

CONCOURSE THEATER



Rules

- **NO FOOD, BEVERAGES or SMOKING** in Theater
- Set **PHONES** and **PAGERS** on Vibrate or Silent
- **RESTROOMS**
Take a right out of theater entrance in the direction of the Sequoyah Building



State Risk Management (SRM)

Welcome
Insurance Coverage Overview
2008



State Risk Management's Seminar Objectives

- Provide a basic overview of major coverage lines
- Provide opportunity for discussion in order to clarify how various programs work



Today's Discussion Items

- General Discussion
- Liability (Self-insured)
 - Tort
 - Auto
- Directors and Officers, Educators Legal Liability, Employment Practices Liability (Commercial Insurance with SIR)
- Employee Dishonesty (Commercial Insurance)
- Physical Damage/Specialty Vehicle
- Physical Damage/Passenger Vehicles
- Property Insurance (Commercial Insurance with SIR)
- Other lines: Aviation, Foreign Liability, Out of State
- Fine Arts



General Discussion



State Risk Management

Programs

State Agencies and Higher Education

- Property (Insured/Self-Insured) (Business Interruption available if scheduled)
- Equipment Breakdown (Self-Insured Retention/Insurance)
- Fine Arts (Insurance)
- Aviation Hull and Liability (Self-Insured Retention/Insurance)
- General Liability or Tort Liability (GTCA) (Self-Insured)
- Business Auto Liability (GTCA) (Self-Insured)
- Specialty Vehicle Physical Damage (Deductible/Insurance)
- Passenger Vehicle Physical Damage (Deductible/Insurance)
- Out of State Liability (Self-Insured Retention/Insurance)
- Foreign Liability (Self-Insured Retention/Insurance)
- Employee Dishonesty (Bond Program) (Self-Insured Retention/Insurance)
- Public Officials Liability (D&O) (Self-Insured Retention/Insurance)
- Educators Legal Liability (ELL) (Self-Insured Retention/Insurance)
- Employment Practices Liability (EPL) (Self-Insured Retention/Insurance)



State Risk Management Educational Seminars and Conferences

- Annual Seminars
- Coverage Conferences
- HRDS Seminars

SRM is available to meet with you at any time. Simply call us and we will establish a meeting date.



The Insurance Marketplace and Today's Economy



Insurance Carriers on The State's Programs

- AIG (various carriers)
- ACE
- Lloyd's of London (various syndicates)
- Axis
- RSUI
- Zurich
- Allianz
- GMAC
- CNA



American Insurance Group (AIG)

