



**Risk Management Committee Meeting
September 27, 2007**

Minutes

**Held at the offices of
Rhode Island Interlocal Risk Management Trust, Inc.
501 Wampanoag Trail, Suite 301
East Providence, RI 02915**

1. ROLL CALL

The meeting convened at 9:10 a.m.

Committee members present:

M. Richard Scherza, Cranston Public Schools (Acting Chairperson)
Colonel Stephen McCartney, City of Warwick
Edward Mara, Bristol Warren Regional School District
Linda Celona, North Providence Schools
Lori Miller, Lincoln Public Schools
Robert Hicks, South Kingstown School Department

Committee members absent:

Wolfgang Bauer, Town of West Warwick (Chairperson)

Trust Management present:

Thomas E. Dwyer, Rhode Island Interlocal Risk Management Trust
Ian Ridlon, Rhode Island Interlocal Risk Management Trust
Russell Godin, Rhode Island Interlocal Risk Management Trust
Brian T. Ahern, Rhode Island Interlocal Risk Management Trust
Denise C. Lapolla, Rhode Island Interlocal Risk Management Trust

2. APPROVAL OF MINUTES OF JUNE 14, 2007

On a motion made by Mr. Hicks, seconded by Colonel McCartney, the Committee voted unanimously to approve the minutes of the June 14, 2007 meeting as presented.

3. DISCUSSION ON LOSS CONTROL MANAGEMENT REVIEW

Prior to the meeting, the Committee was provided with a package of information concerning the recent independent review of The Trust's loss control operation conducted for the benefit of our reinsurer, NLC Mutual Insurance Company, by Mr. Greg Tooker, President of Risk Probe, Inc. which has previously performed similar reviews at The Trust. The Committee received a memorandum dated September 21, 2007 from Mr. Ahern to Mr. Dwyer responding to the review.

Mr. Ahern summarized the conclusions of the independent Program Management review as very positive, particularly in the areas of Sexual Harassment Avoidance Training, Drug and Alcohol Compliance Program, and the excellent rapport established with the Member Law Enforcement Community. The review was highly complimentary of The Trust Risk Management staff and practices, noting at least four areas in which The Trust provides best practices examples for other insurance pools. Mr. Ahern thanked Committee Members for their continued support of The Trust loss prevention programs.

Mr. Ahern then reviewed with the Committee the three advisory recommendations included in the review that addressed the following: (1) Dam Safety and Security, (2) Loss Prevention Department Staffing, and (3) Pandemic Preparedness.

✓ **Dam Safety and Security**

Mr. Ahern outlined the Rhode Island Department of Environmental Management (DEM) protocol on dam classification/inspection, explaining that, based on Mr. Tooker's recommendation, loss prevention staff will try and identify what dams are classified as High Hazards and Significant Hazard within pool coverage. Once identified, staff will request copies of the required emergency action plans from Members and assess whether and coverage limitations may be appropriate, Mr. Ahern said.

Committee member Hicks questioned whether there was applicable insurance coverage available to Members through the existing insurance policies for claims arising from the failure of dams. Mr. Dwyer noted that currently third party liability claims arising from the failure of Member-owned dams would be covered, subject, of course, to the normal Policy terms, conditions and exclusions. However, he noted that property coverage for the repair of the Member-owned dam would be excluded from coverage.

Staff will continue to respond to Member requests regarding dam safety as is currently taking place with the Easton Dam in the City of Newport, Mr. Ahern said.

✓ **Loss Prevention Department Staffing**

Mr. Ahern commented that staff has already looked into adding an "internship" position to increase the number of property loss control visits without much success. He added that Keene State University in Keene, New Hampshire is the closest academic institution with a curriculum in safety and risk management.

With recent favorable trends in loss development in the *WorkSmart21* program becoming evident and the recent loss of some sizeable workers' compensation Members, this should alleviate some of the staff time spent on workers' compensation claims, Mr. Ahern said. If additional resources are needed, the Loss Prevention Department might be better served with a consultant rather than a new employee. The Massachusetts Interlocal Insurance Association (MIIA) recently hired consultants to complete property inspection with excellent results, Mr. Ahern said.

