

VOLUME 42
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WHAT'S NEW AT ASCIP?

•New Resources:

- ⇒ COVID-19 Resources including Links, Risk Alerts, Tips and more
- ⇒ ASCIP Annual Report

•Welcome New Staff!

- ⇒ Lissa Young—Claims Adjuster

Go to

www.ASCIP.org

for all this and
more!



INSIDE THIS

ASCIP's Virtual 2020 Vision	1
COVID-19 Resources	1
ASCIP Pays	2
How To Prevent Multimillion-Dollar Fires	2
Confidential School Incident Report Becomes Smart	2



ASCIP's Virtual 2020 Vision

With the rapidly-evolving concerns surrounding the arrival of coronavirus in California, the format of the ASCIP Annual Membership Meeting was changed to a webinar presentation for supporting efforts to keep our community safe. ASCIP thanks its members for the support, positive comments and understanding in this change in format this year. Our webinar focused only on the essential information for our members – ASCIP's financial health, overview of the property and casualty markets, the coverage enhancements, rates, and recognition of two members for their outstanding efforts to mitigate losses.

Jeff Grubbs, ASCIP's COO/CFO shared the the latest Annual Report showing ASCIP's strong financial position with over \$200 million in net assets as of June 30, 2019. The Annual Report is posted on www.ASCIP.org and was mailed to the membership. Jeff also shared that dividends have been approved by the Executive Committee in the workers' compensation and health benefits programs again this year.

John Chino from A.J. Gallagher provided "The West Is Burning and Other Bad News...Part II" stating that the property and liability markets are "Hard" with decreased limits, increased retentions and sky high premiums. In some cases, there is no coverage at all. Changes are not only

due to the catastrophic wildfires and increased property claims, but also due to **social inflation** which is generally defined as the increase in insurance costs due to rising litigation, larger jury verdicts and overarching anti-corporate sentiment in the economy.



Fritz Heirich, ASCIP's CEO provided an overview of MOC enhancements. The Property MOC has led to some confusion for members, so the MOC will clarify that property claims need to have repairs started or a resolution within two-years, for Builders' Risk coverage, projects must be enrolled, with higher limits available if needed; and Code Upgrades apply to damaged property, with undamaged property having sub-limits. Liability coverage costs continue to rise due to the social inflation addressed by John, and now with the passage of AB 218, the ability to effectively trend and predict future child sexual assault claims (CSA) is nearly impossible. CSA claims currently make up about 40-50% of ASCIP's expected liability losses. To address these challenges and to maintain a responsible financial position for paying claims, effective

July 1, 2020, CSA coverage will be provided on a "Claims-Made" basis, will be outlined separately in the MOC and will have a separate rate. CSA limits and deductibles will not change. All other liability claims will continue to be provided on an "Occurrence" basis. With this change, members must notify ASCIP of CSA allegations whether due to a claim or lawsuit, arrest or criminal charges, some type of district investigation, disciplinary action or report to Teacher Credentialing Commission. ASCIP will be providing more information and training to members to help them understand the changes.

Base renewal rates for 2020-21 were then provided by ASCIP 's program leaders. Dan Sanger started with Health Benefits. It is too early to predict the Kaiser and United-Healthcare renewals and specific member rates, but the estimated ranges for each of the other programs are: Delta Dental and VSP PPOs from -3% to 2%, Voya Life is 0%, and the self-funded Anthem plans from 2% to 6.5%. Nidra Kumaradas then shared that due to the strong partnership, dedication and shared values between ASCIP and its workers' compensation (WC) members, the program continues to exceed expectations with rates coming down and being the lowest in the program history. One change occurring with this renewal is recognizing the unique

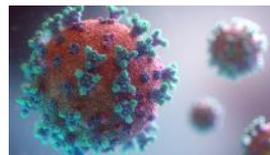
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COVID-19 Resources

ASCIP recognized early the increased concerns and rapid spread of the coronavirus as a threat to our members and local communities. Risk Alerts were prepared and sent to members then ASCIP staff began limiting travel and interactions, including changing our Annual Membership Meeting from a large in-person meeting to a webinar format, culminating in closing the ASCIP Offices to the public with our ASCIP team working remotely to support members. To assist

members in navigating through the COVID-19 pandemic, a number of resources have been compiled which can be found in one place on our website Home page (scroll to bottom). The resources are updated as new questions

arise, more information becomes available or resources developed. If you have additional questions, we are just a phone call away. Feel free to reach out to your ASCIP Risk Services team. In the meantime, stay safe and healthy!



