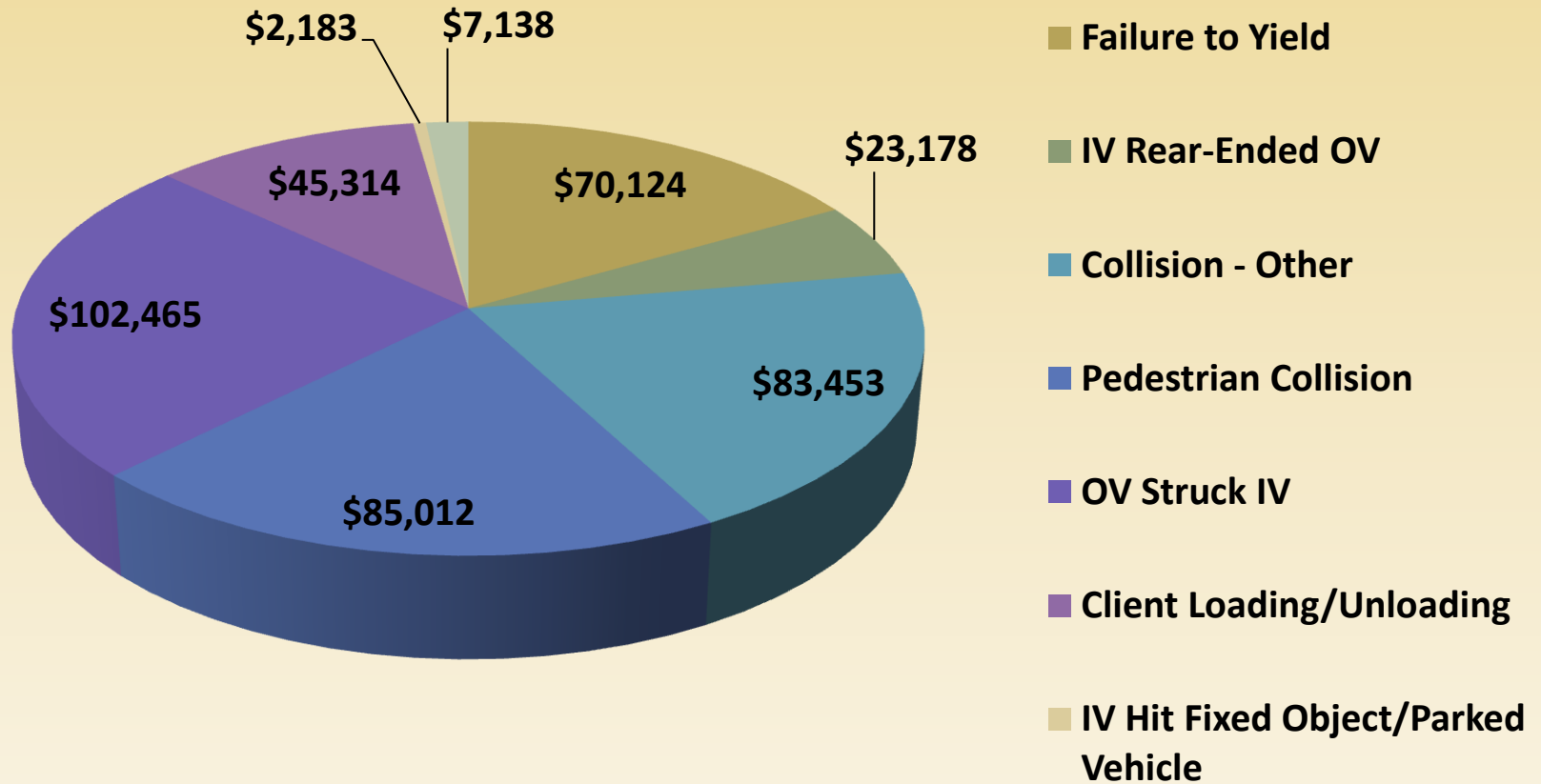
Auto Claim Dollars: 2009 to 2013



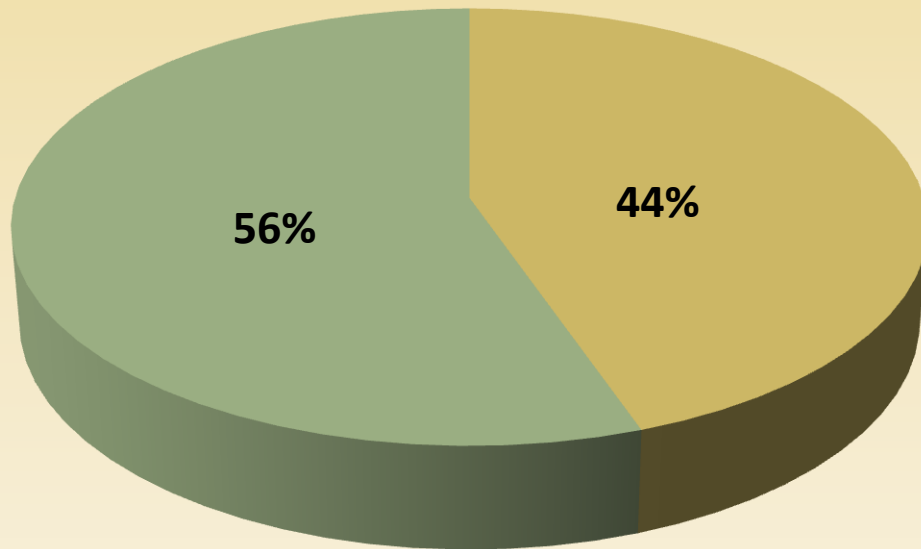
■ Auto Liability: \$15.8 M

