

SSCIP BOARD OF TRUSTEES

| | |
|-----------------------------|---|
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Social Service Contractors Indemnity Pool (SSCIP) newsletter is published quarterly by the Pool's Administrator:

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4835 East Cactus Road, Suite 360
Scottsdale, Arizona 85254-3543
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SSCIP is a non-profit corporation created in 1986. Its primary purpose is to provide property and casualty coverages to social service providers contracted with the State of Arizona and other political subdivisions.

SSCIP is governed by a 15 member Board of Trustees elected by its members. The newsletter is published in a continuous effort to inform and educate its members. Suggestions for articles are welcome.

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SOCIAL SERVICE CONTRACTORS INDEMNITY POOL

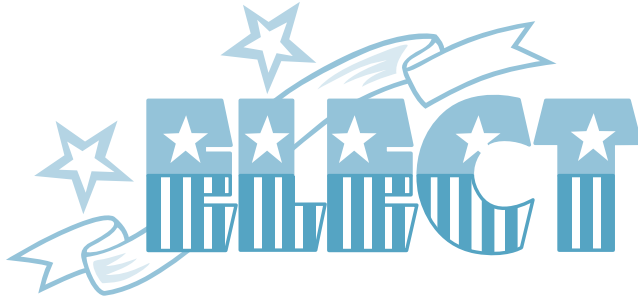
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Administrator:
4835 East Cactus Road, Suite 360
Scottsdale, Arizona 85254-3543





*“...Maximizing Safety
and Minimizing Losses
for Social Service
Providers...”*

2003-2004
TRUSTEE ELECTIONS



Exercise your right to vote!

Sorrel Bowman-Rogers, President, SSCIP Board of Trustees, named the Nominating Committee for the 2003-2004 Elections at the April 8, 2003 Board Meeting, as follows:

- ★ Dolores Zimmerman, Chairperson, Intermountain Centers for Human Development
- ★ Rick Hill, Casa Loma Ventures, LLC
- ★ Martha Rothman, Child & Family Resources

The Call for Nominations has been distributed to all SSCIP Members and nominations are currently being received for consideration by the committee. There are nine trustee positions with expiring terms in 2003. In order to maintain a staggered election system, the terms of office will vary for this election. Five Trustees will be elected for a three year term and four for a two year term.



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PRESIDENT'S LETTER

Dear SSCIP Members,

It's that time of year again when we look to the SSCIP membership to ask you to consider serving on the Board of Trustees. The trustees who have served on the board in the past have greatly contributed to the success and longevity of the Pool. It does take commitment and an interest in the social service industry's overall welfare and of course, your valuable time.

The board's duties and responsibilities are important and are not to be taken lightly. The board:

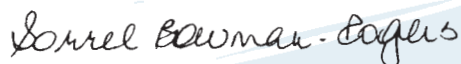
- ❖ monitors the administration and direction of the Pool;
- ❖ is instrumental in enhancing and adding valuable insurance protection;
- ❖ carefully monitors the financial status and strength of the Pool for the overall benefit of its Members;
- ❖ monitors and is proactive in legislative actions that impact SSCIP Members;
- ❖ aids the Administrator in determining cost-effective and industry-specific loss control resources and training methods; and
- ❖ acts on behalf of all the social service providers who are Members of SSCIP.

The majority of the board is made up of state representatives, who provide invaluable expertise in accounting, licensing, legal and fiscal issues. But, the remainder of the board is made up of SSCIP Member agencies and is effective in keeping the SSCIP program of insurance protection relevant by addressing unique issues of social service providers.

It is very rewarding to review the sound financial strength of SSCIP and being able to return surplus funds to the SSCIP Members in the form of dividends. Over the course of the years I have been a member of the board, we have returned \$875,000 to SSCIP Members. Every year this possibility is considered. The decision is not always an easy one, as there must be adequate funds held in reserve for claims and increased reinsurance costs, without jeopardizing the financial stability of SSCIP. But, the board has good guidance in the Administrator and excellent expertise on the board provided by the social service agencies and state representatives.

You could be one of them! Consider getting involved. There is no greater reward than to know how much your input is helping the social service agencies help others, by providing them the insurance protection they need and require in order to deliver valuable services to the community.

