

COMP CONTROL[®]

The Official KMIT Member Resource

A Review of KMIT Claim Costs

By Chris Retter

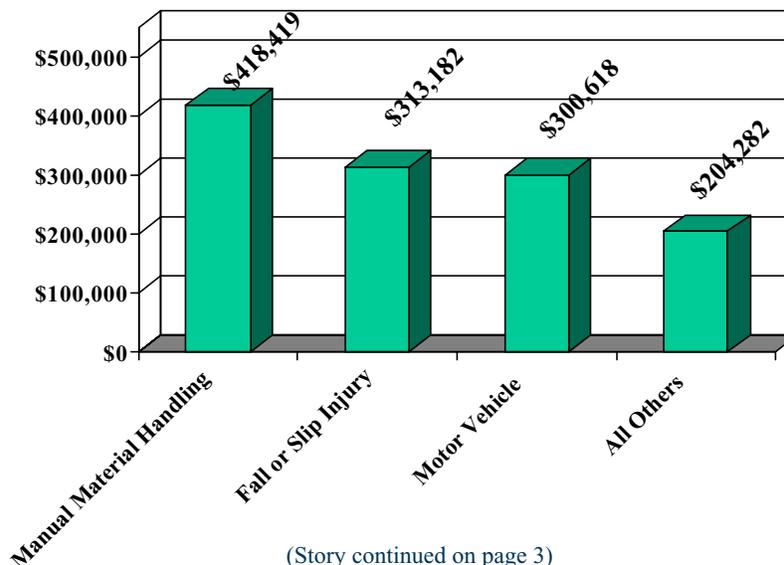
Is it true that those who cannot remember the past are doomed to repeat it? Do you have any idea what the number one accident type is for most communities in the KMIT program? How about the second most common accident type?

KMIT members have been struggling with “Manual Material Handling” injuries, or MMH, since the inception of the program. For the last three years MMH claims have been KMIT’s number one accident type by frequency and severity. Last year alone, KMIT members experienced a total of 160 MMH injuries, with an average cost-per-incident of over \$2,615. MMH claims include back strains from lifting, pulling and reaching heavy or even awkward items.

“Fall or Slip” injuries have been our second most common and costly accident type since 2000, and in previous years has been one of the top two accident types by frequency and severity. In Policy Year 2002 there were 111 injuries due to falls or slips, with the average cost being \$2,821.

The information below summarizes Policy Year 2002 accident types.

KMIT Loss Analysis
Accident Type by Costs
(1/1/02-1/1/03)
Valued as of 4/30/03



(Story continued on page 3)

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CompControl is a publication of the League of Kansas Municipalities and the Kansas Municipal Insurance Trust for the purposes of educating and informing cities about loss control methods and risk management. If you have any questions concerning KMIT workers' compensation or risk management that you would like to see answered in this newsletter, please direct those inquiries to:

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Letter from the Pool Administrator

Dear KMIT Members,

Summer is here again (so soon?)...definitely NOT my favorite season (unlike when I was a kid). And, of course, summer is that time when work comp claims occur most frequently. So, heads up out there!

It's been a very busy time at **KMIT** these past several months—payroll audits (as you know), new member additions (6), bi-annual **Kansas Insurance Department (KID)** audit, annual actuarial study, annual audit, and, this year, a special audit from our excess coverage carrier, **Safety National (SNCC)**. The SNCC folks tell us they like to audit their insureds about once every three or four years, though this was (apparently) our first time. **Steve Albers** and **Anna Colon**, out of St. Louis, visited our office over a couple of days in early May. **KMIT** Agent/Compliance Officer **Bret Glendening**, along with our IMA support team of **Paul Davis** and **Kristi Sullivan**, did most of the work with Steve and Anna. **Wendy Flowers** was also kept busy—finding the proper documents for review, etc. I talked at length with Steve near the end of the review, and he assured me that we “passed” with flying colors. (A written report is due back any time.) All audits, of any kind, are very important to this or any organization. Hopefully, a well-done audit will point out areas where improvement can be made. **KMIT**, too, wants to continue to improve. Each of the three audits we went through this year went very well. Any advice any of the auditors gives us will be used to do things better in some way.

In this edition, **Chris Retter**, our IMA Risk Control Consultant, overviews the nature of **KMIT** claims. It's certainly no secret that our biggest “bugaboo” continues to be “Manual Material Handling” (MMH) injuries, with “Slips and Falls” a close second. Let's keep those safety meetings going and MEANINGFUL, and keep our employees aware of the types of injuries most likely to happen, so that, perhaps, many may be avoided.

