

North Bay Schools

Insurance Authority

Annual Report 2009



Our Mission

To be the leading schools Joint Powers Authority (JPA), providing quality, cost-effective protection, programs, and services through the pooling of interests and resources.

*Group Protection...
Individual Attention*



GROUP PROTECTION...INDIVIDUAL ATTENTION. That's how we have come to define the benefits of membership in North Bay Schools Insurance Authority.

We understand that the challenges you face are many, and your resources are limited. That's one of the ways pooling makes sense. Our members have a number of goals and responsibilities in common, and NBSIA can help you recognize the benefits of meeting those goals as a group while still taking into account the uniqueness of each member district.

As you will see in this year's annual report, 2008/09 reflects a continuing pattern of lower claims activity overall. In workers' compensation, we see claims frequency falling, as well as several other important measures of success, such as reductions in the number of lost time days and lost time claims due to workplace injury, while liability claims continue to slowly tick up.

The years ahead will be tough for all, but NBSIA is actively searching for creative ways to help you manage risks and limit losses. We are leaders in the pooling field on the effective use of data to identify opportunities for further attention, and actively involved at the state level in promoting reasonable legislation that supports the risk management efforts of schools and other government entities. NBSIA is also Accredited with Excellence by the California Association of Joint Powers Authorities (CAJPA) and has maintained that standard since the program's inception in 1996.

Everything we do is designed to allow our members to focus on what they do best: providing an outstanding public education, and we thank our members for allowing us to continue providing them with that support.

Please take a moment to read through this report and share your thoughts with me.

Regards

Jan DeGracia CPCU, ARM
Executive Director

CORE VALUES

Focus on Members

Accountability

Quality

Responsiveness

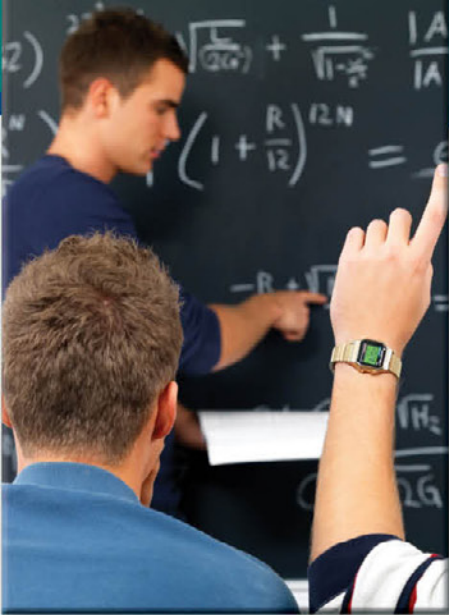
Flexibility

Relationships & Teamwork



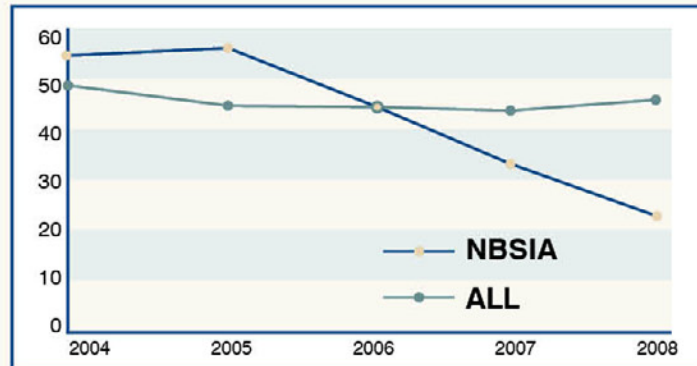
2008/09 Board of Directors/Alternates

Benicia USD	Priscilla Acquino-Dichoso Keith Rogenski
Davis Jt. USD	Bruce Colby Sharon Swifka
Dixon USD	Sandra Harrington Brian Dolan
Fairfield-Suisun USD	Kelly Morgan Ron Hawkins
Napa COE*	Joshua Schultz Jill Johnson
Solano COE	Lettie Allen Jay Speck
Solano Community College	Richard Christensen
Travis USD	Ken Forrest Anna Pimentel
Vacaville USD	John Niederkorn Burton Crinklaw



Workers' Compensation

Percent of Lost-Time Claims
NBSIA vs. All California Public Agencies 2001 - 2008



2008/09 Program Highlights...

