



APEI MEMBER QUARTERLY NEWSLETTER

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APEI MEMBERSHIP RANKS SWELL AT RENEWAL

Lower Premiums, Good Claims Records Make Rates Attractive

Every July, the staff at APEI breathes a big sigh of relief for completion of another renewal season. This year, June proved especially busy, because not only did all existing members renew their membership, but also many other public entities around the state sought quotes. By the time the dust settled, APEI had added eight new entities to the membership rolls:

- Southwest Region School District
- City of Buckland
- City of Houston
- City of Soldotna
- Aniak Water Sewer Project
- Buckland Water Sewer Project
- Hooper Bay Water Sewer Project
- Nondalton Water Improvements Project

APEI's impressive growth in recent years — from 40 to 63 members in just five years — is attributable to its excellent insurance and loss control programs, combined with the lowest premium rates in the market. This year in particular, APEI was able to offer the best rates in Alaska, due pri-

marily to excellent claims experience.

APEI remains committed to keeping claims costs low, through strong loss control efforts and aggressive claims management. Although the international insurance market is showing signs of hardening, meaning higher prices for everyone, APEI's loss control and claims management practices are designed to ensure continuing competitive, lower rates.

TALK TO YOUR FRIENDS

We at APEI are very proud of our program, and we believe our members are equally happy with the pool's insurance products, services and price. However, APEI does not spend much money on marketing, believing that our members' funds should be spent on those primary insurance services they need. We recognize that we are a nonprofit, in the business solely to do what is best for our members.

In that regard, APEI constantly encourages all Alaska public entities — both members and non-members — to seek competitive quotes for insurance.

Unfortunately, many Alaska public entities renew their insurance year in and year out without checking on the options which could, in many cases, save the entities several thousand dollars annually.

APEI needs your help in getting out this message. Although talking about insurance may not be the most stimulating topic of conversation, just a quick mention that you like our program would go far. Encourage others to solicit quotes; if they do, they may not end up as APEI members, but they will be assured that they are getting the best program for them, at the best price.

PLEASE REPORT ALL KNOWN OR POTENTIAL CLAIMS IMMEDIATELY—IT'S CRITICAL TO HELP MINIMIZE YOUR LOSSES
<http://www.akpei.com/firststeps.html>

Contributors:

- Mike Lary, APEI Loss Control Coordinator
- Kyle Ashley, PreventionLink Project Manager
- Jeff Bush, APEI Executive Director

SPEAKING OF RATES

APEI's overall premium rates (the average rates charged for all members across the entire program) for all major lines of coverage decreased this year.

- General Liability rates decreased 14%
- Auto rates decreased 7%
- Property rates were down 1%
- Workers' compensation rates were down 15%



Staff Changes at APEI



APEI Office Manager Jennifer Ulibarri



APEI Claims Admin. Asst. Jessica Garrett

The retirement of Office Manager Judy Kennedy triggered some staff changes at APEI. Jennifer Ulibarri, former APEI Administrative Assistant, has become the new Office Manager. Please say hello when you call the office, since she likely will answer the phone. APEI is very pleased to welcome Jessica Garrett to our team as the Administrative Assistant for Claims. Jessica comes to APEI from Davies-Barry Insurance of Ketchikan. She is working with Claims Manager Scott Jordan and Workers Compensation Claims Manager Alicia Thurman on all types of claims.

PreventionLink™



There are several new courses available on line that might be of interest to members. From a loss control perspective, perhaps the most important new course for our school district members is one on **playground safety**. APEI has seen several playground accident claims in recent years, and reducing the number and severity of these injuries is critical. Check out all the online courses at

<http://www.preventionlink.com/apei>, and earn premium credits for every course completed.

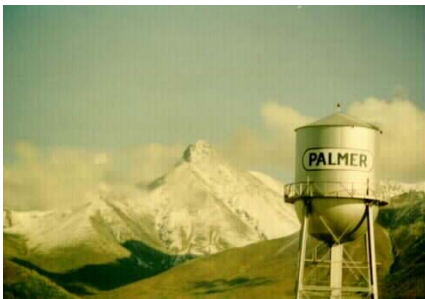
APEI Congratulates Jim Hickerson Alaska Superintendent of the Year

The Alaska Association of School Administrators (AASA) has announced that Jim Hickerson is Alaska's Superintendent of the Year for 2010.

Jim Hickerson has been Superintendent of the Bering Strait School District since 2007 and has devoted his entire educational career, beginning in 1981, to the district.

The Bering Strait School District, an APEI member since 1997, serves primarily Alaska Native students in 15 isolated villages on the Seward Peninsula and on two islands in the Bering Sea. The district is huge in physical size, covering nearly 80,000 square miles, most of which is reachable only by air or water.

PICTURES NEEDED



Please send us your favorite hometown pictures. We will include them in our APEI slideshow, which is shown at conventions, post them on our website, and we might even publish them here, in our newsletter.

