

CENTRAL SAN JOAQUIN VALLEY RISK MANAGEMENT AUTHORITY

MINUTES OF THE EXECUTIVE COMMITTEE
MEETING OF AUGUST 27, 2009 - **AMENDED**

A meeting of the Executive Committee of the Central San Joaquin Valley Risk Management Authority (CSJVRMA) was held on August 27, 2009, at the Piccadilly Inn-Shaw, Fresno, California.

COMMITTEE MEMBERS PRESENT: Bill Lewis, President, Woodlake
Jeff Cardell, First Vice President, Clovis
Linda Abid-Cummings, Second Vice President,
Riverbank
Leon Compton, Past President, Ripon
Felix Ortiz, Exeter
Dave Elias, Fowler
Joe Donabed, Hughson
Tim Przybyla, Kerman
Wendy Silva, Madera
Bob Wilburn, Maricopa
Cleve Morris, Patterson
Jo Barrick, Shafter

COMMITTEE MEMBERS ABSENT: Greg Applegate, Sonora

ALTERNATE MEMBERS PRESENT: Mike Barrows, Sonora

ALTERNATE MEMBERS ABSENT: Cruz Ramos, San Joaquin
Margee Fallert, Tulare

OTHERS PRESENT: Jeanette Workman, Administrator
Mary Ann Reilly, Board Secretary
Linzie Kramer, Litigation Manager
Tom Kline, Risk Control Manager
Gerald Forde, Huron
Darrel Pyle, Tulare
Judy Sullivan, AIMS
Ken Wilkerson, AIMS
Dave Whiteside, AIMS
Lieutenant Ed Ormonde, City of Ripon

1. CALL TO ORDER

President Bill Lewis called the meeting to order at 10:03 a.m.

2. INTRODUCTIONS

Introductions of those present took place.

3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Tim Przybyla moved to approve the agenda as posted. Seconded by Felix Ortiz. Motion passed unanimously.

4. PUBLIC COMMENTS

None.

5. CONSENT CALENDAR

Jeff Cardell moved to approve/accept the following items: A) Minutes of the Executive Committee Meeting of June 25, 2009; B) Warrants for May 28, 2009 ~ June 24, 2009 and June 25, 2009 ~ July 22, 2009; C) Treasurer's Report as of June 30, 2009; D) Q2 2009 EAP Utilization Summary Reports; E) Evaluation Summary for CSJVRMA "Traffic Control and Flagging" Public Works Forum; F) Evaluation Summary for CSJVRMA "Managing Recreation Risk" Workshop; G) Evaluation Summary for CSJVRMA "Classroom Driver Training" Workshop; H) Evaluation Summary for CSJVRMA "Transfer of Risk and Special Events" Workshop; I) Evaluation Summary for CSJVRMA "Liability Claims Handling" Workshop; J) Evaluation Summary for CSJVRMA "Managing the Officer Safety of Technology in Patrol Vehicles – Patrol Officers and Field Training Officers Session" Police Liability Forum; K) Evaluation Summary for CSJVRMA "Workers' Compensation Claims Handling Workshop"; and L) Chandler Bond Market Review – June and July 2009. Seconded by Tim Przybyla. Motion passed unanimously.

6. LIABILITY PROGRAM

A. Reports by Staff and Service Providers

1. Oral Report by Litigation Manager

Mr. Linzie Kramer, Litigation Manager, stated there were 70 new claims/incidents reported during the month of August 2009; ten were negligent driving cases with member city employees at fault. There were three alleged police excess force cases. Mr. Kramer briefly discussed some of the claims with the Executive Committee.

2. Report on Coverage Denials

Ms. Jeanette Workman, Administrator, reported there were no coverage denials since the last meeting.

3. Report by Claims Administrator (AIMS)

Included in the agenda packet was a written report from Mr. Ken Wilkerson, AIMS, for the month of June 2009. Mr. Wilkerson reviewed the report with the Committee.

4. Report on Employment Risk Management Authority (ERMA)

The Employment Risk Management Authority (ERMA) provides employment practices liability coverage to its members. ERMA is an optional program of the CSJVRMA.

The CSJVRMA representative on the ERMA Board of Directors is Mr. Dave Elias, City of Fowler. The alternate representative is Ms. Margaret Silveira, City of Gustine.