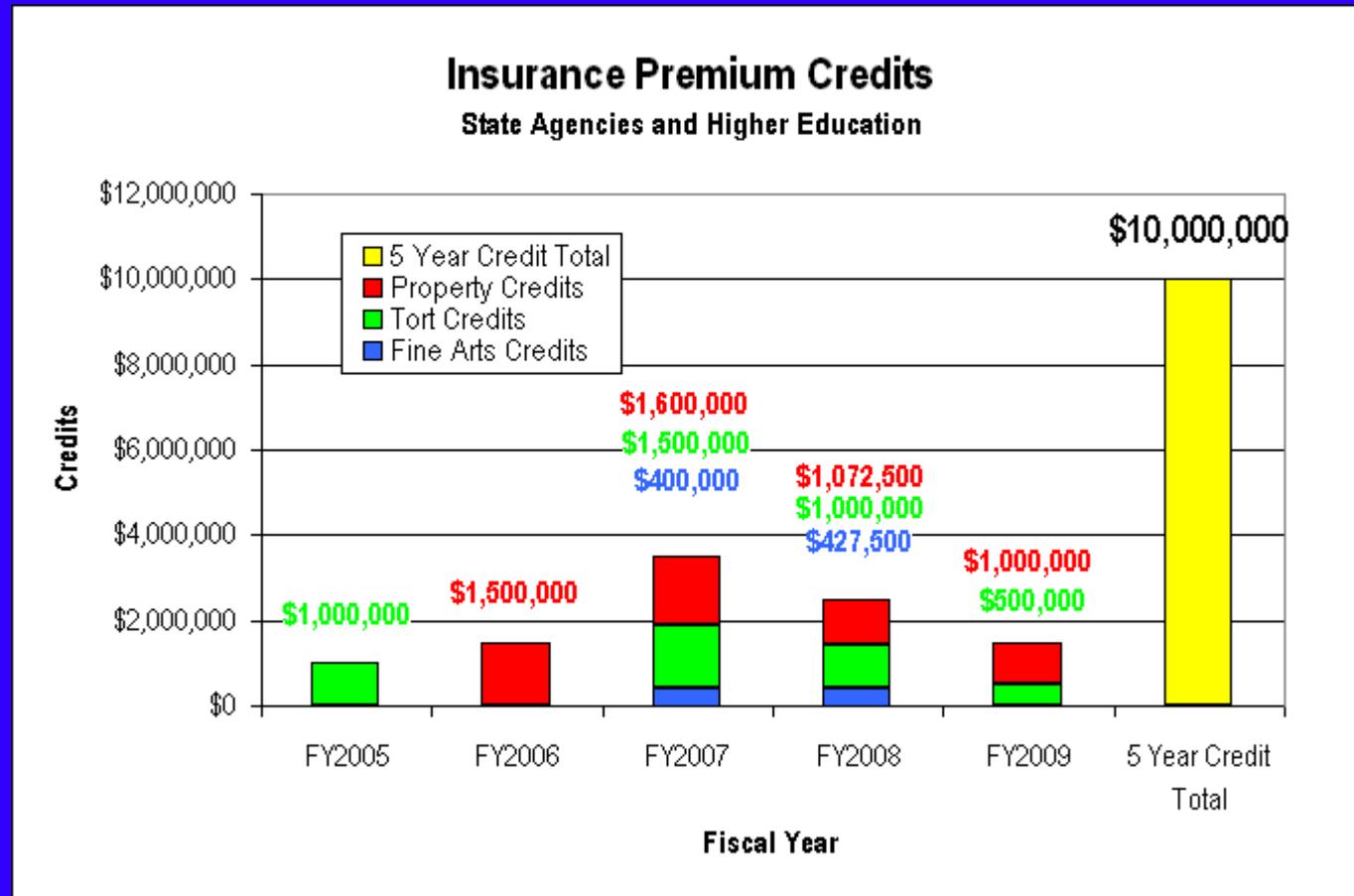
Lexington
National Union



Accomplishments and General Performance



State Risk Management Premium Credit History 2005-2009

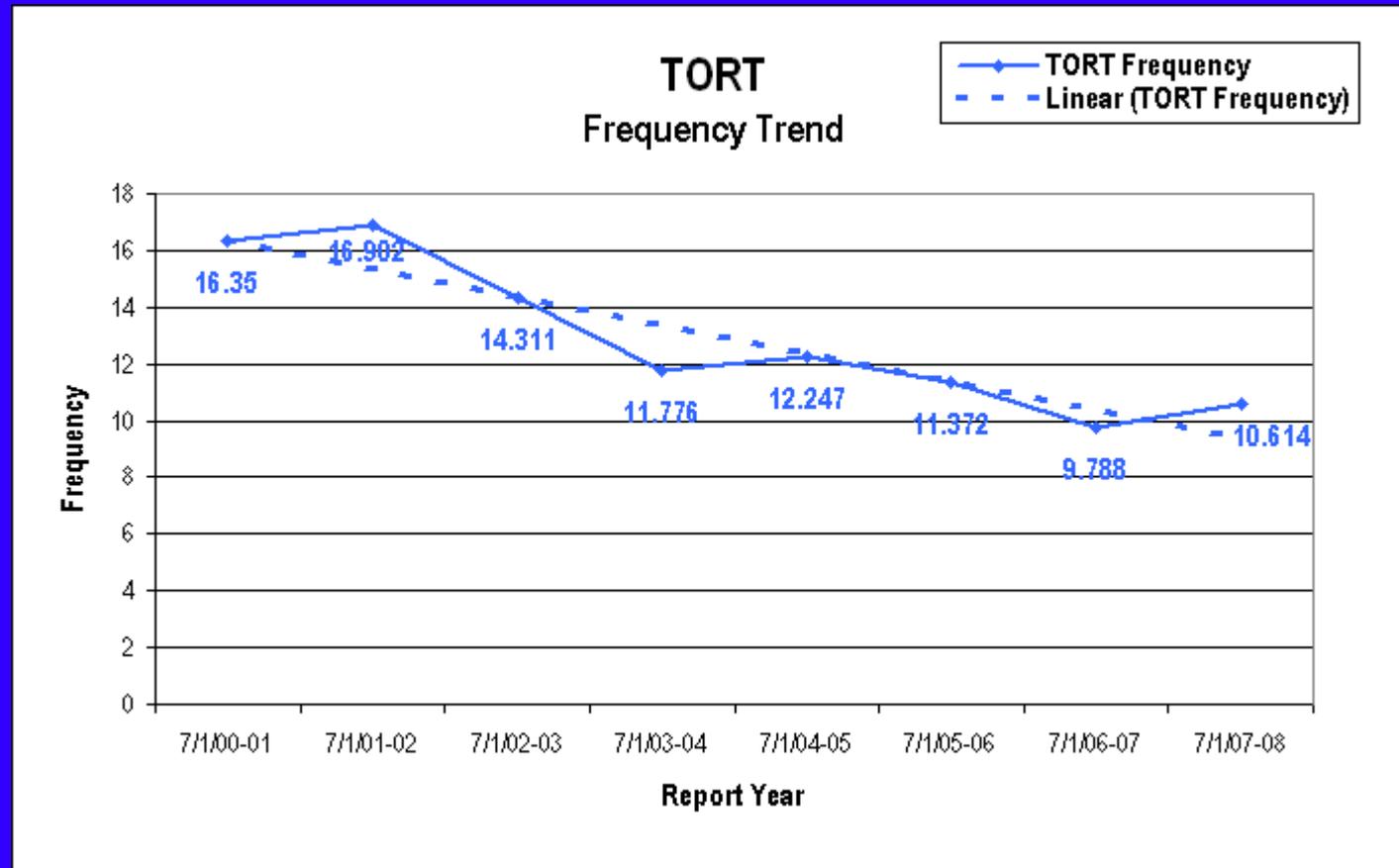




State of Oklahoma Liability Trends (Major Coverage Areas)

