

Responsible Insurance Practices

R&R Insurance's Jeff Thiel discusses risk management challenges facing school districts



Jeff Thiel is an account executive for R&R Insurance.



SERVICE ASSOCIATES Q & A

Q. *What are some ways that schools can save money on their insurance premiums?*

A. Reducing a district's workers' compensation experience modifier is the best way to save money. This can be done in a variety of ways including evaluating current experience modifier factors, conducting safety surveys, educating employees, and many more. If your workers' compensation insurance carrier offers nurse case triage, taking advantage of the care line helps reduce the cost of individual claims, which would reduce your experience modifier as well.

Q. *Can you give examples of some of the biggest risk management challenges facing school districts?*

A. The biggest challenge is providing the best coverage while remaining in budget. Despite limited budgets, districts need to be focused on student safety and cyber security. Risk management challenges include turnover, an aging workforce, and the impact of unions. While it is hard to implement change quickly to meet these challenges, you should work with your insurance carrier and see if they have low or no-cost solutions to managing risk, such as: return-to-work programs, cyber security best practices, or free safety webinars.

Q. *Are there any new insurance issues or trends that school boards need to be aware of?*

A. Property insurance is being converted from the Local Government

Property Insurance Fund to private carriers, saving premiums and improving coverage. Since July 1, 2015, the private marketplace has really become the property insurance venue of choice, and should be able to provide long-term stability to districts in terms of not only premiums, but coverages, services, and capabilities. Private carriers will also provide loss prevention consulting services to districts which are offered as part of the insurance premium. The intent is to make the physical property more insurable and safer.

Q. *If you could give one piece of insurance advice to schools, what would it be?*

A. Find a risk management partner that becomes part of your team. This partner should hold themselves and the district accountable. The partnership should work together for the mutual benefit of the staff and students. Effective partners will be crucial in impacting and enhancing

your culture. Allowing partners to work and implement their part of the service plan is important. ■

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WORKERS' COMPENSATION EXPERIENCE MODIFIER

The experience modification is a method used to tailor the cost of workers' compensation to reflect the risks of individual business. Three years of losses are used to forecast or predict future workers' compensation losses. It gives the employer an opportunity to have an impact on the final cost of their workers' compensation insurance by controlling hazards that can cause injuries to employees. The result is a debit or credit to their insurance premium. □

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