Ms. Workman reported that ERMA Loss Run Reports for June and July 2009 were included in the agenda packet.

B. New Recreational Attraction at McDermont Field House, Lindsay, CA

As directed by the Executive Committee at their May 28, 2009, meeting, the Risk Control Manager will access and make a recommendation regarding any new extraordinary attractions for the McDermont Field House and the Executive Committee will sign off on all new extraordinary attractions prior to coverage being extended.

As directed by the Committee at their June 25, 2009, meeting, Mr. Tom Kline, Risk Control Manager, toured the new recreational attraction, (Hippo® Inflatable Water Slide) at the McDermont Field House in Lindsay, California and also at the City of Lindsay's pool area where the Hippo® had subsequently been moved, to review the exposure to the CSJVRMA with the addition of this attraction. Mr. Kline also reported that he spoke with the manufacturer's representative. Included in the agenda packet was Mr. Kline's Risk Assessment Report and Mr. Kline reviewed the report with the Committee.

A very brief discussion ensued with questions regarding specifics of the Hippo®. Mr. Kline referred the Committee to the Hippo® owner's manual which was included in the agenda packet.

Felix Ortiz moved to not exclude coverage for claims arising out of the operation of the Hippo® Inflatable Water Slide Attraction. Seconded by Dave Elias. Motion passed unanimously.

C. City of Ripon's Law Enforcement Aircraft

This item was on the agenda at the request of Mr. Leon Compton, City of Ripon. Mr. Compton informed staff that the City of Ripon Police Department joined the Department of Justice, National Institute of Justice, Rural Law Enforcement Training Center (RULETC) Aviation program and was awarded a powered parachute aircraft, associated equipment, and training.

Originally the city had intended to request the CSJVRMA consider extending coverage through the Pooled Liability Program to the City of Ripon for use of the aircraft; however, the city subsequently secured coverage through a separate aircraft policy. The city requested this item remain on the agenda to inform the other members of City of Ripon's law enforcement enhancements.

Lieutenant Ed Ormonde, City of Ripon, provided a presentation on the uses of the aircraft. The City of Ripon brought the aircraft to the meeting location and it was available for viewing after the meeting.

D. Report by Claims Administrator (AIMS) Regarding Online Claims Program Conversion

Mr. Dave Whiteside, AIMS, reported that everyone will have access codes to the new NavRisk system by Friday, August 28, 2009, or Monday, August 31, 2009. Mr. Whiteside stated the delay was due to the proper coordination of data coding between the old and new systems. Mr. Whiteside reported claims staff is currently using the system; however, reporting components are not available. Mr. Whiteside stated that staff would know by August 28, 2009, whether or not the program is going live on August 31, 2009, and would notify members via email of the system's status.

Discussion ensued regarding insufficient notification of delays to members. This item was addressed at the June 2009 Executive Committee meeting and at that time the Committee requested that AIMS keep members informed of the conversion progress and any delays to avoid frustration. The Committee requested improved communication from AIMS regarding the final steps of the conversion.

Ms. Wendy Silva, City of Madera, inquired whether logons would be provided to entities or individuals. Ms. Sullivan and Mr. Whiteside reported that logons would be set up in the same manner currently in use.

Mr. Jeff Cardell, City of Clovis, urged AIMS to avoid delaying the distribution of logons for the reporting program so that members will be able to access claims as soon as possible. Mr. Whiteside stated AIMS plans to provide reporting logons as soon as the system logons are provided. Mr. Whiteside also noted that some reports are currently available but ad hoc reports are not.

Mr. Cardell questioned what AIMS has learned with the workers' compensation conversion that will improve the liability conversion. Mr. Whiteside stated that in light of the delays AIMS would have begun the conversion process a month earlier. Mr. Whiteside also noted that the liability program, unlike the workers' compensation program, is currently in a David program (David DOS). Therefore, the conversion will be from David (DOS) to David (NavRisk) which will hopefully assist in completing the conversion timely. Mr. Whiteside also noted that the liability program conversion will begin as soon as the workers' compensation conversion is verified complete.

7. WORKERS' COMPENSATION PROGRAM

A. Reports by Staff and Service Providers

1. Report by Claims Administrator (AIMS)

Prior to the meeting, the Executive Committee received written reports pertaining to claims for June and July 2009, as prepared by Ms. Judy Sullivan.

