

ILCA "HELP"

HAZARD EVALUATION LOSS PREVENTION BULLETIN OF THE
INSURANCE LOSS CONTROL ASSOCIATION

Winter 2002

PRESIDENT'S MESSAGE

Another conference has come and gone. The 2002 Conference was a great success! We had a great line up of presenters and a total of 89 attendees! This success was a result of the hard work performed by the Conference Planning Committee. I want to give a special thanks to the committee! The committee members were; Tom Perry, Steve Laskoski, Bruce Ayrton, Brock Bell, Dan Finn, Paul Stultz, Raquel DeLaRosa and myself. I also want to give a special thanks to each of our conference attendees and to all of the great presenters! "Thank you!" If you are interested in serving on the Conference Planning Committee, please contact Bruce Ayrton, First Vice President and Chairman of the Conference Planning Committee. Your input and involvement is needed to continue our success!

As discussed at the Annual Meeting, the next few years are sure to present some challenges to our Association. As you may or may not know, NAMIC (The National Association of Mutual Insurance Companies) currently provides financial and administrative support to ILCA for our Annual Conference. ILCA does have its own independent treasury, but NAMIC absorbs any profit or loss from the ILCA Annual Conference. If a particular Annual Conference does not make a profit, NAMIC absorbs the loss, not the ILCA treasury. Likewise, if a particular Annual Conference does make a profit, NAMIC receives those profits, not the ILCA treasury. Some of our

past Annual Conferences have not made a profit. Therefore, the success of our Annual Conferences is not only critical to ILCA but also to NAMIC. NAMIC has similar arrangements with other Insurance Associations that are affiliated with them. Some of these affiliates include The Insurance Committee for Arson Control (ICAC), The Insurance Education Foundation (IEF), The Urban Insurance Partners Institute (UIPI) and others. A complete listing of NAMIC affiliates can be found on their web site at: www.namic.org/affiliates.

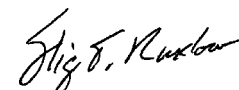
NAMIC has proposed and is in the process of presenting proposals for ILCA to become financially independent. These early proposals include the formalization of our relationship, perhaps in the form of a service agreement or contract. This would most likely result in ILCA paying NAMIC on a fee basis for the administrative services that they provide. ILCA would then absorb any profit or loss from our Annual Conference. If this were the case, then the success of future Annual Conferences is even more critical to ILCA.

I have asked your Liaison Committee to further explore these proposals and potential changes. As outlined in our Bylaws, your Liaison Committee will maintain contact and exchange information with NAMIC and any other supporting and allied organizations. They will report to your Executive Committee. I have asked Steve Laskoski, Immediate

Past President to Chair the Committee. The other members of the committee include Tom Perry, Ron Frawley, Richard Saulen and Bob Titter, all of which are Past Presidents of ILCA. Please feel free to contact any member of your Executive Committee or Liaison Committee, your input and involvement is needed! Rest assured, ILCA is and will continue to be the only association dedicated to you and the Insurance Loss Control Profession!

Again, I must thank each of our members who attended the Annual Conference and each of you who have brought in a new member or members during the last year. I also want to remind you to visit your web site at www.insurancelosscontrol.org. **Mark your calendars for next year's Annual Conference to be held October 20-22, 2003 in the Columbus, Ohio area!** Your Executive Committee is also working on a 1-day Regional Conference for the membership in the Northeastern States. Stay tuned to the web site and newsletter for more information! Please feel free to contact me at ruxlow@yahoo.com with any questions or concerns. Thank you for allowing me the opportunity to serve you, the ILCA membership!

Truly yours,



Stig T. Ruxlow, CSP
President
Insurance Loss Control Association

www.insurancelosscontrol.org

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MOLD AND SPORE REMEDIATION

Presented By Kenneth F. Martinez, CIH

Kenneth F. Martinez, CIH Mr. Martinez is the Supervisory Industrial Hygienist at National Institute of Occupational Safety and Health (NIOSH), He discussed all aspects of Remediation of Biological contaminants, specifically Mold and Mold Spores.

He began his presentation with introductory information on Microorganisms and the health effects associated with them. He explained the immunological responses, Infectious diseases and Toxicological responses of Microorganisms and Mycotoxins.

