



Risk Management Services Division

COMPREHENSIVE LOSS CONTROL PROGRAM: EIGHT COMPONENTS PROGRAMS FY2009

1. EMPLOYEE EDUCATION & TRAINING

There are a variety of risk exposures to state employees and state entities. Efforts to improve loss control programs will require training and education on the applicable program components.

Requirements

- Each entity covered by a state insurance program will establish a written policy for the training and education of its employees on:
 - The types and levels of state insurance coverage.
 - Relevant risk management and loss control topics.
 - Other topics specific to the operation of the state entity.
- It shall be an annual requirement that every employee complete at least three training topics including safety, loss control efforts, and applicable state insurance programs.
- All employees must sign a form acknowledging they have been informed of coverage and/or safety/loss control issues provided in the seminar or video.
- DOAS will establish a listing of available training materials, especially risk management and loss control materials. This listing may also include materials provided by other state agencies, vendors or other providers. Agencies are encouraged to share available materials with other agencies.

Penalty

- **Failure to participate will result in classification as a non-participant in the DOAS Comprehensive Loss Control Program.**

2. EMPLOYEE ACCIDENT PREVENTION PROGRAMS

Most injuries to employees are preventable. Through the creation of systems (policies, procedures, standard practices), hazards and risks can be identified and controlled.

Requirements

- Each state entity covered by the state insurance program will establish and maintain safety-related programs aimed at reducing and eliminating identified hazards to employees. DOAS RMS will provide additional direction and tools to assist with this process.
- These programs should follow a consistent format provided by DOAS, be easily understandable, and be distributed throughout the state agency.
- Specific programs should draw guidance from nationally recognized standards of best practice such as OSHA regulations, ANSI standards, ISO, Compressed Gas Association, JCAHO, etc., as appropriate to the operation.

Penalty

- **Failure to participate will result in classification as a non-participant in the DOAS Comprehensive Loss Control Program.**

3. FIDELITY (EMPLOYEE THEFT)

Theft and misuse of state funds, property and services by employees causes financial loss and negatively impacts the state agency's public image.

Requirements

- Establish and maintain a system and provide resources including policies, programs, procedures, and internal audits to inventory and monitor state property to prevent employee theft claims. In particular, agencies should focus on operations dealing with procurement, electronic equipment, portable inventory and money handling.
- Establish and maintain a system to track and correct deficiencies identified by claims reviews, trend analyses and/or risk assessments.
- Establish and maintain a disciplinary action system for employees involved in theft claims.
 - Making a police report
 - Documenting the loss
 - Swearing out warrant
 - Prosecuting the employee including appearing as a prosecution witness at trial

Penalty

- **Failure to participate will result in classification as a non-participant in the DOAS Comprehensive Loss Control Program.**

4. GENERAL LIABILITY

DOAS RMS administers a self-insured Liability Insurance Program that protects state government and its employees from claims brought against them while performing official duties. This includes the employees of state agencies, boards, bureaus, commissions, departments, or authorities. The following address common General Liability exposures:

Requirements

- **Employment Practices** – Each state entity shall have in place an Employee Handbook containing, but not be limited to:
 - A detailed explanation of **Harassment**, including the detrimental effects it can have on the work place, what is considered inappropriate behavior by the supervisor, co-worker or third parties (e.g. client or vendor) and if exposed to harassment, provide the reporting process to address the issue, and the alternatives (e.g. education, reassignment, termination of vendor contract) that could be employed to treat the situation.
 - A detailed explanation of proper use of the **Internet and Email**, including what is considered inappropriate content, images and use of state equipment.
 - A detailed explanation of the roles and responsibilities of the state agency and state employee under the **Family Medical Leave Act**.
 - Clarification that the Employee Handbook is only a set of guidelines and that the state agency reserves the right to modify and eliminate any of them at any time.
 - Require that all new employees sign a document acknowledging that they have read and agree with the guidelines contained in the Employee Handbook.
 - Require at least annually that state employees read the Employee Handbook as it pertains to at least the topics of Harassment, Internet and Email use and the Family Medical Leave Act.
- **General Liability Loss Control** – Agencies will provide systems to reduce losses involving premises and operations.
 - Policies & Procedures regarding safeguarding of facilities and grounds to prevent bodily injury to the general public.
 - Safety training in the operation and proper use of all powered equipment (e.g. brush hog, weed trimmer, lawnmower, paint sprayer, forklift, etc.) to prevent bodily injury and/or property damage to the general public
 - Safety training in the proper safe handling and guarding on another's property in a state agency's care, custody and control (Bailment).

Penalty

- **Failure to participate will result in classification as a non-participant in the DOAS Comprehensive Loss Control Program.**
- **Non-participating agencies will pay higher third-party property damage deductibles.**

5. WORKERS COMPENSATION

Many workers are hurt each year during the course and scope of their employment. State funds are provided for treatment and rehabilitation of these employees. Transitional duty provides meaningful light duty work until an injured worker is fully recovered.

Requirements

- Covered entities will develop and implement a return-to-work policy from a template supplied by DOAS RMS.
- Managers and Supervisors will be trained by DOAS RMS on the 3-tiered program for employee safety, injury care and return-to-work.
- Supervisors will conduct annual safety training for all employees.
- Supervisors will develop “Georgia Activity Analyses” for all positions, especially after an injury occurs. This document will provide information to the treating physician on the work-related activities to assist in the assignment of transitional duty work.

