



# Risk Management

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- Division in Department of Administrative Services
- Mission / vision
- Four functional areas:
  - Claims administration
  - Safety and loss control
  - Contractual risk transfer review and compliance
  - Property and casualty insurance procurement





# Principles of Risk Management

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- Identify exposures
- Analyze losses
- Develop plan to minimize
- Monitor and adjust plan
  - Performance measures:
    - Frequency of losses (#)
    - Severity of losses (\$)





# Claims Administration : Workers' Compensation

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- Statutory wage and medical benefit for individuals injured in the course and scope of their employment
- Milwaukee County has approx. 5,000 employees in WC program
- Historically the highest claim exposure impacting the County



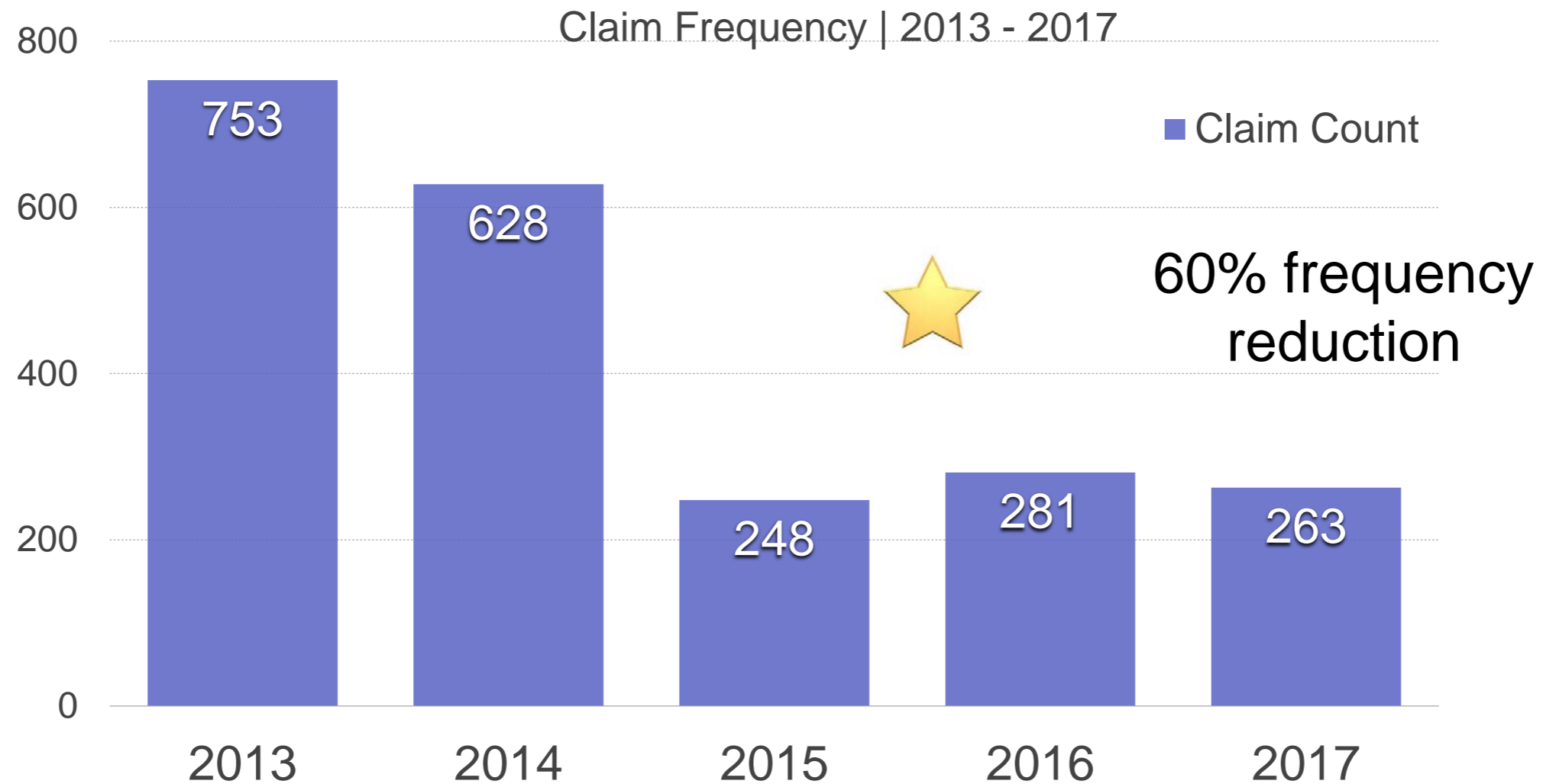
# Workers' Compensation - Countywide Claim Frequency