Check Out the New & Improved APEI Website

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Stable, Affordable, Broad Coverage, and Effective Risk Management

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www.akpei.com

CLAIMS — TIMELY REPORTING IS A MUST

Please remember that when you buy an insurance policy, the agreement with the insurer is that you will let the insurer know whenever you are aware of a situation that *might give rise to a claim*. Time -- and timely notification -- is critical, if the insurer is to keep its own part of the agreement...to make you whole for any covered loss you might have. Often, particularly with liability claims where a legal defense is required, the insurer needs to begin gathering information right away.

For example, employee-practices claims — a frequent type of directors and officers liability claim — often are slow to develop, beginning with a complaint and concluding with a court or agency proceeding many months later. If the insurer is not put on notice until the later stages, an effective legal defense might be impossible.

Sometimes an organization refers a potential claim to its own attorney for direction, without involving the insurance company. *This is always a mistake*. Insurers sometimes allow policyholders to choose their own attorney, subject to the insurer's approval, but that is always the insurer's call.

Do not wait to see if a problem will "blow over." As soon as you are aware of circumstances that might give rise to a claim, contact your insurer.

Reprinted from Volunteers Insurance Service, VIS Connections March 2009

Extracts from Insurance Claim Forms

"I started to slow down but the traffic was more stationary than I thought."

"I didn't think the speed limit applied after midnight."

"The car in front hit the pedestrian but he got up so I hit him again."

"I pulled away from the side of the road, glanced at my mother-in-law and headed over the embankment."

"I collided with a stationary truck coming the other way."

"A pedestrian hit me and went under my car."

"I was on my way to the doctor with rear end trouble when my universal joint gave way causing me to have an accident."

"My car was legally parked as it backed into the other vehicle."

"An invisible car came out of nowhere, struck my car and vanished."



HOW TO SAVE PREMIUM DOLLARS

One of the easiest ways to save on your insurance costs is through training. Through our partner, PreventionLink, APEI offers a comprehensive on-line training course program that members' employees can access from their own desks, and each course completed results in a premium credit for the member.

In-person training sessions and building inspections offer another effective way to reduce premiums, through credits, and hopefully reduce losses, through safer practices. APEI's Loss Control Coordinator, Mike Lary, is one of the most sought-after loss control trainers/presenters in Alaska. As a service to our members, APEI provides Mike to any member, upon request, for in-house training. In the next few months, Mike has already scheduled the following member visits:

- Soldotna, August 6-7, Training and Inspections
- Hydaburg, August 27-28, Training and Inspections; other POW Island members are invited
- Bethel, November 9-10, Training and Inspections

Any member interested in having Mike come to their community should contact him at mlary@akpei.com.

OTHER TRAINING BENEFITS: SKAGWAY MEETS REQUIREMENTS FOR OSHA SHARP RECOGNITION

In part through the use of APEI's online PreventionLink course training, four departments in the Municipality of Skagway recently received recognition from the Alaska Occupational Safety and Health for meeting the criteria for the Safety and Health Achievement Recognition Program (SHARP). Acceptance into SHARP by OSHA is a great achievement and exempts the worksites of those recognized from programmed OSHA inspections for the period of SHARP certification.

APEI's extends its congratulations to Skagway for achieving this honor.

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: on programs, claims :
: reporting, loss control :
: services, and online :
: safety training. :
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Saving Trees

From the Desk of the Director, *Jeff Bush*

Effective July 1, APEI is aggressively moving toward a paperless office. One might boldly brag that we are “going green” and killing fewer trees, but the real reason is that paperless is, in fact, good business. It reduces the need for storage space, cuts down on filing time and resources, lowers our postage meter bills, and most importantly, improves access to company files and data.

As many of you know, APEI has been using emails and scanners for most of our correspondence, and our accounting has been electronic for years. But eliminating hard-copy claims and policy files is a big step, involving some fairly complex data handling and storage issues. Once fully operational, however, it will be a huge benefit to all. For example, a manager will be able to review an adjuster’s entire claim file from his or her desk, even if the adjuster is located in another city or even another state.

Having a system whereby any employee can access company records remotely will make travel less disruptive to the company’s

daily workflow. An APEI employee on travel status currently receives phone calls and monitors emails, but hard copy files are obviously beyond reach.

With all files stored electronically and accessible remotely, the employee can work as effectively outside the office as inside.

The world of work continues to change so rapidly that it is sometimes difficult to keep up and certainly impossible to predict. One can only imagine how we will be working in five or ten years. Regular offices may become obsolete; a company’s “home office” may, in fact, be the president’s home. And through flexibility and creativity, companies may be able to structure work environments to fit the needs of their changing, and in many cases aging, workforces. We at APEI hope that many of these changes will result in benefits to our program, and better service to our members. Going paperless is a start.



Jeff Bush