Risk Management Update

2019

METROPOLITAN COUNCIL

Risk identification

- Property damage
- Injury
  - Council employees
  - Third parties
- Financial
- Impacts the ability to provide services

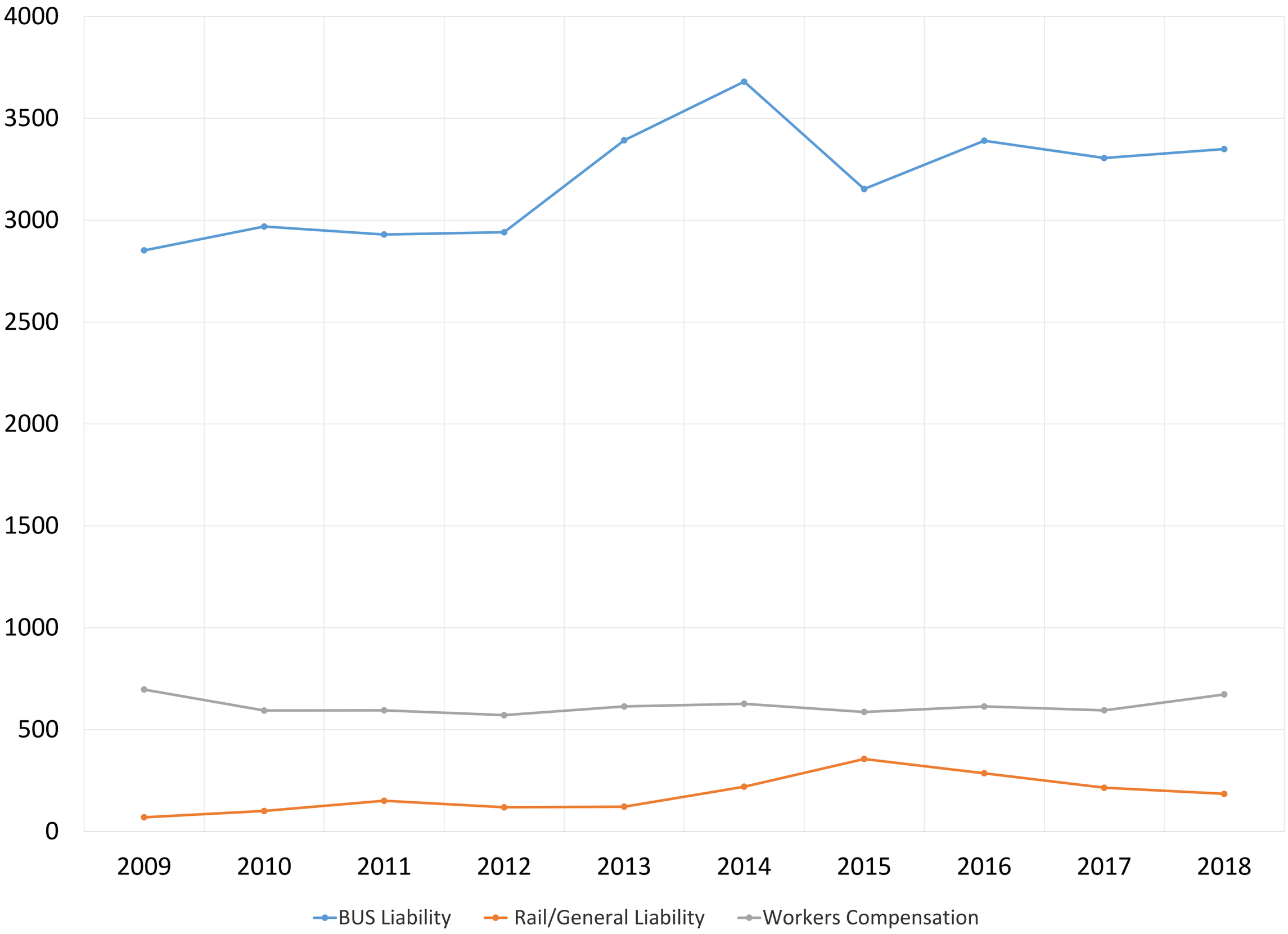
Department services

- Enterprise-wide risk management
  - Partnerships
  - Risk analysis
- Contracts and risk transfer
- Claim administration
  - Workers' Compensation
  - Liability
  - Property
  - Professional
- Insurance
- Self-insurance

