

2013 Risk Management Seminar

Risk Management Fund

Risk Management Fund

❖ Indemnity incurred:	\$7,261,180
❖ Expenses incurred:	\$3,279,573
❖ Total:	\$10,547,753

(Paid and Reserved)

As of June 30, 2013

Risk Management Fund Status

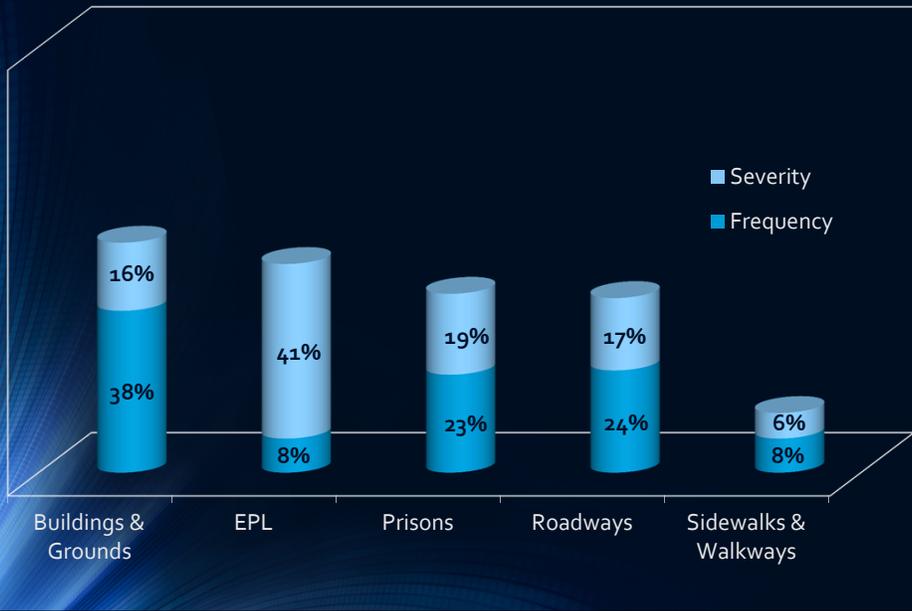
Number of Claims & Lawsuits



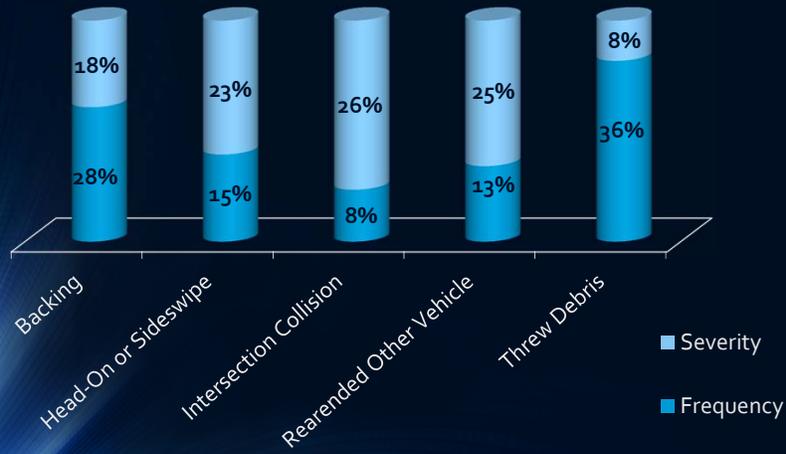
Cost of Claims & Lawsuits



Risk Management Fund Status



Risk Management Fund Status



2013 Legislation

LEGISLATION

- ❖ HB 1069 - Eliminates formal approval process for limitation of liability provisions in State contracts.
 - Consultation with RM & AG (ITD) required.
 - Written documentation of analysis required.
 - Limited to communication, software, electronic equipment and economic forecasting.
 - Direct loss, including property damage and personal injury cannot be limited.

Section Affected: N.D.C.C. § 32-12.2-15

LEGISLATION

- Procurement Office has created a template that can be used: www.nd.gov/spo/agency/forms_templates/
- No particular document is required.
 - E-mail
 - Draft word document with changes tracked by author
 - Memo to file
- Retention
 - Life of contract plus 3 years

LEGISLATION

- ❖ **NDCC 32-12.2-15. Contracts limiting liability to the state.** Notwithstanding any provision in this chapter to the contrary, an agency may agree to limit the liability of a contractor to the state if the agency determines such services or products cannot be effectively obtained without such limitation and the limitation does not pose any significant risk of loss to the state and is in the best interests of the state. The agency, in consultation with the office of management and budget and the attorney general's office, shall prepare a written documentation before agreeing to any liability limitation. An agency's authority to agree to a limitation of liability is limited to contracts for the purchase or lease of, or services related to, software, communication, or electronic equipment and economic forecasting and may only limit the agency's ability to recover indirect consequential damages. A contract under this section may not limit any direct loss to the state or loss resulting from property damage or personal injury.

LEGISLATION

- ❖ **NDCC 32-12.2-16. Ratifying contracts limiting liability to the state.** Any employee or official of an agency who enters a contract requiring the agency to limit the liability of the contracting party without first consulting with the office of management and budget and the attorney general's office will be deemed to be acting within the scope of the employee's or official's employment provided the contract is approved or ratified by the attorney general and the director of the office of management and budget and otherwise meets the conditions contained in section 32-12.2-15.

LEGISLATION

Worker Compensation

- ❖ **HB 1081** – Eliminates reporting to the Budget Section on the status of the consolidated account

- ❖ **Additional Resource:**

www.workforcesafety.com/library/documents/other/LegislativeGuide2013.pdf

Discount Programs

Risk Management DISCOUNT

- ❖ Distracted Driving Policy — New for FY13
 - Will Increase for FY14 to 3%
 - “Provide a copy of your agency’s policy or written directives addressing distracted driving including restrictions on the use of electronic communication devices including cell phones while driving on State business.”
 - Must go beyond texting prohibition
 - Guidelines or recommendations insufficient
 - Ad Hoc exceptions impermissible

Risk Management WORKERS COMPENSATION PROGRAM PREMIUM REDUCTION PROGRAM

- ❖ Agencies have ability to select beneficial programs
- ❖ Program focus continues throughout the year
- ❖ Similar to WSI Safety Action Menu Program

Risk Management WORKERS COMPENSATION PROGRAM PREMIUM REDUCTION PROGRAM

- ❖ Current Discount Options:
 - Ergonomics Program
 - Designated Medical Provider/Return to Work Program
 - Incident Investigation Program
 - Safe Lift Program
 - Enterprise Learning Management