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### Claim Frequency | 2013 - 2017

|              | Claim Count |
|--------------|-------------|
| 2013         | 753         |
| 2014         | 628         |
| 2015         | 248         |
| 2016         | 281         |
| 2017         | 263         |
| <b>TOTAL</b> | <b>2173</b> |



# Workers' Compensation - Countywide

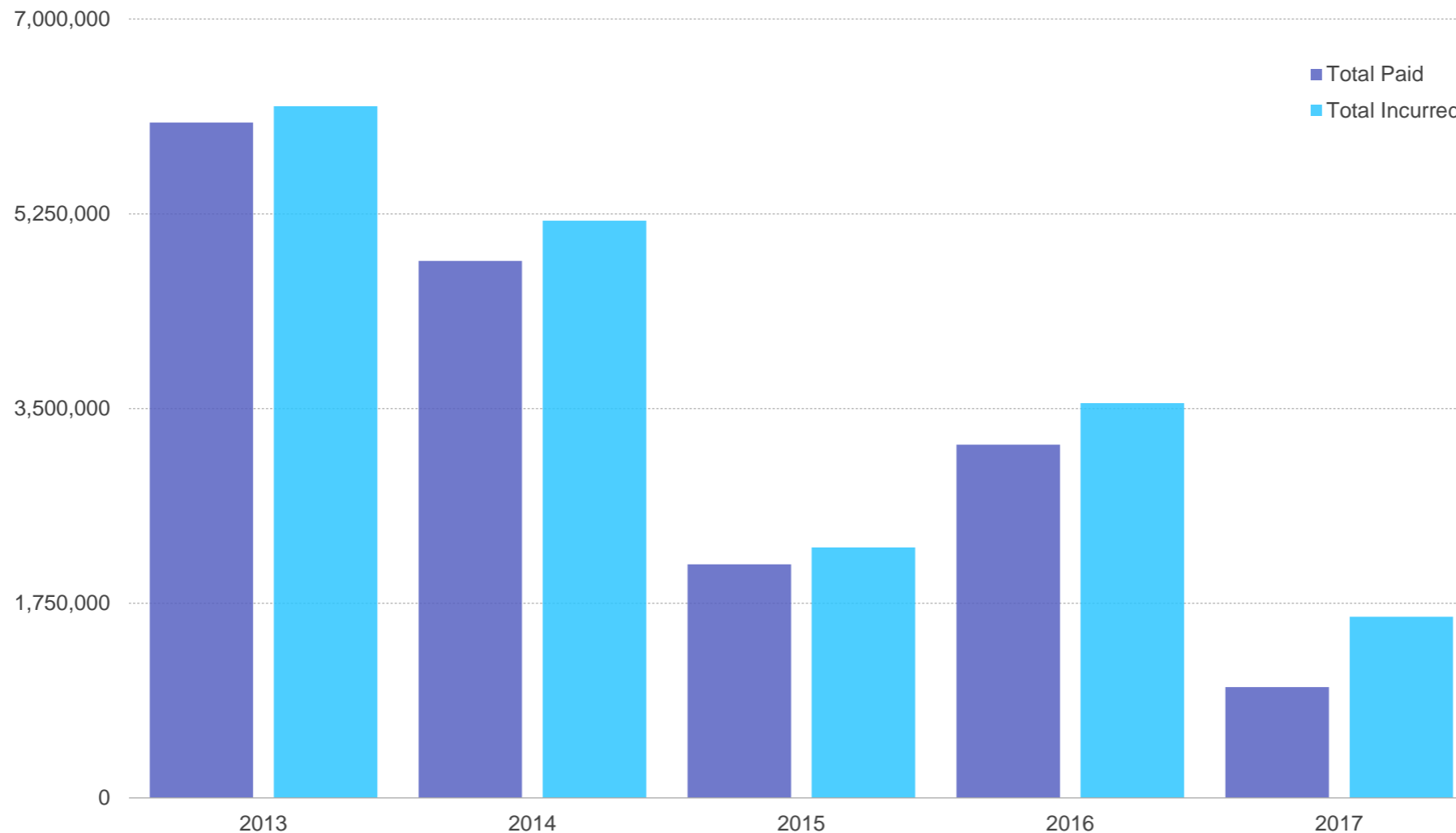


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## Claim Financial Summary | 2013 - 2017

|              | Total Paid          | Total Incurred      |
|--------------|---------------------|---------------------|
| 2013         | \$6,069,132         | \$6,217,877         |
| 2014         | \$4,826,195         | \$5,187,923         |
| 2015         | \$2,101,090         | \$2,250,976         |
| 2016         | \$3,174,440         | \$3,548,485         |
| 2017         | \$996,515           | \$1,628,222         |
| <b>TOTAL</b> | <b>\$17,167,372</b> | <b>\$18,833,483</b> |

