
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, general liability, workers’ compensation 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: All penalties are reported annually to the Division of Insurance; reimbursed by contractor.
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	2007	2008	2009	2010
# of penalties for late payment of benefits	6	2	4	1

Measure #2: Receipts of all recoveries deposited by Risk Management through Cash Management
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	2007	2008	2009	2010
Amount of recoveries deposited	\$1,053,596	\$1,419,149	\$2,068,196	\$1,333,245

Measure #3: Incoming and outgoing permits, contracts and Request for Proposal log

	2007	2008	2009	2010
# of permits and contracts	413	517	541	572

Measure #4: Insurance renewal cost

	2007	2008	2009	2010
Auto and General Liability	\$283,778	\$282,183	\$318,622	\$318,997
Property Excess Insurance	\$923,974	\$865,875	\$947,710	\$880,684
Workers' Compensation Excess Insurance	\$336,703	\$303,647	\$308,140	\$310,405

Safety Division
Municipal Manager

Anchorage: Performance. Value. Results.

Purpose

Protect the employees and citizens of the Municipality from unsafe conditions and acts.

Core Service

Determine frequency and severity as pertains to "Root Cause of Accidents"

Accomplishment Goal

Lower the cost of Municipal operations by reducing both the number of accidents and the severity of accidents in workers' compensation, auto liability and general liability exposures.

Performance Measures

Progress in achieving goal shall be measured by:

<u>Measure #1:</u> Number and dollar amount of self-insurance claims

	2007 # Claims	2007 \$ Amount	2008 # Claims	2008 \$ Amount	2009 # Claims	2009 \$ Amount	2010 # Claims	2010 \$ Amount
General Liability	108	\$652,800	54	\$351,137	44	\$354,449	13	\$71,827
Auto Liability	70	\$428,705	40	\$244,677	41	\$1,872,055	34	\$471,729
Workers' Compensation	630	\$2,616,467	768	\$4,746,590	547	\$3,460,464	510	*\$6,139,074

* One Fire Department claim and two Police Department claims account for \$2,678,610 of the increase over 2009. Also note that the Actuarial Report received and forwarded to OMB and Finance February 1, 2010 reflected this anticipated increase.

Performance Measure Methodology Sheet
Risk Management Division
Municipal Manager

Measure #1: All penalties are reported annually to the Division of Insurance/ reimbursed by contractor.
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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 Sheet
Risk Management Division
Municipal Manager

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

Effectiveness

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

Office of Management and Budget and Finance

Performance Measure Methodology Sheet
Risk Management Division
Municipal Manager

Measure #3: Incoming and outgoing permits, contracts, and Requests for Proposals

Type

Effectiveness

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 Sheet
Risk Management Division
Municipal Manager

Measure #4: Insurance renewal cost

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 Office of Management and Budget

Used By:

Office of Management and Budget and Finance

Performance Measure Methodology Sheet
Safety Division
Municipal Manager

Measure #1: Number and dollar amount of self-insurance claims
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Type

Effectiveness

Accomplishment Goal Supported

OSHA Act 1970, Workers' Compensation and Loss Runs

Definition

Incidents and injuries reported to Risk Management regarding MOA employees and citizens

Data Collection Method

Monthly, quarterly and annually reports from all Municipal departments

Frequency

Monthly, quarterly and annually

Measured By

OSHA 300 logs, near miss reports and Third Party Administrator loss runs

Reporting

Monthly, quarterly and annually and as requested by the Municipal Manager and Department Directors

Used By

All Division Directors, Department Heads, supervisors and safety officers