ILCA "HELP"

Hazard Evaluation Loss Prevention Bulletin of the Insurance Loss Control Association

President's Message

Another conference has come and gone. The 2004 Conference was a great success! 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! I also want to give a special thanks to each of our conference attendees, sponsors and to all of the great presenters! "Thank you!" If you are interested in serving on the Conference Planning Committee, please contact Dan Finn, 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 administrative support on a fee basis to ILCA. ILCA is now financially independent from NAMIC. ILCA is now fully responsible for any profit or loss associated with the Annual Conference. Therefore, the success of our Annual Conference is critical to the financial future of ILCA. At the Annual Meeting, the membership authorized the ILCA Executive Committee to move forward on a strategic plan for ILCA. This plan will be conducted with NAMIC. The result is expected to provide ILCA with a blueprint for financial stability and growth. NAMIC has performed similar plans with some of their other affiliates. Another outcome, may be the establishment of a "service agreement" with NAMIC to provide predetermined services. NAMIC has similar arrangements with some of their other affiliates. A complete listing of NAMIC affiliates can be found on their web site at: www.namic.org/affiliates.

I have asked your Liaison Committee to move forward with the strategic planning process with NAMIC and to explore any proposals and potential service agreements that may be proposed. 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 Stig Ruxlow, Past President and Financial Secretary to Chair the Committee. Please feel free to contact any member of your Executive Committee or Stig, the Liaison Committee Chairperson. 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 wanted to say a special "thank you" to our conference sponsors! Please remember to visit your web site at www.insurancelosscontrol.org.

Mark your calendars for next year's Annual Conference to be held October 17-19, 2005 at the Holiday Inn Worthington, OH - Hotel and Conference Center! Stay tuned to the web site and newsletter for more information! Please feel free to contact me at bbell@brotherhoodmutual.com with any questions or concerns. Thank you for allowing me the opportunity to serve you, the ILCA membership!

Truly yours,
Brock Bell
President
Insurance Loss Control Association

ILCA 2004 Annual Conference Highlights
The following are just a few highlights from the 2004 conference

Sprinkler Systems – Bob Titter, Robert Titter Consulting

A session on Automatic Sprinkler systems was provided by Bob Titter, of Robert Titter Consulting, Lexington, Ohio describing the most popular types of systems including: A SPRINKLER SYSTEM for fire protection purposes, is an integrated system of underground and overhead piping designed in accordance with fire protection engineering standards. The installation includes one or more automatic water supplies. The portion above ground is a network of specially sized or hydraulically designed piping installed in a building, structure, or area, generally overhead, and to which sprinklers are attached in a systematic pattern. The valve controlling each system riser is located in the system riser or it's supply piping. Each sprinkler system riser includes a device for actuating an alarm when the system is in operation. The system is usually activated by heat from a fire and discharges water over the fire area.

A WET PIPE SPRINKLER SYSTEM is a system employing automatic sprinklers attached to a piping system containing water and connected to a water supply, so that water discharges immediately from any sprinklers opened by the fire.

A DRY PIPE SPRINKLER SYSTEM is a system employing automatic sprinklers attached to a piping system containing air or nitrogen under pressure. The release from a sprinkler opening, permits the water pressure to open the dry pipe valve. The water then fills the system and then discharges from all opened sprinklers.

PRE-ACTION SPRINKLER SYSTEM is a system employing automatic sprinklers attached to a piping system containing air that may or may not be under pressure. A fire detection system is also installed in the same areas as the sprinkler system. Actuation of the fire detection system, from a fire, opens the pre-action valve which permits water to flow into the sprinkler system piping, and discharges water from any open sprinklers.

A DELUGE SPRINKLER SYSTEM is a system employing open sprinklers attached to a piping system connected to a water supply which is opened by the operation of a fire detection system, installed in the same area as the sprinklers.   When the valve opens, water flows into the piping and discharges from all sprinklers in the system.