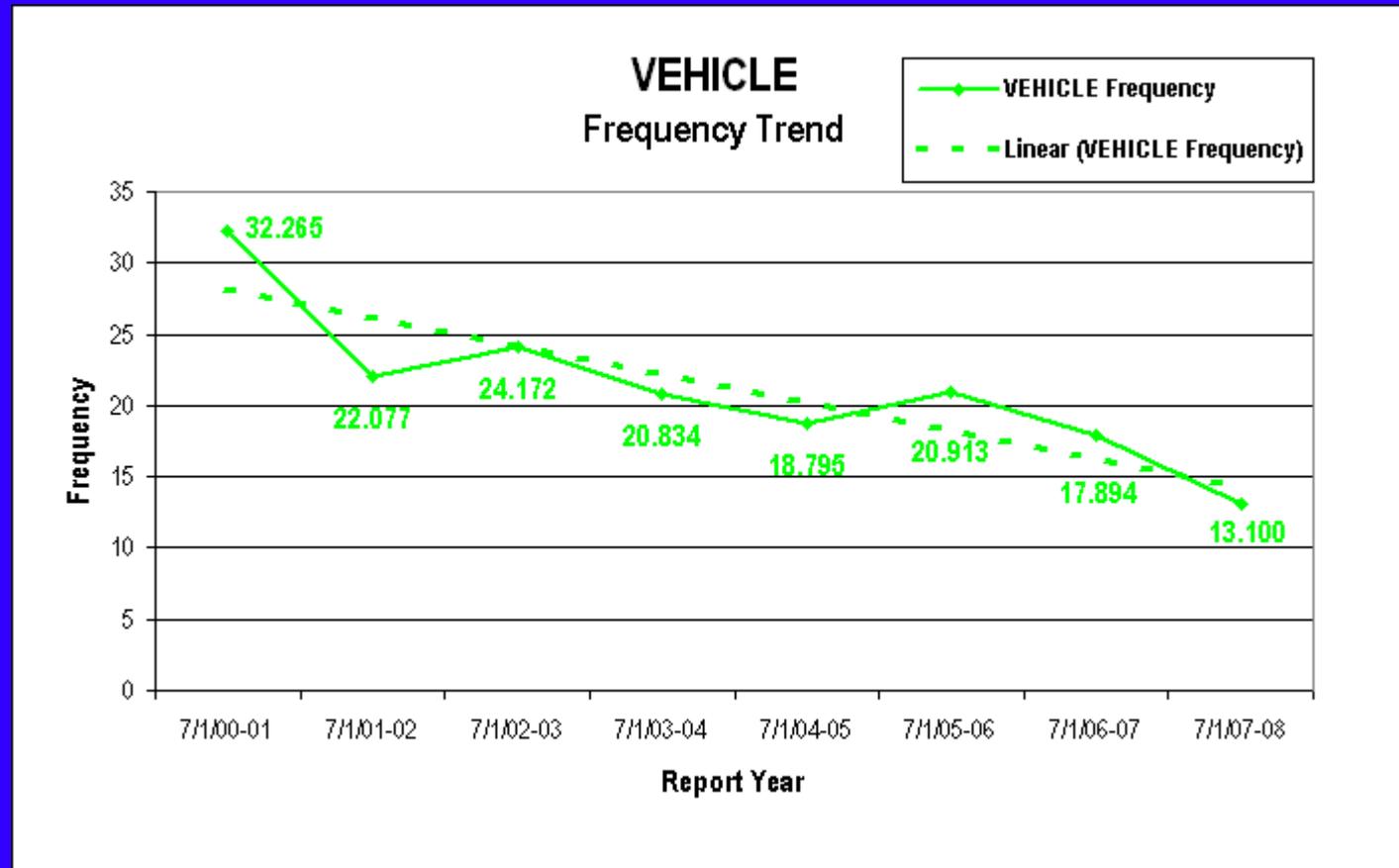


Tort Liability Trend



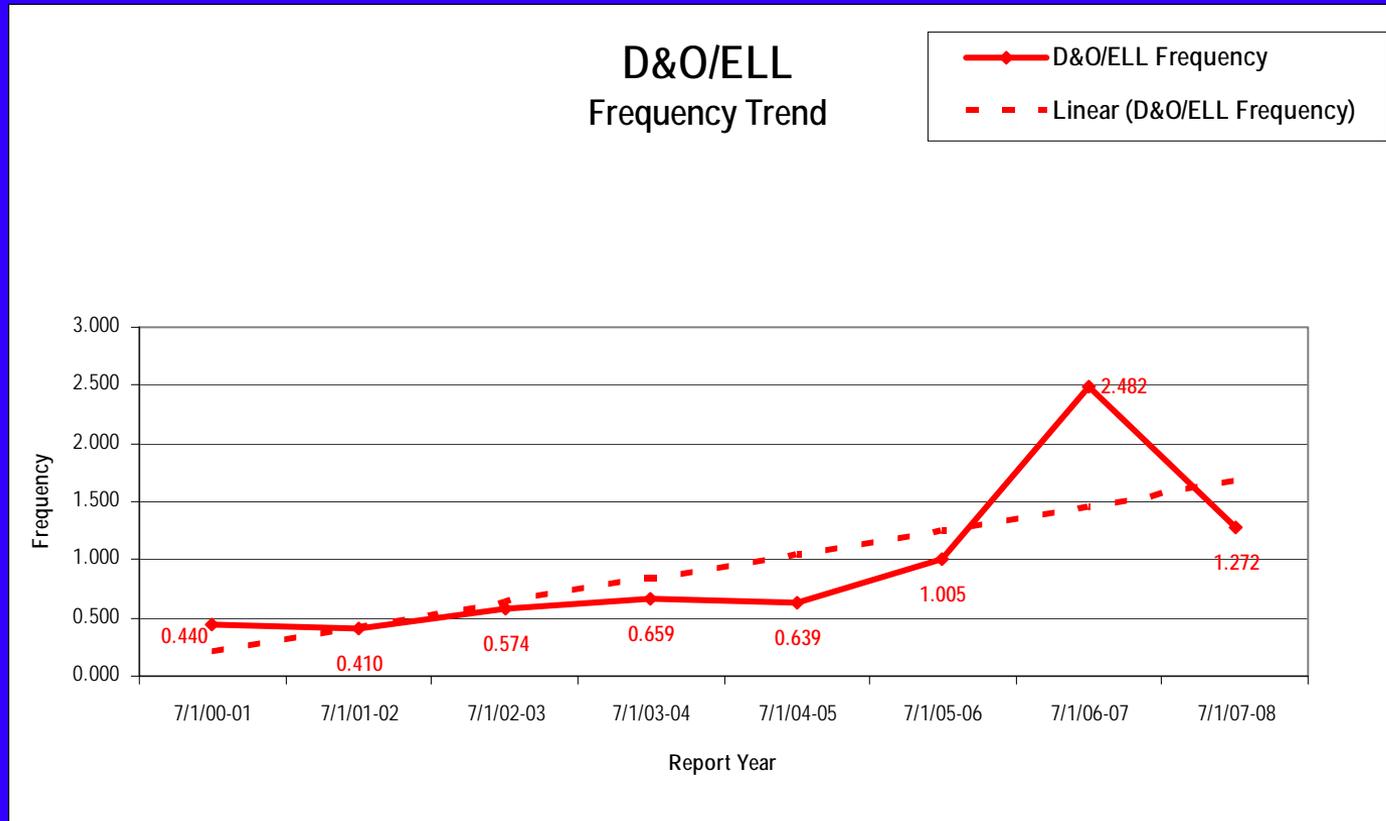


Vehicle Liability Trend