How to Prevent Multimillion-Dollar Fires

ASCIP PAYS

\$10,000 each was awarded to two outstanding, dedicated, innovative members.



Pomona USD

Excellence in Risk Management due to:

1. Consistent risk management programs.
2. Culture committed to risk management and safety.
3. Creative solutions to manage and transfer risks.



Long Beach USD

Excellence in Loss Control due to:

1. District exhibiting willingness and commitment to implementing change.
2. Implemented comprehensive policies and practices.
3. Commitment to training that focuses on prevention.

QUOTE OF THE DAY—

“The only thing worse than being blind is having sight and no vision.” —

Helen Keller

ASCIP Annual Report Now Available on ASCIP.org



Two ASCIP members recently experienced large multimillion-dollar property loss fires that disrupted education programs.

1. Lithium batteries caused \$1.6 M loss
2. Space heater caused \$8.1 M loss

Members can learn from these fires to mitigate the associated hazards and avoid similar losses.

In the first incident, button lithium batteries had been purchased in bulk by a teacher for an experiment. Lithium batteries are safe if individually wrapped and no metal to metal contact occurs. But hundreds of batteries were purchased and apparently left on a counter. If lithium batteries touch each other, they release heat energy causing a chain reaction.

The Lesson: When purchasing batteries, members should buy from reputable manufacturers/suppliers; avoid batteries shipped without protective packaging; inspect them upon receipt and safely dispose any damaged ones; store batteries away from combustible materials; if practical, batteries should be kept in a metal storage cabinet and avoid bulk-storage in non-laboratory areas.



The space heater fire occurred when a member's employee had inadvertently left a heater on during the winter break. It was their personal heater which had been brought from home. Space heaters pose a high risk and have a much greater potential for accidental fires. To avoid experiencing this type of loss, ASCIP recommends members don't allow space heaters. However, if allowed, policies and safety protocols should be developed and include:

- Staff must request permission and pre-register a space heater.
- Check for recalls at www.saferproducts.gov or www.cpsc.gov.
- Confirm it is in good working order – three prong plug with ground, cord has no exposed wires and unit is fully enclosed with no external surfaces that reach temperatures capable of starting a fire.
- It must be U.L. listed and have an automatic shut off if tipped over or left on.
- Follow operating and maintenance instructions, including, it must be plugged directly into the wall outlet ensuring plug fits tightly into the wall socket.
- Keep combustible materials at least three feet from all sides of the heater.
- Heater must be turned off when leaving the room and unplugged at end of day.

ASCIP's Virtual 2020 Vision (cont. from p. 1)

differences in WC exposures between the K-8/K-12, CCD and Charter School members. The WC program will now have three distinct rates for these member categories. Fritz then reviewed the P&L rate changes. The property coverage will increase by 18% due to the number of large property claims experienced by members and the increased market pressure discussed by John. Fritz then shared that if the CSA claims had not been reviewed separately and changed to Claims Made, the liability coverage increase would have been 30%. However, due to the

change in how CSA claims will be covered, the increase to liability will be 5%.

Reshan Cooray ended our event by recognizing Pomona and Long Beach Unified School Districts with ASCIP Awards (see left sidebar). Reshan also announced that eight additional members will be eligible for awards by utilizing ASCIP's consulting services and our online learning management system, participating in ASCIP's webinars and seminars, signing up for Embark for safer drivers, and using the HR Hotline.

Members are encouraged to view the presentation slides found under the Training tab of www.ASCIP.org.

Finally, ASCIP would like to recognize Carol Gerken from Manhattan Beach USD for the theme suggestion for ASCIP's 2020 Vision Annual Membership Meeting. She will be rewarded for her suggestion. You too can be rewarded if you select the winning theme for next year's event. Please send suggestions to anderson@ascip.org.



Confidential School Incident Report Becomes Smart

When completing a Confidential School Incident Report, the form states: “This form is a confidential, internal, document: its contents are not to be shared or copied for any persons who are not district employees and/or their legal representatives.” Since the form is an internal use only document and should never be shared with the public, including parents, you should not let third parties know a form was completed. That only frustrates the parent or the injured person, makes them suspicious and more likely to file a claim. Instead, it is best practice to call a parent or guardian to let them know that their student was injured at school and

advise of the first aid measures taken.

To ease the reporting process and the guesswork as to what can be shared, ASCIP now has an automated fillable PDF Incident Report form, with a separate auto-populated parent notification that can be safely shared with parents to ease their concern, when written notification is requested.



Kudos to member Los Gatos-Saratoga Community Education and Recreation who created their own automated CSIR and shared the idea with ASCIP.