■ Auto Property Damage:
\$1.9 M

Average Cost Per Auto Claim

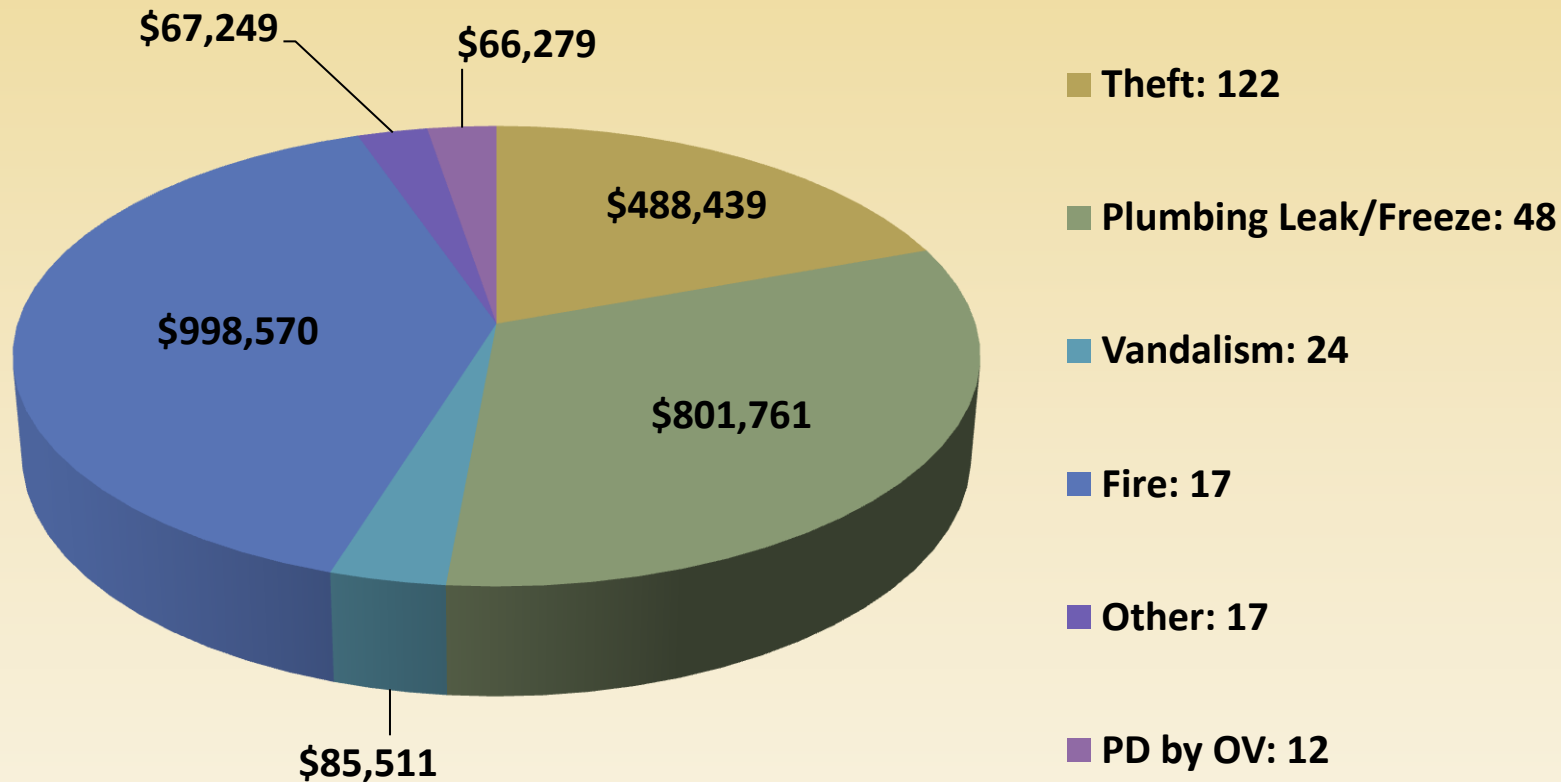


Property/Crime Claim Dollars: 2009 to 2013