Sincerely,



Sorrel Bowman-Rogers
President, SSCIP Board of Trustees

ON THE BOARD

Topics addressed at the SSCIP Board of Trustees April 8, 2002 Board Meeting:

- ❖ The Nominating and Annual Retreat Subcommittees were named:

Nominating Committee:

Dolores Zimmerman, Chairperson
Rick Hill
Martha Rothman

Retreat Committee:

Rob Olding, Chairperson
Donna Noriega
Sorrel Bowman-Rogers

- ❖ The 2003 Operating Budget was approved as presented.
- ❖ The Financial Audit for December 31, 2002, prepared by Gilbert Associates, Inc. was reviewed and approved subject to a revision of the Statement of Member's Equity.
- ❖ The 2002 Actuarial Study, prepared by Regnier Consulting Group, Inc. was reviewed and approved as presented.
- ❖ Donna Noriega, Chairperson of the ByLaws/Legislative Committee, deferred the report to John Thomas, Lobbyist, who provided a recap and legislative update. Mr. Thomas advised that SB 1286, dealing with sex crimes, was defeated.
- ❖ The Loss Control/Membership Services & Marketing Committees report presented by Marketing Chairperson, Rick Hill, outlined liability loss trends and loss control strategies.
- ❖ SSCIP will not initiate any recovery action as a result of the Local Government Investment Pool (LGIP) investment in a bankrupt company but, may join the cities/towns in their claim.
- ❖ The Lobbyist service contract was renewed for one year.

SEAT BELTS

The National Safety Council (NSC) reports that traffic crashes are the leading cause of all injury-related deaths in America and of deaths of young people aged 6 to 24.

People are realizing more and more, that seat belts are absolutely the most effective safety device in a car, according to National Highway Traffic Safety Administration (NHTSA) administrator Jeffrey W. Runge, M.D. The good news is that the use of seat belts has reached 75% in 2002, the highest level since national surveys began in 1994.

The survey further determined that states with primary seat belt laws hit another milestone, i.e., 80% belt use, while states with secondary laws averaged 69%. Each state has different laws regarding motor vehicle operation. In states with primary

seat belt laws, motor vehicle occupants can be stopped and cited by law enforcement officials for failing to wear seat belts whether or not another violation has occurred. In Arizona and other states with secondary enforcement, the vehicle must be stopped for another offense before the occupant can be cited for failing to wear a belt. In Arizona, however the law also requires all people in a motor vehicle to wear seatbelts regardless of age.

NHTSA's goal is seat-belt-use of 78% by the end of 2003. With just a two percentage-point increase in seat belt use since 2001, an estimated 500 lives per year will be saved. This new data is per an observational study conducted by NHTSA in June 2002.

Source: J. J. Keller & Associates, Inc.

DID YOU EVER

Wonder?

- ▶ Why is "abbreviated" such a long word?
- ▶ Why is it that doctors call what they do "practice"?
- ▶ Why is lemon juice made with artificial flavor and dishwashing liquid made with real lemons?
- ▶ Why is the time of day with the slowest traffic called rush hour?
- ▶ Why don't sheep shrink when it rains?

FRAUD credit



Arizona had 3rd highest rate of identity theft in the nation with 88 victims for every 100,000 people. The District of Columbia had the highest rate at 123 victims and California followed with 91 victims for every 100,000.

Identity theft continues to be a growing problem and according to the Federal Trade Commission (FTC), is soaring. Approximately 43% of 380,000 consumer fraud complaints in 2002 involved stealing someone's personal information, such as credit card or social security number. Identity theft complaints nearly doubled from 2001 to 2002.

Identity theft will cost the average victim more than \$1,000 in expenses to cope with damage to their accounts and reputations. Of the total consumer fraud complaints received, 42% involved credit card fraud.

Online transactions, advertising or promotions make up about half of all other types of fraud complaints. Some of the rise in complaints can be attributed to the fact that the FTC began promoting a dedicated web site and toll-free phone number for victims. Other major categories involved fraudulent bank and cell phone accounts.

Some credit fraud is committed over a long period of time, but most credit fraud criminals only utilize a specific person's credit for a short term and then move on to the next victim.

There are several different sources of personal information that criminals use for fraudulent purposes, such as information found on driver's licenses, credit cards, social security cards, telephone calling cards and birth certificates. Other sources of identification include credit solicitations that are mailed to the victim's home and, improperly discarded cancelled checks.