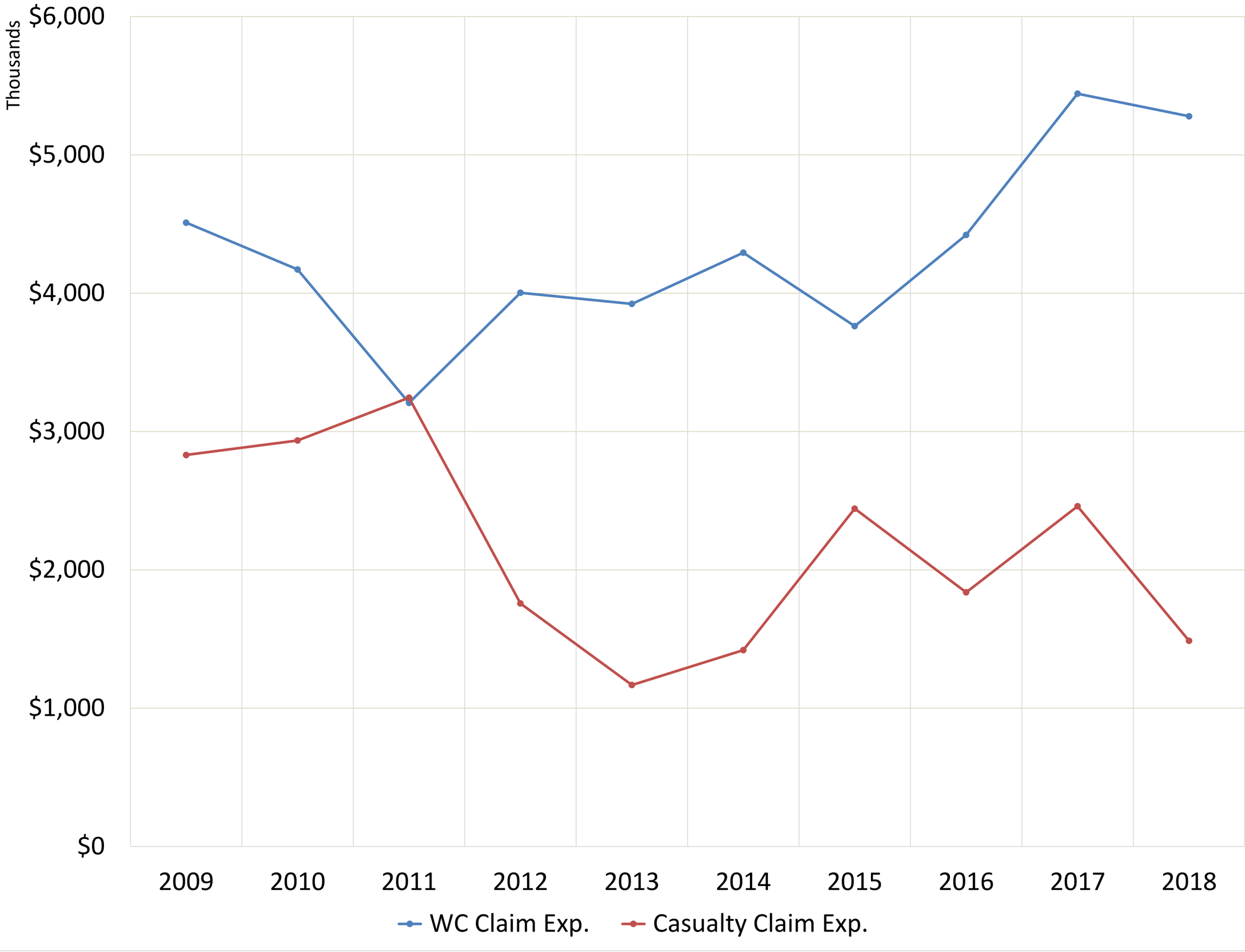
Claim Administration

- Self-insured risks
- Loss prevention
- Claim handling
  - Workers' Compensation
  - Bus/Rail Liability
  - Property
  - Professional

New Claims


4000
3500
3000
2500
2000
1500
1000
500
0
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
BUS Liability
Rail/General Liability
Workers Compensation

Claim Expense



MnSAFE

- Workplace safety initiative for the state of Minnesota
- Established in 2011 by Governor Dayton
- Incident rate defined as accepted claims per 100 employees
- State agencies saw a 23% injury reduction from 2012-2014
- MnSAFE annual goal since 2014 is reduction of 5%

