

# COMPCONTROL

## KMIT Lowers Rate for Work Comp for 2011

The KMIT Board of Trustees has lowered the base rate that KMIT will use to price each city's work comp premium for 2011.

Acting at its August meeting, in De Soto, the **KMIT Board voted unanimously to decrease the KMIT 'LCM'** (Loss Cost Multiplier), which is the basic pricing factor all insurance companies and pools must file with the Kansas Insurance Department. **KMIT's LCM for 2011 will drop 7.25%**, from 1.38 to 1.28. The move came about as a result of very good performance of the KMIT pool over the past several years.



Every KMIT member-city's 2011 will be calculated using the lower LCM of 1.28. Other factors which also affect the price of work comp coverage for each city include: the city's loss history factor (each city's *Experience Modification* rate); each city's payroll amount; state class code rates; and safety and volume discounting.

The 2011 renewal applications were mailed out September 1, and are due back in to KMIT on or before October 15. **The 2011 KMIT premium notices will be mailed to members on or about December 5.**

The KMIT Board commends the cities of the KMIT pool for extraordinary effort in reducing frequency and severity of claims, which leads directly to lower costs, and which was the major factor in this rate reduction action.

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## The Risk Control Impact of Workplace Incivility

By Michael G. Fann, ARM-P, MBA

**Risk control** is defined as **“reducing the frequency and severity of potential losses by preventing loss-causing events and by taking measures to ensure that losses are kept to a minimum when an event occurs.”**<sup>1</sup>

When a new program, product, service or operation presents itself, the responsible risk manager immediately begins to evaluate the political, legal, regulatory, financial, technological, economic, natural and competitive risk exposures. Each of these assessment areas deserve the risk professional's attention and require discerning critical thinking.

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# ...Workplace Incivility

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If risk reduction is desirable - that is, engaging calculated methods to change the likelihood of loss occurrence by allocating resources where they matter most and digging deep to treat the root causes of loss<sup>2</sup> - then many would find it valuable to invest time and energy in examining how poorly, or beneficially, their work environment would be rated on the "civility scale." After being a somewhat discerning observer of the public entity workplace for roughly 25 years, it has become fairly obvious that **foundational human behaviors (some subconsciously and others overt, validated and reinforced) dictate whether the organization has a productive work environment or an environment conducive to hostility, or at least one that is counter-productive.**

While much (some would say **too** much) of risk management focuses on "compliance with minimum standards," in many organizations "behavior" doesn't get the same attention. However, many risk managers and other professionals will tell you that the overall morale within an organization is one of the clearest indicators of its claims experience in the near term. So, if many understand the importance of civil behaviors within the workplace, then what could possibly be the reason that, in a recent survey on civility by *U.S. News & World Report*, **as many as 89 percent of Americans observe that incivility is a serious problem in our culture today?**

How does one go about fundamentally changing their workplace, making civility a critical value in their organization? You talk about it all the time. You **make civility a part of every presentation, a message in every conversation and a seed to be planted at every opportunity.**

## Your Personal Outlook

Civility is generally defined as a polite act or expression, showing regard for others, or acts that contribute to smoothness and ease in dealings with people. One might say it is simply giving consideration to others before you act. Sounds simple and it truly is. But is it easy? All too often in our current culture, those who truly desire to treat others with civility will have to do so in circumstances and environments where the other person or group of people simply do not have the same desire. You must choose to be respectful even when the other person does not.



Some well-poisoners are easy to identify. They are just grumbly, grouchy, negative people. Other well-poisoners are not so easy to identify but are just as effective at injecting poison into your life. Some of these people are well-meaning, loving folks that want to “protect” you from disappointment in unfulfilled hopes and dreams. How many of us have been excited about the prospects of a potential career change, promotion or substantial raise in pay only to hear Aunt Mabel sweetly say, “Now don’t get your hopes up”? Just one of any number of droplets of poison and hopelessness that people drop into your well each and every day.