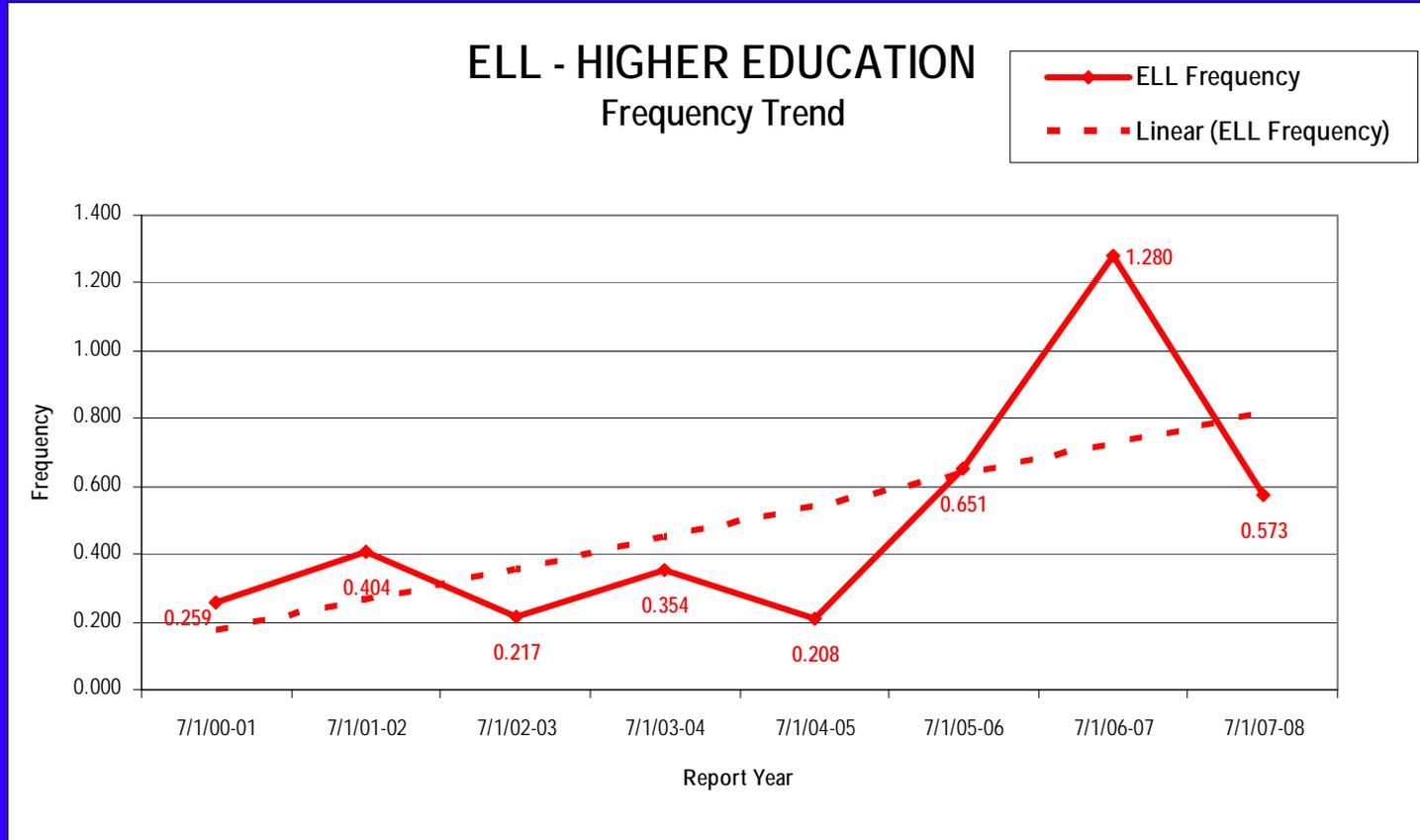


D&O, ELL, EPL Trend



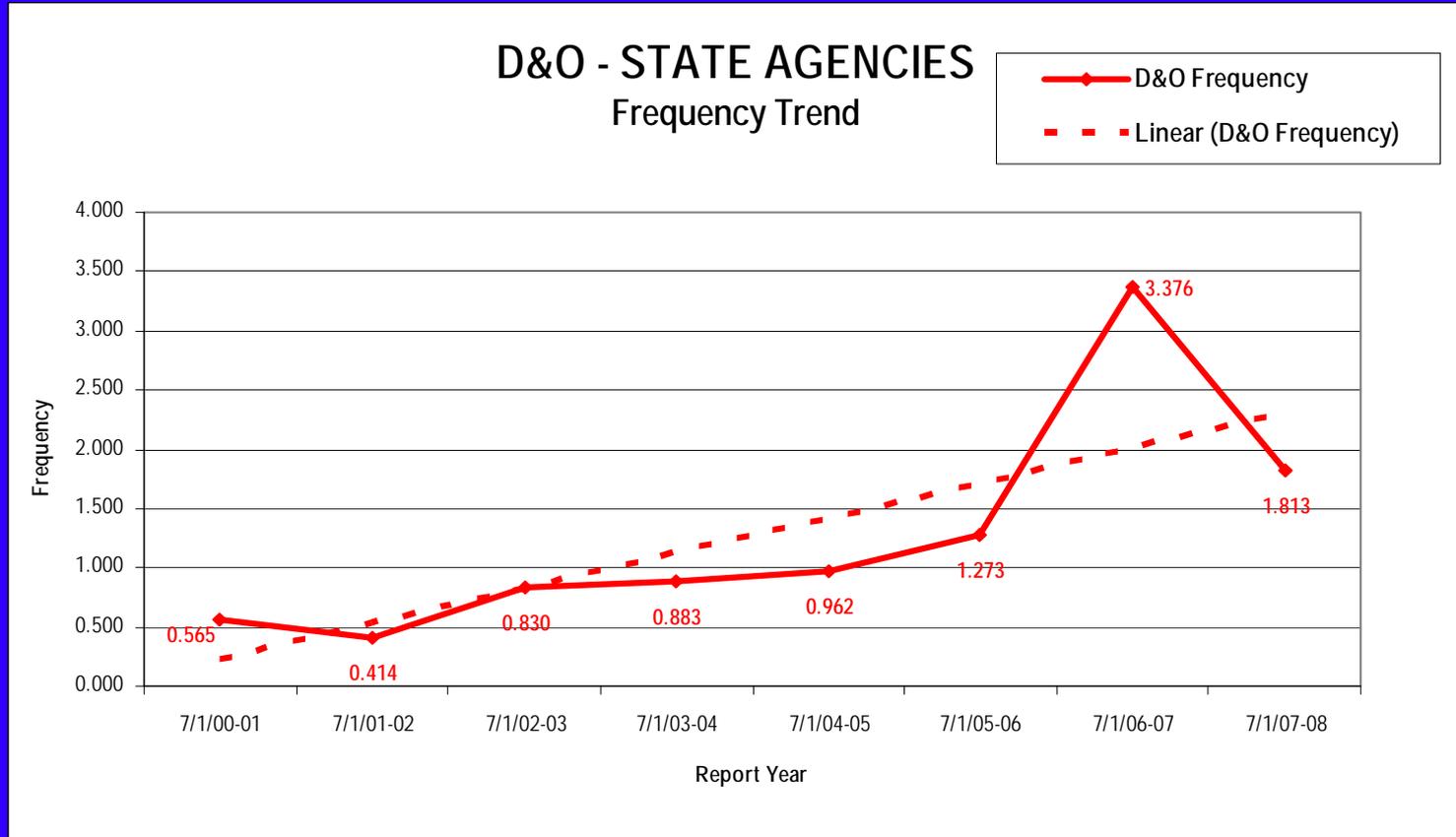


ELL - Higher Education





D&O – State Agencies





Liability Discussion

Tort Liability and Auto Liability



Self-Insured Programs:

Tort Liability including Auto Liability

(Governed by 51 O.S. § 151, et seq. the Governmental Tort Claims Act (GTCA) and SRM Promulgated Rules, OAC 580:25-1-1, et seq.)

No policy of insurance applies/No deductibles apply



Tort and Auto Liability

Similar to Commercial General
Liability and Business Auto
Liability Insurance



Strict Adherence to GTCA

- Claimant has 1 year from date of loss to file a claim
- Claim shall be filed with SRM
- Exclusive remedy for tortious conduct of State employees
- Specifies how recovery may be made
- Broad exemptions from liability



State Tort Subactivity Fund Will Only Respond

- If claim filed in accordance with GTCA
- If the State or its employee is negligent
- If the State employee is within the Scope of Employment as defined by the GTCA
(Per GTCA State employees can be held personally responsible for damage)
- If there are no GTCA exemptions



D&O/ELL/EPL



D&O, ELL, EPL

- All lines insured
- Self-insured retention applies
- Essentially protects against U.S. Constitutional violations per exclusionary endorsement to all policies



D&O, ELL, EPL

- Directors & Officers (Public Officials form) including Employment Practices Liability
- Educators Legal Liability including Employment Practices Liability

(Separate policies sharing an annual aggregate limit)



EPL?

Employment Practices Liability (sexual harassment, discrimination, wrongful termination, etc.)



D&O/ELL/EPL and TORT Liability

- Governmental Tort Claims Act (51 O.S. § 158 B.)

“If a policy or contract of insurance . . . is applicable, the terms of the policy govern the rights and obligations of the state”



Side Note:

To Avoid Problems and Reduce Costs

Additional P&C coverage?

Please recall 74 O.S. § 85.58A:

“Prior to purchase of property and casualty insurance . . . details of the . . . purchase shall be submitted to” SRM.

(And OAC 580-25-5-1 (a) (1) and (7))

GTCA Claims vs. D&O, EPL & ELL Claims



- Why should you care about the difference between GTCA and D&O, EPL & ELL?
 - Before a claim can be paid out of the Tort fund, a tort claim must be filed pursuant to the terms of the GTCA. Also pursuant to GTCA, U.S. Constitutional claims must be filed as tort claims before the fund can respond

GTCA Claims vs. D&O, EPL & ELL Claims



- Why should you care about the difference between GTCA and D&O, EPL & ELL?
 - There are claims which are mixed – part GTCA and part D&O, EPL or ELL
 - Agency still has obligation to pay \$150,000 retention on a D&O claim even if Risk Management pays \$175,000 from the Tort Fund.

Announcements for D&O, ELL, and EPL



- Allocation model changing to Experience Base
- Deductible buy down options will be opened

(These changes will not be retroactive.)

State Fund 205 Administered by SRM How It Works.



Composed of 3 subactivity funds:

1. Tort and Auto (Tort Fund)
2. D&O, ELL, EPL
3. Property

One sub-fund does not flow to the others



Property Insurance Flood Claims and FEMA



Insurance and FEMA Claims

- Special Flood Hazard Areas (SFHA)
 - Sublimit for 100 Year Flood Plain
- Kroll Flood Zone Mapping



FEMA Claims

Three Parties Important To You:

SRM

Emergency Management

FEMA



To Avoid Problems and Maximize Recovery of Losses

- Coordinate all property and liability claims through SRM.
- Report all claims to SRM immediately
 - Do not delay reporting
 - Delays may inhibit your ability to recover losses



Insurance Policy Coverage Issues

- Do not attempt to interpret insurance coverage.
- Do not allow others to interpret coverage.

Call SRM.



SURVEYS



UNDERWRITING SURVEYS

- Property
 - Flood Zones
 - Terrorism
- Fine Arts and Valuable Papers & Records
- D&O / ELL
- Vehicles
- Out of State Travel
- Foreign Travel
- Employee Dishonesty

Our Ability
To Protect Your Assets
Depends Upon You



Communication

Reporting

Timeliness



CLAIMS MANAGEMENT

PROPERTY



When A Loss Occurs

- Report the loss immediately to the proper authorities, such as police or fire departments
- Report the loss to SRM (405) 521-4999 within 24 hours of the loss
- Do not delay in reporting your loss. This could damage your ability to cover the loss



When A Loss Occurs

- SRM may want to inspect the property with a Third Party Inspector or SRM may send the Third Party Adjuster to inspect the property
- Make sure the area is safe for personnel to enter
- Take pictures of the loss before cleanup
- Take all necessary steps to minimize the loss and ensure safety



When A Property Loss Occurs

- Make temporary repairs to prevent further damage—mitigate the loss
- Protect exposed property from further damage immediately
- Do not dispose of any damaged items without SRM's approval
- Track your claim expenses carefully. Keep accurate records of labor, purchases, equipment usage, etc
- Document your claim with time sheets, purchase orders, inventory etc.