Ms. Sullivan reported that claims for July 2009 were down but it appears that claims for August 2009 are again on the rise. As noted in the July 2009 report, the bill review savings for July were not available due to the computer conversion; Ms. Sullivan reported they will be included with the next workers' compensation report.

President Lewis noted that at the June 2009 Executive Committee and Board meetings, Ms. Sullivan discussed efforts to close out workers' compensation claims by compromise and release (C&R). Ms. Sullivan reported that after the Board meeting a list of cities who had not responded to inquiries was read and she received several requests for lists of claims. Ms. Sullivan reported those claims lists have been sent but she does not have any current statistics on closing rates for those claims. President Lewis requested that Ms. Sullivan report on the issue at the next Executive Committee meeting.

B. Local Agency Workers' Compensation Excess JPA (LAWCX) Risk Control Points

Mr. Kline reported that there are 61 LAWCX risk control service points available to the CSJVRMA through the CSJVRMA's membership in LAWCX. Since LAWCX is a workers' compensation excess pool, the LAWCX points need to be used on a project to reduce the risk of a workers' compensation injury. There is a new Cal/OSHA regulation on Aerosol Transmissible Disease (ATD) which will affect city staff such as emergency responders. Staff is proposing these points be used to address this new regulation.

Mr. Mike Barrows, City of Sonora, reviewed a common misconception of the use of surgical masks to avoid contamination. Mr. Kline replied that this is the type of information that the development of ATD guidelines will address.

Mr. Cardell questioned whether all the points would be used and if this was the best use of the points. Mr. Kline responded that in light of the new OSHA regulation combined with an exposure that is currently in the news, it seemed prudent to get ahead of the curve on this issue. Ms. Workman also noted that since the CSJVRMA has a large number of approved programs and is required to use the LAWCX points on a workers' compensation related issue, it was determined that ATD would be an advisable choice.

Jo Barrick moved to utilize the 61 LAWCX risk control points for developing Aerosol Transmissible Disease materials for use by CJSVRMA members. Seconded by Mike Barrows. Motion passed unanimously.

C. Structured Return-to-Work Services Implementation Update

AIMS and Bickmore Risk Services (BRS) have partnered to bring Structured Return-to-Work Services (SRTWS) to the CSJVRMA. The Executive Committee approved these services at their June 25, 2009, meeting.

Staff is now in the process of collecting and entering data for all workers' compensation program members in anticipation of the September 1, 2009, implementation date. This item was on the agenda to provide an update regarding the SRTWS.

Mr. Whiteside attended four of the training sessions and reported they were well received. Mr. Whiteside noted that many of the questions pertained to calling in injuries to the nurse including the need for supervisors to step in and ensure an employee sees a doctor if the supervisor realizes the injury is more serious than the nurse may initially determine since the nurse is accessing the injury via the phone.

Mr. Whiteside reported that AIMS has contracted with Company Nurse to handle the nurse triage element of the Structured Return-to-Work Services.

Ms. Jo Barrick, City of Shafter, inquired whether these Return-to-Work Services would be available to members who have employees off work on disability. Mr. Whiteside stated that the services were set up with only workers' compensation in mind; he would like the services to be up and running for sixty days prior to considering discussion of possibly adding employees on disability to the services. Ms. Barrick suggested that perhaps the providers might be able to provide a discounted rate for services for those employees on disability.

8. ADMINISTRATIVE MATTERS

A. Video Library Including Streaming Video

Mr. Kline reported that the CSJVRMA currently has 13 licenses with the National Resource Safety Center (NRSC) for access to the video library. The cost is \$470 per license for a total

of \$6,110. Mr. Kline reported that those licenses expire on September 1, 2009, and staff is recommending the Executive Committee not renew these licenses.

Mr. Kline reported that City of Clovis recently participated in a pilot program with Summit Training Source and was very happy with the selection of updated videos. As with the previous video library, members can order and receive videos or DVDs. Mr. Kline also reported that Summit Training Source offers streaming videos that allows members to instantly view the videos on their computers or project them on a screen.