Currently, staffing is adequate, Mr. Ahern said, to adequately fulfill the necessary property inspections, but if an upward swing in property losses becomes evident, staff will re-open the discussion.

✓ **Pandemic Preparedness**

Mr. Ahern stated that staff agrees with Mr. Tooker's comments regarding the importance of Trust Members being prepared for a pandemic. But, he said, loss prevention assistance to our membership in this area is not considered to be a priority or practical task for The Trust's staff at this time, either in terms of Trust expertise or in terms of the resources that we have available to devote to this effort when other State agencies are already working with our Members.

Mr. Mara indicated that many East Bay entities including the Bristol Warren Regional School District have already worked with area hospitals on a comprehensive area-wide community strategy to respond to outbreaks of avian influenza.

Several Committee members commented that the State Department of Health in conjunction with local hospitals is involved in regional planning efforts in coordinating all effort to address "pandemic preparedness".

Mr. Ahern noted that staff has several training materials associated with "pandemic preparedness" including a *PowerPoint* presentation titled: ***Pandemic Preparedness: Critical Business Strategies Coping with Pandemics and the Avian Flu*** and will continue to respond to Member inquires.

4. DISCUSSION ON WORKERS COMPENSATION REPORTING MEASUREMENTS

Prior to the meeting, the Committee was provided with a memorandum from Ms. Lapolla and Mr. Dwyer summarizing The Trust ranking on workers' compensation state-wide reporting measurements for 2006. The Trust's performance in three specific reporting categories as measured against the performance of other insurers was above average, said Ms. Lapolla. In the category known as "Indemnity Injuries Showing Problems with Filings", The Trust ranked as the best performer of the 60 insurers operating in Rhode Island.

Ms. Lapolla stressed that the report demonstrates that both Trust Members and the Trust claims staff continue to do a commendable job of reporting injuries in a timely manner to the State via the "First Report of Injury" forms. Discussion focused on what additional steps, if any, would Members needs to concentrate on for additional improvements in injury reporting.

In response to a related comment about a specific workers' compensation claim where an employee was observed outside of work performing physical tasks that she presumably was incapable of doing,

Ms. Lapolla stressed the importance of Member communication with the claims adjusters to keep them informed on any significant incidents that may occur during the life of a claim.

5. DISCUSSION ON RISK MANAGEMENT COMMITTEE'S "REPORT TO THE BOARD" AT OCTOBER MEETING

Mr. Ahern outlined to the Committee staff's recommendation that this year's "Report to the Board" at the coming October 2007 meeting focus on the following two topics: (1) Use and Distribution of Return-to-Work Guidelines; and (2) On-Line Web-Based Safety Training Opportunities. He requested the Committee's input as to the proposed agenda.

Mr. Ahern reviewed with the Committee's his memorandum dated September 21, 2007 outlining staff's plan for the distribution and promotion of the new "Guide to Implementing a Return-to-Work Program" for Trust Members.

Committee discussion ensued relating to strategies for handling stress related claims, with staff asking for guidance from the Committee member on aspects to be addressed in an "educational paper" that the Committee had asked be developed at its last meeting. Committee members offered the following suggestions:

- ✓ Tips for investigating a potential stress claim;
- ✓ How to determine if the stress claim is job-related;
- ✓ Identify standards related to what are the causes of a stress claim;
- ✓ Difference between a job-related stress claim and a pre-existing medical condition;
i.e.: heart condition;
- ✓ Nexus between mental health conditions relating to disabilities.

Mr. Ahern stated staff will begin to work on an "educational paper" to be distributed to the Members based on the above comments from the Committee.

Mr. Ahern next opened the discussion on staff's proposal to investigate the benefits of instituting a web-based safety training program for Trust Members. Prior to the meeting, Committee members were given a package from First Net Learning regarding Online Training Solutions via their interactive web-based safety training portal. First Net Learning courses range in length from 15 minutes to 2 hours, have a final exam, and cover a wide range of topics for school and municipal departments, Mr. Ahern said. Mr. Ahern stressed that any Trust-sponsored on-line training would be offered as an enhancement to the live safety training already available to Members and provided by the Loss Prevention staff.

