Operational Review of the City of Miami Beach Risk Management Division

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Executive Summary

This report presents the results of a review of the risk management functions carried out by the Risk Management Division of the City of Miami Beach (CMB). The objective of the review was to identify opportunities to reduce the loss from risks that the City is exposed to. The focus of the review was on two main drivers of risk costs–workers compensation claims and police liability claims. Although fieldwork covered all City departments the six with the highest number of claims received the most scrutiny. Data collection and analysis covered the fiscal years 2008/09 thru 2010/11. Our methodology included collecting and analyzing documents related to workers compensation, interviews with attorneys in the City Attorney's Office and City Department Directors or their designees responsible for safety. Appendix A describes all of the tasks carried out to accomplish the review's objective. Within the liability claims area the review focused on police and vehicle liability. This report does not address other areas of risk such as losses to property (theft or accidental damage to building and business content) and review of insurance certificates to obtain permits for various activities which includes but is not limited to special events, fireworks and beachfront concessions.

The review found the City's Risk Manager (RM) (Note: Reference to the City's Risk Manager and Risk Management are used interchangeably unless otherwise noted) focuses the majority of his time on liability claims under $25,000 with other areas of Risk Management such as workers compensation and safety getting little or no attention. The result has been that the City is not managing or taking proactive steps to reduce injury claims and their associated financial and human costs. One key indicator of the results of an organization's focus on controlling worker compensation claims and their associated costs is the experience modification rating given by the State of Florida Division of Worker's Compensation. An organizations experience modification rating has a direct correlation with the premium paid for excess insurance and is a reflection of the effectiveness of the organization's loss prevention and control program. A recent survey conducted by the City of Miramar found that CMB had the third highest rating (a lower rating is better) of the 107 Florida cities that had responded. See Appendix B. Our review presents 24 opportunities for improvement to address the weaknesses that have been identified.

From FY 2008/09 thru FY 2010/11 the City's workers compensation claims and costs have remained steady but remain high. Very little effort is made by RM to control workers compensation (WC) costs with total dependence for managing claims left to the City's Third Party Administrator. Opportunities exist for the City to be more involved in managing WC claims and minimizing the number of employees who go on workers compensation and getting

them off of WC quicker. Opportunities for improvement also exist in disseminating and utilizing available injury data, revising the light (transitional) duty program, ensuring that controls are in place in City departments so that workers don't receive workers compensation and Injury Service Connected (ISC) payments at the same time, investigating causes of injuries, complying with the approval requirements for extending ISC and complying with various provisions in the City's safety manual. Workers Compensation and Injury Service Connected will be used interchangeably unless otherwise noted. See Appendix C for a glossary of terms used in the report.

Although general liability claims have been reduced during FY 2009/10 and FY 2010/11 police liability claims continue to remain high despite various methods in place to address the causes of these claims. The Police Department needs to expand their efforts to identify and take action to reduce the high number and costs of their claims. Opportunities also exist to disseminate liability claims information to City departments.

The review identified weaknesses in the area of vehicle accident and vehicle liability claims including the need for vehicle safety training and the need to implement a proposed Citywide Vehicle Accident Review Committee. The review also found opportunities to increase vehicle subrogation claim payments and the need to encourage city departments to submit Vehicle Damage reports.

Discussion with department directors and the RM identified a lack of activities to address needed core safety program components. The Risk Management Division has not played a role in Citywide safety since the safety officer position was eliminated in 2007 and has given City department's sole responsibility for this function. Unsafe practices and unsafe conditions that lead to accidents and injuries are often not identified by department management and departments with a high number of workers compensation claims do not have active safety committees.

This review was neither designed nor intended to be a detailed study of every core process, system or procedure within the Risk Management Division. Accordingly the opportunities for improvement presented in this report are not all-inclusive.

We appreciate the cooperation and assistance that we received from the City's Risk Manager and Human Resources Department during this review.

Background

The Risk Management Division in the City of Miami Beach is responsible for workers compensation, liability claims, safety, property insurance, and for reviewing and approving of all insurance of third parties as required by City contract or ordinance.

The adopted staffing for Risk Management Administration within the Human Resources Department for FY 2011/12 is 2.05 FTE's. The only full-time person assigned to Risk Management related functions is the Risk Manager who is retiring at the end of May 2012 after 16 years in the position. A Labor Relations Specialist is budgeted 50% of their time in Risk Management, but their focus has been on Labor Relations instead of Risk Management activities.

I. ISC/Workers Compensation

Introduction

The City of Miami Beach is self-insured for workers compensation. This means that the City has chosen to fund the full financial costs for this Program rather than purchasing commercial workers compensation insurance. Employees who have a work related injury are entitled to take off up to 32 weeks (1280 hours) to recover and receive their full salary. The 32 weeks is called ISC and is a benefit offered by the City as part of the Workers Compensation Program. For the purposes of this report we will use the term ISC to indicate those who employees who receive initial time-off of up to 32 weeks for an injury and WC for those employees who do not return to work after the 32 weeks and continue with off time for their injuries. Between FY 2008/09 and FY2010/11, 20 employees went from ISC to WC. Up to 32 weeks of ISC is allowed by City ordinance #1335 and is mentioned specifically in three union contracts. See Appendix D for the WC process flow steps

Risk Management is an internal service fund and the cost for WC payments is recovered through a budget chargeback to each City department based on a percentage of the total self insurance cost. In FY 2011/12 each City department was charged 4.4% of their total budget for self-insurance costs. The total adopted self insurance distribution (including direct allocation) for FY 12 is $20,742,110 and increase of $1,351,535 from the previous year. Much of the increase in the total Internal Services Fund FY 2011/12 can be attributed to claims incurred but not reported, police liability claims, and increased cost of legal services.

ISC and Workers Compensation related data and analysis

ISC/WC claims and related costs between FY 09-11

As seen in Exhibit 1 the number of new WC claims and their corresponding dollars has fluctuated between FY2008/09 and FY 2010/11.

EXHIBIT 1
New Workers Compensation Claims

	FY 2008/09	FY 2009/10	FY 2010/11
# of new WC claims	384	401	373
$ of workers comp claims (includes medical & indemnity and reserve balance) Does not include IBNR	3,343,508	2,198,877	3,052,126
Claims still open (as of 9/30/11)			458
# of staff			
Source: Summary Loss Report			

These fluctuations further emphasize the importance of controlling costs Citywide to the extent possible. Most claims are closed in the fiscal year that they are opened, but every year some claims remain open. As of 9/30/11 there were 458 open claims. When a claim is first opened Johns Eastern Company, the City's Third Party Administrator (TPA), reviews the claim and if there is to be payment on the claim they set a reserve amount based on their prior experience with similar claims. Claims can continue to accrue costs until they are closed. A claim is closed when there has been no medical payment for three years. Exhibit 2 displays the expenditures for WC claim payments between FY 2006/07 and FY 2010/11. Claim payments have fluctuated but have trended down during these years from $6,446,220 in FY 2006/07 to $4,457,851 in FY 2010/11.

EXHIBIT 2
Workers Compensation Claim Payments

FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11
$6,446,220	$5,932,881	$6,257,765	$4,553,511	$4,457,851
Source: Budget request – Risk Management Claims				

Exhibit 3 was developed for CMB by the TPA and displays the number of claims that are indemnity and medical and expenses and those that are medical and expenses only. Indemnity are all costs that are not medical and includes that portion of lost wages paid to injured workers according to workers compensation law and lump sum compensation for death or permanent disability. The Exhibit shows that in FY 2010/11 for example, 26.4% of all claims were for both indemnity and medical and 73.6% were for medical only. According to the TPA, the medical portion of a medical/indemnity claim is more costly than the medical in a medical only case due to the severity of indemnity claims as compared to the lower severity and higher frequency of medical only claims. Another factor is that many medical only claims are very low cost (one or two medical bills).

