

## **Membership Assembly Meeting — April 14, 2010**

### ***Table Discussion Notes***

During the final hour of the annual Membership Assembly Meeting, 11 small groups discussed four issues of key importance to PDRMA members. Table leaders kept the discussions on track as PDRMA staff took notes on the steady stream of insightful comments and questions.

The attendees were provided some brief background information on each topic and a few thought-provoking questions to start the discussion. The following is a summary of the compiled notes by topic, which will be reviewed and analyzed by PDRMA leaders in the coming weeks. We'll keep you informed of any developments stemming from these discussions.

#### **The PDRMA member contribution formula — planning for the future**

The member contribution formula determines the annual contribution for each Property/Casualty member. The current formula is an allocation system based on members' exposures — payroll and operating expenditures — which is adjusted based on a member's loss experience (the debit/credit formula). The contribution formula is being reviewed by PDRMA staff to determine if the loss-based incentives and penalties are effective.

1. Do members currently feel an incentive for good loss history or accountable for adverse loss history through the debit/credit formula?
2. Should members be more accountable for losses through increased contributions?
3. Accountability will result in some members' costs increasing and other members' costs decreasing. How will that cost shift be received by the members?

#### *Members comments/questions:*

- Some members do know that the debit/credit formula is part of their member contribution
- Debit/credit affect may not be felt at operational level
- Communicate effect of current formula (average debit/credit)
- Provide bullet point document for Board education and staff education to address the disconnect
- Impact of Loss Review scores — should there be a credit for good score?
- Acts of God should not affect debit/credit formula
- Type of loss (non-preventable vs. preventable) could affect incentive/disincentive-
  - (Non-preventable vs. preventable might be hard to determine)
- When considering a loss, evaluate whether member utilized PDRMA resources or acted on own
- Repeat "offenders" without taking precautions should have more accountability
  - Example: After three losses, the member implements risk management solutions or make choices for a "penalty" (e.g., higher deductible)
- Implement a system to address high risk members
  - Address repeated losses such as flooding in the same area
- When considering a formula revision, pool industry best practices should be reviewed
- More interaction for large losses
  - Build in risk management compliance
- Why five-year loss ratio? Consider shortening the loss impact window from five to three years

- When capping losses for the formula, could there be a stairstep cap for members with consistently bad losses?
- Small members hit harder by each loss
- Consider increasing the formula loss caps
- Consider different calculations for each line of business
- More impact should be felt for lines of business an agency has more control over
- Would change in contribution calculation result in members leaving?
- Loss control review incentive
  - The incentive is small for larger-sized agencies
  - Accreditation alone is meaningful
- Loss control review could be more competitive
- Continue positive reinforcement of members who continue to do well
- More recognition of achievements (possibility at an event)
- Cash incentive awards do help members
- Possible ranking of membership (top 25%, most improved)
- Natural disasters affect accreditation
- More spot checks for members-applying good risk management at all levels
- If any changes are made, be aware of timing for budget year impact
- Concept of pooling — members are committed to risk management
- Purpose of pool is to minimize trend at agency
- Commercial insurance rating not desired — defeats the purpose of pooling
- Bringing on new members — mentor and support them
  - PDRMA doing a good job of this
- Rate stabilization is important

### **Strategies for engaging employees in wellness programs**

Wellness programs are here to stay. The federal government even included a wellness component in the recent Patient Protection and Affordable Care Act. Who is really responsible for employee wellness? Results of a national study on employer wellness-related expectations were presented to the group for discussion and comparison to their needs as an employer.

1. Does the group agree that it is an employer's responsibility to encourage employee wellness? How does the employer benefit?
2. Do the members have these same "wants" from their health care providers regarding wellness? If not, what is missing?