At approximately 10:00 A.M., Mr. Roy Berger, CEO of First Net Learning, led a teleconference PowerPoint presentation explaining the enhanced features and benefits of web-based training. Currently, First Net Learning is partnering with similar intergovernmental insurance pools in Alaska, Maine, Minnesota, Kentucky, Colorado, North Carolina, New York, and South Dakota. Mr. Berger showcased parts of the on-line training offered by several of these pools with a more detailed focus on the Kentucky pool's web-site that includes "campuses" identified by specific departments (i.e., Police, Fire, Public Works, Park & Recreation, and Administration/Clerical). The Kentucky pool is set-up to re-sell the training courses where a pool member pre-pays for a selected amount of courses,

he said. Individual pools have the benefit of setting up the program to fit their own needs, Mr. Berger said.

Committee and staff discussion ensued on the potential benefits of on-line safety training for employees. It was noted that employees under the age of thirty would be particularly apt to use and benefit from this type of training since they are quite Web and on-line learning savvy. Additional benefits to managers and supervisors would include easy tracking compliance for required OSHA safety training programs and convenient training for newly hired employees in certain standard operating procedures.

Mr. Ahern also distributed some preliminary, rough pricing information about the costs of contracting for on-line training through First Net Learning. Mr. Hicks urged that other companies offering this type of training be contacted as well to determine their costs and services.

Overall, the Committee was impressed with web-based safety training and suggested that staff continue to explore that opportunity. The Committee requested that staff set-up a similar but abbreviated teleconference on web-based safety training for the Board to view at the upcoming meeting in October.

5. INFORMATIONAL ITEMS

Mr. Ahern briefly described upcoming Trust sponsored training seminars in trenching safety, CPR/First Aid, and Physical Restraint training for school personnel. Mr. Scherza commented on the importance of CPR training for school personnel.

Mr. Ahern also reported that updated and user-friendly Firearms Training System (FATS) has arrived and is currently in service at the Lincoln Police Department. Next stop for FATS will be the Bristol Police Department during the first week in October, Mr. Ahern said.

6. CONVENING INTO EXECUTIVE SESSION

On a motion by Ms. Celona, seconded by Mr. Mara, the Committee, after a unanimous roll call vote, convened into Executive Session to review recent activity in significant claims and to consider requests for settlement authority pursuant to the Rhode Island Open Meetings Act, Rhode Island General Laws 42-46-5 (a)(2) sessions pertaining to litigation.

<u>Member</u>	<u>Vote</u>
M. Richard Scherza	Aye
Colonel Stephen McCartney	Aye
Edward Mara	Aye
Linda Celona	Aye
Lori Miller	Aye
Robert Hicks	Aye

8. MOTION TO RETURN TO OPEN SESSION

On a motion by Mr. Mara, seconded by Col. McCartney, the Committee voted as follows to conclude the Executive Session and resume the public meeting:

<u>Member</u>	<u>Vote</u>
M. Richard Scherza	Aye
Colonel Stephen McCartney	Aye
Edward Mara	Aye
Linda Celona	Aye
Lori Miller	Aye
Robert Hicks	Absent

9. MOTION TO SEAL MINUTES OF THE EXECUTIVE SESSION

Following the close of the Executive Session, on a motion by Col. McCartney, seconded by Ms. Celona, the Committee voted as follows to seal the Minutes of the Executive Session until such time as the matters taken up had been resolved:

<u>Member</u>	<u>Vote</u>
M. Richard Scherza	Aye
Colonel Stephen McCartney	Aye
Edward Mara	Aye
Linda Celona	Aye
Lori Miller	Aye
Robert Hicks	Absent

10. ADJOURNMENT

On a motion by Mr. Mara, seconded by Ms. Celona, the Committee voted unanimously to adjourn the meeting.

The meeting stood adjourned at 11:25 a.m.

Respectfully submitted,



Brian T. Ahern
Loss Prevention Manager