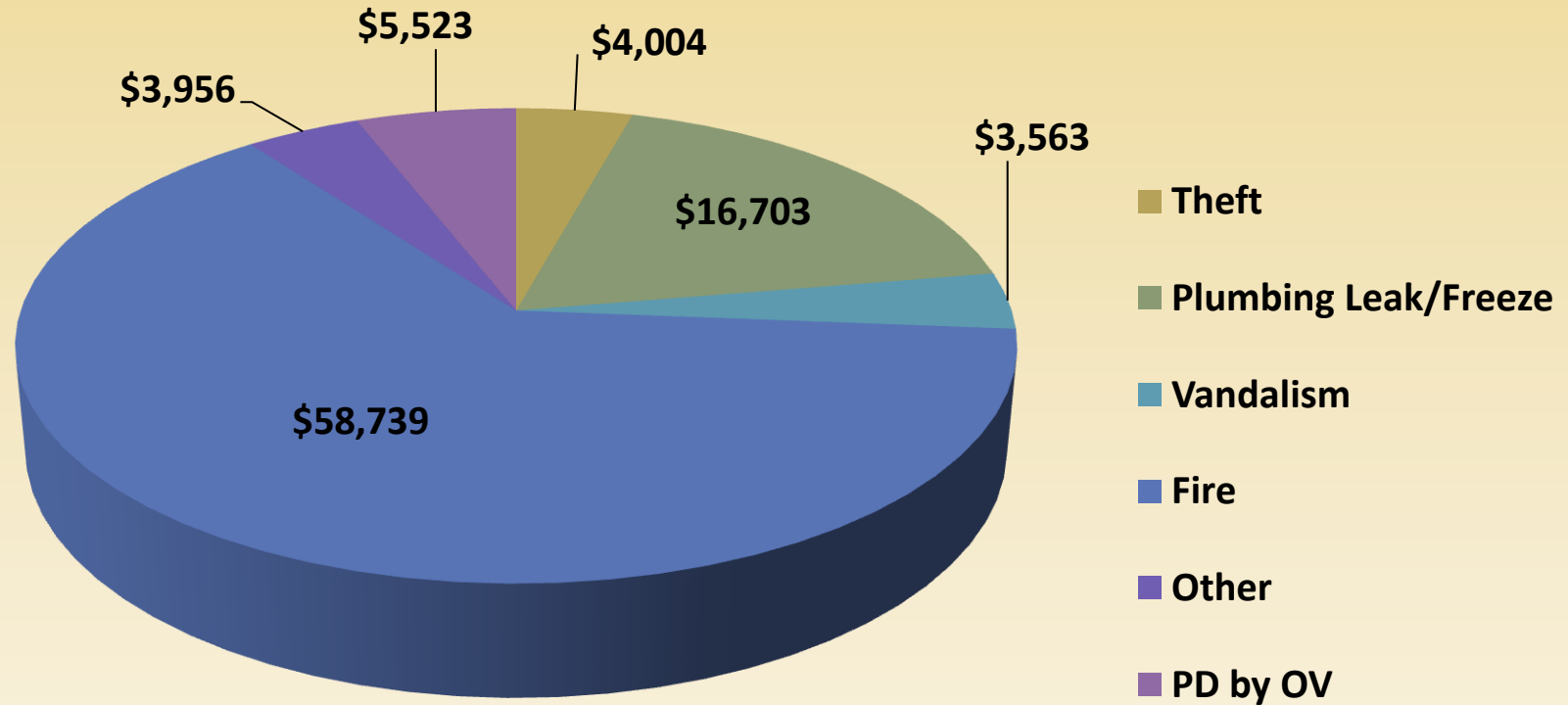


- **Nature-Caused PD**
(Lightning/Wind/Rain, etc.): \$2 M
- **Human-Caused PD**
(Arson/Theft/Equipment Maintenance, etc.): \$2.6 M