When A Loss Occurs

- Any internal labor expense must have the following documentation
 - Name, title, and hourly salary of employee (base rate of pay without benefits)
 - Dates and times worked on loss
 - Detailed description of duties performed
 - include the location of the work
 - materials used, if any



Things to Do: Submit your Proof of Loss

- Submit to SRM when all repairs are completed
- Submit your claim to SRM with a cover letter
- Prepare a spreadsheet of your expenses



Things to Do: Complete Property Loss Notice and Submit to SRM



State of Oklahoma
Department of Central Services
Risk Management Division

PROPERTY LOSS NOTICE

P.O. BOX 53364
OKLAHOMA CITY, OKLAHOMA 73152
405/521-4999 - Fax No: 405/522-4442
E-Mail: Jeannette_Postman@dcs.state.ok.us

CLAIM # _____	
AGENCY NAME: _____	Agency Code: _____
AGENCY ADDRESS: _____	
PHONE: _____	DATE OF LOSS _____ TIME OF LOSS _____
NAME AND LOCATION OF STRUCTURES/CONTENTS DAMAGED (If damage is to contents list the contents and the structure they were in when damaged. Include the address and city where damage occurred. PLEASE GIVE RISK MANAGEMENT GENERIC NUMBER OF STRUCTURE IF KNOWN)	
DESCRIPTION OF LOSS - HOW AND WHAT WAS DAMAGED? (for example: wind tore off ¼ of roof on north end of cabin # 4356 and contents were damaged by water.)	
(attach additional sheets if necessary)	
COUNTY OF LOSS: _____	ESTIMATED AMOUNT OF LOSS: (List structures and contents seperately): _____
AUTHORITIES REPORTED TO: (Fire/Police, etc.) _____	
PERSON TO CONTACT TO INSPECT LOSS: (Name & Phone)	
COMMENTS:	
FORM COMPLETED BY: _____	DATE: _____
SIGNATURE: _____	PHONE: _____



CLAIMS MANAGEMENT TORT & MOTOR VEHICLE



Things to Do: Complete Standard Liability Incident Report and Submit to SRM

 **State of Oklahoma**
Department of Central Services
Risk Management Division

**STANDARD LIABILITY
INCIDENT REPORT**

P.O. BOX 53364
OKLAHOMA CITY, OKLAHOMA 73152
405/521-4999 - Fax No: 405/522-4442

CLAIM NO: _____

AGENCY NAME _____ CODE _____ PHONE _____
TYPE OF EMPLOYMENT: FULL TIME TEMPORARY VOLUNTEER CONTRACT
(check one)
DRIVER OR EMPLOYEE: _____ JOB TITLE: _____
DIV. OR DEPT: _____ ADDRESS: _____ PHONE: _____
SPECIFIC DUTY BEING PERFORMED: _____

VEHICLE INFORMATION
OWNED BY: STATE _____ OTHER _____ MAKE _____ YEAR _____
BODY TYPE: _____ VEHICLE TAG #: _____ VEHICLE #: _____
AMOUNT DAMAGE: _____ WHERE DAMAGED: _____

CLAIMANT'S NAME: _____ PHONE: _____
ADDRESS: _____ CITY: _____ STATE: _____ ZIP: _____
WAS CLAIMANT OR PASSENGER INJURED? _____
DESCRIBE _____
NAME DOCTOR OR HOSPITAL: _____
CLAIMANT VEHICLE: _____
Make Yr Body Type Damage Amt.
WHERE DAMAGED: _____
CLAIM FORM REQUESTED? YES NO

INCIDENT DATE: _____ TIME: _____ LOCATION: _____
Give - CITY - STREET - HIGHWAY - COUNTY
DESCRIBE INCIDENT: _____

WAS EMPLOYEE AWARE OF INCIDENT? YES NO

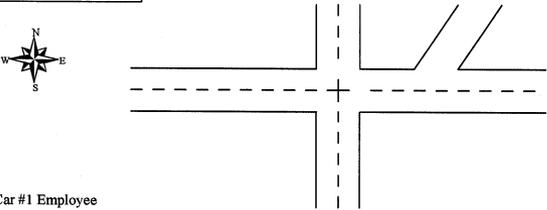
DCS/RISK MGMT - FORM 001 (03/2002) Page 1 of 2