Pre-assessment steps were outlined. Including physician consultations, epidemiology and walk-through evaluations. A fair amount of time was spent on the walk-through evaluations. Evaluation of HVAC systems was one of the primary areas for concern. Microbial requirements were also listed as Organic Matter (dirt), sources of Spores, Water or Relative Humidity greater than 60% and a constant temperature between 40 and 100 degrees Fahrenheit. Other items listed for the evaluation were water damage history, visible mold growth, condensation, odors, humidifiers and potted plants. Several sample photos were reviewed for each area of the walk-through evaluation.

Basic sampling strategies were outlined. Included were pros and cons to sampling. Also included were the basic considerations for the selection of environmental microbiological lab, analysts, methods, sensitivities, field sampling quality control and reporting support.

Remediation was discussed in depth. He outlined the special areas of concern as ventilation systems, confined spaces, major areas of contamination and dusty environments. He also included Health and Safety considerations in relation to remediation. An outline of personal protective equipment, respirators and consensus guidelines was discussed.

Lastly, several case studies were presented. Each case was presented with actual photos of areas that had been contaminated. An outlined was presented on each of the cases, including pre-assessment steps to the remediation steps. The session was very informative and educational.

Editor's Note:

For those who attended the conference and would like a printed copy of Mr. Martinez's presentation outline, please send an email to Stig Ruxlow at ruxlow@yahoo.com. Due to the large number of pages in the outline we can only provide one copy to each company/organization that had multiple attendees at the conference.

FLEET

Presented By Bruce Ayrton and Edward A. Cortese

Our own Bruce Ayrton came through and did a fine job going over the basics of the automobile exposure, providing first a background education in the potential impact of the auto exposure on workers comp, then describing the various types of auto exposures in various businesses. Next, he provided us with some of the information needs in order to properly evaluate the exposures from a loss control standpoint. He made it clear that the understanding of the insured's operations are critical to properly evaluating the exposure.

Bruce focused on the need to properly evaluate the types of people operating the vehicles as well as the operations, and brought in the applicability of the Federal Motor Carrier Safety Regulations in proper driver selection. He also went over the need for strong vehicle maintenance and inspection procedures, good accident and incident reporting and investigation, and in place safety programs.

Next, Bruce gave us some advice as to what to look for when doing our own inspections of vehicles, things to look for, in addition to policies and procedures, that both show the quality of the risk and the effectiveness of any programs they have. He finished off with some references for us, places to go for more information to be better loss control providers. Thanks, Bruce!

ON-SITE LOSS CONTROL SURVEYS

Conducted at the Radisson Hotel in Covington, Kentucky

The planning committee wanted to try something new and different this year with the on-site loss control surveys. The entire conference group was broken into different working sections and assigned to the various locations/exposures in the hotel. The entire group had time to interview the hotel staff, including Sales, Human Resources, Guest Services, Housekeeping and Maintenance. After the interviews the group broke out into their sections. The areas visited included Garage and Parking, Conference Centers, Pool, Catering Services, Guest Room areas and the Facilities area.

Overall the response to this section was positive. It allowed many attendees to view exposures that they may not normally visit. It also allowed experienced attendees to share some knowledge and help lead their sections. Thank you to everyone for participating in this section.

OSHA RECORDINGKEEPING CHANGES

Presented By David Stumbo
Senior Industrial Hygiene Consultant
Kentucky labor Cabinet

David Stumbo presented information on the recent changes to OSHA's Recordkeeping Requirements. He reviewed the major changes from the OSHA 200 forms to the new OSHA 300, 300A and 301. The following is a summary of his presentation:

- The new OSHA Form 300 (Log of Work-Related Injuries and Illnesses) has been simplified and can be printed on smaller legal-sized paper.
- The new OSHA Form 301 (Injury and Illness Incident Report) includes more data about how the injury or illness occurred.
- The new OSHA Form 300A (Summary of Work-Related Injuries and Illnesses) provides additional data to make it easier for employers to calculate incidence rates.
- Maximum flexibility has been provided so employers can keep all the information on computers, at a central location, or on alternative forms, as long as the information is compatible and the data can be produced when needed.
- Sections have been added clarifying work relationship when employees travel or work out of their home.
- Different criteria for recording work-related injuries and work-related illnesses are eliminated; one set of criteria is used for both. (The former rule required employers to record all illnesses, regardless of severity).
- Employers are required to record work-related injuries or illnesses if they result in one of the following: death; days away from work; restricted work or transfer to another job; medical treatment beyond first aid; loss of consciousness; or diagnosis of a significant injury/illness by a physician or other licensed health care professional.
- New definitions are included for medical treatment and first aid. First aid is defined by treatments on a finite list. All treatment not on this list is medical treatment.
- The recording of "light duty" or restricted work cases is clarified. Employers are required to record cases as restricted work cases when the injured or ill employee only works partial days or is restricted from performing their "routine job functions" (defined as work activities the employee regularly performs at least once weekly).
- Employers are required to record all needle stick and sharps injuries involving contamination by another person's blood or other potentially infectious material.
- Special recording criteria are included for cases involving the work-related transmission of tuberculosis or medical removal under OSHA standards.
- The term "lost workdays" is eliminated and the rule requires recording of days away, days of restricted work, or transfer to another job. Also, new rules for counting that rely on calendar days instead of workdays are included.
- Employers are no longer required to count days away or days of restriction beyond 180 days.
- The day on which the injury or illness occurs is not counted as a day away from work or a day of restricted work.
- Employers must review the 300 Log information before it is summarized on the 300A form.
- The new rule includes hours worked data to make it easier for employers to calculate incidence rates.
- A company executive is required to certify the accuracy of the summary.
- The annual summary must be posted for three months instead of one.

For additional information or copies of the new forms, you can contact your local OSHA Office or visit the Federal OSHA Web Site at <http://www.osha.gov/recordkeeping>.



2003 ILCA BOARD OF DIRECTORS

*Left to Right: Brock Bell, Bruce Ayrton,
Steve Laskoski, Stig Ruxlow, Ron Frawley,
Dan Finn.*

GENERAL MACHINE GUARDING

Presented By Greg Manuel
Director of Operations
Rockford Systems

Greg Manuel presented on the topic of General Machine Guarding. His presentation focused on the different types of machines that require safeguarding. These generally include Fabricating Machines such as presses and press brakes; Turning Machines such as lathes, drills, mills and boring machines; and other machines such as robots, assembly and packaging machines. He then briefly outlined the requirements of OSHA Machinery and Machine Safeguarding Regulations and the consensus standards of ANSI B11 Safety Standards for Machine Tools.

Mr. Manuel listed and discussed the Five Main Concerns with any machine. They are as follows:

- Safeguarding- guards, devices and methods.
- Controls- control reliability.
- Disconnects- lockable in off position.
- Starter- magnetic (drop out protection).
- Covers- rotating components covered to 7 ft. (6 ft OSHA) from the floor or from working platforms.

He discussed the many different types of Safeguarding of the Point of Operation. These include guards and devices. He listed the difference of each. They are as follows:

Guards

- Die enclosure
- Fixed
- Interlocked
- Adjustable

Devices

- Presence Sensing Devices (PSD)
- Light Curtains
- Pullbacks
- Restraints
- Gates A & B
- Two Hand Controls
- Two Hand Devices

He then presented and displayed many photos that outline many of the above types of guards and devices. These included many common incorrect methods or poor attempts to Safeguard common machines. He also discussed the OSHA safety distance formula for two hand controls or presence sensing devices. Examples were provided to illustrate the potential problems from guard openings. This was demonstrated with a guard opening device and guard opening example board. Lastly, he discussed the general electrical requirements for all machines. Several checklists and brochures were provided to the attendees of the session. More information is available at Rockford Systems Web Site at www.rockfordsystems.com.



In honor of his services, Incoming President Sig Ruxlaw presented a plaque and gavel to outgoing President Steve Laskoski. Steve served on the ILCA Board from 1998 to 2002 and will serve as the Immediate Past Chairman through 2003.

ILCA MERCHANDISE AVAILABLE FOR PURCHASE

Currently available to members are shirts and jackets of excellent quality with the ILCA logo embroidered on them.

The shirts are long or short sleeve, 100% cotton, and fine line twill. These are a great look for business casual. The sizes are available from men's M to 6XL and tall sizes to 3XTL. Currently there is a stock of long sleeve shirts in medium-blue and tan colors from large to 4XL. Ladies sizes are also available.

Don't like those colors? Then there are 24 other colors from sangria to kiwi to choose from. The price on these shirts is \$35, plus \$6 for postage.

There is also remaining stock of short sleeve, dark-blue polo's with contrast banding to collar and cuffs in sizes ranging from small to large. These are priced at \$25 plus \$6 for postage.