Claim Financial Summary | 2013 - 2017



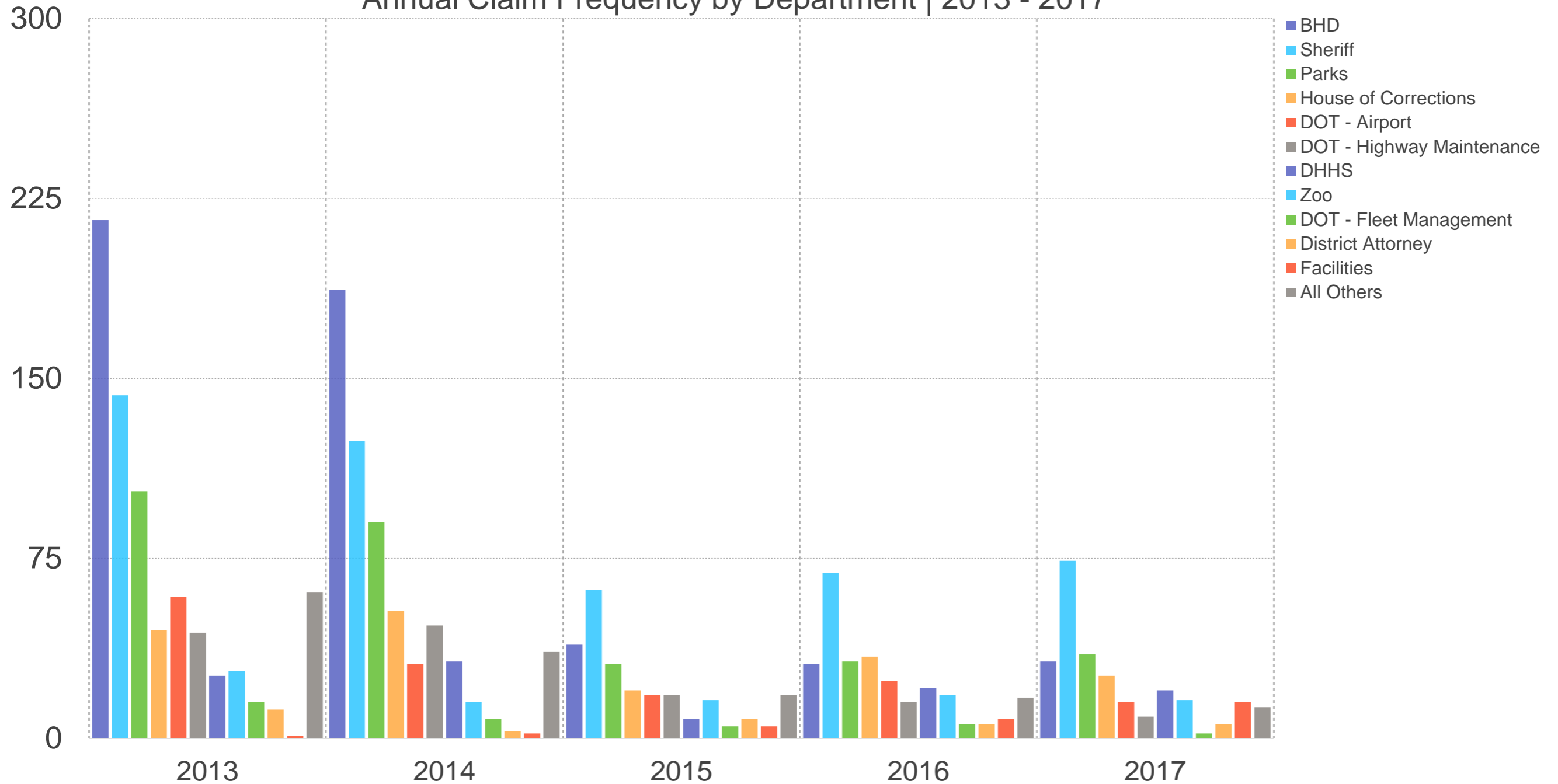
# Workers' Compensation - Countywide

## Annual Claim Frequency by Department



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Annual Claim Frequency by Department | 2013 - 2017



# OSHA Compliance Training



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## 2018 Occupational Safety and Health Administration (OSHA) Compliance Training

2018 OSHA compliance training requirements have been created in the Milwaukee County Employee Learning Management System (LMS) within a curriculum for each Milwaukee County employee. Employees can view their required training by logging into the LMS and clicking the **My Assigned Training** button found on the home page.

Please work with your supervisor to schedule and approve any specific in-person training session that may be associated with training found in your curriculum. Specific in-person training sessions can be found under the LMS **Events Calendar** button throughout the year.

All training found in your curriculum should be completed prior to December 31, 2018.

The following link can be utilized to gain access to the LMS:

<https://milwaukeelearning.csod.com/client/milwaukeelearning/default.aspx>