Ms. Workman reported that Bickmore Risk Services (BRS) is providing the use of Summit Training Source for both ordering videos and the use of streaming video, as a value-added service at no cost to the CSJVRMA. Members will only be responsible for return postage on physically ordered videos. Ms. Workman noted that since the cost of the video library was incorporated into the CSJVRMA budget, the CSJVRMA will recognize a savings of \$6,110 due to BRS' addition of this value-added service.

Jo Barrick moved to not renew the existing video library licenses with the NRSC. Seconded by Jeff Cardell. Motion passed unanimously.

Mr. Kline next demonstrated how the streaming video works, noting that the link will be in the members only section of the CSJVRMA website. Ms. Workman reported the link will be added by next week and an email will be sent out to members when it is ready.

Mr. Cardell questioned whether the usage of streaming videos could be tracked. Mr. Kline replied that currently that is not an option.

B. Medicare/Medicaid & State Children's Health Insurance Program (SCHIP) Extension Act 2007 (MMSEA) Update

Mr. Kramer noted that the report included in the agenda regarding this item was written prior to the latest BRS team meeting to select a Reporting Agent (RA). Mr. Kramer noted that numerous potential partners were considered for all BRS' clients. A number of firms were eliminated from consideration for various reasons. The BRS team interviewed three firms; two of the three firms were interviewed twice. The BRS team included members from the workers' compensation, administration, litigation, and information services departments.

Mr. Kramer reported that all three firms offered preferred rates to all BRS clients. The team is recommending Genex to all BRS clients. This does not mean that every client must choose Genex for every program, or any program, and clients can choose different RA's for their different programs. Mr. Kramer also reported that AIMS has signed an agreement with Gould & Lamb. Mr. Kramer notified the Committee that he has authored a letter that will be sent out under each administrator's name to all BRS clients citing the various reasons for BRS's recommendation to utilize Genex.

Mr. Kramer noted that he strongly recommends Genex for liability programs for the following reasons:

- Genex has in-house attorneys with Medicare experience;
- Genex is not a start-up firm;
- Liability claims are going to be a complicated area;
- Settlement documents will be required to account for liability set asides and Genex has the experience to draw up those documents with appropriate language; and
- Genex will be able to assist with structured settlements.

Ms. Workman reported that the Committee had assigned Mr. Jeff Cardell and Ms. Jo Barrick to attend BRS' meetings and provide a recommendation to the Committee. Ms. Workman also reported that a meeting for Ms. Barrick, Mr. Cardell, and other CSJVRMA members who asked to be included, will be held via teleconference in mid-September and a notice will be sent out as soon as the meeting schedule is confirmed. Mr. Kramer noted that while he will not be available to participate in the teleconference, his letter outlining the reasons for choosing Genex will be available.

Mr. Cardell asked AIMS to similarly prepare a letter to identify the reasons why Gould & Lamb was selected by AIMS and outline the pros and cons associated with the CSJVRMA contracting with Gould & Lamb. Mr. Whiteside responded that he will ask for a letter to be drawn up immediately. Mr. Whiteside further reported that he will ensure the letter will be available in time for use in the teleconference and may be available next week.

Mr. Cardell had a question regarding the electronic registration process and Mr. Kramer asked him to contact Ms. Adrienne Beatty, BRS, for assistance as Ms. Beatty has registered all BRS clients.

9. CLOSING COMMENTS

A. Executive Committee

Ms. Barrick inquired if ERMA has selected anyone to replace ERMANET for training purposes. Ms. Workman reported that ERMA has not appointed anyone at this time but the issue will be on an upcoming ERMA agenda.

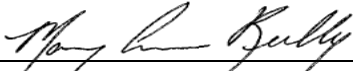
Mr. Barrows inquired if part-time employees who had recently been involved in a critical incident qualify for the Employee Assistance Program's (EAP) services. Ms. Workman urged Mr. Barrows to have them contact the EAP system and let staff know if there are any problems with service.

B. Staff

Ms. Workman reported that the biggest offenders for late and delinquent data collection requests were Executive Committee members. Ms. Workman noted that follow-up on late data is very time consuming and delays prevent the CSJVRMA from meeting deadlines with excess carriers. Ms. Workman requested that data collection requests be returned timely.

10. ADJOURNMENT

The August 27, 2009, CSJVRMA Executive Committee meeting adjourned at 12:06 p.m. by general consent.



Mary Ann Reilly, Board Secretary