

Risk Quick Tips

Risk Management Division OMB



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www.nd.gov/risk

- **Guidelines to Managing Contractual Risk (pdf and rtf):**
www.nd.gov/risk/publications/manuals-guides
- **All Risk/Inland Marine Insurance:**
www.nd.gov/risk/services/other-insurance
- **2013 Risk Management Seminar Presentations:**
www.nd.gov/risk/training/seminars
- **Distracted Driving information:**
www.nd.gov/risk/risk-management-fund/vehicle-liability
- **Printable Claims Cards and Vehicle Liability Coverage Cards:**
www.nd.gov/risk/publications/forms/risk-management-fund-forms
- **RMF Contribution Discount Program Application, SFN 53424 (10-2013):**
www.nd.gov/risk/risk-management-fund/discount-program

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Don't forget to [Share Your Success Stories](#). If your success story is used by Risk Management in outreach activities your Agency may receive a 2% premium discount. Once completed, email your success story to Diane Waliser, RMWCP Manager, at drwaliser@nd.gov.

Risk Management Fund Discount Review Summary

Fifty-One (51) accounts received discounts to their FY' 14 Risk Management Fund contributions. The average discount by agency was 13.5%. The total amount provided to agencies was \$71,325.98. Although, this number is lower than last year, it is primarily the result of lower required contributions for the current biennium (2013-2015). On a percentage basis, the total amount of discounts provided remains comparable to the prior year: FY' 13 discounts returned 12.1% and FY' 14 discounts returned 11.2%.

Congratulations to those agencies that received a discount on their FY' 14 Risk Management Fund contributions! Your continued efforts to build and strengthen agency loss control programs are appreciated!

In preparation for the next discount application, keep the following points in mind:

- The documentation submitted must apply to the discount period and dates should be provided. Any material submitted that does not apply to the discount period, or where dates cannot be reasonably ascertained, will not be considered for the discount.
- Ensure that the documentation clearly reflects the program and discount application to which it applies – the Risk Management Fund or the RMF Workers Compensation Program. If specific documentation applies to both discount programs, it does not have to be submitted twice. Instead, make a note or identify that it applies to both program discounts.
- RM discount criteria #3: Documentation needs to show that: 1) all employees annually and new hires at the time of hire, review each and every one of the identified policies and procedures; and 2) clearly demonstrate how this information is communicated to employees and how the agency documents each employee's acknowledgement of understanding the policies and procedures.
- RM discount criteria #7: If your agency makes the decision to apply for the distracted driving policy discount for the period of 7/1/2013 to

6/30/2014, it must be mandatory for all employees and generally prohibit the use of handheld cell phones. Recommendations to use good judgment or simply prohibiting texting and other legally prohibited activities will not qualify for the 3% available discount.

- Ensure that your agency utilizes the most recent discount application: www.nd.gov/risk/risk-management-fund/discount-program.

Purpose: As you carry out and implement your agency's loss control program, it is important to keep in mind the purpose of the program. A



positive and strong safety culture among all employees is the key to realizing true success. That success, of course, is that at the end of the work day, employees can go home without work injuries or having damaged state property;

and/or having caused injury or property damage to members of the public. A properly functioning loss control program benefits everyone.

Risk Management's discount programs were established with this very purpose in mind. The discount programs give agencies the opportunity to reduce the amount of contributions/premiums paid to Risk Management by developing a strong foundation to reduce injuries and losses. Agency participation in the discount programs is entirely voluntary and agencies are not penalized for not participating or qualifying for a discount. Further, although Risk Management establishes the discount criteria, each agency determines how the criteria will be implemented. Most discount criteria are based upon policies and procedures that should already be in place. The discount programs simply reward agencies that take ownership and control of their loss control responsibilities.

If you have any questions about the Risk Management Fund Discount Program, please feel free to contact Dawn Moen at 328-7582 or Vicki Ableidinger at 328-7581.

Year End Workers Compensation at a Glance

LOSSRUN SUMMARY All Claims with an Injury Date Between 01/01/2008 and 12/31/2013 With Paid Costs and Reserves as of 12/31/2013