Jackets are a micro-fiber twill weave with nylon lining, and knit waist and cuffs with slash and zipper pockets. These are available in black/tan, navy/tan, hunter/tan, and tan/navy. With the secondary contrast color added to the collar tab area. Embroidery will match contrast color. Sizes range from S to 3XL. The cost for these is \$57 plus \$5 for postage.

Items in stock will ship within 10 days of receipt of order and non-stock items add another 10 days. To order items send check or money order to ILCA, P.O. Box 460, Bel Air, MD 21014. Any questions or comments just drop a note to above address or call Ron Frawley at 410-804-0210.



BUILDING VALUATIONS AND INSURANCE TO VALUE (ITV)

Presented By Marshall Swift/Boeckh

Robert Slawski

Field Service Account Manager

Alan Burch

Commercial Underwriting

Robert and Alan began with a brief overview of the changes that have taken place since the merger of Marshall & Swift and Boeckh, plus some of the plans for programs in the future.

The majority of the presentation focused on a hypothetical account and the processes to use in determining an estimate of a buildings value. Robert used the computer package for Commercial Building Valuation System that many of our companies use for their calculations. Some of the key items were the old square foot method (originally created as a paper guide) with rules and formulas of a general nature and non-specific to assess the base line cost of a property.

This has now been replaced with the "total component" technology, which produces individualized and specific data to calculate better replacement costs unique to each structure. This system adjusts for the higher costs of one area to another through the zip code multiplier. However, this will not include the inflated costs of a particular area based on the sales figure for the building (e.g. certain locations are inflated sales costs such as shore property is more expensive, etc.).

Effective Age: By simply using the year built field does little to provide the underwriter with a good estimate as if it is kept up and modernized a building will always has life left. You need to determine the age of the roof, electric, heat, walls, etc. Then adjust to reflect what you really have.

Gross Floor Area: This determines the length and width of the floor from the ground up for a

particular section of the building. You can separate the buildings into sections based on the story height (up to 99 sections).

Occupancy: You need to select the proper type from the list provided. This should be based on the present occupancy. If the building has been converted from one occupancy to another (e.g. a house converted to an office) you need to select the type based on the current occupancy as this is what it would be returned to in the event of a loss.

Cost Quality: The system assumes average – you need to adjust, which can be done in tenths (based on a comparison to similar buildings in class). Economy is 1, Average is 2, and Superior is 3.

Basements: The system assumes that all buildings are concrete slab floor on grade. You need to adjust, and add a basement if there is one. Also, you will need to address the finish on the basement (e.g. finished or unfinished) because if you do not – the system will build the basement the same as the rest of the building.

Basement Construction Type: Is based on the construction of the ceiling above.

Perimeter: Is a critical component in the calculations. This figure allows the system to calculate the gross wall square footage figure in conjunction with the type of exterior wall that you have selected.

Exterior Wall Material: Must select the wall material.

Roof: The system assumes a flat roof.

Add: You must add for sprinkler system, fire detection, fire alarm service, and elevators.

If anyone has a change of phone number or address, please submit the new information to Ron Frawley at ron_frawley@thehardford.com.

BASICS OF ELECTRICAL WIRING

Presented By Robert Titter
National Accounts Consultant
AIG Consultants, Inc.

This session provided the basics of electricity through a series of slides, handout materials to view, and a demonstration at the end. The handouts included a complete list of definitions based on the presentation, plus additional details on electrical systems for agricultural buildings.

The principle types of electrical wiring:

- **Knob and tube** – Older style with two separate strands held from the building with porcelain knobs and run through tubers when passed through walls and other building structural items. Limited capacity.
- **Non metallic cable** – type NM may only be used in dry locations
- **Non-metallic sheathed cable** – type NMC – a/k/a Romex may be used in damp or dry locations
- **Armored cable** – a/k/a BX cable – flexible metal covering
- **Electrical Metal Tubing, EMT** – lightweight metal conduit
- **Nonmetallic conduit** – plastic or PVC tubing used to protect wiring
- **Rigid Metal Tubing** – threaded – best wire protection

Wiring sizes – based on American Wire Gauge (AWG)

- #18 extension cords
- #14 lighting circuits
- #12 typical residential/ commercial circuits
- #10 heavy duty residential/ commercial circuits
- #8 stoves, dryers, electric heaters
- #6 same

Service Entrance Cables

Note: Cannot tell capacity by reading number of the circuit breaker panel box. Need to use a gauge to determine the capacity based on the size/ type of the cable