WHAT TO DO:

- ✓ **Check your credit reports twice a year** or at least once a year to ensure information on your credit report is accurate.
- ✓ **Shred personal documents before throwing them away.** Destroy credit card statements, bank statements, pre-approved credit offers if you don't intend to accept, or any other documents containing personal information. Never throw away credit card receipts in public trash cans.

Continued on page 4...



*"I not only use
all the brains I
have, but all I
can borrow."*

... Woodrow Wilson

✓ **Clean your wallet or purse**

Remove old receipts and printed Social Security Numbers and carry only essential identification pieces in your purse, wallet, backpack, automobile, etc. Avoid carrying such documents as a Social Security Card, birth certificate or passport unless absolutely necessary.

✓ **Limit credit cards**

Reduce the number of credit cards you carry to a minimum. Try to carry no more than one or two cards or limit the credit cards to those you might use on a given day.

✓ **Memorize PINS and passwords**

Do not keep ATM personal identification numbers (PIN) or other passwords in your purse or wallet – memorize them. Avoid using easily discovered codes such as your birthday, phone number, address, etc.

✓ **Protect credit and bank account information**

Keep a list or photocopy all your credit and bank accounts in a secure place, such as a lock box or locked file cabinet, if possible. Include:

- ❖ Account numbers
- ❖ Expiration date
- ❖ Telephone numbers of customer service and fraud departments

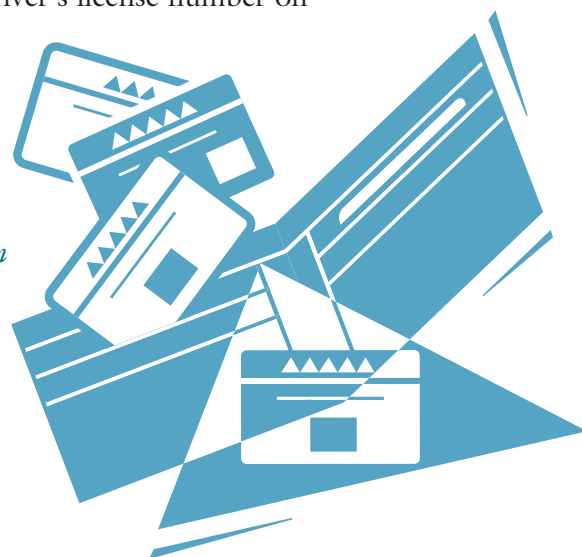
✓ **Personal information**

Avoid giving out your credit card or other personal information, especially your Social Security number over the phone or internet, unless you're certain of the caller's identity. As a general guide, only provide personal or credit card information when you have initiated the phone call. Consider listing only your name and telephone number in the local phone book, with no address.

✓ **Social Security Information**

Do not print your Social Security number or driver's license number on your checks. |

*Based on an article appearing in "Safety Currents",
February 2003 Issue. The Federal Trade Commission
Consumer Response Center can be contacted
at 1-877-FTC-HELP.*



CDL CLARIFICATION & HIPAA

ADDITIONAL INFORMATION

COMMERCIAL DRIVERS LICENSE (CDL) – CLARIFICATION

The article appearing in the Spring 2003 issue of this publication generated several questions regarding the types of vehicles being operated which may require drivers to hold a commercial drivers license (CDL). Yes, vehicles requiring drivers to have a CDL can carry sixteen passengers including the driver, but also must weigh 26,000 pounds gross vehicle weight rating (GVWR). Generally, this size of vehicle is a bus, rather than a van.

HIPAA – ADDITIONAL INFORMATION

The article appearing in the Spring 2003 issue of SSCIP'sr outlining the Health Insurance Portability and Accountability

Act (HIPAA) of 1996, was published at the request of the Arizona Department of Economic Security, due to the confusion throughout the industry, and as a service to our SSCIP Members. However, as a matter of clarification, neither SSCIP nor Southwest Risk Services are health insurance providers and therefore, we do not believe any action needs to be taken by Southwest Risk Services or SSCIP in order to comply with HIPAA. We would, of course, want to assure Members that we currently make every effort and take every precaution to insure the confidentiality of all information (medical included) collected in the course of our claims investigations. |

THAT WAS A VACATION?

Most Americans return from vacation more tired than before they left, according to a recent Gallup poll.

The general idea and purpose of taking time off for a vacation is to relax and unwind. But, 32% of vacationers stayed up at least two hours later than usual to finish packing and 54% went to work earlier than normal on the day before the trip. 36% worked longer hours at the office in preparation of the vacation, leaving them sleep-deprived before the vacation even began.

