



APEI MEMBER QUARTERLY NEWSLETTER

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PLEASE REPORT ALL KNOWN OR POTENTIAL CLAIMS IMMEDIATELY—IT'S CRITICAL TO HELP MINIMIZE YOUR LOSSES

<http://www.akpei.com>

Contributors:

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- Jeff Bush, APEI Executive Director
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BOARD OF DIRECTORS RECEIVES FINANCIAL REPORTS, ADOPTS GOVERNANCE POLICY

At its fall meeting on October 14, the APEI board of directors heard several reports on the state of the company's financial affairs, adopted a board governance policy, and reappointed three long-time members to new three year terms.

Financial Successes Continue

The board received the company's Annual Report for the fiscal year ending June 30, 2011. The report shows company net assets increased over \$5 million during the year, to a total of \$18 million, primarily due to continuing better-than-expected loss experience and positive investment returns. As a result, APEI anticipates that the recent trend of annual member dividends and premium rate reductions are likely to continue.

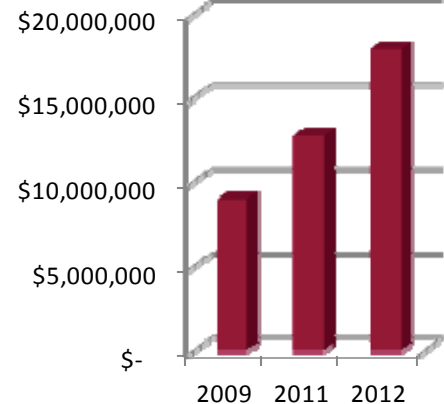
At the last renewal for policy year beginning July 1, 2011, members paid lower insurance rates for all lines of business than they did in 2004. This was due, in part, to the board's decision to allocate \$1 million in the company's retained earnings to premium reduction. Although signs are that national and international insurance rates are "hardening", or rising, due to fallout from recent large catastrophes including the Japan earthquake and tsunami, and US flooding and tornadoes, APEI's very strong financial situation should help relieve some of the pricing pressures.

Board Agrees to Self-Evaluation

The board also adopted formal operating procedures for itself. The new policy outlines the appropriate roles of the board and executive director, sets out

the key board responsibilities for setting company fiscal and strategic planning, and provides for regular self-evaluation of the board and its individual members. Under the direction of Board Chair Larry Semmens, it is anticipated that the first such self-evaluation will occur at the spring 2012 meeting.

APEI Net Assets



Board Members Semmens, Roope and Garley Reappointed to new Three-Year Terms

The Board also reappointed long-time board members Larry Semmens, Pam Roope, and Sandra Garley to new three-year board terms. Semmens has served on the board since 2003 and as President and Chair since 2007, Roope has served on the board since 2005, and Garley has served since 2007.

Anyone interested in receiving a copy of the 2010-2011 Annual Report, please contact Jennifer Ulibarri at julibarri@akpei.com.

STUDENT ACCIDENT COVERAGE

For our school districts, APEI would like to remind you of the benefits provided by your pass-through student accident coverage. Student accident claims should be filed directly with Maksin Management Corp. Your student accident coverage:

- Covers all students while attending school, or participating in school sponsored activities on or off school grounds, including all sports except interscholastic football.
- Covers up to \$1,000,000 of all allowed medical expenses, including hospital services, doctor's services, X-ray, MRI and laboratory services, dental services, physical therapy, nursing care, and drugs (secondary to all other health insurance plans in place at the time of the accident).
- Extends \$25,000 for emergency medical evacuation. They do ask for pre-authorization – but given the time zone difference and logistics of making immediate arrangements with local air services – they will still cover “if it is not reasonably possible to contact the Company in advance.”



Please remember, claims reporting should be done within 90 days of the accident – forms are available online at APEI's website:

http://akpei.com/Notification_of_Injury.doc

YOUR VOLUNTEER APPLICATION: DOES IT ASK THE RIGHT QUESTIONS?

Are you using your volunteer application to identify the volunteer's talents and interests, and match that information with the most appropriate assignment (or even a new assignment)? Each organization is different in terms of useful information to collect, but consider simple questions such as these:

- What is your education level (multiple choices, all the way through Ph.D degree.)
- What special skills or interests do you have?
- Why are you interested in volunteering?

The application needs to invite the volunteer to list the types of assignments, among the choices given, that interest him or her most. It also needs to ask about previous volunteer experience, preferred hours, and any medical conditions or physical limitations that might affect the applicant's ability to carry out certain assignments.

Beyond questions designed to match volunteer interests and assignments, the application also should ask for three references, require information about any criminal convictions, and ask if the applicant agrees to a criminal background check (because the organization deals with vulnerable clients).