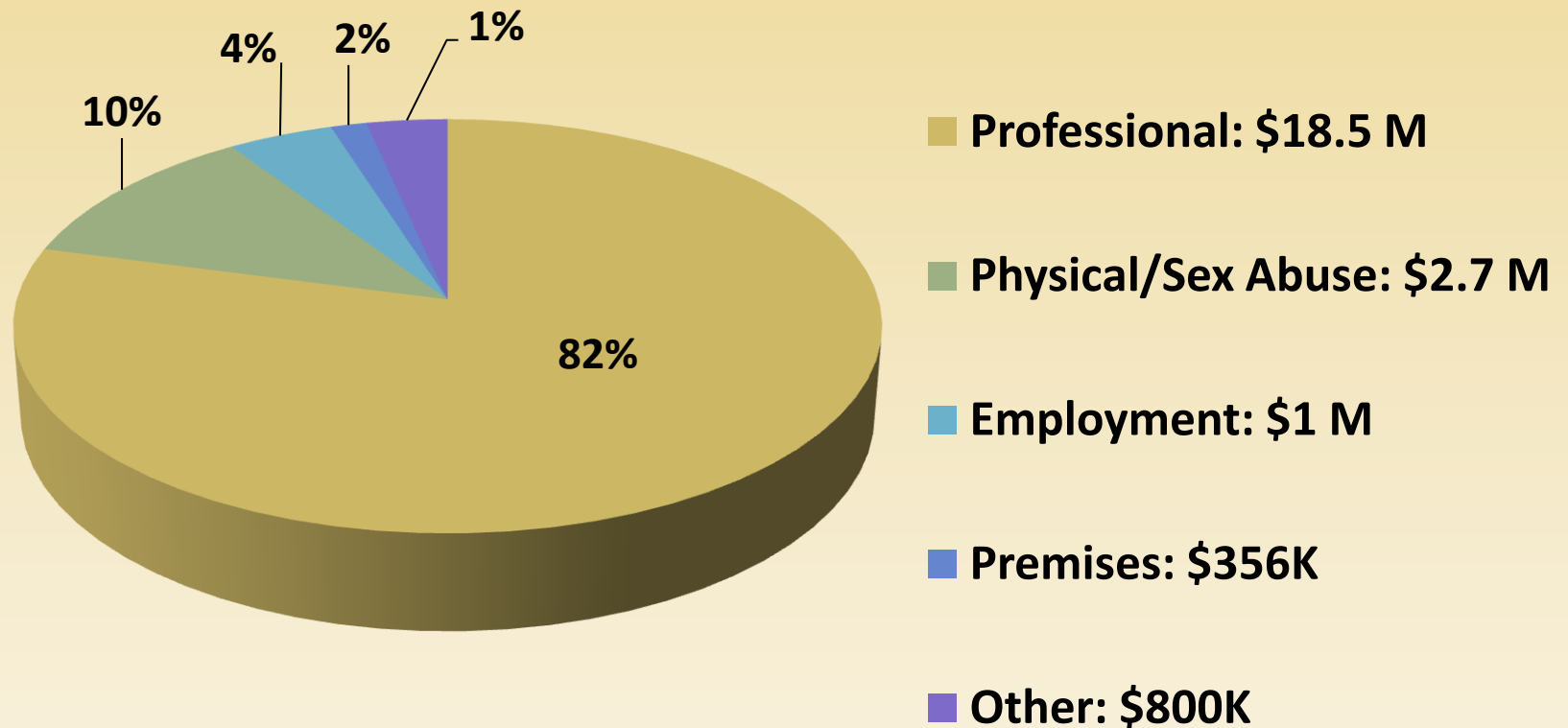
Human-Caused Property Loss Breakdown