If you have questions regarding session registration or have difficulty reviewing any of the compliance handouts, please contact your LMS Department Administrator.

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# **BE DRIVEN**

## **to prevent accidents.**

Risk Management is pleased to present the **BE DRIVEN** safe driving campaign, which aims to reduce both the frequency and severity of preventable motor vehicle accidents.

The **BE DRIVEN** campaign is focused on identifying solutions to combat these accidents — which

-  **DRIVE DEFENSIVELY.**
-  **USE CAUTION IN INCLEMENT WEATHER.**
-  **WEAR YOUR SEAT BELT.**
-  **BE AWARE WHEN BACKING UP.**



# Workers' Compensation Loss Control Initiatives



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## Milwaukee County Programs & Policies

- Utilize Milwaukee County Transitional Duty Program (AMOP 5.05)
- Utilize Milwaukee County Safety & Health Program (AMOP 5.03)
- Development of Milwaukee County Occupational Health Programs (Respiratory, Hearing Protection & Bloodborne Pathogens)
- Implement Law Enforcement & Custody Policies & Procedures Manual via Lexipol
  - *Sheriff's Department / Risk Management Training*

## Milwaukee County Employee Engagement Initiatives

- Promotion of Find It Fix It Program – Safety and Property Issues
- Participation in Joint Safety Committee / VARC
- Total Health Newsletter