#### *Members comments/questions:*

- Wellness programs can benefit morale, reduce WC losses
- Helps attract new employees
- It's the buzz — does link to safety
- Agreed that it is the employer's responsibility for their employees' wellness
- A healthier employee is more productive, affects on-the-job attitude and performance, cost savings
- Employees feel employer cares
- Employees' responsibility
- Same wants from provider?
  - Mostly yes, but not all
- Can encourage but don't think it is responsibility of employer
- Can be a time and money burden for employer
- Healthy employees keep participating

- Difficult to get everyone involved
- Incentives (awards) make a difference
  - Time off is a good incentive, trade unused sick days
- Gift certificates — significant increased participation
- Money seems a good motivator, but not for everyone
- Challenge of motivating
  - Some staff won't participate regardless on incentive
- Employees appreciate free health screenings
  - Provide a reduction in premium for employees who participate in screenings
- Expand wellness programs from PDRMA
- Develop nutrition programs
- Bring part-time employees into programs as well
- Full-time employees participate in the Health Risk Assessment (HRA), part-time employees do not participate — creates lack of unity
- Many members provide on-site fitness for full-time and part-time employees
- Reduced rates for employees at member-owned health/fitness facilities
- Potential discounts for IPRA members to use other IPRA member's facility
- Involvement of employee's other family members in wellness programs is minimal
- Consider a penalty for non-participation in wellness programs (i.e., extra \$10 pay period)
- Smoking cessation — better to have people come on site with counseling, etc.
- Lost work time with smoking breaks
- Mental health wellness issues also need to be addressed
- Involve EAP outside resource to talk to staff about wellness
- Generation basis for wellness
- Getting employees on board
  - Engage young employees — keep them healthy, get them engaged
  - Engage older employees — more likely to have claims
- Cultural divide on privacy of HRA
- 10-week classes-only healthy employees sign up
- Employees not pushed outside work hours (intrusion of their time)
- PDRMA does provide enough resources currently
- Focus on behavior change — immediate payback, incentives
- More training and workshops
- Individual agency wellness fairs and district screenings
- Focus on management of chronic diseases
- PDRMA to help identify model districts, share resources
- Health/Wellness fair for more holistic approach (screenings, nutrition)
- Resources from health care provider — could use more
- Convenience — access to services
- Facilitate for employees the maze of forms, processes, doctors, providers
- Difficulty of running campaigns at small agencies — partner with others
- Difficult for agency leaders to serve as an example due to time constraints
- Would like to see HRA made available to all PDRMA members
- Help members who do not qualify for PDRMA Health (HRA)
- Non-Health members join free for wellness programs
- Creative thinking
  - Member pays co-pay for wellness visits
  - Pay % of health club membership if employee goes more than eight times/month
- Fear of ostracizing non-participants
- Voluntary participation is key

- Important to avoid discriminating
- Communication of results helps reinforce

### **Unaddressed member needs that fall within PDRMA's core**

PDRMA's main purpose is to administer funds contributed by members to provide programs, risk management, and other services related to health, liability, property, workers' compensation, and unemployment compensation exposures. Member satisfaction is one of PDRMA's cornerstones, and this will be an opportunity for members to provide input on needed programs or services.

1. Are there any members' needs that fall within PDRMA's core that are not currently being met?

#### *Members comments/questions:*

- Safety manager training
- OSHA compliance programs
- Legislative lobbying issues
- Expand joint purchasing of safety equipment, AEDs — preferred provider list,
- PDRMA orientation for Board, Directors, staff — maybe via DVD (staff changes frequent)
- LC review-measure imbalance in large vs. small agency process
- Losses impact enthusiasm toward risk management program
- Create a safety orientation for new employees
- PT summer staff training
  - Aquatic staff
  - Day camp staff
  - How do we engage them in safety?
  - Connect with younger staff
- Tools to streamline employee orientation
- When scheduling trainings — consider geographical proximity of events
- Provide training via webinars
- Training/resources for financial controls
- Cheat Sheet
  - On hiring — what to ask, what not to ask
- Legal Services very valued in this economy
- Provide training on miscellaneous laws
  - HIPAA
  - Things not addressed by corporate counsel
- Provide guidance on what is/is not a PDRMA "core" legal issue
  - Which issues to send to PDRMA vs. corporate counsel
- PDRMA should provide legal guidance even outside of "core"
- More proactive on environmental issues
- Changes in health regulations and personnel law changes — guiding members through laws and changes, use conference calls and webinars
- Address recent changes to the Health law legislation to both P/C and Health members
- Education and training for underground storage tanks
- A level II for the HELP training program, a master course, refresher and repeat training
- Increase frequency of HR Summit, RMI and other targeted programs
- Continue core subsidies for training
- Expand grant program incentives
- HRA for all PDRMA members
- Re-evaluate health membership criteria
- Are copies of publications necessary?