EXHIBIT 3
Indemnity and Medical Claims and Medical Only Claims

	FY 2007/08	Incurred ($)	FY 2008/09	Incurred ($)	FY 2009/10	Incurred $	FY 2010/11	Incurred $
Indemnity & medical claims (includes expenses)	139	2,710,437	130	2,784,275	115	1,714,458	98	2,466,109
Medical only (includes expenses)	264	439,742	243	473,401	276	407,825	272	451,856
Total	403		373*		391*		370*	
Source: 4 year summary by Claim Type								
* Numbers do not reconcile to Exhibit 1								

According to the City's Actuary, Glicksman Consulting, LLC, the total cost per claim throughout its life varies per year ranging from $11,301 in FY 2007 to a projected $14,702 in FY 2012. See Exhibit 4.

EXHIBIT 4
Trended Average Claim Severity

Claim Period	Trended average claim severity - $ (average cost per claim)*
2006/07	11,301
2007/08	15,471
2008/09	18,206
2009/10	10,977

Claim Period	Trended average claim severity - $ (average cost per claim)*
2010/11	16,216
2011/12 (projected)	14,702
* Severity is the projected cost of all claims divided by the number of claims. The trend reflects inflation and the periodic judicial changes that impact insurance	

Exhibit 5 displays by department/division claim experience and costs for those departments with an average of more than 20 claims per year between FY 2008/09 and FY 2010/11. Police Patrol followed by Fire Rescue had the highest total number of claims opened in that period. The TPA tracks data so that the RM can produce reports showing the number of claims opened each year by every City department/division.

EXHIBIT 5
City Departments with Highest Workers Compensation Claims and Costs

Department	FY 2008/09	FY 2009/10	FY 2010/11	Total	Average
Police Patrol					
# of claims opened in year	86	100	103	289	96
# of claims closed in year	79	92	82	253	84.3
Total cost of claims ($) opened in that year	849,983	702,359	120,496	1,672,838	557,613
Average cost per claim ($)	9,884	7,024	1,170	18,077	6,026
Fire Rescue					
# of claims opened in year	35	36	38	109	36
# of claims closed in year	30	35	34	89	30
Cost of claims ($)	343,462	158,213	198,535	700,210	233,403
Average cost per claim ($)	9,813	4,395	5,225	19,433	6,478
Parks Maintenance					
# of claims opened in year	30	34	26	90	30
# of claims closed in year	29	33	23	87	29
Cost of claims ($)	125,273	99,135	113,153	337,561	112,520
Average cost per claim ($)	4,176	2,916	4,352	11,444	3,815

Department	FY 2008/09	FY 2009/10	FY 2010/11	Total	Average
Sanitation					
# of claims opened in year	33	32	21	86	29
# of claims closed in year	32	30	20	82	27
Cost of claims ($)	286,629	158,043	485,543	493215	164,405
Average cost per claim ($)	8,686	4,939	2,312	15,936	5,312
Fire Combat					
# of claims opened in year	30	25	27	83	27
# of claims closed in year	28	24	24	76	25
Cost of claims ($)	264,136	88,349	200,011	552,496	184,165
Average cost per claim ($)	8,254	3,398	6,667	18,319	6,106
Beach Patrol					
# of claims opened in year	23	31	29	83	28
# of claims closed in year	21	30	29	80	27
Cost of claims ($)	89,357	58,359	75,527	233,243	77,748
Average cost per claim ($)	3,885	2,205	2,604	8,695	2,898
Parks Recreation					
# of claims opened in year	22	28	24	74	25
# of claims closed in year	21	27	24	72	24
Cost of claims ($)	56,853	90,903	53,043	200,799	66,933
Average cost per claim ($)	2,584	3,247	2,210	8,041	2,680
Property Management					
# of claims opened in year	22	17	20	59	20
# of claims closed in year	20	16	17		53
Cost of claims ($)	987,924	249,185	96,937	1,334,046	444,682
Average cost per claim ($)	44,906	9,229	4,847	58,982	19,661

Department	FY 2008/09	FY 2009/10	FY 2010/11	Total	Average
Parking					
# of claims opened in year	25	18	21	64	21
# of claims closed in year	24	17	16	57	19
Cost of claims ($)	62,045	53,769	159,718	275,532	91,844
Average cost per claim ($)	2,482	2,987	7,606	13,075	4,358

Source: Loss Report by Cause
Notes:
1) Indemnity cost per claim is calculated at 66 2/3 for this chart. Therefore cost per each claim is underestimated.
2) Cost per claim includes medical, indemnity, and expenses paid to date and reserves
3) Exhibit does not include recoveries
4) Exhibit only includes City departments that had more than an average of more than 20 claims per year.
5) Cost of claims as of 3/22/12
6) Percent of all new claims for year represented on this spreadsheet - FY 09 = 80%; FY 10 =80%; FY 11= 83%
7) Average cost per all new claims in fiscal year - FY 09= $10,518; FY 10 = $4482; FY 11 = $4110

Budgeting for workers compensation expenses

Risk management is an internal service fund whose costs are completely allocated to the General Fund and Enterprise Fund departments and the Risk Management Fund reimburses the General Fund for the cost of legal services. The Risk Management budget is based on the actuarial analysis of past experience for workers compensation costs.

The City's Actuary projected as of September 30, 2011 that the present value of estimated outstanding losses (cost of unpaid claims) for WC was $19,039,350. This includes case reserves and Incurred but Not Reported (IBNR). This figure represents what the actuary has projected the City's obligation is for all open claims prior to September 30, 2011. In other words if the City went out of business today this would be its obligations. Until a claim is closed it will show the amount paid and the remaining reserves. Reserves are projected for each new claim by the TPA based on their experience with similar type claims.

Each year the WC claims payment account is developed for the following year based on the projections of the City's Actuary. For FY 2011/12 the budget for WC is $4,457,851. For FY 2012/13 the actuary has projected a present value of losses for WC of $4,710,760. This projection is the accrual value of losses with accident dates in 2012/13. In FY 2009/10 a new budget account titled *Workers' Comp IBNR* & Case Reserves was set up to account for development of incurred but not reported and case reserves for all claim years as provided by actuarial evaluation. The amount budgeted was $629,492.

Risk Insurance Fund Reserves

As per resolution the City of Miami Beach shall have a goal of maintaining a reserve of 100% of pending claims in the Risk Management Fund, and shall strive to fund 2/3 of the estimated value of insurance claims incurred but not reported. The FY 2010/11 CAFR shows that there was $19,067,046 of assets in the Risk Insurance Fund and $27,072,391 in total liabilities. The assets cover 100% of the current and non-current insurance claim liabilities of $11,797,989 and 51% of the insurance claims of incurred but not reported. Forty-nine percent or $7,269,509 is not covered.

1.   **Opportunity for Improvement**

The City may be able to reduce worker's compensation costs by providing less than the current 32 weeks of ISC, or eliminating the ISC benefit as other cities have done.

Discussion

Although a few CMB employees have utilized the entire 32 weeks (1280 hours), we found that the average of all City employees on ISC between FY 2008/09 and FY 2010/11 was 156.19 hours (less than four weeks). Exhibit 6 is a compilation of an analysis completed for this review showing all ISC hours by department between 2008/09 and FY 2010/11. See Appendix E for methodology used in developing this Exhibit.