 **State of Oklahoma**
Department of Central Services
Risk Management Division

**STANDARD LIABILITY
INCIDENT REPORT**

REMARKS: _____

Diagram of Accident



Car #1 Employee
Car #2 Claimant

WITNESSES

NAME	ADDRESS	TELEPHONE
_____	_____	_____
_____	_____	_____

AUTHORITIES REPORTED TO: _____ NAME: _____
WERE THERE ANY CITATIONS? YES _____ NO _____ WHO: _____
WHAT: _____

DRIVER'S SIGNATURE: _____ DRIVER'S LICENSE NO.: _____
REPORTED BY: _____ DATE: _____ PHONE: _____

DCS/RISK MGMT - FORM 001 (03/2002) Page 2 of 2

Provide Complete and Meaningful Information



– Who

– What

– When

– Where



Who

- Name of the injured party
- Current Address (if P.O. Box obtain street address) of the injured party
- Who at your agency was involved?
 - State employee's name
 - Position
 - Phone number



What Happened? Vehicle Damage

- Describe area and extent of damage (left front fender, passenger side - tail light, etc.)
- Describe condition of vehicle and note any possible pre-existing damage
- Take pictures when possible
- Get statements from all witnesses



What Happened?

Personal Injury - Slip & Fall

- How was the injured party dressed
- Type of shoes
- Approximate height and weight
- What were they carrying and how much
- What specific body part was injured? (left leg, right knee, neck, lower back)
- Describe injury (cut, strain, burn, fracture)
- Get statements from all witnesses
- Weather conditions



When?

- Date of accident
- Time of accident
 - AM or PM



Where?

- Identify the exact location of the accident
- Take pictures of incident scene





Things to Do: Complete Scope of Employment Form and Submit to SRM

 **State of Oklahoma**
Department of Central Services
Risk Management Division

**SCOPE OF EMPLOYMENT
FORM**

P.O. BOX 53364
OKLAHOMA CITY, OKLAHOMA 73152
405/521-4999 - Fax No: 405/522-4442

CLAIM NO: _____

AGENCY NAME: _____ AGENCY NO #: _____

EMPLOYEE: _____ PHONE#: _____

JOB TITLE: _____

TYPE OF EMPLOYMENT: FULL-TIME TEMPORARY VOLUNTEER CONTRACT

WHO AUTHORIZED THIS SPECIFIC DUTY: _____

TIME OF INCIDENT: _____

PLEASE DESCRIBE IN DETAIL WHAT SPECIFIC DUTY WAS BEING PERFORMED AT THE TIME OF THE INCIDENT.

EMPLOYEE SIGNATURE

SUPERVISOR SIGNATURE

PLEASE TYPE OR PRINT NAME (SUPERVISOR)

DATE

DCS/RISK MGMT - FORM 002 - (03/2002) PAGE 1 of 1



Scope of Employment Form



State of Oklahoma
Department of Central Services
Risk Management Division

SCOPE OF EMPLOYMENT FORM

P.O. BOX 53364
OKLAHOMA CITY, OKLAHOMA 73152
405/521-4999 - Fax No: 405/522-4442

CLAIM NO: _____

AGENCY NAME: _____ AGENCY NO #: _____

EMPLOYEE: _____ PHONE#: _____

JOB TITLE: _____

TYPE OF EMPLOYMENT: FULL-TIME TEMPORARY VOLUNTEER CONTRACT

WHO AUTHORIZED THIS SPECIFIC DUTY: _____

TIME OF INCIDENT: _____

PLEASE DESCRIBE IN DETAIL WHAT SPECIFIC DUTY WAS BEING PERFORMED AT THE TIME OF THE INCIDENT.

I merged onto I-40 from Eastern and
looked down at the cell phone when I
looked back up there was a vehicle in
front of me and I rear-ended the
individual

EMPLOYEE SIGNATURE _____

SUPERVISOR SIGNATURE _____

PLEASE TYPE OR PRINT NAME (SUPERVISOR) _____

DATE _____



Scope of Employment Form



State of Oklahoma
Department of Central Services
Risk Management Division

SCOPE OF EMPLOYMENT FORM

P.O. BOX 53364
OKLAHOMA CITY, OKLAHOMA 73152
405/521-4999 - Fax No: 405/522-4442

CLAIM NO: _____

AGENCY NAME: _____ AGENCY NO #: _____

EMPLOYEE: _____ PHONE#: _____

JOB TITLE: _____

TYPE OF EMPLOYMENT: FULL-TIME TEMPORARY VOLUNTEER CONTRACT

WHO AUTHORIZED THIS SPECIFIC DUTY: _____

TIME OF INCIDENT: _____

PLEASE DESCRIBE IN DETAIL WHAT SPECIFIC DUTY WAS BEING PERFORMED AT THE TIME OF THE INCIDENT.

Employee was headed to Shawnee to do an inspection on newly acquired State property

EMPLOYEE SIGNATURE _____

SUPERVISOR SIGNATURE _____

PLEASE TYPE OR PRINT NAME (SUPERVISOR) _____

DATE _____



Claim Management SRM's Role

- Upon notice of claim - set up file
- Coordinate all communication
- Follow claim to resolution
- Notification to agency of resolution of claim

Tort / Auto SRM's Role



- Notice of incident / claim
- Establish reserve
- Request information from agency
- Review all documentation
- Determine liability
- Make recommendation to SRM Legal Counsel
- Resolve claim
 - Negotiate settlement
 - Send denial letter



Questions and Answers