



Spring 2002

**In this Issue...**

Disaster Plans 1

Moving - Moving -  
Moving 2

SSCIP  
Policy Forms 3

Board Meeting  
Recap 3

New Proverbs 3

What Exactly Is A  
Hard Market? 4

Web Site 4

FYI: OSHA  
Form 300 5

Dealing With  
Crisis 6

"The Most Common  
Collision" 7

Safety Videos:  
FYI 7

Interesting Facts  
& Trivia 7

**Volume XV, No. 2**



*"...Maximizing Safety and Minimizing Losses for Social Service Providers..."*

# DISASTER PLANS

Terrorist attacks had an enormous impact on American businesses, and many companies are taking a hard look at their disaster preparedness and recovery plans. Business owners and organizations realize annual evacuation drills, and occasional, cursory reviews of emergency procedures, do not provide employees or companies with the protection necessary in today's global environment.

## KEY QUESTIONS

Employers must now provide contingency plans for events that seemed unthinkable a few months ago. In order to begin updating a disaster response plan, managers must ask themselves key questions, such as:

- ? How do we store and backup our data, and who has access to that information?
- ? Do we have a contingency plan if several key departments or personnel are lost?
- ? Is our disaster plan stored at an off-site location that can be accessed quickly if our main office is destroyed?
- ? How will we maintain communication links during an emergency?
- ? Do we have a procedure in place for notification of personnel and family members? Is this information stored in an off-site location?
- ? Is employee health information easily accessible and have we developed a contingency plan if this information is destroyed?

**Above all, keep your Disaster Plan current...**

- ? Can we provide counseling services to employees following a disaster?
- ? How quickly can we replace equipment lost during a disaster?
- ? Can we quickly and efficiently relocate to another facility during a prolonged recovery period?  
How long will it take to get our computers, telephones and other equipment up and running at this location?
- ? Do we have a procedure in place for notification of customers, clients, and vendors? Is this information stored in an off-site location?
- ? How can we lessen the impact of a disaster on our ability to provide our customers, clients or constituents with products and services?
- ? How will we finance the recovery should a disaster take place? Do we have adequate insurance protection for our business and human assets?
- ? How can we minimize the impact of a disaster on our daily cash flow?
- ? Are employees "cross-trained" and able to perform multiple tasks in a variety of departments?

### SHORT-TERM FIX

Reorganizing a disaster preparedness and recovery plan is time-intensive. However, there are some steps your organization can take to ensure security in the short-term.

- ✓ Employers should convene a committee to study and evaluate business continuity; include employees and managers from all departments. Instruct the committee to design a comprehensive plan for protecting business and human assets in the event of an emergency.
- ✓ Managers and supervisors should see that all employees are aware of the organizational disaster plan, not just those in security and risk management departments. Be sure to designate an off-site location where employees, volunteers and clients should congregate after an emergency.

- ✓ Institute department-wide “telephone trees” to communicate details such as when and where to return to work.
- ✓ Organize a decision-making pyramid that can be implemented if key personnel, executives, directors or managers are lost.
- ✓ Store essential items such as flashlights, medical supplies, water, and blankets throughout your facilities.
- ✓ Consult with local emergency personnel regarding your disaster plan. Ask local officials to evaluate your organizational plan and make recommendations.

Above all, keep your disaster plan current, adopting new procedures as your organization and employees face additional risks.

*Based on an article appearing in the Safety Library News*

## MOVING — MOVING — MOVING

Southwest Risk Services, the Administrator of the Social Service Contractors Indemnity Pool (SSCIP), has moved to:

4835 East Cactus Road, Suite 360  
Scottsdale, Arizona 85254-4181

The main office telephone and FAX numbers remain the same, 602.996.8810 and 602.996.9045 however, with the move the office changed to a direct dialing system.

The SSCIP Underwriting, Accounting, Loss Control and Claims Department direct dial numbers are:

#### CLAIMS

Rocky Armfield	602.368.6622
Kristen Bern	602.368.6624
Ron Muller	602.368.6625
Penny Blair	602.368.6617
Chuck Nesselrodt	602.368.6632
Tom McMahon	602.368.6616
Mary Ann Yelas	602.368.6607

#### UNDERWRITING / LOSS CONTROL

Suzanne Eckenberg	602.368.6647
Theresia McDonald	602.368.6604
Bill Fox	602.368.6626
Amnery Oquendo	602.368.6640
Heidi Glander	602.368.6637
Vina Reim	602.368.6642
Tony Jacques	602.368.6636
Liz Schweikert	602.368.6641
Sue Kowalczyk	602.368.6638
Joan Tielker	602.368.6644
Gladys Woodshank	602.368.6643
Bonnie Lehmann	602.368.6646

#### ACCOUNTING

Erin Jaykins	602.368.6634
Anne Mullen	602.368.6608



# SSCIP POLICY FORMS

The SSCIP Board of Trustees approved the following policy form changes, effective February 1, 2002.