EXHIBIT 6
ISC HOURS AND DOLLARS

Department	# of ISC claims	ISC hours	Average number of ISC hours	ISC $	Other ISC hours	Other ISC $
City Manager	1	624.00	624.00			
Finance	3	120.84	40.28			
Human Resources	2	47.40	23.70			
Parking Admin.	4	104.88	26.22			
IT	3	158.25	52.75			
Public Works engineering	1	43.00	43.00			
Public Works streets	6	284.13	47.36			
TCD	1	5.50	5.50			
Fleet	9	605.25	67.25			

Department	# of ISC claims	ISC hours	Average number of ISC hours	ISC $	Other ISC hours	Other ISC $
PW-Water	19	1,995.80	105.04			
PW-Sewer	8	3,136.79	392.10			
PW-Storm	6	166.77	27.80			
Sanitation	17	4,433.97	260.82			
Parking on street	15	3,432.28	228.82			
Parks Maintenance	39	6,036.82	154.77			
Parks Recreation	23	1,418.24	61.66			
Property Maintenance	28	7,261.25	259.33			
Building Services	3	118.04	39.35			
Code	1	146.25	146.25			
Sanitation (SB)	19	2,889.17	152.06			
Police Chief's Office	6	1,179.00	196.50			
Police – RDA	1	40.00	40.00			
Police Patrol	93	13,559.25	145.80			
Police CID	15	1,559.50	103.97			
Police Support	8	387.50	48.44			
Police Tech Services	17	3,244.48	190.85			
Fire Suppression	50	9,195.75	183.92			
Fire Rescue	40	8,158.00	203.95			
Fire Prevention	7	1,402.58	200.37			
Fire Ocean Rescue	27	1,600.75	59.29			
Fire Training Command	2	681.00	340.50			
Totals	**474**	**74,035.64**	**156.19**	**1,973,541.87**	**28,008.16**	**624,477.22**
Total ISC hours for claims FY 09-11		**102,908.55**				
Total ISC dollars for claims FY 09-11		**2,598,019.19**				

The 102,909 hours in Exhibit 6 represents lost productivity because the work either does not get done, or as in many cases temporary staff or overtime is necessitated in order that scheduled work is completed. **In its costing methodology, the National Safety Council includes**

he cost of overtime to cover productivity loss necessitated by injury and costs of hiring and training temporary or permanent replacement employees.

Between FY 2008/09 and FY 2010/11 only 20 employees went from ISC to WC. The number of employees that go from ISC to WC may increase if the City lowered the 32 week threshold. To explore alternative options to the current 32 weeks of ISC the City should consider surveying other cities to see if they provide a supplemental injury pay program and if so the number of days that an employee can stay on the program. Benchmarking results from six cities found that Hollywood and Hialeah allow 26 weeks and that four other cities including Fort Lauderdale do not provide wage continuation outside of what is required by the WC program.   Appendix F displays the results from benchmarking conducted during this review. Please refer to this chart whenever benchmarking results are discussed.

2.   Opportunity for Improvement

Risk Management can help to reduce the occurrence and severity of employee injuries by analyzing and disseminating WC claim information.   In addition, City departments can play a role in analyzing and utilizing employee injury data.

Discussion

Although a lot of injury related data is available from the TPA (See Exhibit G) it has not been analyzed, formatted to meet the needs of City departments, or disseminated by the RM. Department Directors or their designees of the six City departments with the highest number of WC claims in FY 2008/09 thru FY 2010/11 (police patrol, fire rescue, parks, sanitation, beach patrol, recreation, sanitation, property management, and parking) stated that a report of injuries by cause for each year and across years would be helpful to them. This would tell them how many new claims were opened each year, but more importantly the cause of the injuries. Injury information by year and over several years would indicate trends and actions could be taken to address the causes. Injury by cause information by department is currently available from the TPA.   For example, Exhibit 7 displays the number and cost of the five highest causes of injuries for all City departments between FY 2008/09 and FY 2010/11. The report also displays the percent of those cause factors that had associated indemnity costs.

EXHIBIT 7
Injury by Cause

Cause	FY 2008/09		FY 2009/10		FY 2010/11		3 year total cost ($)	3 year Avg. cost ($)	% Indemnity
	#	Total Cost ($)	#	Total Cost ($)	#	Total Cost ($)			
Absorption, ingestion & inhalation	11	16,156	47	49,477	72	104,005	169,638	1,304.91	8
Contact with, NOC	40	44,751	36	24,415	12	8,077	77,243	839.60	5
Fall, slip, or trip	12	74,009	23	149,661	28	387,814	611,484	9,706.10	40
Lifting	10	96,222	29	113,448	28	96,558	306,228	4,570.57	48
Strain or injury by	58	489,865	46	251,825	68	571,549	1,313,239	7,635.11	41

Injury by cause information is available by department as can been seen in Exhibit 8. This Exhibit displays for Police Patrol the seven highest number of injury causes with related average cost between FY 2008/09 and FY 2010/11.

EXHIBIT 8
Injury by Cause – Police Patrol

Injury cause	FY 2008/09	FY 2009/10	FY 2010/11	Total
Absorption, ingestion, inhalation				
Number	5	11	28	46
Injury Cost ($)	7,060	7,815	21,261	36,136
Injury cause	FY 09	FY 10	FY 11	Total
Contact with (includes exposure to blood				
Number	4	15	25	44
Injury Cost ($)	4,030	13,855	2,722	20,607
Collision with or sideswipe				
Number	6	8	8	22
Injury Cost ($)	12,268	233,898	160,000	406,166
Fellow worker, patient or other				
Number	6	7	12	25
Injury Cost ($)	10,569	52,945	114,440	177,954
Person in act of a crime				
Number	13	9	1	23
Injury Cost	37,373	86,690	4,330	128,393

Injury cause	FY 2008/09	FY 2009/10	FY 2010/11	Total
Strain or injury by running, training, etc.				
Number	**14**	**14**	**12**	**40**
Injury Cost ($)	**177,319**	**67,394**	**61,275**	**305,988**
Other than physical cause of (mainly heart and breathing)				
Number	**12**	**9**	**14**	**35**
Injury Cost ($)	**217,281**	**86,254**	**551,156**	**854,691**
Total number of injury causes listed	**60**	**73**	**101**	**234**
Total injury cost of injury causes listed($)	**465,900**	**548,851**	**915,184**	**1,929,935**
Source – Loss Report by Cause				

The TPA also maintains data so that Risk Management could produce reports by body parts and nature of injury. For example, Exhibit 9 displays number and cost of injury by body part between FY 2008/09 and FY 2010/11. The three body parts listed are those with the highest number of claims, cost, and time off.

EXHIBIT 9
Cost of Injury by Body Part

Body Part	FY 2008/09				FY 2009/10				FY 2010/11				3 year average	% of injuries with time off
	#	Total Cost ($)	# of indemnity	Average cost ($)	#	Total Cost ($)	# of indemnity	Average cost ($)	#	Total Cost ($)	# of indemnity	Average cost ($)		
Ankle	15	97,482	6	6,499	20	66,273	7	3,314	21	155,667	9	7,384	5,732	39
Knee	35	534,137	17	15,261	32	338,346	18	10,573	22	371,716	10	16,896	14,243	50
Lower back	50	359,471	28	7,009	38	220,516	14	5,803	45	137,413	13	3,053	5,288	63

Source: Loss Control by Body Part

The TPA also provides annual reports by nature of an injury. Nature refers to a categorizing of the type of injury arising from the incident, i.e. burn, sprain, fracture, etc.

3. Opportunity for Improvement

The City in conjunction with the TPA and the Human Resources Department may be able to reduce the number of repeat claimants by taking proactive steps.

Discussion

An analysis of WC claims found that 30 employees had multiple claims between CY 2009-11. One example of steps that can be taken to address repeat claimants and repeat accident/injuries comes from the City of Hialeah. Hialeah's Risk Management Division discusses a plan of action with the employee's department head. Risk Management will also send out a TPA vocational case manager to meet with individuals who continually utilize the wage continuation/workers compensation program. The vocational case manager provides follow-up on the accident itself and investigates why the accident occurred. In certain circumstances, the Risk manager and WC compensation adjuster will also meet with these individuals as part of the accident analysis.

The City of Miami Beach should identify other local governments that have taken a proactive approach to reducing the number of repeat claimants and involve the Human Resources Department in developing an action plan for these individuals.

4. Opportunity for Improvement

The City's light duty program may be better utilized if revisions to the Program are approved and the Program is centralized in the Human Resources Department.

An effective light duty Program can provide many benefits to both the injured employee and the City. A transitional duty Program has recently been developed by Human Resources (See Appendix H) that can be utilized by City departments, but the Program has not been disseminated, nor has it been approved as a policy by the City Manager. The new Program could decrease loss of time from work, support employee recovery, protect employee income, reduce workers' compensation costs and promote employee goodwill.   Risk Management relies on the TPA to monitor all claims and advise if light duty status by an employee is reached and should be considered.

A survey conducted during this review found that only nine employees were currently on light duty and four of them were in the Police Department.   This survey was undertaken because the Human Resources Department had no count of the number of employees on light duty.   In 2003, the person who handled light duty in the Human Resources Department left the City and the responsibilities were assigned to Risk Management and City Department/Divisions.