As others impact us, we need to be conscious that our words and actions are impacting them as well. **Are the messages we’re sending positive or negative?** Are we lifting people up or tearing them down? While civility encompasses politeness, respect, affirmation, self-restraint and tolerance, it might also be said that, at least in the workplace, the Golden Rule might not be enough any more. Perhaps a **Platinum Rule** should be followed that suggests we try to treat others, at least to a reasonable sensitivity, the way they would like to be treated.



## Incivility

Uncivil behaviors are characteristically **rude and discourteous, displaying a lack of regard for others and may include an ambiguous intent to harm the target.** This behavior might manifest as acts or words whose purpose is to insult, humiliate, embarrass or injure the dignity of others. It may include scape-goating, backstabbing, perpetuating rumors and possibly unethical or dishonest behavior.

These behaviors result in lowered morale of employees and reduced team effectiveness that costs the organization in terms of lost work time and productivity, higher turnover, work avoidance, higher health costs due to stress and potentially higher costs due to increased litigation.

In a basic risk assessment, potential causes of workplace incivility, or a toxic work environment, could be an authoritative management style, inconsistent or unpredictable supervision, acceptance of disrespectful behavior, inadequate conflict resolution process or training or basic personal insecurities. All of these causes may serve to reduce morale and productivity and contribute to increases in workplace injuries, employment liability claims and exposure to workplace violence from disgruntled employees.

## A Culture of Civility

At its foundation, the battle of workplace civility finds “respect” and “entitlement” in conflict. Respect is an intentional act born of humility and confidence. Entitlement is an attitude and worldview that is born of selfishness and arrogance. As entitlement battles respect within each of us, the daily victor is revealed in our words and actions in the way we treat others. So, how do you build a culture of civility within your organization? **It begins with leadership.** It’s preferable that the positional leaders within your organization set the example for the staff. But that is not always a practical reality. Therefore, someone who possesses true passion for people and desires to set the proper example must lead in this area.

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# NEWS & NOTES

## KMIT Honors Newest Group of 15-Year Members



This year, **fifteen cities** join the list of KMIT member-cities who have been a part of the KMIT work comp pool for **at least 15 years**, and will be honored by being presented a special plaque at the **KMIT Annual Meeting in Overland Park, on October 11.**

KMIT's newest group of 15-Year members is comprised of the following cities: ***Andover, Fowler, Glen Elder, Hiawatha, Hill City, Hillsboro, Kingman, Medicine Lodge, Oswego, Ransom, Tescott, Turon, Ulysses, Wakefield and Wellington.***

The cities of **Allen** and **Spearville** join the ranks of those members who have been with KMIT at least **ten continuous years**, and will also be honored with a plaque.

With the addition of the above cities, the membership of the KMIT pool is now comprised of **66** cities (including 51 Original Members, from 1994) which have been in the pool for at least 15 straight years, along with **sixteen** other cities who have been members for between 10 and 15 years.

A never-ending commitment to the mutual benefit of all its members is the **backbone principle** of KMIT and its members, and that commitment is no better expressed than by the loyalty of its members, who understand and appreciate the need to have a LONG TERM view and a long-term perspective. A **commitment to the long term** is what makes for a successful work comp pool, and is why KMIT will always be there to serve the cities of Kansas—through all of the ups and down of the economy, and through the never-ending roller-coaster cycle of the insurance industry.

Congratulations to all.



# City Safe

Fall 2010

## Using Behavior-Based Safety to Improve Compliance



There's a good reason behavior-based safety has a big following: Getting workers to follow safety procedures is one of the toughest challenges for safety professionals. Here's one behavior-based safety idea that's proven effective.