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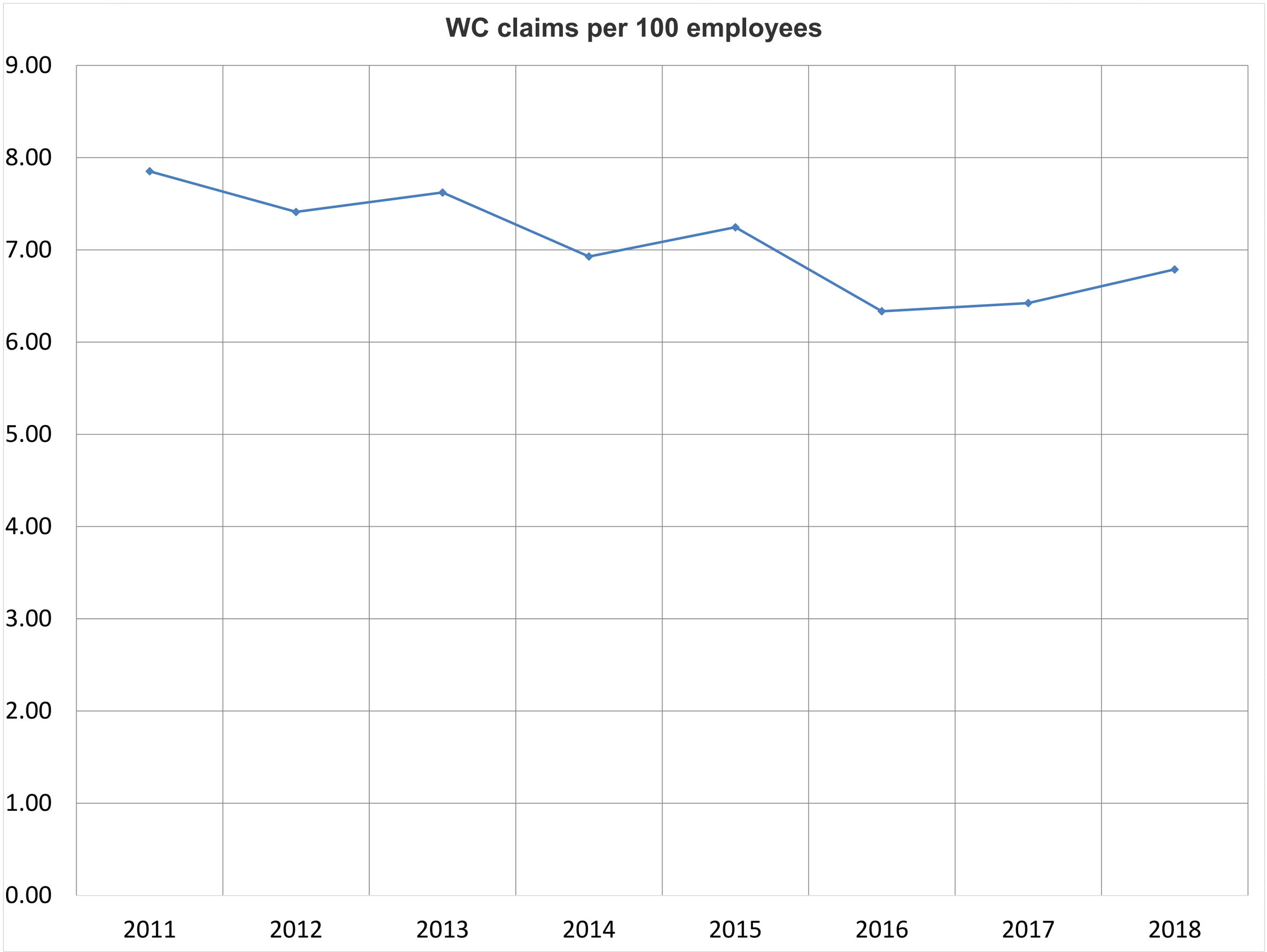
WC claims per 100 employees
9.00
8.00
7.00
6.00
5.00
4.00
3.00
2.00
1.00
0.00
2011
2012
2013
2014
2015
2016
2017
2018

Council Insurance

- Coordinated with self-insurance program
- Statutory provisions
  - Immunities
  - Liability limits
- Work directly with underwriters
  - Meetings
  - On-site visits
- Results
  - 10% rate reduction with Property insurance
  - Northstar liability insurance limits increased by statute, yet premium reduction of over 5%