According to the City's Risk Manager, the light duty policy in the City's safety manual was adhered to when first developed, but the RM and City departments chose to modify the procedures on a per claim basis to better meet the needs of the City and its employees.   Some departments such as Parks and Recreation have employees that have not been able to perform their full regular duties for years.   Light duty assignments are not intended to become

permanent. The proposed Program acknowledges that transitional duty assignments are temporary and will only be provided if there is a reasonable expectation that an employee can resume their regular duties within a reasonable time.   The current light duty policy does not restrict the number of days that an employee can remain on light duty. The safety manual only states than an assignment will be for a temporary period. The proposed policy restricts transitional duty to 12 weeks.

In addition to restricting the number of days, the new transitional duty policy would facilitate consistent application of this Program among City departments.   The new policy would also require an employee's supervisor to inform the Assistant HR Director and RM when the employee has restricted ability to perform normal job functions due to an on-the-job injury.

Currently, there is no mechanism that allows employees on light duty to work in departments other than own. For this to occur, the transitional duty program needs to be centralized in the Human Resources Department.   The proposed policy tasks the RM and Assistant HR Director with surveying other departments to determine if they can use an injured employee on a transitional duty basis.

5.   **Opportunity for Improvement**

Departments should follow the City's safety manual by investigating causes of injuries and taking disciplinary action when safety violations lead to an injury.

Discussion

The City's safety manual states that it is every employee's responsibility to perform their duties in a safe manner. If an employee fails to utilize required and provided safety equipment or violates established safety procedure they may be subject to disciplinary action up to and including termination. If the violation causes an injury with lost work time, the employee may also be subject to a loss of worker's compensation benefits. The Safety Committee and or Safety Officer will investigate and determine preventability of work related accidents and injuries as necessary. The manual also describes exceptions to the progressive discipline procedure including any violation involving the failure of an employee to utilize provided safety clothing or equipment shall result in the immediate suspension of the employee by the division without pay; and a preventable or at fault accident which results in bodily injury or property damage shall result in a three day mandatory suspension. All safety violations and injuries are to be judged by the Safety Committee and the Safety Officer for preventability. Currently, it is difficult to judge accidents for preventability because none of the City departments with a high number of injuries has an active Safety Committee and a designated Safety Officer.

Department heads or their designees interviewed for this review and the RM stated that they are not aware of any instances where an accident or injury was investigated or an employee was disciplined, suspended or lost worker's compensation benefits because of a safety violation. As discussed in Section III of this report, disciplinary action has been taken by the Police Department for employees who violate vehicle safety procedures. According to the safety manual, it is the responsibility of City department's to ensure that safety violations that lead to accidents and injuries are identified and progressive disciplinary actions are taken.

To facilitate the investigation the City should consider revising the *Supervisor Report of Accident form i*n order to include additional options for describing unsafe practices and unsafe conditions that caused an accident to occur. The main purpose of the form should not be to fix blame, but rather to prevent similar incidents from occurring again. All supervisory reports of accidents should be reviewed and signed off by the Department Director or their designee.   In addition, department management should receive training on how to investigate accidents, and adhere to the safety manual which requires that if the supervisor disagrees with the employee's description of the accident, they should attach a cover memo advising RM of additional information that may be relevant to the investigation of the claim. The accident reporting procedures in the safety manual should be revised so that anyone in department management should be able to attach a cover memo if they disagree with the employee's description of the accident. The Risk Management Division should provide whatever assistance is necessary to departments in investigating accidents that lead to injuries.

6. Opportunity for Improvement

The City can reduce the number of employees who are paid concurrently for WC and ISC by implementing appropriate controls.

Discussion

During this review we compared the dates of ISC payments with the dates of WC payments and found six employees that had received both ISC and WC payments on the same dates.

The amount of the ISC payments were $38,167 and the amount of WC payments were $25,644. One of the six individuals received ISC payments of $28,469 and $17,856 on the same dates. Names, dates, and amounts are included with source documents. The RM believes that it was more likely that CMB departments rather than the TPA made a mistake by continuing to code individuals for ISC while they were also receiving WC. The RM needs to explore why this occurred and implement the necessary controls to ensure that it does not occur in the future.

7. Opportunity for Improvement

Risk Management can ensure that their staff handles workers compensation claims in a standardized manner by developing and implementing internal procedures.

Discussion

During this review we found that internal procedures exist as to how to handle liability and vehicle claims, but not for handling WC claims. The Risk Management Division should consider developing a Risk Management procedures manual that would document in detail the steps to be taken for handling a WC claim from its initiation until its closure.

8. Opportunity for Improvement

The City's Public Safety departments may be able to reduce employee injuries by implementing mandatory physical fitness training.

Discussion

Although both police and fire are physically demanding jobs there are no mandatory fitness requirements for their employees. Public safety employees frequently encounter situations that can result in personal injury. For most individuals a high level of physical fitness enhances their ability to perform the high demands of their jobs without injury. Further, fitness programs can focus on recurring types of injuries and potentially reduce the number and severity of injuries. This review found for example that 65% of all back injuries that occurred between FY 2008/09 and FY 2010/11 required time off.

By promoting exercise and overall physical fitness, the probability of employees experiencing back and other types of injuries may decrease. For example, targeted exercises might help to reduce the number of back and knee injuries. The City of Hialeah requires physical fitness for its Police SWAT and firefighters are allowed one hour per day on duty for physical training. The City of Charlotte requires physical training for its Fire Department employees. The Fire Department in Austin Texas provides one example of a City that has taken a proactive approach in addressing the fitness of its public safety employees. The Austin Fire Department participates in a Fire Services Joint Labor Management Wellness Task Force, has a full-time fitness/safety specialist, requires daily physical activity for firefighters, and requires annual physical assessments.

9. Opportunity for Improvement

The City may be better able to utilize the services of the TPA by understanding what we are being billed for and managing the contract in order to maximize its benefits to the City.

Discussion

The City's measurable indirect costs associated with injury incidents include payment to the third-party administrator (Johns Eastern) for operation and administration of the WC program. Our review found that Johns Eastern does not send the City a detailed bill of its charges. The RM stated that the City only pays the TPA $200,000 per year per contract, but in fact a customized report requested during the review found that the total costs averaged $457,784 per year between FY 2008/09 and FY 2010/11. This includes a $195 charge for each new claim managed (telephonic case management), medical reduction charges of $5.95 per bill reviewed +30% of the fee schedule savings. In order to ensure that costs are accurately determined, calculated, and charged in accordance with the terms agreed to in the contract, the costs and their calculation needs to be included and detailed in monthly billings. If charges are submitted that are not defined and agreed to in the contract, the City has no basis for verifying that the costs are properly defined and determined.

The types of information that the City should be requesting from the TPA in order to analyze and control injuries and costs both Citywide and department specific are discussed in Section IV of this report.

The Risk Management Division should scrutinize the performance of our TPA in administering the WC Program and benchmark our contract provisions, services and costs with other local governments that utilize a TPA. The benchmarking survey conducted for this review identified TPA services provided to other cities that may be useful to CMB. These included services of a vocational case manager and an annual safety audit conducted for the City of Hollywood by its TPA. Based on the results of this benchmarking effort Risk Management should consider exploring the services of other TPA's that could replace Johns Eastern before or when their current contract expires in 2015.

10. Opportunity for Improvement

The City can better control ISC costs by adhering to the City ordinance that requires that an additional 16 weeks of ISC be approved by City Management.

Discussion

City Ordinance # 1335 states that "an employee may make application to the City (WC) Physician for extension of Supplemental Injury Pay for an additional 16 weeks subject to the approval of the City Manager". According to the RM, the procedure as established by the Administration is that the Departments/Division are allowed to enter up to 32 weeks of ISC into payroll without the City Manager authorizing individual claims. The RM also stated that ISC is approved at the Department/Division level and that the procedure is based on past practices.

Union contract have different provisions regarding the additional 16 weeks. For example, in the ACFSME contract it states that it (ISC) is not to exceed 16 weeks except with approval of the City Manager or his/her designee with the approval of the City Commission. The police contract (FOP) and Firefighters contracts (IAFF) contracts have no requirement for approval except when ISC extends beyond 32 weeks. The CWA and GSA contracts do not address ISC.