Having a standard process for dealing with volunteers in your organization is critical. Taking the time to customize your volunteer application and then review the answers, enables you to match the task with the person best qualified to perform that task. This keeps your organization running smoothly and helps the volunteer feel like his or her contributions are valued.

APEI Congratulates Jim Nygaard and Cordova City School District

APEI is excited to report that the Alaska Association of School Administrators recently selected Jim Nygaard, Superintendent at the Cordova City School District, as the 2012 Alaska Superintendent of the year. The selection was made by a committee of Alaska Superintendents.

Mr. Nygaard will be recognized at the 2012 AASA National Conference on Education in Houston, Texas. In addition, Alaska's AASA has advanced his candidacy to the 2012 National Superintendent of the Year program. Please join us in congratulating Mr. Nygaard. We wish him the best on his candidacy for national recognition.



We're here to serve your needs. Give us a call, and we'll be glad to help.

Phone: 907-523-9400

Toll Free: 877-586-2734

WHAT ARE YOU PURCHASING WITH YOUR SAFETY EQUIPMENT AND TRAINING GRANT?

Have you ever wondered what you could be spending your \$1,000 safety equipment and training grant on?

APEI offers a few suggestions in your loss control manual. But we thought, what better way to come up with ideas than let you know what your fellow members are purchasing?

Here is a list of a few of the items that have recently been purchased with the safety equipment and training grants:

- Airfare to attend regional training seminars
- Safety gloves and slip-resistant boots
- Warning and danger signs
- Air quality monitors for confined space entry
- Security cameras
- Communication radios

The possibilities are truly endless. If you have an idea but aren't sure if the purchase is eligible, contact Abe Levy at alevy@akpei.com or 907-523-9485.

Playground Surface Improvement Grant

We would like to recognize and congratulate the following members who have taken advantage of this grant opportunity:

- Chatham School District
- City and borough of Wrangell
- Petersburg City School District
- Cordova School District



There are still grant funds available, so please turn in your applications.



HOW TO SAVE PREMIUM DOLLARS

Safety Committees Save

(in more than one way)

Safety committees provide a great opportunity for employers and employees to get together and mutually discuss any and all safety concerns. Where an employee may be uncomfortable approaching a supervisor about his or her safety concern, safety committees provide a welcoming environment to do just that. The net result is that communication between employees and employers improves and fewer accidents occur. In addition, documenting your regular meetings will earn you a 3% premium credit at renewal.

Members Doing the Right Thing

Our friends at the Kodiak Waste Water Treatment Plant found a good way to store spare fire extinguishers. This keeps them in OSHA compliance because the cylinders are secure and can't be knocked over.



Upcoming APEI Webinars

Thursday, December 15, 12:00-1:00

How to Screen Employment Applications

Thursday, January 19, 12:00-1:00

OSHA Recordkeeping

If there's a specific topic you would like us to cover in an upcoming webinar, please e-mail Abe at alevy@akpei.com. We can also do personalized webinars for you. Just let us know.

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Fax, Call, or Email us—
we're here to help!

APEI WEB HELP

Visit the APEI website
for information on pro-
grams, claims reporting,
loss control services,
and online safety train-
ing.

<http://www.akpei.com>

Workers' Compensation: A Fix is Needed

From the Desk of the Director, *Jeff Bush*



All indications are that workers' compensation rates for Alaska are likely to increase substantially in coming months. Two major factors appear to be the cause: a change in the fee structure allowing medical providers to charge and receive more for treatment of work-related injuries; and passage of a law allowing firefighters to receive workers' compensation to treat cancers that may or may not be job related.

Alaska pays the second highest rates for workers' compensation in the country; only Montana is higher. Payments for medical expenses now make up 76% of the amount paid for compensation claims in the state. Although details are still being worked out, the buzz on the street is that under the new fee schedule adopted by the state Division of Workers' Compensation, costs paid for hospital procedures and stays are going to more than double, translating to much higher compensation insurance bills for Alaska employers.

Across the country, lobbyists for firefighters have been getting state legislatures to pass laws providing that when a firefighter is diagnosed with cancer, it will be presumed that the cancer was caused by the job and compensable through workers' compensation. Such a law was passed in Alaska in 2010. Although it is too early to tell what impact this may ultimately have on claims, large workers' compensation insurance carriers are nervous, and when they get nervous, premium rates go up for everyone. We are already seeing significant rate increases that can only be explained as a reaction to this new law.

Alaska's public entities will feel the pinch of these new laws through higher workers' compensation rates. Please, ask your legislators for their help fixing these problems and keeping Alaska's rates under control.