- #6 Copper cable = 60 AMP rating
- #4 Aluminum cable = 6- AMP rating

- #4 Copper cable = 100 AMP rating
- #2 Aluminum cable = 100 AMP rating

- #1 Copper cable = 150 AMP rating
- #2/0 Aluminum cable = 150 AMP rating
- #2/0 copper cable = 200 AMP rating
- #4/0 aluminum cable= 200 AMP rating

Hazardous Location Electrical Equipment

Conduit and fixtures are *not* designed to prevent hazardous atmospheres from entering the equipment, but the system & equipment *is* designed to contain any explosion that does occur and will not emit the resulting gases until sufficiently cooled to prevent ignition of the surrounding atmosphere

Class I – Flammable gas or vapor

Division 1 – vapors normally present

Division 2 – vapors present from accident or failure

Group A – Acetylene

Group B – Butadine, ethylene oxide, hydrogen, propylene oxide

Group C – Acetaldehyde, cyclopropane, diethlether, ethylene, isoprene

Group D – Acetone, acrylonitrile, alcohol, ammonia, benzene, benzol, butane, gasoline, hexane, solvent vapors, naphtha, propane, natural gas, styrene, vinyl acetate, vinyl chloride, xylenes.

Continued on page 7.

Basics of Electrical Wiring
continued from page 6.

Class II – Combustible dusts
Division 1 – dust normally present
Division 2 – present from accident or failure

Group E – metal dust
Group F – carbon black, coal, coke
Group G – flour, starch, grain dust, plastics

Class III – Fibers, flyings & lint
Division 1 – normally present
Division 2 – stored in bales or packaged units, not used, no manufacturing

Check these features when doing an electrical survey

1. Service entrance – support, anchoring, weather tight, height clearance
2. Transformers – clean and dust free, clearance to combustibles
3. Main Service Panel
4. Wiring
5. Switches and receptacles
6. Lighting fixtures
7. Grounding and surge protection
8. Backup power system

CREATING A PREVENTATIVE MINDSET IN CHURCHES, CHILD CARE MINISTRIES AND OTHER NON-PROFIT ORGANIZATIONS

Presented By Brock A. Bell
Loss Control Manager
Brotherhood Mutual Insurance

Brock presented information on Churches and other Christian non-profit organizations that face several risk management concerns. This session dealt with such topics as management, employment practices (for permanent, part-time, and volunteer workers), insuring buildings and other property, (such as stained-glass windows), for the correct values, and sexual misconduct. Participants received a manual on Ministry & Volunteer Workers Guide, Leadership Guide and a copy of Reducing the Risk, a pamphlet that offers suggestions for developing and implementing a policy to prevent sexual misconduct in your organization.

The employment presentation highlighted

1. Insurance
2. Employment Applications
3. Interviews
4. Reference Checks
5. Criminal Background Checks
6. Other Background Checks
7. No “second chance”
8. Investigate Concerns
9. Maintain Confidentiality

Employee Screening Procedures

1. Waiting Period
2. Supervision
3. Work Restrictions
4. Discipline
5. Injuries or Illness
6. Notice of Injury, Illness or Molestation
7. Violation of Policy and Procedures
8. Violation of Policy and Procedures Internal Investigation

PASS IT ON

Presented By Jim Lachey

Our keynote speaker this year was Jim Lachey, former All American lineman at Ohio State, and starting tackle for the 1992 Superbowl Champion Washington Redskins. Jim is a personable guy, one who you just enjoy talking with and listening to, who makes you feel important and an equal. He is now in the business of buying and growing businesses, and active in several civic and charitable organizations.

Jim talked about his personal history and how he was taught early to set goals and learned how to face unexpected challenges both on and off the football field. Some of his stories, while football related, showed how he dealt with changes in circumstances similar to those that affect each of us in our personal lives.

Jim talked about learning the balance in life, from a physical, emotional and spiritual standpoint, and how when some parts of our lives can get out of balance, the others can support us during those difficult times. He also told us about the concept of paying forward, or stocking your future with good. Both financially and from a community service point. Jim has seen to it that things are done for the future, and he continues to reap the benefits of good financial planning as well as creating a future for others because of his generous giving.

His counsel to us to set all kinds of goals for ourselves just reminds us that unless we have a plan, we are going nowhere. We need to get ourselves in shape physically, spiritually and emotionally, and the way to do that is to make plans and check our progress.

We thank Jim for passing on to us his wisdom, along with a few autographed footballs!

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