WC/ISC opportunities for further review

- The City should explore purchasing of excess insurance for WC. The City had purchased excess insurance through 1996/97 and is still collecting insurance payments from claims opened in the years that the excess insurance was in effect. Through 9/30/11 excess recoveries amounted to $6,939,736. Although not the only factor, the City's experience modification rating from the State of Florida's Division of WC plays a large part in what the City will pay for excess insurance. As discussed in the introduction to this report our high rating (lower is better) compared to 106 other cities is a reflection of the lack of focus by the RM and City departments on controlling the number of WC claims and claim costs. Given this high rating it may not be cost beneficial to purchase excess insurance at this time, but if the City implements opportunities for improvement presented in this review it may be able to reduce the number and severity of claims and the benefits of excess insurance may then outweigh its costs. For example, the City of Hialeah's Risk Manager has stated that the City will be purchasing excess insurance once their experience modification is lowered and the costs of excess WC insurance is reduced. For further information regarding the experience modification rating he NCCI website (http://www.ncci.com/media/pdf/abc_Exp_Rating.pdf) provides extensive information.

- The City should explore the possibility of allocating self-insurance costs based on methods other than applying the same percentage to each department's budget. City departments lack incentive to improve safety performance because their budgets do not experience the impact of employee injuries through payment of workers' compensation claim costs. Other cities utilize use various methodologies for budgeting workers compensation costs including experience and exposure. For example, the City of Hollywood is currently charging each department by head count but moving forward with charges based on risk level.

- The Johns Eastern Claims Supervisor has stated that the files of the six individuals that received both ISC and WC payments on the same dates (described in opportunity for improvement #6) have been documented and the money will be recouped off of future benefits or they will take the overpayment into consideration if a claim is to be settled.

The City should explore the avenues that will allow it to immediately recover the concurrent ISC and WC payments and see if disciplinary or legal action should be imposed on those employees still with the City.

II. Liability Claims

Introduction

The City is subject to various risks of loss to other parties including general liability, police liability (excessive force, violation of civil rights, false arrest, harassment) public officials, employment and vehicles.   Similar to WC, the City is self-insured for liability claims and the Self-insurance Internal Services Funds pays for all claims and judgments made against the City. Florida Statute 768.28 provides for a statutory cap on tort claims of $200,000 per person and $300,000 per accident for new claims filed in FY 2011 and thereafter. Liability claims filed in federal court (often the situation for police liability and employment practices liability) are not within the limits and are capped to the applicable self-insurance retention.   Unlike some of the cities we benchmarked with, CMB City does not carry excess insurance for liability payments.

The RM investigates, evaluates and handles all auto and liability claims.   If the determination is made not to pay and the claim is litigated, the RM provides assistance to the City Attorney's Office. If the investigation determines that CMB is negligent and legal liability exists, the City may decide to settle the claim. In this case, the RM will provide assistance in the payment process. The RM can authorize payments up to $25,000. For payments between $25-50K, City Attorney's Office consensus has to be obtained; between $50K and $100K, the City Manager must approve, and over $100K the City Commissioners must approve.   See Appendix I for Liability claims process flow steps).

All cases are tracked in a software program utilized by the RM called RiskMaster. Status notes are input by the RM as needed to show file direction. Payment is entered in Risk Master and checks are printed on blank check stock kept by the RM. A copy of the check register and check is forwarded to the City Attorney's Office for an attorney's signature and then to the Finance where it is signed by the Director or Assistant Director of Finance.

Liability claims data and analysis

Liability claims costs include reserves and IBNR. Reserves are projected for each new claim by the RM. In FY 2010/11 three new liability related budget accounts were added to account for IBNR and case reserve development for all claim years as per actuarial evaluation. This includes general liability claims (FY 12 budget - $34,390); police liability claims (FY 12 budget - $917,716); public official claims (FY 12 budget - $93,109).

Exhibit 10 below displays the actual claim payments between FY 2006/07 and FY 2011/11 for general liability and public official's liability.

EXHIBIT 10
Claim Payments – General Liability and Public Officials Claim Payments

	FY 2006/07 actual	FY 2007/08 actual	FY 2008/09 actual	FY 2009/10 actual	FY 2010/11 actual
General liability claim payments	$748,480	503,262	1,570,635	831,4500	746,129
Public officials claim payments	0	49,021	93,109	10,000	0
Source: Department Budget Request Worksheet					

Similar to WC coverage, each year the City's Actuary projects the estimated outstanding losses for the various liability coverages. The present value of estimated outstanding losses for various liability coverages (cost of unpaid claims) the City's Actuary projected as of September 30, 2011 was $4,405,578 for law enforcement liability; $1,659,102 for general liability; and $494,609 for public officials' liability. This includes cases reserves and IBNR. These figure represents what the actuary has projected the City's obligation is for all open claims prior to September 30, 2011. Similar to WC, if the City went out of business today this would be its obligations for liability claims payments. Until a claim is closed it shows the amount paid and the remaining reserves.

Each year the liability claims payment accounts are developed for the following year based on the projections of the City's Actuary. For FY 2012/13 the actuary has projected a present value of losses of $1,098,287 for law enforcement liability; $660,121 for general liability; $422,422 for automobile liability; and $155,276 for public officials' liability. This projection is the accrual value of losses with claim dates in 2012/13.

Exhibit 11 displays the number and dollar of all liability claim payments by claim type in FY 2009/10 and FY 2010/11. In FY 2009/10 there were 200 claims with $982,839 in payments. In FY 2010/11 there were 180 claims with $990,039 in payments. It is difficult to track the total cost of each liability claim because many claims are opened in one year but paid in another.

EXHIBIT 11

Liability Claims and Payments

Claim Type	# of all claim payments – FY 2009/10	$ of all claim payments (excluding expenses) – FY 2009/10	# of all claim payments – FY 2010/ 11	$ of all claim payments (excluding expenses) – FY 2010/11
Excessive Force	11	101,506	4	240,000
False Arrest	6	45,940	4	3,253
Police action bodily injury	1	2,063	0	0
Police action property damage	1	2,000	1	1,000
Employment	1	2,000	0	0
General liability – bodily Injury	41	417,284	16	341,176
General liability – property damage	31	43,318	30	49,525
Other	10	6,559	11	6,140
Public liability	1	95,000	0	0
Vehicle accident-bodily injury	27	75,599	28	202,029
Vehicle accident-property damage	55	148,009	62	81,231
Vehicle contract (Sub)	2	1,096	0	0
Vehicle contract (undercover vehicles)	13	42,463	24	65,686
Total	**200**	**982,839**	**180**	**990,039**
Source: Report run for actuary by Risk Manager, 10/4/10				

Using a report developed by the RM for the City's Actuary we were able to identify the number of new claims opened in each fiscal year by type, the amount paid, and the outstanding reserves. Exhibit 12 shows that in FY 2009/10 there 111 new claims and in FY 2010/11 there 142 new claims.

EXHIBIT 12
New Liability Claims

Claim Type	# of New claims – FY 10	Paid ($)	Outstanding Reserve ($)	# of New claims – FY 11	Paid ($)	Outstanding Reserve ($)
Employment	1	125	10,000	1	450	75,450
Excessive Force	1	0	20,000	6	283	85,000
False Arrest	4	5017	39,000	9	917	85,000
General Liability	52	41,914	231,500	59	45,701	239,012
Harassment				1	600	5,000
Other	1	26415	0	1	0	500
Police Action Bodily Injury	1	1746	0	5	0	145,000
Police Action Property Damage	0	0	0	2	1,000	500
Public Liability	3	2,063	2,500	0	0	0
Vehicle Bodily Injury	11	256	72,540	18	13,358	441,280
Vehicle Property Damage	35	14,210	18,500	38	75,079	24,764
Vehicle Contract	1	99,114	2,500	1	2,770	7,230
Violation Civil Rights				1	2,975	10,000
Total	**111**	**168,812**	**396,540**	**142**	**143,133**	**1,118,736**
Source: Report generated for actuary by Risk Manager, 10/4/10						

 Exhibit 13 displays the number of open claims as of 10/05/11 and indicates that there were
341 open claims with an outstanding reserve of $3,850,195

EXHIBIT 13
Open Liability Claims

Claim Type	# of all claims	Paid ($)	Outstanding ($)
Employment	5	4,604	145,450
Excessive Force	32	904,125	918,233
False Arrest	43	228,628	449,170
General Liability	147	636,348	1,172,408
Harassment	18	12,276	15,000
Other	2	600	46,476
Police Action – Bodily Injury	6	15,924	231,858
Police Action – Misc.	15	8,344	25,000
Police Action – Property Damage	1	3,413	500
Public	6	8,667	43,321
Vehicle Bodily Injury	57	128,905	712,516
Vehicle Property Damage	23	50,718	50,264
Violation Civil Rights	2	2,975	15,000
Wrongful Termination	1	16,989	25,000
Total	**341**	**2,010,237**	**3,850,195**
Source: Report generated for actuary by Risk Manager, 10/4/10			

See source documents for FY 2010/11 liability claims for all departments by type.