As noted elsewhere in this edition, the new **KMIT** website is up and running. We think it's a GIANT step forward. Take a new look at www.kmit.net. One of things that this updated and upgraded site allows us to do is to send mass notices to anyone who gives us his/her email address. For example, we'd very much like to email this publication, and its companion bi-monthly safety newsletter, *City Safe*, to, at a minimum, ALL SUPERVISORS in all **KMIT** cities. We like to add as many of your elected officials as possible to our email list, too. Send us those “e-dresses” (to wflowers@networksplus.net)!

Your **KMIT Board of Trustees** met in Hiawatha in early May, and will meet again in Russell in late June, and then in Atchison in late August. As previously noted, this year's **KMIT Annual Meeting** will be a late afternoon (Monday of the League conference), reception-style format, starting this year. Find inserted in this issue a **Trustee Nomination Form**. There will definitely be at least two Trustee positions to fill this year at the annual meeting. Our Board need is a representative from southwest Kansas, as well as one or more additional elected officials.

Lastly, for you budgeters out there, though the Board has not had the opportunity to take formal action on my recommendation, I expect no rate increase from **KMIT** for 2004. Of course, each city's rates WILL CHANGE, up or down, depending upon the amount of each city's payroll by class, the city's experience modifier, and the rates (by class) which come out of the KID late in the year. I would suggest budgeting a 4-5% increase to cover the class code rates changes, and more if you are aware of a rising mod or higher 2004 payroll in your city. Give us a call or email, and we will help you think through your specific situation.

Have a great summer.

Don Osenbaugh
Pool Administrator

Accident Type	Severity	Frequency	Average
Manual Material Handling	\$418,419	160	\$ 2,615
Fall or Slip Injury	\$313,182	111	\$ 2,821
Motor Vehicle	\$300,618	18	\$16,701
Caught in or Between	\$ 40,320	25	\$ 1,613
Struck or Injured By	\$ 36,088	72	\$ 501
Occupational Hazards: Rep. Motion	\$ 35,557	13	\$ 2,735
Cut/Puncture/Scrape By	\$ 34,701	64	\$ 542
Heat/Cold/Burn/Scald	\$ 16,928	26	\$ 651
Animal/Insect	\$ 14,094	29	\$ 486
Robbery/Assault	\$ 10,963	21	\$ 522
Occupational Hazards	\$ 6,190	63	\$ 98
Step/Strike Against	\$ 5,878	23	\$ 256
Foreign Body in Eye	\$ 2,029	29	\$ 70
Electric Shock or Burn	\$ 1,534	2	\$ 767
Miscellaneous Causes	\$ 0	5	\$ 0

(Story continued on page 4)



“Safe Cities” as of April 30, 2003

“Safe City” Definition Change

QUESTION: How can you reduce your work comp costs and premiums???

ANSWER: Return To Work your injured workers to modified duty as quickly as medically appropriate. In order to emphasize KMIT’s commitment to return to work, we will be changing the “Safe City” portion of CompControl. Instead of recognizing cities that have reported no claims, we will now recognize cities that have had no claims requiring wage loss payments. This will require that you return any injured worker to modified duty within the 7-day waiting period, as medically appropriate. Accidents happen that are out of your control, but returning your employees to modified duty is always within your control!! KMIT applauds those cities which make a concerted effort to bring their employees back to work, and would like to recognize their commitment. If you would like assistance returning an injured employee to work, or need ideas for modified duty, please contact Victoria Vanderhoof, 1-877-502-9897 or victoria.vanderhoof@imacorp.com.

Abilene	Fredonia	Oberlin
Allen	Galena	Ogden
Altamont	Glasco	Olpe
Andale	Glen Elder	Osage City
Andover	Grainfield	Oskaloosa
Augusta	Greeley	Oswego
Baldwin City	Grenola	Ozawkie
Basehor	Halstead	Park City
Baxter Springs	Haysville	Peabody
Bel Aire	Hesston	Princeton
Beverly	Hiawatha	Ransom
Bird City	Hill City	Roeland Park
Bonner Springs	Hillsboro	Rose Hill
Brewster	Hoisington	Russell
Caldwell	Holcomb	Satanta
Centralia	Hoxie	Sedan
Chautauqua	Independence	Sedgwick
Cheney	Jetmore	Spearville
Cherryvale	Johnson City	Spring Hill
Columbus	Kingman	Stafford
Concordia	Kinsley	Tescott
Conway Springs	Lenora	Tipton
Council Grove	Leoti	Tonganoxie
Cullison	Lincoln Center	Treece
Derby	LKM	Turon
De Soto	Lucas	Ulysses
Douglass	Maize	Valley Center
Edgerton	McFarland	WaKeeney
Elkhart	Medicine Lodge	Wakefield
Esbon	Melvorn	Walton
Eudora	Minneapolis	Wamego
Ford	Moline	Wellington
Fort Scott	Montezuma	Wellsville
Fowler	Mound City	
Frankfort	Neodesha	

Take Action!!