- Rate/\$100 payroll remains flat following 4 consecutive years of decreases
- Cost Containment programs net over \$2,000,000 in savings:
 - ◆ Nurse Intake Program - \$127,000 saved
 - ◆ Pharmacy Benefit Management Program - \$35,000 saved
 - ◆ Utilization Review Program - \$192,000 saved
 - ◆ Bill Review Services - \$1.9 million saved
- Early Return to Work Program –Bridge assignments updated for all members
- Medical Provider Network adds Kaiser-On-The-Job
- 75% of Members participate in Claim File Reviews
- Future Medical claim inventory reduced by 16%
- File Closure ratio consistently exceeded 100%
- Quarterly Contacts Meetings were held at NBSIA and included the following training: Fraud Awareness and Prevention, Education Code, Cal OSHA Reporting

Total Equity Declared

1979-2008

Average:
\$502,600 yr.

Total:
\$20,142,486

Workers' Compensation

Coverage Notes:

- ◆ Statutory limits
- ◆ Rate: \$1.90/\$100 payroll
- ◆ SIR: \$750,000
- ◆ Includes coverage for volunteers

NBSIA's Workers' Compensation Claims Management System is now paperless.

Workers' Compensation Department Adjusters...

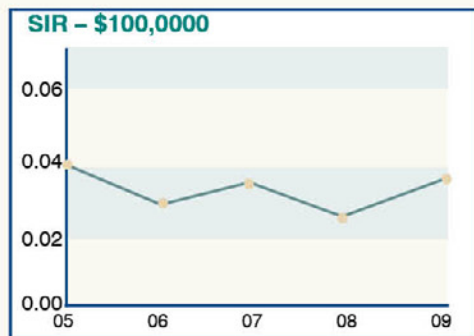
All Adjusters are certified by the State of California, Department of Insurance and meet the requirements for continuing education in order to maintain their certification.



Property/Liability

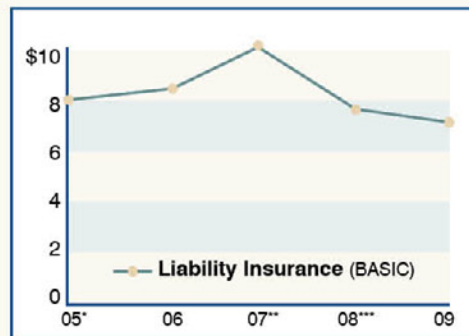
Property Rates

Per \$100 Total Insured Value (TIV)



Liability Rates

Per ADA - SIR \$150,000/\$250,000



*Bay Area Schools Insurance Cooperative (BASIC) coverage from SIR to \$5m. XS liability attachment point raised from \$1m to \$5m (reinsured)

**NBSIA max liability limit increased to \$20m from \$15m

***NBSIA SIR increased to \$250,000 from \$150,000

2008/09 Program Highlights...

- Contract review request increased 32%
- Pre-Loss Legal Program continues to provide support to members to help keep claims under control
- Additional claims adjuster position authorized by the NBSIA Board of Directors to ensure continuity of service
- Strong claims management practices recognized in 2009 claims audit

P/L Equity Declared

1979-2008

Average:

\$452,900 yr.

Total:

\$3,516,700

PROPERTY/LIABILITY Program

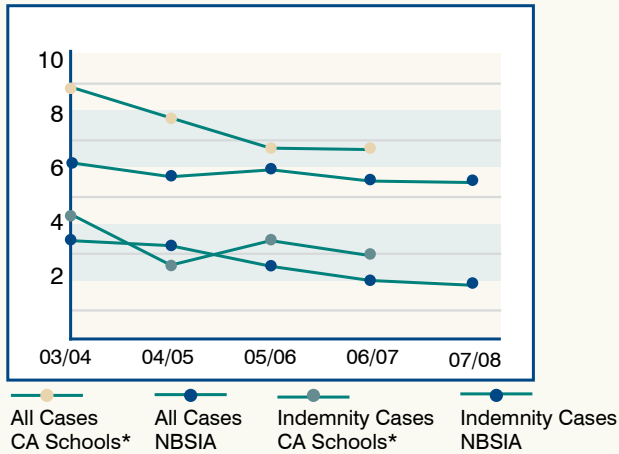
Coverage Notes:

- ◆ Member in Bay Area Schools Insurance Cooperative (BASIC)
- ◆ Liability Coverage:
 - ◆ Limit: \$20 million per occurrence
 - ◆ \$250,000 self insured retention per claim
 - ◆ No aggregate limits
 - ◆ Deductibles: \$0 liability; \$1,000 property damage; \$7,500 high risk activity
- ◆ Property Coverage:
 - ◆ Limit: \$350 million per covered occurrence
 - ◆ \$100,000 self insured retention
 - ◆ Deductibles: \$5,000 per occurrence

Prevention Services

Claims Activity

NBSIA vs. all CA schools



2008/09 Program Highlights...