Whether from lack of lifestyle management, vacation or shift work, accidents occur when an employee is sleep-deprived.

Concentration is affected, mood swings occur and the immune system rebels.

Not making sleep a priority, whether a vacationer or night worker, can be the cause of sleep deprivation. A good night's sleep helps us handle the rest of life more effectively. Yet, sleep is often the first thing to be sacrificed when our lives become busy. Whether on shift work or vacation, sleep should be a priority. Make the necessary adjustments to make sure you get the right amount of sleep. Then your daily tasks are less stressful and you can come home from that vacation better rested than when you left, after all. |

Based on an article appearing in Coastal Training Technologies' publication: Safety Currents.



SECURITY

During a time of crisis is not the time to determine if your security or workplace safety is adequate or functional. The American Society of Safety Engineers (ASSE) has prepared a checklist, which follows, to provide guidance to organizations in preparing a safe and secure working environment, especially during a crisis. All items may not be applicable in all workplaces, but can be used as a guide to create your own, more relevant checklist:

- ➔ Reassure employees that safety measures are being taken for their protection.
- ➔ Report unusual or suspicious activity or strangers in or near facility areas to the authorities.
- ➔ Urge employees and their families to be aware of their surroundings.
- ➔ Moving outdoor activities indoors.
- ➔ Increase security and surveillance activities and outdoor lighting and check IDs of those entering the building.
- ➔ Update and review with employees the company emergency response plan.
- ➔ Ensure all current local, state and federal emergency service numbers, as well as updated employee emergency contact information, are readily available.
- ➔ Upgrade the in-house emergency services capability to 40-hour First Responder or Emergency Medical Technician-B.
- ➔ Engage an employee assistance provider (EAP) to counsel employees and their families on any stress, anxiety, fear and/or depression.
- ➔ Share your emergency response plan with local businesses and municipalities to help coordinate incident relief efforts.
- ➔ Communicate with employees about current events (e.g., have round-the-clock TV and/or radio news available for them to watch or listen to on breaks).
- ➔ Cooperate fully with the authorities. |

*More information is available at <http://www.asse.org>
Based on information contained on Business and Legal
Reports website*

*“Reading
is to the mind,
what exercise
is to the body.”*

...Joseph Addison



Five of the expiring trustee positions are state representatives and four are member representatives. Currently those trustee positions are held by:

Sorrel Bowman-Rogers

Family Service Agency

Rita Schmidt

AZ Dept of Economic Security/ACYF

Thomas Klemko

AZ Dept of Health Services, BHS

Brian Lensch

AZ Dept of Economic Security/DDD

Dr. Rob Olding

AZ Dept of Corrections

Diann Patterson

AZ Dept of Juvenile Corrections

Dennis Pickering

Behcon, Inc.

Robert Sheade

Triple R Behavioral Health, Inc.

Dolores Zimmerman

Intermountain Centers for Human Development

All nominations will be reviewed by the Nominating Committee and candidates will be contacted prior to the preparation of the ballot. The new Trustees will join the existing Board Members:

Patti Cordova

ADJC/AZ Prevention Resource Center

Janet Garcia

Tumbleweed Center for Youth Development

Rick Hill

Casa Loma Ventures, LLC

Alice McLain

AZ DES/SPOC Administrator

Donna Noriega

AZ Supreme Court/Juvenile Justice Division

Martha Rothman

Child and Family Resources, Inc.

Rita Schmidt

AZ DES/ACYF

The primary qualification for Trustees is that they be elected or employed by the State of Arizona or employed by a SSCIP Member agency. Each member of the SSCIP Board of Trustees has specific responsibilities and duties, including:

- Directing the administration of the Pool.
- Attending regularly scheduled board meetings.
- Participation in committees, as assigned.
- Assisting in reviewing financial status, claims and risk management issues.
- Assisting in changing insurance coverage if and when necessary.
- Directing marketing and underwriting activities of the Administrator.

The elections will be held September 10, 2003 at the Annual Member Meeting and Members are invited to attend. For those unable to attend and vote in person, absentee ballots will be sent in August 2003.

**BE SURE AND RETURN
YOUR BALLOT!**



Notable Quote
"To the
discontent
man no chair
is easy."
...Benjamin
Franklin



AUTO THEFT

Arizona is the number one state for vehicle theft per capita.