- For Board Members because of contractual relationship with PDRMA
- Publications connect Board members to what PDRMA is doing
- Concerns — cost, content (Pulse valuable to them)
- Loss control review follow-up at Board meetings
- Video communication to Board members
- Gear some of the LCR topics and requirements to smaller agencies
- Provide more assistance to smaller districts
  - Help write manuals
- More current and up-to-date videos, trainings, tools, online training and on-site training
- Risk Management for IT topics
  - Moving money, financial transactions
  - Need more training/awareness/education
  - Credit card transactions/PCI compliance (smaller agencies feel overwhelmed about how to comply by July deadline)
  - Storage requirements-paper vs. e-file
  - Guidance from PDRMA regarding records retention
- Workers' compensation rewarding positive behavior
- HR — expand online offerings
  - Testing component
  - Applicant testing
- Make PDRMA address more accessible to members
- Growth of members possibly not offset by growth of legal resources/staff
- To help SRA members, coordinate with other risk management agencies so there is consistency
- Focus/share info on home safety issues

### **Member challenges associated with the current economy**

The economy has been challenging for everyone for at least the past 18 months. Members have been forced to cut budgets, eliminate programs and downsize staff. To better serve the members during this difficult time, PDRMA staff need to understand the main challenges the members are facing during the current economy. We also want feedback on how these challenges affect the service members require from PDRMA.

1. What are the main challenges the members face during the current economy?
2. How do these challenges affect the service members require from PDRMA?
3. What additional or alternative services can PDRMA provide to support members?

#### *Members comments/questions:*

- Hiring freeze, no pay raises, less staff to do more, public perception to raise increases, boards not supportive of wage increases
- Learning to make do with less, need to be creative yet conservative
- Challenge to balance budget
- Lack of funding for existing park and amenity upgrades, capital projects on hold
- School districts asking districts to hire staff, transfer of agreements
- Special attention if safety coordinator eliminated or risk management projects reduced
- Co-op to share safety coordinators
- Contracted Risk Managers — PDRMA to hire and train
- Contracting out services — PDRMA as gatekeeper
- Subsidy for attending programs (i.e., HELP program)
- Paying by installments, defer payments for PDRMA-offered programs
- Expand grant program beyond new programs

- Lower program revenue, bigger impact from reduced participation
- Lower cost attractions' participation is up
- Registration is up for programs
- Some agencies seeing little impact
- Board more cost conscious
- Don't raise PDRMA rates
- Perception — must be conscious
  - How is PDRMA helping?
  - PDRMA manage costs to show conscientiousness — summary sheet
- PDRMA has been responsive, rate stabilization, billing flexibility — could go to monthly to produce better investment returns, better investment strategy
- Unemployment — seasonal staff
- Value PDRMA's responsiveness — legal and risk management
- Training mandates make it hard to get through all job functions
  - Time spent filling out forms, taking time away for administration
- PDRMA to have more templates, agreements
- PDRMA — involve opportunity for scholarships
- PDRMA to add staff to help members and provide more services
- HELPLine — good resource
- PDRMA training for board members to understand day to day of districts
- Love online training — perhaps expand
  - Basic training program for new employees
  - List of extra services PDRMA can supply for extra fee
  - Include cost in member contributions (except CEUs)
  - Incentive training (further)
  - Training as agency award
  - Webinars
  - Keep cost low
- PDRMA to have tight contractor standards for members to follow
- New member orientation for *all* staff
- Pension reform in Illinois — employee recruiting implications
- Off Track Betting loss revenue
- Increased coordination with outside training groups (CPSI)
- Target preferred providers
- Ergonomic reviews (used to have outside company)
- Paper reduction in loss review
- Online loss reports
- Avoid major changes now due to economy
- Cook County tax bills (delay funding)
- Federal regulations and compliance
- Value-added programs/components during times of lower raises, etc.
- Awards/competitions are motivational
- Disciplined to be self-reliant so less dependent on state money
- More creative foundation activities
- CPI factor has been low
- More webinars, online to reduce administrative burden to resources (staff)