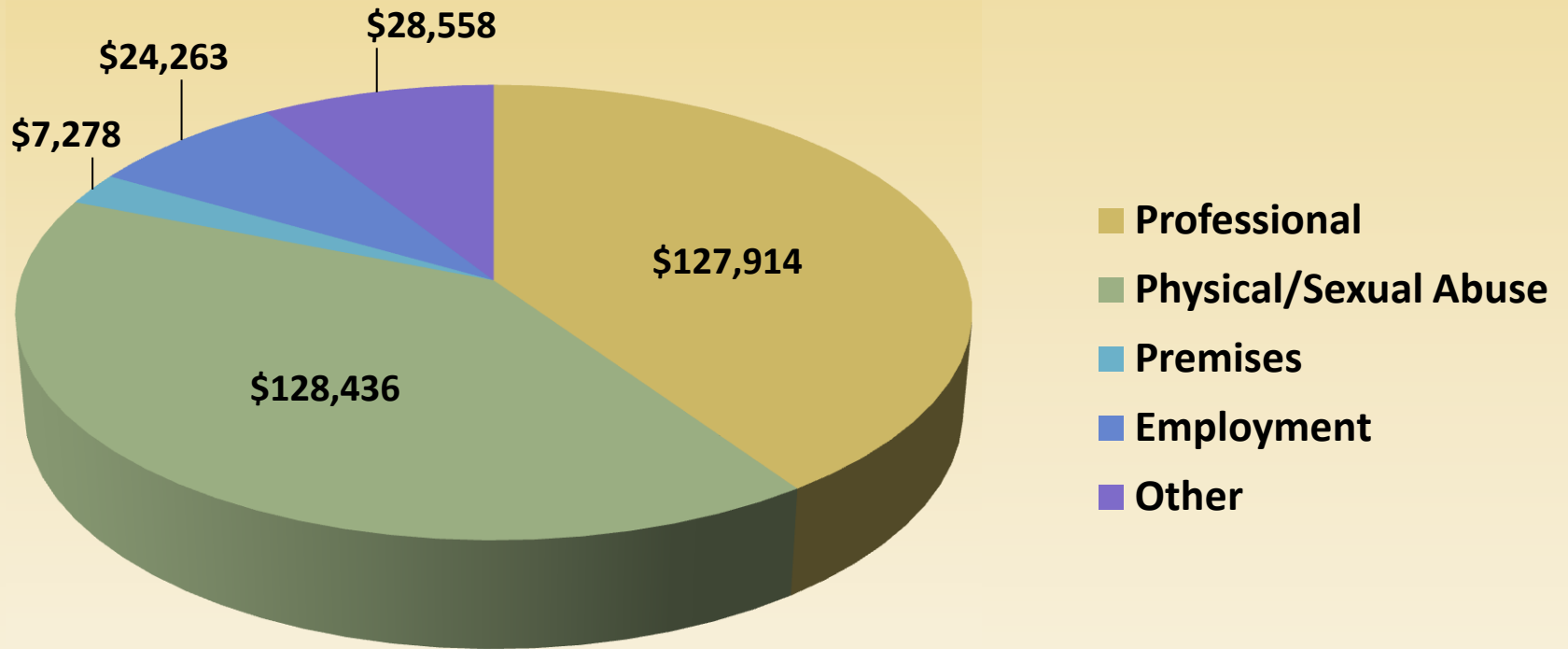
Average Cost Per Human-Caused Property Claim



