

Unleashing the Power of Self Insurance – Tips and Traps to Program Administration



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Risk Program Administrators
(RPA)
Senior Program Director

Program Admin Experience

- Director of Finance – Diocese of Venice (6 years)
- CFO – Diocese of Paterson (4 years)
- Gallagher – GGB (2 years)
- Gallagher – RPA (3 years)





HELPING YOU MANAGE RISK, YOUR WAY

Risk Program Administrators' (RPA's) extensive network pairs over four decades of experience, cutting-edge knowledge of emerging risks and industry-leading data to bring you customized, innovative solutions, all backed by a Fortune 500 company.

How RPA Helps:

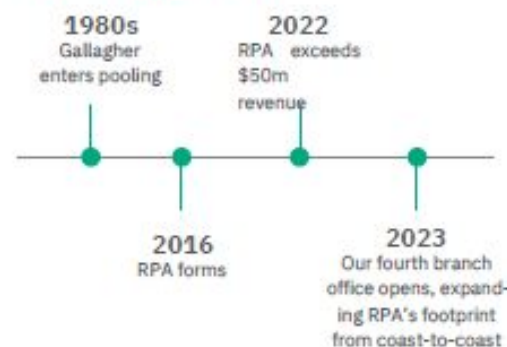
RPA's structure means we can tailor ourselves to be of the highest and best service to you, our client. We provide an unparalleled blend of risk program administration and related services. Some specific ways we've helped pools and programs include:

- Program administration
- ERM and strategic planning
- Risk management
- Coverage placement and design
- Member services
- Accounting services
- Vendor management
- Staff augmentation

RPA Represents:



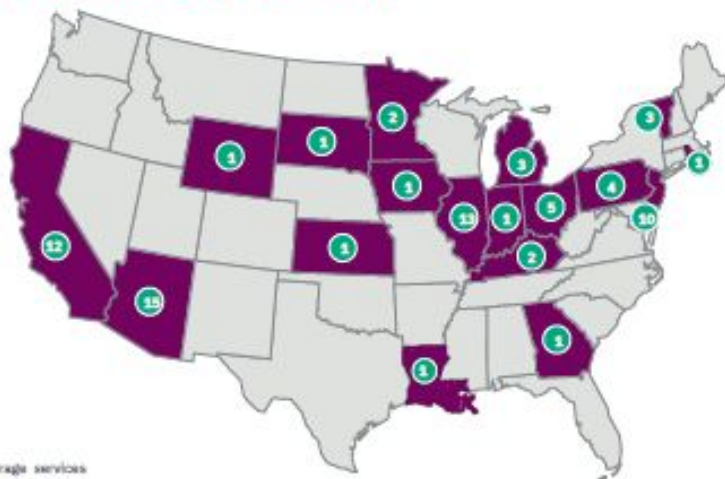
Continued Growth:



Areas of Expertise:



Local Presence, Global Reach:



RPA National Leadership Team:

- | | |
|---|---|
| Cindy LaMantia
President | J. T. Babish
National Program Development Leader |
| John Ashton
Managing Director | Michelle Carter
National Communication and Initiatives Leader |
| Mike Tiffany
Managing Director | Jennifer Darnall
Branch President, RPA West |
| Tyler LaMantia
Director of Mergers & Acquisitions | Byron Given
Branch President, RPA Central |
| Marcus Henthorn
National Sales Director | Brad Hoffman
Branch President, RPA East |

What does Program Administration Mean?



GOVERNANCE

Enhancing collaboration with your program to facilitate operations, financial oversight and long-range planning across a range of disciplines.

MEMBER RELATIONS

Building and maintaining strong relationships between your program and its Programs.

CLAIMS

Gaining a deeper understanding of program exposures and improving your response to claims.

ACCOUNTING SERVICES

Prioritizing long-term financial security and program viability with guidance and support.

RISK TRANSFER ANALYSIS

Analyzing and balancing your program's risk appetite, loss experience, goals and desired outcomes with expert insights.

LOSS CONTROL

Identifying and implementing high-impact risk management priorities and initiatives with strategic direction and guidance.

GOVERNANCE

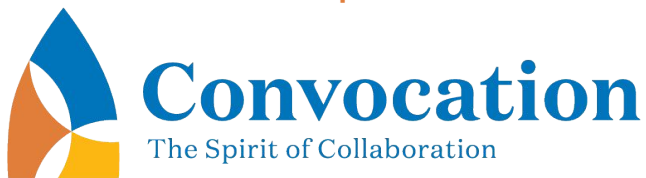
Effective governance builds trust and accountability among program stakeholders at all levels. Governance includes collaborating with your board to facilitate operations, financial oversight and long-range planning for success.