## Employee Training

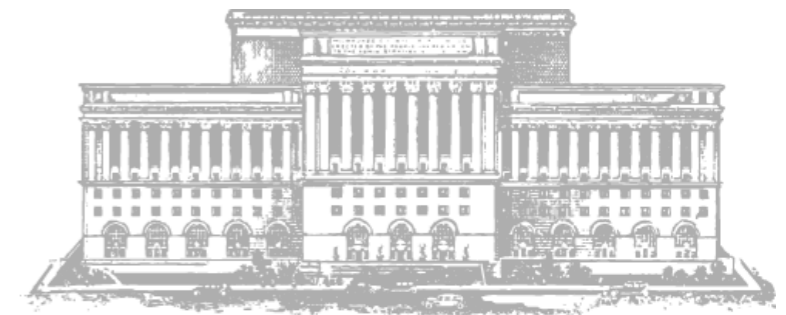
- Focus on Safe Lifting/Back Injury Prevention
- Focus on Defensive Driving Training
- Focus on De-Escalation & Defense Training



# Property & Casualty Insurance

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- 10 policies, 2 fully self-insured programs
- \$2.9 in annual premium = over \$1 billion in coverage
  - Includes claim handling for certain lines
  - Loss control / consulting support
- Past five years, approx. \$32 million in claim payments





# Property / Energy Systems

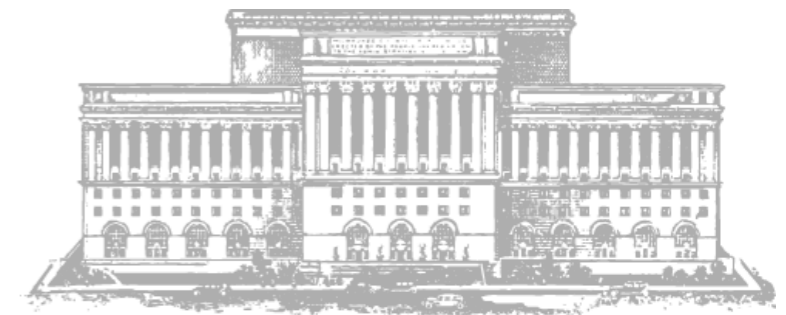
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**Property Insurance:** Covers buildings, scheduled equipment, animals, property in the open, etc

- Travelers (A++ Superior financial rating)
- \$1,663,068 premium covers approx. \$3 billion in assets
- \$500 million limit each occurrence
- \$500,000 deductible buildings and contents

**Energy Systems / Boiler & Machinery:** Electrical, HVAC, boilers

- Liberty Mutual (“A” Excellent financial rating)
- \$100 million limit each occurrence
- \$61,523 premium
- 3% premium increase or \$2,018 – 2 claims filed



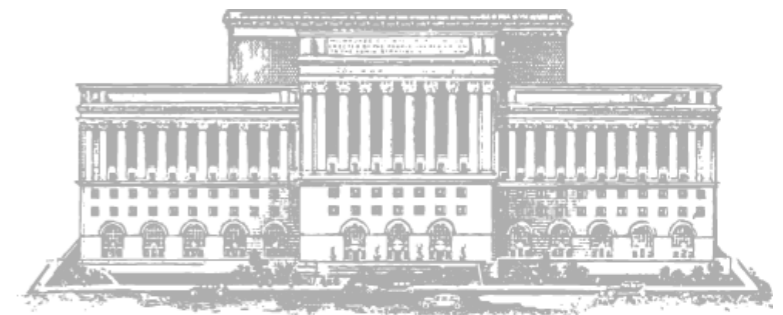


# Fine Arts

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**Fine Arts:** artifacts, artwork, sculptures, collectibles, etc.