## NEW:

SSCA 638	(02/02)	Arizona Uninsured Motorist Coverage
SSCA 639	(02/02)	Arizona Underinsured Motorist Coverage
SSCP 642	(02/02)	Commercial Property Causes of Loss – Special Form
SSCP 643	(02/02)	Commercial Property Causes of Loss – Basic Form
SSCP 644	(02/02)	Commercial Property Causes of Loss – Broad Form
SSCG 641	(02/02)	General Liability - Organic Pathogen Exclusion
SSCG 640	(02/02)	General Liability – Organic Pathogen Coverage

## REVISED:

SSCA 632	(02/02)	SSCIP PAK-Broad Form
SSME 583	02/02)	Directors & Officers Liability

The property and liability revisions address toxic mold and fungus issues. The automobile coverage change amended the arbitration clause.

If you have questions, wish to discuss any of these forms in greater detail, or want copies of the revisions, please contact Gladys Woodshank, Underwriting Supervisor, Administrator's Underwriting Unit, 602.368.6643.

## BOARD MEETING RECAP

Following are the highlights of the SSCIP Board of Trustees meeting of December 12, 2001:

- ✓ 2002 Budget approved
- ✓ Actuarial Study for 2001 was reviewed and approved
- ✓ Bad debts and write-offs for 2001 were approved
- ✓ Report of November 8, 2001 Seminar: *Employment Essentials* was presented
- ✓ Topics for 2002 seminars were presented for consideration
- ✓ Overdue premium payments procedures were revised to reduce the amount of time between the Second Notice and Cancellation Notice.

## NEW PROVERBS

### From First-Graders:

Better to be safe .... *than punch a 5<sup>th</sup> grader.*

It's always darkest before .... *Daylight Savings Time*

Strike while the .... *bug is close*

No news is .... *impossible.*

A miss is as good as a .... *Mr.*

You can't teach an old dog new .... *math*

An idle mind is .... *the best way to relax.*

Children should be seen and not .... *spanked or grounded.*

If at first you don't succeed .... *get new batteries.*

When the blind leadeth the blind .... *get out of the way.*

Reprinted with permission from *Hope Health Letter*, The Hope Heart Institute

# WHAT EXACTLY IS A “HARD MARKET”?

Many of us who were around between 1986 – 1987 remember the difficulty in obtaining insurance for the social service industry, the escalating rate hikes and limited insurance protection. That was why SSCIP was created. SSCIP, a self-insurance pool, is made up of social service organization contracted to the state, regional behavioral authorities or other political submissions. Whether not-for-profit or for-profit, eligibility requires having a current contract for services with at least one of these entities.

We again face a “hard market” in part due to the September 11, 2001 terrorist attacks, but beginnings of a “hard market” had already surfaced before September. The WTC and Pentagon attacks accelerated the hardening momentum.

As almost every reinsurer, world-wide, was affected by the 9/11 catastrophe, the trickle-down effect from reinsurers to first line insurers is the driving force of current circumstances. Insurance was relatively inexpensive during this last extended insurance cycle and certainly accessible. However, that is no longer the case.

A “hard market” refers to the general state of the insurance marketplace, or the condition of a particular segment of it. It is a “seller’s” market. A few telltale signs that a consumer is facing a hard market include:

## Premium increases

Insureds, even with an enviable loss ratio, face steep increases in annual premiums. These increases generate revenue to compensate for losses and poor investment outcomes. Minimum increases of 30 % on all accounts are commonplace.

## Insurance companies movement

In past “hard market” cycles, it was not unusual to see insurers leave certain geographical areas, or decide not to offer certain

lines of coverage, or not to insure certain classes of insureds.

## Coverage restrictions

Hard market conditions require limitations when coverages are found that were readily accessible previously. Some coverages may be available with restrictions if at all. Certain conditions may be imposed on buyers before a carrier will agree to write a policy.

As noted, the current hard market is driven by the demands of reinsurers – all facing enormous losses stemming from the terrorist attacks. Reinsurers are already charging insurance companies higher rates. This will ultimately affect rates and premiums for all commercial insurance.

SSCIP will negotiate with reinsurers to contain rates and costs of insurance. Some increase is inevitable. You may wish to contact your insurance agent to begin assessing your insurance protection to determine steps you may take to further limit the financial impact on your organization.

## WEBSITE

Take a look at the new **SSCIP Web Site:**  
[www.SSCIP.org](http://www.SSCIP.org).

Visit the site and see:

- What’s New
- Newsletters
- Board of Trustees
- Forms and Resources
- Frequently Asked Questions (FAQ)

And much more.