- Model programs and safety flyers available on the website
- Up to \$10,000 in Safety Grants are awarded annually to participating schools to help fund projects focused on student safety
- 8,948 online safety training courses completed by member districts
- 30 Ergonomic evaluations were completed in 2008/09, with no workers' compensation claims filed by the evaluated employees!

Member Services and Programs

The NBSIA Prevention Services Department offers many services intended to help reduce exposure to injury and illness to students, staff, and visitors to school sites.

- ◆ Site Safety Surveys and Inspections
- ◆ Playground Audits and Inspections
- ◆ Ergonomic Evaluations
- ◆ Incident Investigations
- ◆ Loss & Risk Analysis Reports
- ◆ New Employee Safety Orientation
- ◆ DOT Drug Testing Program
- ◆ Safety Credit Program
- ◆ Online Safety Training
- ◆ Customized On-site Safety Training
- ◆ We Tip School Safety Hotline
 - ◆ Anonymous Reward Program
 - ◆ Customized "Information Wanted" Flyers
 - ◆ Specialized Anti-Bullying Training for Students

Coming in Fall 2009

*Online ADA Facilities
Management System*



WeTIP
inc.
WWW.WETIP.COM

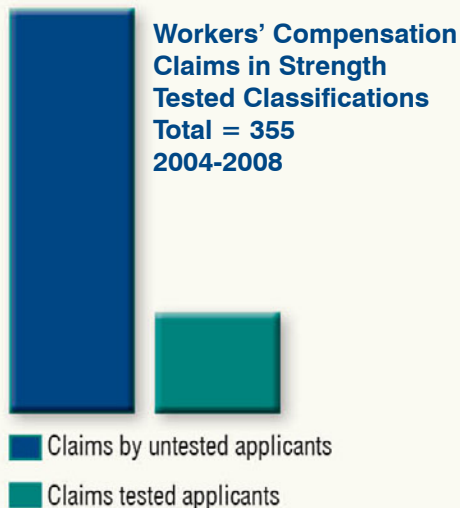
Program Services – 2008/09 Program Highlights

Strength And Agility Testing Outcomes

August 2004 – December 2008

Testing Classifications:

- ◆ Bus Drivers
- ◆ Custodians
- ◆ Food Service
- ◆ Maintenance
- ◆ Paraeducator
- ◆ Warehouse/Delivery Driver



Supervisors' Academy Class of 2009

9% of applicants strength tested either failed or were determined “medically unable” to test.
95 potential claims avoided

Human Resources Risk Prevention Series

(FREE for Liability Program Members' Human Resource Professionals)



- **FEHA/ADA Disability Discrimination Prevention Counsel and Training** – Designed to assist members with compliance in this complicated area. Includes unlimited legal support and standardized policy and forms for initiating, implementing, and documenting the interactive process.



- **Internal Investigation Training** – HR training on how to conduct a work place investigation that will hold up in court.



- **Sexual Harassment Training for Supervisors** – Bi-annual training provided to meet the requirements of AB1825.



- **HR Resource Services** – Providing resource packages to aid district managers and employees with time sensitive and specialized topics, such as surviving layoffs and a depressed economy.

Staff Training and Other Services



- **Supervisors Academy Series** – Series provides 8 days of college-level management training to established and newly promoted supervisors



- **Center For Staff Development** – Professional growth classes for district employees offered through a consortium of local government agencies
- **Employee Assistance Program** – *4th consecutive year with no rate increase.* Provides a host of work-life services and customized training sessions to our members
- **Strength and Agility Post-Offer Pre-Placement Testing** – *5th consecutive year with no rate increase.* Matches the physical demands of the job to the appropriate job candidate through strength testing

Dental/Vision



2008/09 Program Highlights...

- New VSP Vision program sees rate decreases in first 2 years
- Programs allow complete flexibility in benefits
- Programs incorporate blended experience rating to recognize utilization patterns while still smoothing rate adjustments

Dental Equity Declared

1979-2008

Average:

\$73,230 yr.

Total:

\$2,050,429

Dental Program

Coverage Notes:

- ◆ Delta Dental benefits
- ◆ Flexible limits
- ◆ Customized plans
- ◆ Online eligibility management

Vision Program

Coverage Notes:

- ◆ Vision Service Plan (VSP) benefits
- ◆ Flexible packages
- ◆ Customized plans
- ◆ Online eligibility management



NBSIA by the Numbers

Pool Inception Date: *1979*

Members: *13*

Counties Covered: *Napa,
Solano, Yolo*

Covered ADA (Liability): *59,934*

Total Payroll: *\$375 Million*

Total Insured Values: *\$1.3 Billion*



Accredited with
Excellence
by California
Association
of JPAs Since 1996



If you have any questions or comments,
please contact us at:

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www.nbsia.org