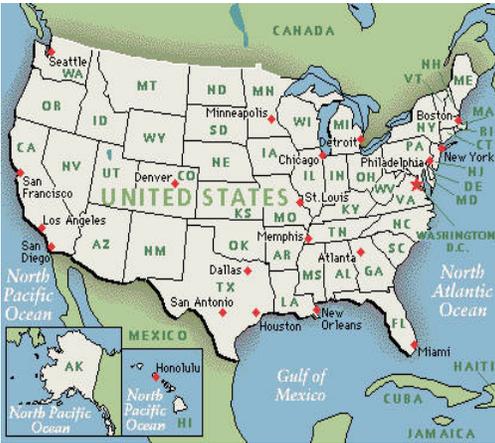
	2010	2011	2012	2013
TIME LOSS CLAIMS (TL)				
<i>TL Paid</i>	493,547.71	382,450.59	221,103.00	227,734.50
<i>TL Reserved</i>	188,522.40	13,097.12	80,079.98	90,073.55
<i>Number Outstanding TL Reserved</i>	4	2	8	21
<i>TL Medical Paid</i>	1,770,250.39	1,060,618.71	540,255.53	568,664.66
<i>TL Medical Reserved</i>	639,474.83	253,002.93	243,192.74	549,078.16
<i>Number Outstanding TL Medical Reserved</i>	17	13	30	56
<i>Number of Days Paid (excludes fatalities)</i>	6,620	5,785	2,920	2,802
MEDICAL ONLY CLAIMS (MO)				
<i>MO Paid</i>	860,450.33	928,844.24	679,204.48	576,472.49
<i>MO Reserved</i>	30,958.81	145,183.49	308,897.24	452,574.26
<i>Number Outstanding MO Reserved</i>	7	21	53	72
TOTAL INCURRED COSTS				
	3,983,204.47	2,783,197.08	2,072,732.97	2,464,597.62
NUMBER OF CLAIMS				
<i>Time Loss Claims</i>	76	69	58	70
<i>Medical Only Claims</i>	656	734	626	656
<i>Total Claims</i>	732	803	684	726
CLAIMS REPORTING FROM DOI TO DATE WSI NOTIFIED				
<i>% Reported in 7 Days (using notify date)</i>	73.4 %	71.9 %	75.1 %	78.1 %
<i>% Reported in 14 Days (using notify date)</i>	81.0 %	82.1 %	82.5 %	86.0 %

Data as of 12/31/13 indicates a 6% increase from the previous year in the number of Workers Compensation claims filed. Record breaking snowfall in April and freezing rain in December of 2013 lead to a rise in claims caused by slip and fall injuries. At this time of the year, wind, rain and snow all play a part in the increased frequency of slips, trips and falls. As we enter the cold winter months, it is more critical than ever to take steps to avoid these types of injuries. Employees should be trained in how to recognize slip hazards, how to eliminate them, and how to avoid them. Many of these injuries are preventable through simple safety precautions state employees can take.

http://www.nd.gov/risk/files/rmwcp/Wipe_Out_Slips.pdf

Out of State Workers Compensation

Please note that St. Paul Traveler's will no longer be providing Out of State Workers Compensation coverage and has issued a short term policy from 10/17/13 to 02/14/14 to allow us time to find a replacement carrier(s). The payrolls and premium have been prorated for this time period. The carrier prorated the payrolls for the 120 day policy term using a .329 factor. For example IA payroll showed \$3,900 x .329 pro rate factor = \$1,283 payroll for that state. This .329 factor applies to all states. Out of State premium billings for this time period will be mailed to state agencies the week of 01/06/14. The billed premium amount will reflect the premium due for the prorated payrolls.

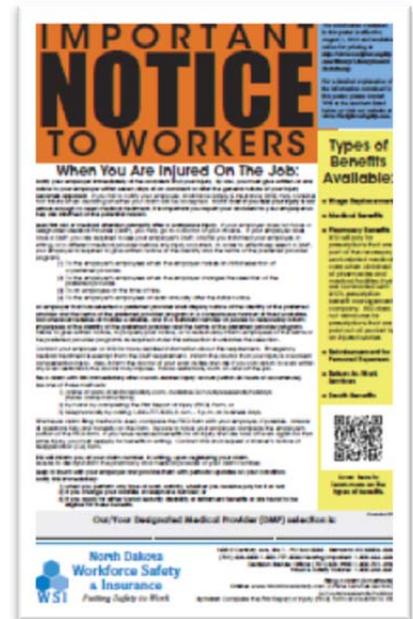


Designate Medical Provider (DMP), also known as Preferred Provider Program

Changes to NDCC 65-05-28.2 require **written notice** for each employee for the following occurrences:

- To the employer's employees when the employer makes an initial selection of a Designated Medical Provider (DMP).
- To the employer's employees when the employer changes the selection of the Designated Medical Provider (DMP).
- To an employee at the time of hire.
- To the employer's employees at least annually after the initial notice.