### Asking for Input

Getting workers to help create and review procedures almost guarantees they'll do a better job following them. The fact is, most people don't like being handed a set of rules. If you've already got a set of safety rules, you can still use this technique during training. Try asking workers to come up with ideas for preventing injuries. Most likely, they'll come up with the same rules you have in place. For example, you might ask workers how they'd approach lifting an awkward load, like a big box. Would they use lift equipment? Ask a

partner for help? How would they hold the box? Asking for input does two things:

- It gives workers ownership over procedures—people will usually follow rules they helped create.
- It forces workers to think about safety. That means they'll be more likely to work safely—even when they face hazards that aren't covered by company procedures. Info: [www.behavior.org/safety](http://www.behavior.org/safety)

*Reprinted with permission from Safety Compliance Alert: 370 Technology Drive—Malvern, PA 19355 (800) 220-5000*

## Most Common Injuries to Younger Workers

A list of causes:

- Using machinery or equipment without authority
- Operating at unsafe speeds or in violation of safe work practices
- Removing or disabling guards or other safety devices on machinery or equipment
- Using defective tools or equipment, or using tools or equipment in unsafe ways—using hands or body instead of tools
- Overloading, crowding or failing to balance materials, or handling materials in other unsafe ways, including improper lifting
- Repairing or adjusting equipment that is in motion, under pressure, or electrically charged
- Failing to use and/or maintain, or improperly using personal protective equipment or safety devices
- Creating unsafe, unsanitary or unhealthy conditions by improper personal hygiene, poor workplace maintenance or by smoking in unauthorized places
- Standing or working under suspended loads, scaffolds, shafts or open hatches



*(The above list was gleaned from a presentation given at the 2010 Kansas Safety Seminar, in Wichita, on August 2.)*

## Did You Know?

That **80%** of work comp claims (nation-wide) stem from injuries which occurred during the first two hours of the work shift? Is this true in your workplace? Why do you suppose that is? Is there anything you can do to change that?



There is no doubt that 80% is a trend.

Determining what factors lead up to an indisputable trend is often the key to solving it.

If 4 out of every 5 workplace accidents resulting in work comp claims happen within the first 25% of the day, there must be a reason or reasons why that is so.

One suggestion: Start EVERY day with at least a brief reminder about **safety** (if not a five-minute quick lesson). As the shift commander on the old Hill Street Blues TV show said at the start of every episode: “Let’s be careful out there.”

## Nine Common Sense Safety Tips\*

1. Make sure work areas are clean.
2. Don’t rely on PPE.
3. Assume employees want to work safely and give them the chance.
4. Mark sure employees know what **to** do, not just what **not** to do.
5. Focus on preventing the most common accidents instead of fretting about worst-case scenarios.
6. Constantly send employees the message that you care.
7. Watch your people work.
8. Make machine maintenance a priority.
9. Always be on the lookout for newer and safer materials and equipment.



*\*adapted from an article in the August 6, 2010 edition of Injury Prevention & Cost Control Alert.*

# SAFE CITIES as of July 31, 2010

If you would like assistance returning an injured employee to work, or need ideas for modified duty, please contact Marla or Gene at, 1-800-288-6732 or [kmitclaims@imacorp.com](mailto:kmitclaims@imacorp.com).

Admire	Cheney	Fort Scott	Horton	Oberlin	Spearville
Allen	Cherryvale	Fowler	Jetmore	Ogden	St. Francis
Altamont	Coffeyville	Frankfort	Johnson City	Olpe	Stafford
Andale	Columbus	Galena	Kingman	Oskaloosa	Stockton
Andover	Concordia	Girard	Kinsley	Oswego	Tampa
Atchison	Conway Springs	Gasco	La Cygne	Ozawkie	Tescott
Atlanta	Cullison	Glen Elder	LEAGUE	Palco	Tipton
Augusta	Damar	Goodland	Lecompton	Peabody	Tonganoxie
Baldwin City	De Soto	Grainfield	Lenora	Princeton	Treece
Basehor	Derby	Grandview Plaza	Leoti	Ramona	Turon
Baxter Springs	Douglass	Greeley	Lucas	Ransom	Ulysses
Bel Aire	Eastborough	Grenola	Maize	Reading	Valley
Bennington	Edgerton	Grinnell	McFarland	Roeland Park	Center
Beverly	Edwardsville	Halstead	Melvern	Russell	WaKeeney
Bird City	Elkhart	Hamilton	Minneapolis	Satanta	Wakefield
Blue Mound	Ellsworth	Hartford	Moline	Sedan	Walton
Blue Rapids	Esbon	Hiawatha	Montezuma	Sedgwick	Wamego
Brewster	Eureka	Hill City	Mound City	Sharon Springs	Wellsville
Chautauqua	Ford	Hillsboro	Neosho Rapids		