The “What’s New” page will also be contain pertinent information about SSCIP seminars and other important events.

## THE MOST COMMON COLLISION

Two years ago, SSCIP distributed the video, "Crash Course – A Common Collision", to every SSCIP Member with a fleet of five or more vehicles. This video is an excellent driver's training tool and has been used extensively by SSCIP Members in their in-house training programs.

The Administrator, SWRS, will again be mailing this video to new SSCIP Members with auto fleets of five or more vehicles. An extra video is available for loan to Members who can utilize this tool in their training programs, but who may not have received the video due to the size of their auto fleet.

There is an accompanying quiz that tracks the video. If you are interested, please contact SWRS Loss Control Unit at 602-368-6626.

## SAFETY VIDEOS – FYI

### SAFETY VIDEOS - FYI

There are a number of safety videos available through *The Training Network* and are reasonably priced. Listed below are a few topics that may be of value to your organization:

- ★ Back Care & Safety
- ★ Vehicle Backing
- ★ Defensive Driving & Road Rage
- ★ Ergonomics for the 21<sup>st</sup> Century
- ★ Fire Prevention 2000
- ★ Impact of Drinking & Using Drugs in the Workplace
- ★ Violence in the Workplace
- ★ Sexual Harassment for Employees
- ★ Slips, Trips & Falls

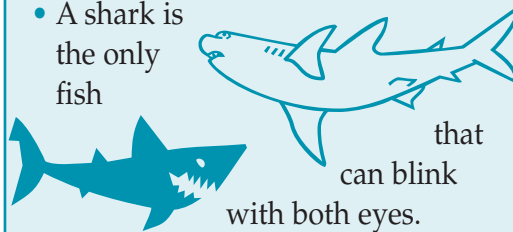
Priced from \$129.95 to \$199.95, you can contact The Training Network at 800-397-5215 or FAX 919-544-5800 for more information.

## INTERESTING FACTS & TRIVIA

### Just for fun:

- Rubber bands last longer when refrigerated.
- Peanuts are one of the ingredients of dynamite.
- There are 293 ways to make change for a dollar.

- A shark is the only fish



- No word in the English language rhymes with month, orange, silver or purple.
- Maine is the only state whose name is just one syllable.
- An ostrich's eye is bigger than its brain.
- The characters Bert and Ernie on Sesame Street were named after Bert the cop and Ernie the taxi driver in Frank Capra's "It's a Wonderful Life".



- A dime has 118 ridges around the edge.
- It's impossible to sneeze with your eyes open.
- In England, the Speaker of the House is not allowed to speak.
- There are 336 dimples in a regulation golf ball.



# DEALING WITH CRISIS

A crisis management team should be formed and trained before a crisis strikes to coordinate an organization's response to a crisis situation. Team members must think on their feet and remain calm under fire to lead the troops and guide your company to survival.

## Personality types for your crisis response team:

**LEADER OF THE BAND...** The executive director is empowered to act on behalf of the organization and may be the most effective spokesperson and should be the team leader. If not, the executive director should appoint a leader.

**SPEAKER OF THE HOUSE....** The executive director, CEO or other trained backup is the best choice for a predetermined spokesperson.

**LEGAL BEAGLE...** You need a master networker, which might be your attorney or perhaps one who sits on your board, to call upon various colleagues specializing in other fields, who may be called upon depending upon the need.

**MONEY-MONEY-MONEY...** A person with financial training is imperative.

**KEEPING THE BALLS IN THE AIR ...** A project manager who knows the organization's programs and services and who recognizes talents and capabilities of the team members.

**LANDLORD...** Someone needs to know the structure, the facility, inside and out, and can assist firefighters, police officers and emergency crews.

## Other considerations for this team include:

- **Size of the organization.**

The number of paid employees and volunteer staff should be considered. The larger organizations could include key department heads, plus the CEO. If smaller, the team may include board members, staff and engage services of outside professional advisors.

- **Nature of Services**

Operations and circumstances should be considered before naming team members.

- **Cause of crisis**

Identify and rank the most likely causes of a crisis and potential pitfalls before forming the team. Individuals with special talents could be selected as necessary members of the team.

- **Prior experience**

Key lessons are learned after the fact. Emergency procedures are of little use when they haven't been tested.

Leave enough key personnel to "mind the store" during a crisis. Services and programs have to proceed and be delivered.

This article is based on an article appearing in the Community Risk Management & Insurance publication of Nonprofit Risk Management Center, by Melanie L. Herman and Barbara B. Oliver and excerpted from a book *Vital Signs: Anticipating, Preventing and Surviving a Crisis in a Nonprofit*.

---

*FYI: OSHA Form 300  
Continued from page 5*

- A brand-new rule requires employers to establish a procedure for employees to report injuries and illnesses and tell them how to do so.