Police liability claims and analysis

Police liability (used interchangeably with the term law enforcement liability in this report)
claims have fluctuated over the past few years but still remain high. Police liability claims
include excessive force, false arrest, police action bodily injury, police action property damage,
violation of civil rights and harassment. Exhibit 14 displays actual payments for police liability
claims from FY 2006/07 to FY 2010/11.

EXHIBIT 14
Police Liability Claim Payments

	FY 2006/07 actual	FY 2007/2008 actual	FY 2008/09 actual	FY 10 FY 2009/10 actual	FY 2010/11 actual
Police claim payments ($)	400,054	114,975	917,716	99,700	243,978
Source: Department Budget Request Worksheet					

In the September 30, 2011 actuary report it stated that based on discussions with the City, law enforcement is a major focus of concern. The present value of projected losses for law enforcement liability is $1,098,287. This is 47% of all projected liability losses for FY 2012/13.

The actuarial study pointed out that police liability claims stay open for a while and all claim periods for FY 2000/01 and subsequent have open claims. As of September 5, 2011 there were 122 open police claims with case reserves of $1,800,211. This is 37.5% of all open claims and 46.7% of all case reserves for liability claims. The actuary also pointed out that past history indicates that law enforcement liability claims are often adjusted higher with claims costing more than initially reserved. Exhibits 15 and 16 display the number and payment of all new and ongoing police liability claims in FY 2009/10 and FY 2010/11.

EXHIBIT 15
New Open Police Liability Claims

Claim Type	# of New claims – FY 2009/10	Paid ($)	Outstanding Reserve ($)	# of New claims – FY 2010/11	Paid ($)	Outstanding Reserve ($)
Excessive Force	1	0	20,000	6	283	85,000
False Arrest	4	5017	39,000	9	917	85,000
Harassment	0		0	1	600	5,000
Police Action Bodily Injury	1	1746	0	5	0	145,000
Police Action Property Damage	0	0	0	2	1,000	500
Violation Civil Rights	0	0		1	2,975	10,000
Total	6	8,951	59,000	24	5,775	177,550
Source: Report generated for actuary by Risk Manager, 10/5/1						

EXHIBIT 16
Open Police Liability Claims

Claim Type	# of all claim payments – FY 2009/10	$ of all claim payments (excluding expenses) – FY 2009/10	# of all claim payments – FY 2010/11	$ of all claim payments (excluding expenses) – FY 2010/11
Excessive Force	11	101,506	4	240,000
False Arrest	6	45,940	4	3,253
Police action bodily injury	1	2,063	0	0
Police action property damage	1	2,000	1	1,000
Total	19	151,519	9	28,353
Source: Report generated for actuary by Risk Manager, 10/5/11					

1. Opportunity for improvement

The Police Department should continue to focus on those activities that address the causes of liability claims and indentify initiatives that other local governments have taken to reduce the number and cost of these types of claims.

Discussion

Discussions with the Police Department's and the CMB attorneys that handle law enforcement liability cases indicates that the police department carries out various activities that may help to reduce the number of future liability claims. These activities include enforcing existing policy and procedures; completion and review thru the chain of command of control of person and pursuit reports; training including presentations by City attorneys; disciplinary actions such as for officers who accidentally discharge their firearms; and investigating and documenting of liability related incidents.

During this review we identified Police Department SOP's and training courses for police officers that can impact their actions and thus help in reducing the number of legitimate law enforcement liability claims. Police Department SOP's include arrest procedures; bias based profiling; use of firearms; harassment; processing, transporting and holding facilities for prisoner; pursuit and emergency operations of police vehicles; search and seizure; use of force, mass arrests; DUI detection and testing procedure; criminal investigations, and use of Special

Weapons and Tactics. Appendix J lists Police Department training courses and their delivery schedule. Some of the courses listed such as scenario based subject encounters and defensive tactics and weapons training address appropriate actions that should be taken by police officers in order to prevent liability claims.

The RM Division in conjunction with the Police Department should consider an effort to identify and explore initiatives that others have implemented to reduce police liability claims. These ideas may come from police professional associations or other local governments. For example, the Insurance Committee in the City of Hialeah meets monthly and reviews cases involving police liability with the Police Chief. In addition, the City's Safety Committee, which includes a police commander, discusses accidents involving police claims. In the City of Charlotte all police incidents are investigated by internal affairs with an eye toward preventing recurrence. In specific cases, outside experts may be used to help investigate and document loss causing incidents.

2. Opportunity for Improvement

The City may be able to better control liability settlement costs by having an individual outside of the RM Division periodically review case files for sufficiency of documentation and justification for settlement.

Discussion

This opportunity for improvement is especially important because the RM is the only individual that has the authority to log into Risk Master, and in addition has sole authority to settle claims below $25,000 without City Attorney's Office input or review. The RM stated that no one in the Legal or Finance Department's have ever asked him about cases settled for less than $25,000 when checks were presented for signature.   The Assistant Finance Director has stated that she has never asked about a liability case before signing the settlement check because the City Attorney's Office had signed it first. According to the RM, any attorney in the City Attorney's Office can sign the settlement check. The Human Resources Department should consider segregating duties related to investigating liability claims, determining if settlement is in the best interest of the City, determining the amount of settlement and printing the settlement check.

3. Opportunity for Improvement

City departments may be able to reduce the number of liability claims if they have access to reports which provide a history of number and cost of claims by type.

Discussion

According to the RM, prior year claim data by department is in the Risk Master system, but a report can only be printed for the current year's data. See report in source documents. A report similar to this one by department with data displayed over several years would make it easy to identify liability trends by year and across years so that appropriate actions could be taken to reduce the number of claims and their associated costs.

Department's with a high number of liability claims such as police and parks maintenance stated that a report by type of liability claims with paid and incurred costs by year and trended over several years would be helpful in order to identify those areas where their efforts should be targeted. The City's Police Chief had recently discussed the need for this type of report with the City Attorney. The Human Resources Department should ensure that RiskMaster can produce liability claims information with data over several years and that this information is disseminated to City departments.

The head of the Police Department's Support Services Division expressed concern that the Police Department was not receiving data about liability claims incurred by officers working off-duty and the locations where those incidents occurred. This information is available in Risk Master and should be disseminated to the Police Department so they can take any necessary actions regarding off-duty assignments.

Liability claim opportunities for further review

- The City should explore the feasibility of using a TPA for handling of liability claims. For example, the City of Hialeah uses a TPA for its liability claims and the City of Hollywood uses a TPA to service its non-litigation high exposure general and auto liability claims. The City of San Antonio uses a TPA to conduct loss investigations including taking statements from involved parties, preparing a report for the City that outlines the details of the claim, makes payments, adjusts reserves, and updates the Risk Management Information System.

- The City should explore the costs and potential benefits of acquiring excess insurance for liability claims.

III.   Vehicular Accidents and Vehicle Liability Claims

Introduction

Vehicle liability claims are categorized into two categories - vehicle property damage and vehicle bodily injury. Vehicle property damage occurs when an accident occurs between a City vehicle and another vehicle, pedestrian, animal, or fixed object. Vehicle bodily injury includes accidents where there is bodily injury to those in the City vehicle or the occupants of the other vehicle(s) involved in the accident. Vehicle bodily injury claims often include the cost of repair or replacement of the claimant's vehicle.