KMIT cities are considered Safe Cities if no lost time claims have been reported during the calendar year, beginning January 1, 2010.

## KMIT Annual Renewal Time for 2011

Once again, it's time for our member cities to fill out **renewal applications** for KMIT work comp coverage... this renewal is for calendar year 2011.

Each KMIT city was mailed a renewal letter on September 1. The process allows for the renewal application to be submitted three different ways: (1) Hard Copy (mail or fax back to us); (2) Digital Form (email back to us); (3) **Online. And, we REALLY prefer the this method.**

As always, **the key to a good quote is good payroll information** from the city. We would like to have 2011 Renewal Applications back to the KMIT office by **October 15, 2010**.

If you have any questions at all about this process (including how to estimate or code payroll), PLEASE do not hesitate to contact Deanna Myers Furman, at [dfurman@lkm.org](mailto:dfurman@lkm.org) or 785-354-9565.



# KMIT Injury Stats 2010 as of July 31, 2010

<u>Department</u>	<u># Injuries</u>	<u>Cost</u>	<u>Department</u>	<u># Injuries</u>	<u>Cost</u>
Administration	10	\$32,547	Miscellaneous	3	\$26,135
Animal Control	4	\$4,159	Park	36	\$68,025
Cemetery	2	\$2,600	Police	80	\$141,277
Electric	22	\$146,393	Recycling	3	\$15,141
Emergency	7	\$7,915	Sanitation	17	\$106,066
Fire	34	\$106,762	Street	59	\$419,749
Gas	1	\$37	Water	44	\$130,186
Maintenance	28	\$87,350	<b>TOTAL</b>	<b>76</b>	<b>\$1,294,341</b>

## Calendar of Events

### September 2010

- 1 KMIT Renewal Applications Go Out
- 15 Fall Edition - CompControl/City Safe
- 1-30 National Cholesterol Education Month
- 26 Family Health & Fitness Day USA
- 28-29 KDOL Annual Work Comp Seminar,  
*Overland Park*
- 30 World Heart Day

### October 2010

- 11 KMIT Annual Meeting,  
*Overland Park*
- 15 KMIT Renewal Applications Due
- 1-31 Eye Injury Prevention Month
- 4-8 Drive Safely to Work Week

### November 2010

- 1-30 Pulmonary Hypertension Awareness Month
- 18 Great American Smokeout

### December 2010

- 5 KMIT Renewal Premium Notices Go Out
- 15 Winter Edition - CompControl/City Safe
- 17 KMIT Board of Trustees  
Meeting, *El Dorado*

## KMIT Balance Sheet as of July 31, 2010

### Assets

Checking and Savings	\$2,042,847
Investments	\$9,000,000
A/R net of reserve	\$6,660
Premium Receivable (net)	\$12,719
Specific Receivable	\$28,521
Aggregate Recoverable	\$131,913
Accrued Interest Income	\$101,715
Prepaid Expenses	\$228,660
<b>Total Assets</b>	<b>\$11,553,035</b>