- AXA Insurance Company (A+ Superior financial rating)
- \$150 million limit for Scheduled Locations
- Scheduled Locations: Any location owned, operated, or occupied by Milwaukee County
- Deductibles; \$0
- \$77,750 premium





# Airport Liability / Environmental

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## **Aviation Liability:** Operations at GMIA and Timmerman

- **AIG** (A+ Superior financial rating)
  - \$500 million limit each occurrence and aggregate
  - \$50,000 deductible
  - \$120,643 premium

**Environmental / Pollution:** Third-party claims for cleanup, bodily injury and/or proportion damage caused by pre-existing and/or new pollution conditions emanating from the Site

- **Zurich Insurance** (A+ Superior financial rating)
  - \$10 million / 10 years at Ballpark Commons
  - Joint policy with the Rock
  - \$62,494 (total County premium for all 10 years)





# Fiduciary Liability / Crime

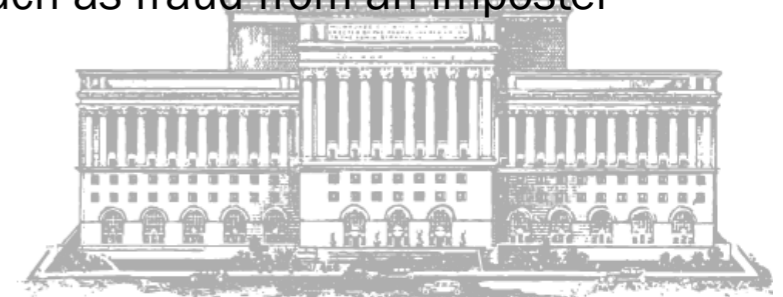
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## **Fiduciary Liability (Pension):** Errors & Omissions from Pension

- AIG primary insurer and Chubb and Axis excess insurers (incumbent markets/ A+ Superior financial rating)
- \$30 million limit total each occurrence and aggregate (10/10/10)
- \$150,000 deductible
- \$237,398 premium for fiduciary program in 2017 (\$212,302 premium savings in 2016 / 2017)

## **Crime:** Employee theft, robbery, forgery, fraud, burglary, phishing

- Great American (A+ Superior financial rating)
- \$10,000,000 coverage limits / \$100,000 deductible
- \$39,437 premium- unchanged from 2017
- NEW in 2017-Social Engineering Endorsement Protects the County from “Phishing”, when money can be lost as a result of deceptive practice, such as fraud from an imposter claiming to be a client or vendor





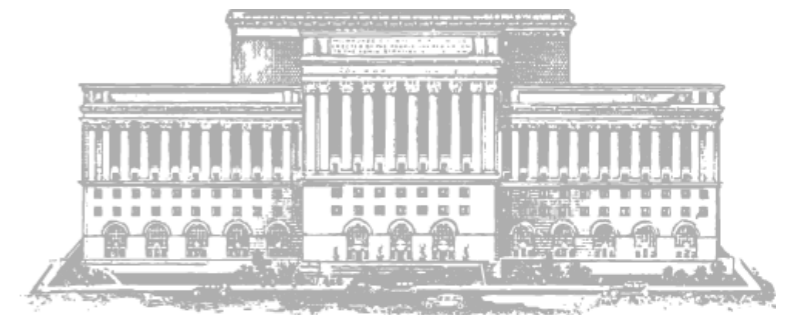
# Public Entity Liability

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**PEL:** General liability, employment practices, auto liability, errors & omissions, law enforcement liability, cyber liability

## Wisconsin County Mutual (B++ Good Financial Rating)

- \$10 million limit per claim, no aggregate or policy limit
  - \$1,000,000 each occurrence deductible, \$3,000,000 aggregate deductible
  - Includes claims administration costs from first dollar
  - \$753,848 premium – increase of 5% from 2017 or \$35,898 due to increase in claims activity
  - Increased sub-limits on Cyber Liability in 2017
- 21 year relationship, ownership and governance: Milwaukee County Supervisor current President, dividends paid, TPA and loss control services included
  - \$171,409 total premium returned to the County over the past 5 years in dividends
  - Recent coverage disputes





# Renewal for 2019

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- Marketing program to commercial carriers
  - Public Entity Liability
  - Work Comp
  - Med Mal
  - Increase Cyber limits
- Claims TPA RFP
- Improvement of Coverage Terms
  - Deductible and limit structure changes
  - Coverage form improvements
- Reduction in County's Overall Total Cost of Risk