 Vehicle liability claims are received by RM from the Police Department, Fire Department, employee or department involved, claimant, or attorney representing a claimant.   If a CMB vehicle is involved, the driver and their immediate supervisor must complete a CMB Vehicle Accident Report.   The City's Police Department's Accident Investigation Unit investigates all accidents involving a City vehicle.

The Risk Manager's responsibilities regarding vehicle accidents include, but are not limited to, accident scene inspection, photographs obtained and witnesses interviewed.   As the claim progresses status reports are entered into RiskMaster by the Risk Manager.   As with all liability claims, settlement is negotiated by the RM up to his authority of $25,000. When the City is at fault the employee's department is charged for the accident repair costs. When a vehicle is deemed totaled by an independent appraiser the cost of a new vehicle comes out of the insurance fund and is not charged directly to a City department.   Whenever a non-public safety employee is in a vehicle accident they are drug tested.

When a City vehicle sustains documented damages as a result of the negligence of another party, the City has the legal right to recover for its loss from the at-fault party. The Fleet Management Department assigns an independent appraiser to assess the accident damage. When the RM determines that the other vehicle operator is at fault then the recovery process is initiated.   For claims over $1,500 that RM is unable to recover, the claim is referred by RM to the City Attorney's Office for possible recovery through litigation.

Vehicle liability claims data and analysis

Exhibits 17-20 display new and open vehicle liability claims information reported to the City Actuary by the RM for the years FY 2008/09 to FY 2010/11. Between FY 2009/10 and FY 2010/11 the number, cost and reserves for cost of bodily injury claims increased dramatically.

EXHIBIT 17

Vehicle Bodily Injury – New Claims

	FY 2008/09	FY 2009/10	FY 2010/11
Number	12	11	18
Incurred ($)	96,027	86,751	454,638
Paid ($)	8,527	14,210	13,258
Outstanding Reserves ($)	87,500	72,540	441,280
Source: Reported generated for actuary by Risk Management 10/5/11			

EXHIBIT 18

Vehicle Bodily Injury –Open Claims

	FY 2008/09	FY 2009/10	FY 2010/11
Number	37	41	57
Incurred ($)	380,606	422,768	841,420
Paid ($)	48,399	84,032	128,905
Outstanding Reserves ($)	331,607	338,736	712,516
Average cost ($)	8,962	8,262	14,764
Source: Reported generated for actuary by Risk Management 10/5/11			

EXHIBIT 19

Vehicle Property Damage– New Claims

	FY 2008/09	FY 2009/10	FY 2010/11
Number	64	36	38
Incurred ($)	102,037	114,870	95,050
Paid ($)	75,037	99,114	75,079
Outstanding Reserves ($)	27,000	18,500	24,764
Source: Reported generated for actuary by Risk Management 10/5/11			

EXHIBIT 20
Vehicle Property Damage –Open Claims

	FY 2008/09	FY 2009/10	FY 2010/11
Number	20	17	23
Incurred ($)	69,346	119,627	100,982
Paid ($)	15,489	81,871	50,718
Outstanding Reserves ($)	331,607	40,500	50,264
Average cost ($)	16,580	7,036	4,390
Source: Reported generated for actuary by Risk Management 10/5/11			

Benchmarking found that the City of Hialeah had 18 auto liability claims with a cost of $14,938 and 159 auto physical damage claims; City of Hollywood had 4 auto property damage claims with a cost of $1,250 and 2 auto bodily injury claims at a cost of $5,000; City of Fort Lauderdale had 112 auto liability claims; the City of Charlotte had 567 auto liability claims with an incurred cost of $1,800,059; and San Antonio had 411 auto claims with a cost of $947,784.

1. **Opportunity for improvement**

The City can positively impact vehicular accidents by reinstating the vehicle safety training program.

Discussion

According to the CMB Safety Manual, all employees authorized to operate a vehicle on City business may be required to attend the Risk Management Division Defensive Driver Training Program once every three years. Employees who have had an accident or have had two or more moving violations within the past year will be required to attend once a year. During the past few years only one driver training course has been offered to City employees. The City's Fleet Director stated that the most recent driver safety training organized by HR was not well attended and did not target those employees that are especially in need of this training. The City should reactivate its driver safety training program as required by the Safety Manual for all employees who drive City vehicles. Those employees who have repeated violations and accidents should be required to attend driver safety training sessions as necessary. A functioning Citywide Vehicle Accident Review Committee (see Opportunity for Improvement #3 in this Section) would be able to identify trends in vehicle accidents and focus training on those habits that result in accidents that were preventable, as well as identity drivers who would benefit most from training.

In contrast to the inactive citywide defensive driver training program, the Police and Fire Departments provide ongoing defensive driver training to its employees. Driver training courses offered by the Police Department includes pursuit training and the Police Department has recently purchased a driving simulator. The Fire Department requires EVOC (emergency vehicle operations course) training during the initial nine weeks of recruit training.

Most local governments provide some form of mandatory vehicle driver safety training program that includes training for new drivers, refresher training on a periodic schedule (ex. every three years) or training following an accident. For example, the City of Hialeah provides monthly driver safety training to all employees that use City vehicles. The City of Charlotte/Mecklenburg North Carolina owns and operates a 16 acres multi-use defensive driver training center.

2. Opportunity for improvement

The City can increase revenues by pursuing subrogation claims from at-fault parties.

Discussion

The City can collect monetary damages from those vehicle accidents that were caused by an individual other than a City employee. The City of Miami Beach RM has stated that he has not made any effort in the past few years to pursue damage collection from those who cause accidents involving a City vehicle. Cities we benchmarked with have been able to collect subrogation from at-fault parties. For example, In FY 2010/11 the City of Hialeah collected $70,063 in subrogation claims; City of Fort Lauderdale collected $78,030; the City of Charlotte collected $472,008; and the City of San Antonio collected $243,579.

The RM has given two reasons for not pursuing subrogation against third parties. The first is the high incidence of found damage by fleet mechanics (see Opportunity for Improvement #4in this Section). The RM has stated that when vehicle damage is not reported and therefore not repaired the City cannot attribute vehicle damage to the current accident. Pursuing subrogation claims can only be effective if all found damage is reported to Fleet and repairs are made. The second reason given by the RM is his belief that many drivers involved in accidents with City vehicles have no automobile insurance and therefore it is not worth pursuing subrogation.

The Director of Fleet Management was also not aware of subrogation payments for the past few years nor was the Finance Department aware of any collections. Fleet management was confused as to what account collections were deposited to in the past and later confirmed that they were being deposited into the fleet repair and maintenance expenditure account. After this issue was brought to the attention of the Finance Department they determined that

insurance reimbursements should go into a revenue account and subsequently set up 510-8000-369448 for Insurance Recoveries/Replacement.

It is suggested that the RM pursue collections from at-fault third parties and with the use of the new revenue account can report the number of subrogated claims and the amount collected on a regular basis.

3. Opportunity for improvement

An effective vehicle accident review committee can help in reducing vehicle accidents, promote driver safety and assign accountability**.**

Discussion

Currently, only the CMB's Police Department has an operating Traffic Crash Review Board via SOP #075.   According to the Major in charge of the Support Services Division, the Committee has disciplined 15 officers over the past three years for traffic crashes that have been deemed preventable.   Other City departments have not instituted vehicle accident review committees and Department Director's or their designees interviewed for this review indicated that they can't remember taking action against employees who had avoidable vehicle accidents.

The City's Safety manual states that in instances where a motor vehicle accident is determined to be preventable, the Safety Officer shall make recommendations to the employee's department director in accordance with the appropriate Minimum Mandatory Corrective Action guidelines. In addition, the Safety Manual discusses failure to comply and disciplinary actions that would take place when it is found that a vehicle accident is preventable. The Manual states that an employee can appeal to the Safety Committee. Yet, the City has no Citywide Safety Committee to which vehicle related disciplinary action can be appealed.