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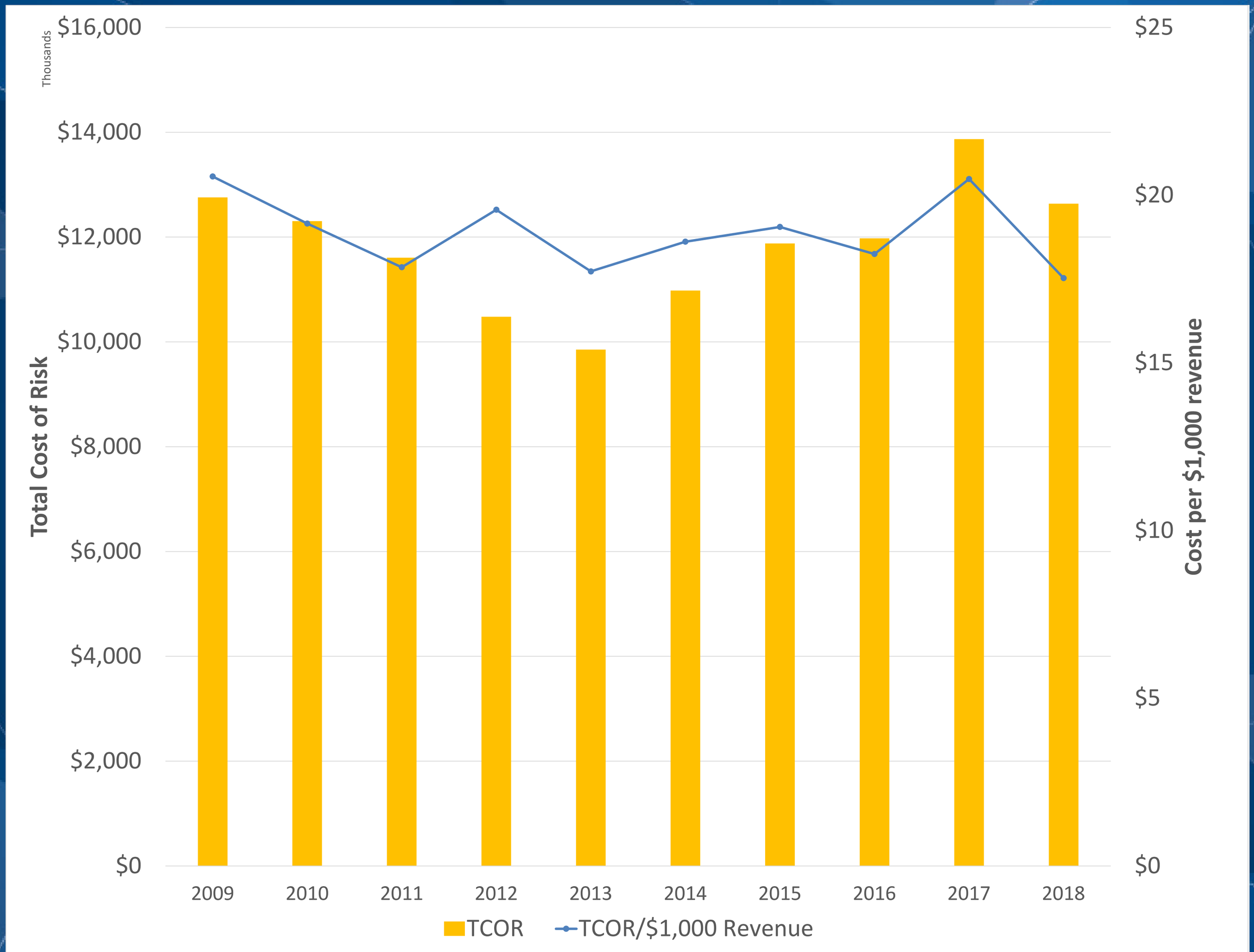
Total Cost of Risk

- Claim payments
- Insurance premiums
- Broker fees
- Department budget


Thousands
$16,000
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
Total Cost of Risk
$25
$20
$15
$10
$5
$0
Cost per $1,000 revenue
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
TCOR
TCOR/$1,000 Revenue

Looking ahead

- Technology
- Partnerships
  - Internally
  - Insurance companies
- Risk control
  - Workers' compensation
  - Casualty
  - Property
- Emerging risks

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Questions?

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