### Liabilities & Equity

Accounts Payable	\$
Excess Insurance Payable	\$
Reserve for Losses	\$2,788,716
Specific Recoverable	\$(475,974)
IBNR Reserved	\$3,402,609
Accrued Taxes, Licenses & Fees	\$350,555
Deposits on Premium	\$2,236,304
Deposits on Premium Return	\$
<b>Total Liabilities</b>	<b>\$8,302,209</b>
<b>Total Equity (NET WORTH)</b>	<b>\$3,250,826</b>



# Call to KMIT Annual Meeting

The **2010 KMIT Annual Meeting** will be conducted at 2 PM on Monday, October 11, at the Overland Park/Sheridan Hotel in Overland Park, Kansas (during the LKM Annual Conference). A sign-in roll call will be taken, and each KMIT member-city is entitled to ONE VOTE on all voting issues. A quorum is defined as all those members in attendance.

Refreshments and sweets will be served beginning at 2 PM, with the official Business Meeting starting at approximately 2:15. The primary item on the business agenda is the election of five Trustees (of eleven on the Board); each to serve two-year terms (Oct 2010—Oct 2012).

There will a drawing for attendance gifts immediately following the business portion of the meeting, and the Annual Meeting will conclude at or before 3 PM.

All elected and appointed officials (and spouses) from all KMIT member cities are welcome and encouraged to attend.

## ...Workplace Incivility

### Parting Thoughts

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If it is true, in fact, that the 89 percent are accurate and we live in a society where incivility has become a serious cultural problem, then where do we begin? While it may be true that we live in the most uncivil times in recent history, this is certainly not a new problem. Our culture did not get to this point overnight and there certainly is no quick fix. You'll likely have to begin small and slowly. Within your organization you may have to start with one person... you.

Every major change takes place with one initial first step. To take that step, you should decide before you start that you won't wait for someone to be nice to you and that you won't be "keeping score"... that is, you'll likely have to "let some things slide" coming from others. This is especially true of relatively small slights that you know could possibly be unintentional. Mahatma Gandhi said "you must be the change you want to see in the world." So be the one to change first. The biggest risk for your organization is not creating or maintaining a culture of anger and incivility... but rather creating a culture of indifference where employees no longer care.

If it is our desire to reduce the frequency and severity of potential losses by preventing loss-causing events, then **an assertive program at promoting civility within your organization will aid in the effort to ensure that losses are kept to a reasonable minimum.**

1. Risk Management for Public Entities – Head, Wong - IACPCU, pg 11.

2. ISO 31000

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*[This article has been shortened and lightly edited by CompControl, with permission of the publisher. It originally appeared in the July 2010 issue of Public Risk, the member magazine of the Public Risk Management Association. For more information, visit [www.primacentral.org](http://www.primacentral.org).]*

# Sites for 2011 KMIT Supervisor Training

The host cities for the **KMIT Supervisor Training '2011 World Tour'** have been selected. The KMIT member-cities of **Goodland, Larned, Marysville and Clearwater** will host seminars in early 2011.

These Seminars comprise an annual 'road trip' series which travels to four KMIT member cities late each winter. The half-day seminars are work-comp-specific, for the purpose of training supervisors at all levels of the city organization about many aspects of work comp management and risk control. Specific dates will be determined later in 2010, but all dates will be within the general time frame of February 15 to March 15, 2011.

## Work Comp News from KDOL

- There is a new Workers Compensation Home Page on the **Kansas Department of Labor (KDOL)** website: [www.dol.ks.gov/wc/about.html](http://www.dol.ks.gov/wc/about.html).
- Included on the updated KDOL work comp home page is a link to two very informative work comp PowerPoint tutorials, one for employers and one for employees: [www.dol.ks.gov/wc/tutorials.html](http://www.dol.ks.gov/wc/tutorials.html).
- The KDOL's Annual Workers Compensation Seminar will be held at the Overland Park Convention Center on September 28 and 29; see [www.dol.ks.gov/wc/html/wc\\_events\\_DBR.html](http://www.dol.ks.gov/wc/html/wc_events_DBR.html) .

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