Penalties

- **If an entity refuses to provide transitional duties to an eligible injured worker, DOAS RMS will review the case. If it is found that the entity refuses to place the injured worker, DOAS RMS will request OPB to proceed with removal of the position from the agency’s budgeted FTE count.**
- **For FY 2010 and FY 2011, the loss frequency goal will be set at 90% of the prior year’s claim losses. A per claim file co-pay of \$150 per claim file will be charged for each one that exceeds the goal. If losses exceed 100% of prior years’ loss numbers, the per claim file co-pay will increase to \$300.**
- **Non-participants will be given a frequency reduction goal of 90%. A per claim file co-pay of \$300 per claim file will be charged to non-participating agencies that exceed this goal. If losses exceed 100% of prior years’ loss numbers, the per claim file co-pay will increase to \$600.**

6. PROPERTY

The maintenance of buildings and properties is necessary as good stewards of state resources.

Requirements

- DOAS will oversee a systematic appraisal of the state's insurable property as to value and by type of risk.
- Agencies that control state properties are to:
 - Establish and maintain a system and resources to ensure routine maintenance is performed to correct facility deficiencies.
 - Establish and maintain a written plan for formal and informal inspection of facilities, including the development of criteria to evaluate the integrity of routine systems such as HVAC, boilers, elevators, escalators, fire alarms, burglar alarms, locks and extinguishers, security and entry systems, electrical, plumbing, etc.
 - Establish and maintain a written plan for formal and informal inspection of facilities, including the development of criteria to evaluate the integrity of special systems such as those controlling hazards posed by chemical, biological, nuclear, magnetic, etc. risks.
 - Establish and maintain a system to manage changes to existing systems or new systems.
 - Establish and maintain a system to track corrective actions and inspection recommendations until completion.
 - Establish and maintain a system to protect property from lightning damage including the use of surge protectors, power interrupters and the proper grounding of electrical systems.
- Agencies that lease state properties are to participate with property management in:
 - Fire prevention programs
 - Housekeeping
 - Smoking Control
 - Pre-Emergency Organization
 - Business Continuity Planning
- Property owners will keep their property and content values updated within established data systems.

Penalty

- **Failure to participate will result in classification as a non-participant in the DOAS Comprehensive Loss Control Program.**
- **Participating agencies with programs in place will have their property claim deductibles reduced by \$500 per claim.**

7. AUTO LIABILITY AND PHYSICAL DAMAGE

Employees who drive on State business regardless of vehicle ownership (state, personal, rented, leased) are covered for damages caused while operating the vehicle. This program also covers nonprofit agencies and their employees, which agencies have contracted with the Department of Juvenile Justice, the Department of Transportation, or the Department of Human Resources to furnish certain services.

Requirements

Covered entities will establish the following:

- **Motor Vehicle Use Policy** - Entities with covered drivers should establish a written policy with language that addresses who can drive on state business, reporting incidents and accidents, and driving rules. Entities will forward copies of existing or proposed policies to DOAS RMS for review and revision prior to full approval by the entity.
- **Driver Qualification Program** - Entities should establish the minimum standards that must be met to drive on state business. This should include frequent review of Motor Vehicle Record (annually, prior to hiring in a driving position or promotion to a driving position) on every employee that is expected to drive on state business. The program should also set specific penalties (suspension, training, etc.) and processes (retraining, corrective actions, etc.) for falling below those standards, with an acknowledgement signed by each covered driver.
- **Accident Review Panels** - Entities should establish accident review panels to review all Motor Vehicle Accidents. The aim is to establish whether the incident was preventable by the state driver, corrective actions through a discipline process for preventable accidents, and what other corrective actions may be warranted.
- **Full Compliance with the Report My Driving Program** - This out-sourced, phone-based program will replace the current web-based program with an outside vendor. Participation will include stickers for all non-emergency state passenger vehicles and work trucks. Entities should establish a written policy and procedures to handle notifications to the system, train all employees and all levels of management on the policy and procedures and obtain acknowledgement of its coverage to all drivers, and maintain a system and resources to track resolution of notifications and provide communications on resolutions.
- DOAS RMS will provide or facilitate access to training materials to be used for training and disciplining drivers who violate these policies.

Penalty:

- **If DOAS determines that an unqualified driver caused a preventable accident that resulted in a claim payment to a third party for either property damage or bodily injury, the agency will be charged a per accident co-payment of up to \$1,500. If the loss amount does not exceed \$1,500, the entity will be charged the total amount as a co-payment up to \$1,500.**

8. FLEET MANAGEMENT

Entities with state owned vehicles are expected to be good stewards of state property. DOAS has contracted with Automotive Resources Inc. (ARI) to monitor vehicles for preventive maintenance, provide resources for vehicle repairs including routine replacement of tires and batteries as well as the repair of accident damage. Agencies utilizing ARI for these services gain the benefit of having the maintenance and repair data for their vehicle fleet automatically entered into the Fleet Management System.

Requirements

Entities will be provided two options:

- Join **ARI**
- Establish and maintain a program that conforms to the Fleet Management System powered by Maximo by which the actual cost of owning and operating state vehicles can be determined. DOAS will provide information on the basic data to be collected and entered into the Fleet Management System by each agency or university opting not to use ARI's services.

Incentives

- ◆ The vendor will give volume price breaks for increasing numbers of vehicles registered in the program.
- ◆ The vendor has nationwide contracts for parts and repairs that are equal to or better than current statewide contracts.
- ◆ Entities that participate in the Fleet Management and Auto Liability programs will not be charged a deductible for Automotive Physical Damage (APD) claims.

Penalty

- **Failure to participate will result in classification as a non-participant in the DOAS Comprehensive Loss Control Program.**