A RESIDENTIAL SPRINKLER SYSTEM is a sprinkler system designed to provide detection and control of a fire in the room of origin, and prevent flashover.   The system design is also expected to prevent injury or loss of life, and improve the chance for occupants to escape or to be evacuated.

Respiratory Protection – Steve Edmonds, Brotherhood Mutual Insurance Company

A session on respiratory protection was presented by Steve Edmonds of Brotherhood Mutual Insurance Company. Respiratory protection is a key element of an effective loss control program. Many workplace contaminants enter the human body through the respiratory system and either damage the respiratory system itself or damage organs as they travel through the bloodstream. Our main goal is to control employee exposure to airborne contaminants through engineering methods. However, while those engineering methods are being developed and implemented, we must control worker exposure through temporary measures. One such measure is the use of personal protective equipment. This requires a written respiratory protection program that meets or, if possible, exceeds OSHA standards. Program elements mentioned in OSHA 1910.134 include medically qualified employees, respirator selection and employee fit testing, employee training, respirator cleaning and disinfecting, respirator maintenance, program evaluation, and record keeping.

What Every Loss Control Professional
Needs to Know About Product Safety and Liability
Jeff Skog, CSP, ARM

Jeff is the President of Fourth Shift Consulting, LLC. He began his presentation with a discussion on current products that have recently been in the news. These included Cigarettes, Lead Paint, Hot Coffee, Computer Keyboards, Five Gallon Plastic Buckets and a variety of other miscellaneous consumer and industrial products.

He continued with a detailed discussion on what product liability is, the theories of recovery, exposures and hazards, control methods and legal defenses. He defined Product Liability as legal liability that arises out of the design, manufacture, distribution or sale of defective or dangerous products. His discussion also included who can be held liable for such products, these included the designer, raw material suppliers, component part manufacturer or supplier, assemblers or manufacturer of final product, wholesalers, distributors and retailers.

His discussion then evolved to include the details and description of each of the main discussion points previously listed. In conclusion, he provided an update on current issues including Federal Tort Reform Efforts and State Tort Reform Issues. Jeff also fielded many discussion questions. Jeff can be reached at Fourth Shift Consulting, LLC at 847-683-7529 or by email at skog2002@msn.com.

Substance Abuse Program Management - Myrna Hales, Clarian Health

An overview of Ms. Hales presentation includes:

In the United States, billions of dollars of employers' profits are lost as a direct and indirect result of worker substance abuse. Safety, productivity, work quality, and employees' relationships with coworkers will generally suffer as the abuse intensifies.

There exists the perception that only larger companies can afford to implement these programs. But in reality, the smaller companies cannot afford not to develop and implement a drug free workplace program. With the larger companies having these programs in place, there is the real potential that smaller companies will be hiring those already rejected by the larger companies for these various reasons. A substance abuse/drug-free workplace not only impacts a company's profitability, it also affects people.

With the expense of hiring and training your employees, a substance abuse program can help them rehabilitate or abstain from substances, helping them protect this investment. More importantly, you can help them save their lives.

Substance abuse programs attempt to mitigate the impact of drug and alcohol abuse in the workplace by providing for the prevention, detection, and treatment of drug and alcohol use.

Developing and creating a substance-free work environment is not easy, and there are costs associated with it. However, in the long-term, there is a strong likelihood that your company will save money and possibly avoid serious employee injuries if the proper steps are taken to acknowledge and control the problem(s).

There are a few stages of planning, implementation, and control that are necessary for a successful program.

The following are some of the basic components of a drug-free workplace or substance abuse program:

Policy Statement

To develop a substance abuse program, a company policy statement must be adopted, including:

- Reason for initiating substance testing

- Explanation of what the employees' rights are and the company's expectations of the Employees

- Disciplinary actions to be imposed in the event of a positive test or refusal to give a sample for testing

Prior to implementation, the policy should be reviewed by legal counsel to ensure fairness and legality.