## The Best Advice

Although clarity and simplification are among the aims of the revisions, it is evident their sheer volume will take some getting used to and compliance will be a challenge. Check with your own Workers' Compensation Insurer for further information. Guidance is available on OSHA's website [www.osha.gov](http://www.osha.gov).

Based on the article: *OSHA Form 300-Not the YULE Log*, appearing in *OSHA Compliance Advisor*.

## FYI: OSHA FORM 300

In an effort to keep SSCIP Members informed, the following is important information regarding changes in OSHA Forms covering recordkeeping, reporting and recording Injury and Illness Incidents.

The standard on Recording and Reporting Occupational Injuries and Illness, 29 CFR, Part 1904, has undergone numerous modifications since its original promulgation following the establishment of the Occupational Safety and Health Act of 1970. The latest changes, effective 01/01/02, were in development for several years, but are designed to achieve the original goal of improving the health and safety of men and women at work.

The revised standard hopes to collect better (more useful) information, simplify the recordkeeping system for employers, improve employee awareness of, and involvement in, the system, and allow for increased use of computers and telecommunications technology.

### Areas of Change

The most visible changes are the **new recording and reporting forms**. Two forms – 300 and 300A – replace the former Form 200, separating the basic *log* of work-related injuries and illnesses from the summary. Form 101 will continue to be used in Arizona, at least, by most carriers. Although there is a new Form 301, Injury and Illness Incident Report, (replacing Form 101), Form 301 is not to be used. Supplementary Record of Occupational Injuries and Illnesses, is a substitute for 301. The 301 should not be completed. Probably the most significant change, however, are the changes in **recording criteria**, in terms of:

- Determining work relationship
- Criteria for illnesses vs. for injuries (no longer different)
- When injuries and illnesses must be recorded
- What injuries and illnesses must be recorded

- Definitions of medical treatment and first aid
- “Light duty” or restricted-work cases.

In some cases, criteria is stricter, in some, less so; in all cases, the change intends to clarify. In addition, there are changes in:

- Day counts-days away or days of restricted work
- Review, certification, and posting of the annual summary
- Employee involvement, including a procedure to report, privacy protection, and access to records
- What employers are covered, exempted, or partially exempted.

### Sample Changes

Here are a few examples of changes:

- Formerly, *any* aggravation of a pre-existing condition by a workplace event or exposure made a case, work related; now only a *significant* aggravation does so.
- There are more exceptions to the presumption of work relatedness, e.g., self-medication, injury infliction, flu or common colds are now not considered work related.
- Restricted work activity limited to the day of injury is no longer recordable.
- Calendar days, rather than workdays, are now counted, with a 180 day cap on the count.
- The list of what is considered first aid (FA) is not comprehensive; anything not on the list is deemed medical treatment (MT). Now a single dose of prescription medicine, rather than two, qualifies as MT; application of a butterfly bandage or “steri-strip” is now FA rather than MT.
- The accuracy of the annual summary must be certified by a company executive, and the summary posted from February 1 through April 30 instead of just during February.

FYI: OSHA Form 300  
Continued on page 6

## SSCIP Board of Trustees

Sorrel Bowman-Rogers • President, Family Service Agency

Donna Noriega • Vice President, AZ Supreme Court/Juvenile Justice Div.

Alice McLain • Secretary/Treasurer, AZ Dept. of Economic Security

Eugene S. Bearup • AZ Dept. Health Services/Assurance & Licensure

Thomas Klemko • AZ Dept. of Health Services/BHS

Brian Lensch • AZ Dept. of Economic Security/DDD

Robert Olding, Ph.D. • AZ Dept. of Corrections

Diann Patterson • AZ Dept. Juvenile Corrections

Terrance Scott • AZ ACYF, District 1

Richard Hill • Casa Loma Ventures, LLC

Bonny Kraske • Coconino County Treasurer

Dennis Pickering • Behcon, Inc.

Martha Rothman • Child & Family Resources, Inc.

Robert Sheade • Triple R Behavioral Health, Inc.

Dolores Zimmerman • Intermountain Centers



*The Social Service Contractors Indemnity Pool (SSCIP) newsletter is published quarterly by the Pool's Administrator: SOUTHWEST RISK SERVICES, 4835 E. Cactus Road, #360, Scottsdale, AZ 85254-4181. Telephone (602) 996-8810. Fax (602) 996-9045.*

*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. This newsletter is published in a continuous effort to inform and educate its members. Suggestions for articles are welcome.*

PRSR STD  
US POSTAGE  
PAID  
PHOENIX AZ  
PERMIT #201

Social Service Contractors Indemnity Pool  
Administrator:  
SOUTHWEST RISK SERVICES  
4835 East Cactus Road, Suite #360  
Scottsdale, Arizona 85254-4181

