
Risk Management Division Municipal Manager

Anchorage: Performance. Value. Results.

Purpose

Minimize the financial impact and loss of "Human resources", from known and unknown events and accidents.

Core Services

- Process auto liability, general liability and workers' compensation claims timely and in compliance with prevailing statutes
- Pursue all recoveries of damage to Municipal property directly, through arbitration, MOA Prosecutor and the District Attorney's office
- Review all permits, contracts and Request for Proposal (RFP) to ensure contractors have adequate insurance to protect the MOA
- Market excess auto liability (AL), general liability (GL), workers' compensation (WC) and property coverage

Accomplishment Goals

- 24 hour claimant contact and zero Workers' Compensation late payment penalties
- Recover \$1,000,000 annually in damage to MOA property
- Assure a 24 hour turn around on all permits, contracts & Request for Proposal (RFP)
- Hold insurance renewals to expiring premiums or less annually for both the MOA and ASD. Inventory is added as acquired.

Performance Measures:

Progress in achieving goals will be measured by:

Measure #1: Length of time for reporting Departmental to Risk Management

2011	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Workers' Compensation reports received later than 48 hours	*133/58 44%	*113/49 43%	*102/37 36%	

*# of reports received / # of reports received late

2010	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Workers' Compensation reports received later than 48 hours	*128/90 70%	*136/88 65%	*134/81 60%	*122/69 57%

*# of reports received / # of reports received late

Measure #2: Receipts of all recoveries deposited by Risk Management through Cash Management

2011	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Subrogation owed	\$197,058	\$221,955	\$209,624	
Subrogation paid	\$116,888	\$57,755	\$133,830	
% collected	59%	26%	64%	
WC, GL, AL paid	\$788,451	\$618,740	\$943,602	
WC, GL, AL recovery	\$407,588	\$442,663	\$196,343	
% Collected	52%	72%	21%	

2010	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Subrogation owed	\$135,350	\$69,129	\$136,775	\$251,624
Subrogation paid	\$109,711	\$59,203	\$63,161	\$201,176
% collected	81%	86%	46%	80%
WC, GL, AL paid	\$1,394,366	\$1,362,225	\$2,328,603	\$1,597,436
WC, GL, AL recovery	\$ 531,490	\$ 446,409	\$ 230,796	\$ 124,550
% Collected	38%	33%	10%	8%

Measure #3: Incoming and outgoing permits, contracts and Request for Proposal log to process within 24 hours.

2011	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
# of permits and contracts	80	168	90	
# processed in 24 hrs	80	168	90	

2010	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
# of permits and contracts	N/A	83	93	74
# processed in 24 hrs	N/A	83	93	74

Measure #4: Insurance renewal cost to remain within 10% annual increase.

	2008	2009	2010	2011
Auto and General Liability	\$282,183	\$318,622	\$318,997	\$307,584
% increase/decrease				-3.6%
Property Excess Insurance	\$865,875t	\$947,710	\$880,684	*\$1,070,670
% increase/decrease				+18%
	Membership Credit	No Membership Credit	Membership Credit	No Membership Credit
Workers' Compensation Excess Insurance	\$303,647	\$308,140	\$310,405	\$300,514
% increase/decrease				-3.2%

* Japan's earthquake & tsunami influenced renewal rate

**Performance Measure Methodology
Risk Management Division
Municipal Manager**

Measure #1: Length of time for timely reporting of Department reports, claims and incidents to Risk Management

Type

Effectiveness

Accomplishment Goal Supported:

Claim handling as required by the Alaska Fair Claims Settlement Act and Workers' Compensation Act

Definition

Workers Compensation Coordinator reviews reports to State of Alaska Department of Labor and seeks recovery of penalty from contractor.

Data Collection Method:

Monthly, quarterly and annual reports to all department heads and Municipal Manager

Frequency:

Monthly, quarterly and annually

Measured By:

The Risk Manager and actuarial studies

Reporting:

Risk Management will create monthly, quarterly and annual reports regarding claim handling and penalties

Used By:

All division directors, department heads, supervisors and safety officers

Performance Measure Methodology
Risk Management Division
Municipal Manager

Measure #2: Receipts of all recoveries deposited by Risk Management through Cash Management
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Type

Efficiency

Accomplishment Goal Supported:

Increase in percentage of recovery of damages

Definition

3rd party claims investigated and pursued by Risk Management

Data Collection Method:

File Maker Pro data base and Cash Management

Frequency:

Daily, monthly and annually

Measured By:

The Risk Manager and Cash Management

Reporting:

Monthly reports to Municipal Manager

Used By:

OMB and Finance

Performance Measure Methodology
Risk Management Division
Municipal Manager

Measure #3: Incoming and outgoing permits, contracts and Request for Proposal log to process within 24 hours

Type

Efficiency

Accomplishment Goal Supported:

24 hour turn around on all permits, contracts and Request for Proposal (RFP)

Definition

All insurance issues contained in permits, contracts and Request for Proposal (RFP) are reviewed by Risk Manager

Data Collection Method:

A daily log of incoming and outgoing items are recorded

Frequency:

Daily

Measured By:

The Risk Manager

Reporting:

Monthly to Municipal Manager

Used By:

Departments, purchasing and legal for tracking location of item

**Performance Measure Methodology
Risk Management Division
Municipal Manager**

Measure #4: Insurance renewal cost to remain within 10% annual increase
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Type

Effectiveness

Accomplishment Goal Supported:

Maintain the most comprehensive and competitive coverage's available

Definition

Risk Management reviews quotes and coverage's twice a year for property, workers' compensation, auto liability and general liability coverage's and negotiates renewals

Data Collection Method:

Insurance Broker and Risk Management

Frequency:

Bi annually

Measured By:

Risk Manager and Broker

Reporting:

Bi annually to Municipal Manager, Finance and OMB

Used By:

OMB and Finance