Arizona rose to #1 for auto theft in the early 1990s and ranked first nationally from 1991 to 2001, according to the Arizona Criminal Justice Commission.

There were more than 1.2 million motor vehicle thefts in the United States in 2001, valued at approximately \$8.2 billion dollars, according to the FBI 2001 Uniform Crime Report (UCR). In Arizona there were 52,203 stolen vehicles reported, an 18% increase in the theft rate from 2000. Stolen vehicles are frequently used to facilitate other criminal acts such as burglaries, robberies, check and credit card fraud, identity theft, illegal drug trafficking and drive-by shootings. Auto theft is viewed as a “gateway” crime as many career criminals start with stealing cars.

The top ten autos stolen nationwide and for Metropolitan Phoenix during 2001:

NATIONWIDE

1. Toyota Camry
2. Honda Accord
3. Honda Civic
4. Oldsmobile Cutlass
5. Jeep Cherokee/Grand Cherokee
6. Chevrolet full size pickup
7. Toyota Corolla
8. Ford Taurus
9. Chevrolet Caprice
10. Ford 150 pickup

METRO PHOENIX

1. Chevrolet full size pickup
2. Honda Accord
3. Nissan Standard Pickup
4. Chevrolet Extended Cab pickup
5. Nissan Sentra
6. Honda Civic
7. Ford F150 pickup
8. Oldsmobile Cutlass
9. Dodge Neon
10. Dodge Ram pickup

There are recent reports however, that the bad guys may be on the run, as auto thefts have experienced significant declines for several Arizona cities for the first quarter of 2003, with Phoenix down 9.6% and an even greater decline at 22% and 15.5% for Tempe and Mesa, respectively. Law enforcement officials believe several factors are having an impact, such as:

- Bait cars
- Window etching
- Public awareness

Property crimes, including auto theft, make up nearly 80% of the total crimes in Arizona. If auto thefts keep plummeting, the reduction in stolen cars also might help reduce overall crime rate.



The Arizona Auto Theft Authority (AATA) and National Insurance Crime Bureau (NICB) recommend a ‘layered approach’ to protecting your vehicle from being stolen. Make your vehicle a tough target by having more layers of protection:

Layer 1 – COMMON SENSE:

- ☑ Lock your car – half of all vehicles stolen are left unlocked.
- ☑ Take your keys – nearly 20% of all vehicles stolen have the keys in them.
- ☑ Park in well-lighted areas – car thefts occur at night more than half the time.
- ☑ Park in attended lots – car thieves do not like witnesses.
- ☑ Don’t leave your car running, even for a minute – convenience stores, gas stations, and ATMs are common hunting grounds for thieves.
- ☑ Completely close your car windows.
- ☑ Do not leave valuables in plain view.
- ☑ Do not hide a spare set of keys in the car – the pros know where to look.
- ☑ Park with your wheels turned toward the curb.
- ☑ Always use your emergency brake when parking.
- ☑ If you have a garage, use it – and when you do, lock both, the vehicle and the garage door.

Layer 2 – WARNING DEVICE:

Visible and audible deterrents alert thieves that your car is protected. Popular second layer devices include:

- 🔊 Audible alarms
- 🔊 Steering wheel locks
- 🔊 Steering column collars
- 🔊 Tire locks

- 🔊 Window etching – etch vehicle identification number (VIN) on vehicle windows
- 🔊 Theft deterrent decals – such as the *AATAs free “Watch Your Car Program”

Layer 3 – IMMOBILIZING DEVICE:

Vehicle immobilizers prevent thieves from bypassing your ignition and hot-wiring your vehicle:

- ✓ Smart keys
- ✓ Fuse cut-offs
- ✓ Kill switches
- ✓ Starter, ignition and fuel disablers

Layer 4 – TRACKING SYSTEMS:

A vehicle tracking system is a high-tech device designed to be hidden in your vehicle in order to emit a signal that the police can monitor if your vehicle is reported stolen. Tracking devices are very effective in helping authorities recover stolen vehicles.

A combination of efforts, including citizens taking responsibility for their property to make sure it is secure, public awareness and other prevention measures are major factors and will contribute to the continued decline in auto theft. |

**You can visit the Arizona Automobile Theft Authority website to find out more about the “Watch Your Car Program”, www.azwatchyourcar.com*

Based on information provided by Arizona Automobile Theft Authority and The Arizona Republic.

Notable Quote
“A good Laugh is sunshine in a house”
... William Makepeace Thackeray