General Liability Claim Dollars: 2009 to 2013



Average Cost Per GL Claim



Professional Liability/Physical/Sexual Abuse Claim Causes

- Negligent hiring (lack of proper background checks)
- Negligent training (often due to frequent turnover, staffing shortages)
- Negligent supervision (creating opportunities for abuse/neglect)
- Accepting clients without full knowledge of background or with needs/issues beyond provider's abilities/resources
- Lack of policies/procedures
- Failure to comply with existing policies/procedures
- Improper/incomplete documentation

SSCIP Loss Control Services

- Personal, direct member service
- Loss analysis
 - Historical data
 - Direct site & operational survey
- Policy facilitation and review
- Training for member/owners and member/staff
- Updating agents on loss control improvements

Auto Losses - Vehicle

- Safety inspections
 - All equipment is in good working condition (seat belts, lighting, tires, glass, etc.)
 - All legal documents are current and readily available (registration, safety certificates, etc.)
 - Conducted daily
- Repairs
 - Identified, documented and repaired timely by a certified professional
- Documentation
 - Accurate and accessible

Auto losses - Operators

- Member responsibilities
 - Background inquiry
 - Motor vehicle reports (MVR)
 - History of driver
 - SSCIP contracted provider
 - Legal requirements
 - Training
 - Statutes
 - Policies
 - In-service
 - Vehicle specific

Auto Losses – Operations

- Striking fixed objects
 - Pay attention
 - Familiarity with vehicles
 - Slow down
- Safe backing
 - Pay attention
 - Blind spots
 - Spotters
- Distracted driving
 - Pay attention
 - Texting & Calling
 - Expect the unexpected – have a plan

Facility Losses

- Crime
 - Building/Vehicle security
 - Data security
 - Staff / Consumer security
- Infrastructure (Plumbing, Electrical, Maintenance)
 - Registered contractors
 - Building codes have purpose (water pipes, electric connections, etc.)
- Fires
 - Cooking
 - Materials
 - Extinguishers
 - Escape plans

General Liability

- Personnel
 - Hiring practices
 - Background investigations
 - Previous employers
- Supervision
 - Policy understanding & enforcement
 - Safety, employment and loss control practices
- Staff and Consumer interactions
 - Accepting appropriate consumers
 - Conflicts
 - Loss control analysis and experience

Documentation

- Documentation is your best defense, if you let it be
 - Be honest
 - Satisfy the purpose of the report
 - Know your audience, who may be:
 - Attorneys suing you
 - Auditors determining the fitness of your program for qualifying funds
 - Potential consumers
 - Clinicians and health-care prescribers
 - Regulators
- Don't be afraid to document your actions/practices
 - This also provides an internal review of practices

Mitigating Damages After a Loss

Mit-i-gate

Transitive Verb

- 1: to cause to become less harsh or hostile : mollify
- 2: to make less severe or painful : alleviate

The Top 10 (things you can do to make matters worse after an incident)

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

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- 9. Not admit "it was my fault" (when it clearly was!)
- 10. Fail to show compassion/sympathy for an injured party

Questions or
Comments?