A comprehensive and effective program includes:

- Pre-employment screening
- Post-accident testing
- Random testing
- Reasonable cause testing

Regardless of the types of tests performed, accuracy is paramount. Therefore, the following steps should be employed:

1.   Use a trained collection site to obtain a specimen. The collection site should adhere to safeguards defined by the Substance Abuse & Mental Health Services Administration (SAMHSA)) so that the specimen will not be mishandled or altered.

2.   Have a SAMHSA-certified laboratory conduct an initial immunoassay test (EMIT). If the tests are positive, the lab will conduct a second confirmatory test.

3.   Have a medical review officer (MRO) review all laboratory-confirmed positive tests. The officer should determine if anything other than substance abuse has caused the positive test result. Employees should be given the opportunity to discuss their medical situation with the MRO. If information presented to the MRO suggests legal drug use, the MRO may overturn the laboratory results and declare the test negative.

This three-step process ensures the integrity of the testing as well as helps safeguard the employees from false positive results and may help reduce the company's liability exposure.

Training
As more employees understand and learn about the company's substance abuse policy, the less likely they are to use drugs or challenge the policy in event of a positive test result.

Thank you to our 2004 ILCA Conference Sponsors!

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ILCA says a special thank you to our lunch sponsors at the 2004 Conference!

Insurance Systems, Inc.
Marshall & Swift/Boeckh!

Insurance Systems, Inc., Monday Afternoon Lunch Sponsor

Insurance Systems Inc. (ISI) provides leading-edge software solutions and consulting services to the global insurance industry. These solutions, built on the revolutionary WebWriter^{TM} platform, range from stand-alone modules to integrated enterprise back office solutions. The WebWriter platform has the unique capability of utilizing either J2EE or Microsoft .NET, depending on varying client preferences and existing enterprise architecture. The management team and staff of ISI have extensive insurance knowledge gained from previous industry experience as brokers, underwriters, IT managers and consultants. This allows ISI to understand the business needs of insurers and design and implement systems to address these needs – This is ISI's strategic advantage.

WebWriter™ Inspection is a mobile inspection solution which allows field representatives to collect standard inspection data on a Tablet PC and automatically feed the information to underwriters or brokers. WebWriter™ Inspection eliminates the need for paper inspection forms and redundant data entry. WebWriter™ Inspection offers clear and detailed formats for inspection reports, including functionality for file summaries, recommendations, digital photos, files and letters. Field representatives can document and record critical information on site and feed the information directly into an insurer's underwriting database, eliminating costly errors and clerical re-entry as well as allowing them to make the most out of their down-time in the field. Visit their website at www.insurancesystems.ca. Thank you Insurance Systems Inc.!

Marshall & Swift/Boeckh, Tuesday Afternoon Lunch Sponsor

Marshall & Swift/Boeckh (M&SB) sponsored our Tuesday luncheon. Alan Burch was on hand to greet the conference attendees and provide information and consultation related to M&SB's products. Marshall & Swift / Boeckh (M&SB) is a leading supplier of local building cost information, residential and commercial property valuation technology and services for the property and casualty insurance sector in the United States and Canada. M&SB has six offices throughout the U.S. and Canada. Marshall & Swift, E.H. Boeckh, and Digital Documentation Systems have joined to form Marshall & Swift / Boeckh (M&SB). With consolidation of the strengths and services of three companies, they offer the largest knowledge base in property estimating for the property and casualty insurance industry. M&SB brings together the best technologies, extensive industry knowledge, and expertise in one company to offer you a broad range of services: property estimating and related co–sourcing; advanced building cost estimating systems and data; field inspection

services; book of business management; data warehousing; property decisions modeling, and more. Visit their website at www.msbinfo.com. Thank you Marshall & Swift/Boeckh!

2004 Conference Photo Collage

2004 ILCA Executive Committee

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