Identify

It is a good idea to go back, from time to time, and review losses that your City has experienced to help jog your memories and determine if there are any trends that may be taking place within your community that demands your attention. By reviewing losses regularly you are able to identify those areas that expose your employees to potential accidents.

Control

Once you have identified the types of injuries that have occurred in your City, you need to take the next step. Based on knowing your accident types, you should review each of your jobs to determine where the exposures to those accident types are present. Your control action may include training, elimination of the task, redesigning the job, etc. Without this step, you are relying on “luck” for your safety efforts.

Communication

An important part of your control effort is making sure your supervisors are aware of the problem. Most supervisors are not aware of the cities most common accident types and the impact that losses can have on the city’s budget. Costs include things such as, insurance premiums increases, loss of production due to accidents, and overtime costs needed to replace the injured employee. Sharing this information with your supervisors can help them better understand the possible urgency for taking your safety program to the “next level”.

Training

Once the supervisors are aware of the most common accident types your employees experience, now they can focus their attention on proper training such as, proper lifting mechanics, use of mechanical lifting devices when necessary, proper housekeeping issues to prevent falls and slips, and possible clean up schedules.

Selection

The city can play a role in reducing accidents by selecting employees for the right job. Physical requirements of the job should be posted on job descriptions to assist city personnel in selecting the right person for the right job. Not taking the time and effort to properly place individuals into jobs, they can physically perform, is asking for an injury. Post-offer physicals may seem like an extra expense, but if it prevents one claim, it can pay for itself. Consider using post-offer physicals as one of your control measures.

Summary

Safety, like anything else, must be managed. By taking the steps noted above, you can manage your losses. In these economic times, cities must control their expenditures. Managing losses, is one important way to accomplish this. If you need data on your past losses, you can contact Chris Retter at IMA at chris.retter@imacorp.com or 316-266-6289.

Remember, if things don’t change, they stay the same!



Did you know . . .

Due to updating our KMIT website, city employees can now click on “Notify Me” and subscribe to receive “City Safe Training Guide”, “CompControl Newsletter”, and all “Special Notices” via email.

We would like to encourage all city employees that have email to sign up. If you have any questions, please contact Wendy Flowers at wflowers@networksplus.net.

Claims

2002 Frequency and Cost Analysis - Top 5 1/1/03 through 4/30/03

<u>By Job Classification</u>	<u>Frequency</u>	<u>Claims Cost</u>
Police Officers & Drivers	51	\$ 40,790
Municipal	28	70,247
Firefighters & Drivers	24	87,141
Park	16	7,790
Street/Road Construction.	14	9,323

<u>By Accident Type</u>	<u>Frequency</u>	<u>Claims Cost</u>
Strain or injury by lifting, pushing, carrying, etc.	53	\$ 128,920
Fall or slip injury	32	46,772
Miscellaneous cause	26	13,959
Struck or injured by falling object, hand tool, etc.	19	5,686
Cut, puncture, or scrape	13	1,963

<u>By Body Part</u>	<u>Frequency</u>	<u>Claims Cost</u>
Low Back Area	34	\$ 68,107
Knee	16	53,287
Finger(s)	12	5,742
Wrist	11	3,409
Hand	10	6,821

Note - The above figures are based on claims as of April 30, 2003. Amounts listed for claim costs are amounts incurred to date.

Your Pool In Action

We encourage you to make copies of
this newsletter and distribute to all
city employees.

Member Notes



KMIT Calendar

June

20 KMIT Board of
Trustees Meeting,
Russell

August

22 KMIT Board of
Trustees Meeting,
Atchison

October

13 KMIT Annual Meeting,
Topeka

Combined Assets

Cash In Bank	2,648,948
Premiums Outstanding	
Investments	<u>1,590,535</u>
Total Assets	4,239,484

Combined Liabilities & Equity

Claims and Accrued Expenses Outstanding	2,162,867
Reserved for Losses	597,665
Incurred But Not Reported (IBNR)	<u>747,162</u>
Total Liabilities	<u>3,507,694</u>
KMIT Statutory Fund Balance	<u>731,790</u>

Total Liabilities and Equity 4,239,484

Revenues & Expenses
April 30, 2003

Kansas Municipal Insurance Trust

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