An employer that has selected a DMP shall also display notice of the identity of the DMP and the terms of the DMP program in a conspicuous manner at fixed worksites, and wherever feasible at mobile worksites, and in a sufficient number of places to reasonably inform employees of the identity of the preferred provider and the terms of the preferred provider program. Failure to give written notice, to properly post notice, or to reasonably inform employees of the terms of the DMP program as required under this invalidates the selection for the employee's claim.



RMWCP Premium Reduction Program DMP program requirements are compliant with changes to NDCC 65-05-28-.2.

<http://www.legis.nd.gov/cencode/t65c05.pdf?20131120134924>

Print additional copies of the Notice to Workers Poster online at:

<http://www.workforcesafety.com/library/documents/posters/ImportantNoticetoWorkersPoster.pdf>

ACTUARIAL REVIEW — DETERMINING RISK MANAGEMENT CONTRIBUTIONS FOR 2015-2017 BIENNIUM



Every two years, a detailed actuarial review of the Risk Management Fund is undertaken to determine the level of continued funding necessary to meet current

and projected future liabilities. All state entities are required to provide the Risk Management Division with information required by the actuarial professionals including the number of full time equivalent employees, motor vehicles and other equipment owned or leased by the agency. It is important that accurate information is provided so the funding recommendations meet the potential exposures the State will face through the next biennium. It is also important that state entities follow Risk Management Guidelines as these policies are a fundamental aspect of the potential liability assumptions that the actuarial professionals take into account in making their recommendations. Questions about the actuarial review process can be directed to the Risk Management Director at 328-7580.



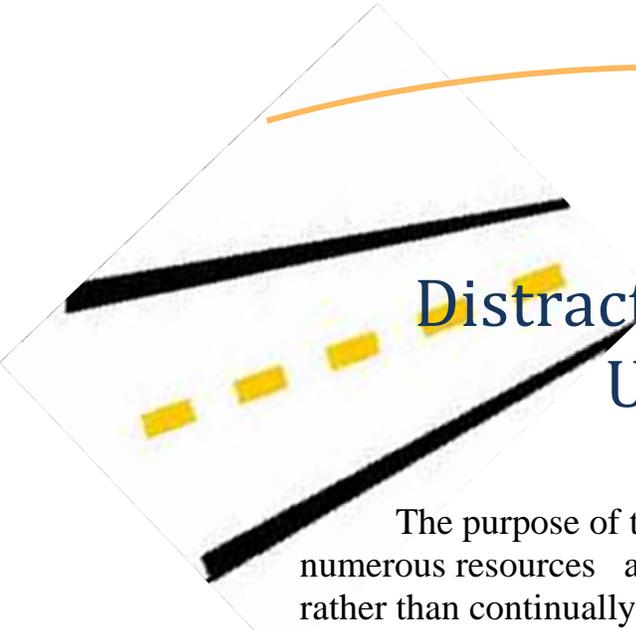
RISK MANAGEMENT DISCOUNT PROGRAM CHANGES – *DISTRACTED DRIVING POLICY*



As has been addressed previously, Risk Management is encouraging agencies to voluntarily adopt and implement

distracted driving policies that restrict the use of handheld cell phones while driving on state business, except as strictly necessary to fulfill approved and designated critical agency functions or in life/safety emergency situations. Agencies that choose to adopt distracted driving policies that restrict the use of handheld cell phones consistent with that agency's operations and critical business needs will be eligible to receive a 3% discount on the current discount period of 7/1/13 to 6/30/14. It is important to recognize, however, that in order to qualify for the discount, adopted policies must do more than simply prohibit texting or urge the use of good judgment. Rather, in order to qualify, the agency must generally prohibit the use of handheld cell phones and may not allow for ad hoc exceptions to the policy. A sample policy statement is available through Risk Management. Also note that additional distracted driving resources have been added to Risk Management's website at:

www.nd.gov/risk/risk-management-fund/vehicle-liability



Distracted Driving Updates & Resources

The purpose of this section is to share some of the numerous resources and updates regarding distracted driving, rather than continually changing the distracted driving section on Risk Management's website (www.nd.gov/risk/risk-management-fund/vehicle-liability). If you have a resource to share, please forward it to Vicki at vbleidinger@nd.gov to post in the next newsletter.

- **[FCC Distracted Driving Information Clearinghouse:](#)**
Provides links to information about firms and organizations conducting consumer education and outreach activities, providing technology approaches intended to reduce the dangers of distracted driving, and working to dissuade people from texting while driving.
- **[Driving Down Distraction – National Safety Council Infographic](#)**
- **[The Great Multitasking Lie – National Safety Council Infographic](#)**
- **[Headed for Trouble – USAA Infographic](#)**
- **[OSHA – Distracting Driving](#)**