- General Operations
- Regulatory Compliance
- Fiduciary Management
- Meeting Management
- Vendor Management
- Long-range Strategic and Talent Planning

MEMBER RELATIONS

Member Relations creates empathetic and transparent partnership between your program and members. It includes acting as an extension of your team to program members.

- Relationship Building
- Program Marketing
- New Member Onboarding
- Coverage and Ad Hoc Inquiries
- Ensuring the program (not RPA) has primary relationship with program members
- Using branded materials approved by the Board when communicating with current or prospective members
- Empathetic and Transparent Partnership



ACCOUNTING

Accounting services are more than just day-to-day budgets and expenses. They include prioritizing the long-term financial stability of your program with a robust plan that includes financial forecasting, reporting and more.

- Budgeting and Planning
- Treasury Functions
- Invoicing, Collections, and Surplus/Net Position Distribution
- Financial Reporting
- Investment Planning
- Assistance with overall strategic financial planning, including renewal strategies

LOSS CONTROL

Effective loss control evaluates your program data to recommend, implement, and monitor high-impact risk management programs and initiatives.

- Strategic Direction to Focus Loss Control Efforts
- Resource Management and Performance Monitoring
- Cyber Risk Management
- Member Participation Management

RISK TRANSFER ANALYSIS

Risk Transfer Analysis expertly combines risk management know-how with analytics to balance your program's risk appetite, loss experience, goals and desired program outcomes.

- Coverage Program Management
- Program Development(Including emerging risks and/or hard-to place coverage)
- Self-Insured Retention Analysis
- Total Cost of Risk (TCOR) Assessments
- Memorandum of Coverage (MOC) Review and Design
- Certificate Tracking
- Market Analysis and Benchmarking
- Reinsurance Placement and Oversight
- Exposure Data Collection and Analysis
- Underwriting, Development, and Allocation of Member Contributions
- Risk Management Information System (RMIS) Oversight



CLAIMS

Claims management helps ensure claims are resolved according to contractual standards and the cultural service expectations of your program. Effective claims management is tenacious vendor management on behalf of your program members.

- Claims Resource Management
- Claims Resolution Support
- Claims Administration Performance Monitoring
- Claim Policy Guidance



“

Change is
inevitable.
Growth is
optional.

”

JOHN C. MAXWELL
AUTHOR, ORATOR, PASTOR

PROGRAM ADMIN TRAP #1 - GOVERNANCE

Board Managed The board takes full responsibility for all aspects of program management.

Direct program staffing The program assumes human resource liabilities to hire staff that take responsibility for running the program.

Outsourced (RPA) The board contracts with an experienced partner that takes responsibility for day-to-day operations and long term strategy. The board weighs in to help set direction. There are no day-to-day responsibilities and no human resource liabilities for the board.

PROGRAM ADMIN TRAP #1 - GOVERNANCE

How is your program managed?

- Who is in charge?
- How are decisions made?
- Who is tasked with making coverage decisions, etc.
- Wavering on how program is managed, Consistency is required!

PROGRAM ADMIN TRAP #2 - CONSISTENCY

One set of rules!

- Participation
- Coverages
- Claim Decisions
- Must avoid US vs. THEM
- Program Documentation – Handbook

PROGRAM ADMIN TRAP #3 – MEMBER RELATIONS

Communications

- Insurance Program Meetings – in person
- Communication of program – (PUT IT IN WRITING!)
- Pastors, Schools lack understanding of how program operates.

PROGRAM ADMIN TRAP #4 – CLAIMS

Many possibilities

- Insurance vs. Subsidy
- Lack of understanding in what is covered – “Act of God” vs. Deferred Maintenance

PROGRAM ADMIN TRAP #5 – NOT KEEPING SCORE

Program Performance

- Pricing structure
- Participation levels vary – engagement, payment, loss control

PROGRAM ADMIN TRAP #6 – LOSS UNCONTROLLED

Chaos ensues

- Repeated claims, same cause of loss (Freezes, ladders, roof maintenance, etc.)
- Education – members not understanding implication of claim dollars

PROGRAM ADMIN TRAP #7 – “SAME AS LAST YEAR”

Risk Transfer Analysis

- Programs not evaluating, on a regular basis, their risk transfer model
- SIR, Deductibles
- Ancillary coverages
- Master policy vs. individual policies (Flood)

PROGRAM ADMIN TIP #1– MONITOR TRAPS

1. **Governance** – take charge, communicate
2. **Consistency** – Write it down, communicate to members, don't set precedents you don't want for program. Use renewal as a chance to implement change.
3. **Member Relations** – Get in front of your program. Explain, Teach, Educate, Partner
4. **Keep Score** – how is the program performing, act intentionally, use surplus to generate support among members

PROGRAM ADMIN TIP #2 – LOSS CONTROL

Take Control!

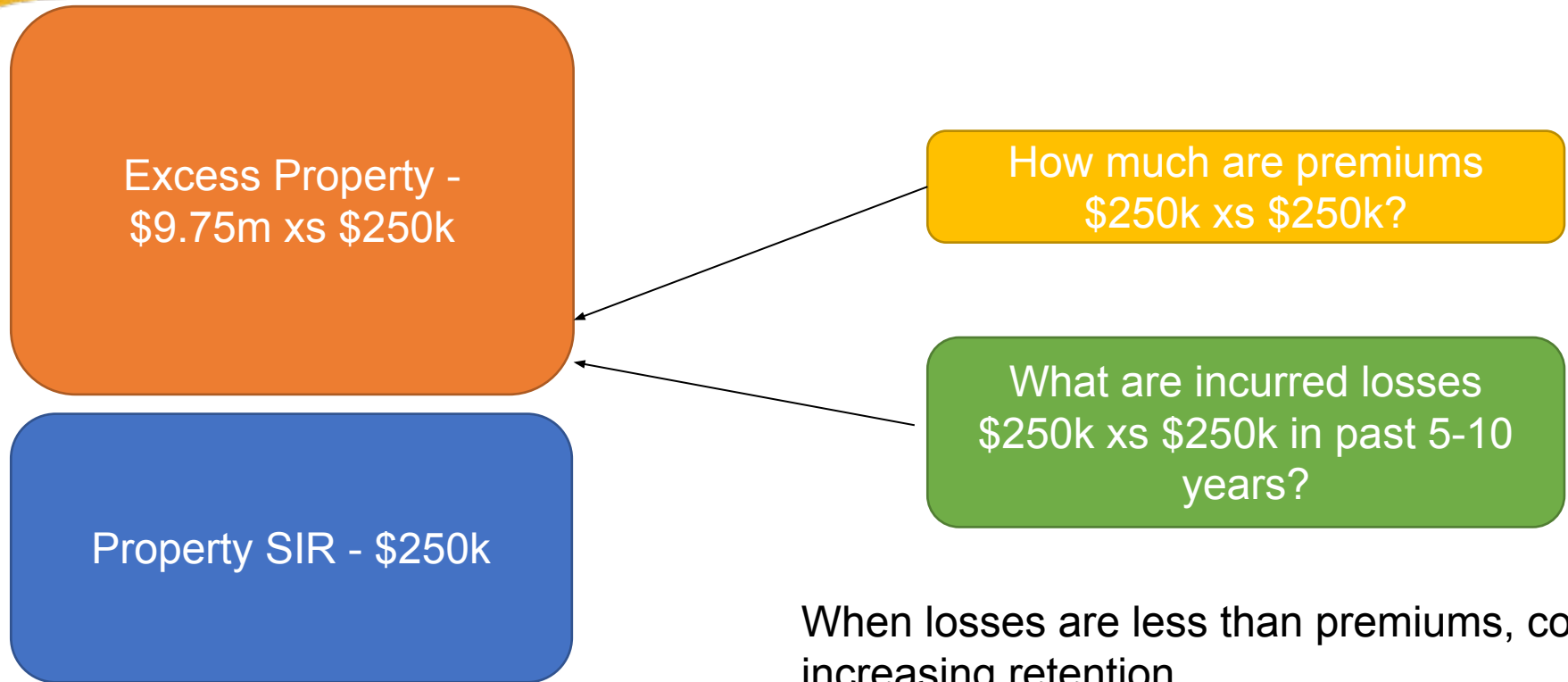
- What are key loss drivers – freezes, roofs, slip and fall, ladders, nursing homes, patient lifting
- ADDRESS what you can!
- Use resources available to program, resource manuals, Parishioners, Gallagher National Risk Control
- Site inspections

PROGRAM ADMIN TIP #3 – NOT MANAGING RISK TRANSFER

Take Control!

- SIR are at correct level, can we take more risk and save dollars.
- Evaluate and understand Risk Appetite
- Are we buying the right insurance products
 - Accident Policies for guests, volunteers
 - Travel insurance policies

PROGRAM ADMIN TIP #4 – RETENTIONS



When losses are less than premiums, consider increasing retention.

PROGRAM ADMIN TIP #5 – POOLING

Do more opportunities exist to Pool our risk?

- Scope and size
- Existing Programs
 - BPIC
 - TNCRRG
 - Christian Brothers
 - Others

WHERE DO THESE TRAPS AND TIPS APPLY?

Property & Casualty Program

Employee Benefits
(Health & Welfare)

DISCUSSION



Thank you.

Contact Information

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