A Citywide policy for a Vehicle Accident Review Committee was developed a few years ago, but has still not been approved by the City Manager. See Appendix K. The goal of the policy is to create an awareness of the need to drive defensively, reduce the number of vehicle accidents, promote driver safety and to assign accountability. According to the Director of Fleet Maintenance, the Vehicle Accident Review Committee would be able identify trends in vehicle accidents so that action can be taken and identify specific vehicle training for those employees who come before the Committee. The Committee would be composed of the Risk Manager, Police Department Accident Investigation Squad Sergeant and two union representatives. After thoroughly reviewing all of the materials concerning each vehicle accident, the Committee would evaluate each vehicle accident as avoidable, unavoidable, or incidental based upon various criteria.

It is suggested that the Vehicle Accident Review Committee policy be approved as soon as possible. Without a vehicle Accident Review Committee it is difficult to discipline employees for preventable accidents as well as allow them to appeal their penalties.

4.   Opportunity for improvement

Reporting of all vehicular damages can help to increase the likelihood that the City can collect damages from at-fault third parties.

Discussion

According to the Fleet Management Director, Department management has not been conscientious in ensuring that City employees report found vehicle damage.   Without this reporting it is difficult to collect damages from at-fault third parties as discussed in Opportunities for Improvement #2 in this Section. According to the City's Safety Manual, employees are to report every accident that occurs while driving on City business and if they do not their driving privileges can be suspended.

The Vehicle Damage Report (found damage report) is to be completed by an employee who either caused or found damage to a vehicle. The form is to be signed by the employee and their supervisor. The form states that it should be forwarded to the Insurance & Safety Division within 24 hours of identifying the damage. According to the Director of Fleet Management, the form should also go to the Fleet Department so that they can make the appropriate repairs, have documentation, and have a reasonable comfort level that the employee reported the accident to someone. What often happens is that vehicle damage is not reported and is only found when the vehicle is brought to fleet for other repairs or preventative maintenance service.   In those cases the responsible department later completes the form prior to any repairs being undertaken.

It is also suggested that City Management take the necessary actions to ensure that employees report all vehicle damage. City Management might consider assessing a penalty on those departments who continually fail to report vehicle damage that is subsequently found by Fleet. When Departments become more conscientious in reporting damages it will be useful for them to receive a regular report of vehicle accidents, damages, causes, and responsibility.   This information will be useful in identifying trends and taking corrective action. Finally, it is suggested that the Found Damage Report be revised so that it states that a copy of the Report be submitted to both Risk Management and to the Fleet Department.

IV. Employee Safety

Introduction

Although the focus of this Section is on employee safety, safety related activities such as building safety inspections, identification and mitigation of hazards and defense driving effects the safety of the public. A direct correlation exists between an organization's safety program and the incidence and cost of workplace accidents and injuries. National safety organizations including the Occupational Health and Safety Administration (OSHA) and the National Safety Council (NSC) point out that establishing an effective safety program reduces the frequency and severity of workplace injuries and is in the best interest of the employer. Both OSHA and NSC reason that a safe work environment can be expected to help minimize workers' compensation costs and enhance worker morale and productivity. For the City, the most obvious and direct effects of employee injuries are the human costs of employee pain and suffering and the financial costs resulting from workers' compensation claims, including medical and indemnity expenses. This review identified a number of positive initiatives undertaken by the City that have a positive impact on safety. These include a City safety manual, a 24-hour safety hotline, monthly building inspections and a presentation on safety at each new employee orientation. In addition, monthly safety training meetings are conducted by the Sanitation Department and safety related policy and procedures have been developed for the Police and Fire Departments.

Since the elimination of the City's safety officer position all safety activities are the responsibility of City departments. We have found that of those departments with a high number of WC claims only the Police Department has been proactive in addressing safety on an ongoing basis. For a safety program to be effective its importance needs to be regularly communicated to employees by City Management, along with ensuring at a minimum that those City departments with a high number WC claims have established, and are using, various core safety program components that provide direction and support. These core components include an active safety committees, safety liaisons, solicitation of safety suggestions, safety inspections and audits, training of new and existing employees, and safety training. This review did not assess which injuries could have been prevented through a greater focus by the organization on safety, but the City's recent experience modification rating points to a higher frequency and severity of injuries than many other local governments in the State.

The NSC and OSHA promulgate a set of four components essential to a successful safety program. The first and perhaps most often overlooked, is that a successful safety program must have a strong commitment and continued support of the organization's top-level management. Management's attitude toward safety is likely to be reflected throughout the organization. In addition, safety programs must also have methods to identify hazards and

potential causes of injury, control the hazards once identified and educate and train employees on hazard control and injury prevention.

1. Opportunity for improvement

Management can do more to show its commitment and support for employee safety.

Discussion

Despite the fact that responsibility for employee safety in the City of Miami Beach is delegated to departments and division directors, the City Manager's Office (CMO) has an important role to play in communicating the importance of safety. Many of the opportunities for improvement identified in this review are a result of a lack of a visible commitment by the CMO and the Human Resources Department to, and support and oversight of, the various key components of an employee safety program. Specifically, the role of the CMO should include establishing Citywide performance goals and objectives, monitoring performance, and instituting a system that provides accountability for achieving an expected level of safety performance. In turn, department directors must fulfill their responsibilities for employee safety by ensuring that guidelines and standards for safe work practices are enforced. Communicating that safety is a priority is done through ensuring visibility of safety functions within the City's organizational infrastructure and allocating sufficient human and financial resources to employee safety.

All levels in the City organization have a role in safety from the department directors to the individual employee. Section 2 of the City Safety Manual lists in detail the responsibilities for the City's safety program by each level in the organization. Although adherence to each specific responsibility was not assessed, we did find that some of the weaknesses identified in this review were the result of not implementing some of the key responsibilities listed. This includes but not limited to establishing department safety committees; encouraging safety suggestions from employees and adopting those that are feasible; allocating a portion of staff meetings to the review of departmental accidents and losses and discussion of methods to prevent recurrences; and enforcement of work policies by being impartial in taking disciplinary action against those who fail to follow safety rules and work procedures.

One of the ways that City Management can demonstrate their commitment to an effective safety program is by directing some of the Risk Manager's responsibilities to safety and and/or reinstating the safety officer position. The safety officer position has been unfilled since 2007 and the position was eliminated from the City budget in FY 2009/10. Because the RM is entirely focused on investigating and settling liability claims the safety function has received little or no attention. The job description used in recruiting a new RM makes no mention of a

city-wide safety program. The City's former safety officer was responsible for periodic inspections of various facilities, buildings and equipment; preparation of reports with findings and recommendations for accident prevention purposes; and investigation of accidents. The safety officer also provided training courses to employees and management to prevent on-the-job injuries, recommended safe job practices, verified driver's licenses, and verified City compliance to prevent fines from federal, county and federal agencies.

Of the Florida cities benchmarked with, the City of Hollywood has a safety and risk analyst position and the City of Fort Lauderdale has a Risk Management Coordinator who serves as the City's Safety Coordinator. These individual have duties similar to those found in the former CMB safety position job description.

2. Opportunity for improvement

Department's with a high number of workers compensation claims can promote employee safety by implementing at a minimum an effective safety committee, appointing an active safety liaison, soliciting safety suggestions, identifying hazards before the fact, educating and training employees on prevention and control methods, and increasing the weight of the safety component in the employee evaluation.

Discussion

During this review we found that among the six CMB Departments with the highest number of claims only the Police Department has a Safety Committee that meets periodically, and the Sanitation Department holds monthly safety meetings. None of the six departments had a formal mechanism for soliciting safety suggestions. The City's safety manual directs each City department to have a safety liaison, safety committee, and a mechanism for soliciting safety suggestions. All departments regardless of the number of WC claims should have a safety liaison whose job should be to work closely with the Department's Safety Committee, RM or Safety Officer, if one is appointed. The safety liaison should be a member of department's management and be responsible for reiterating safety directives to department personnel and coordinating training activities with Risk Management. All employees should be made aware of the liaison and how to contact that person.

At a minimum, those departments with a high number of WC claims should have an active safety committee that meets on a regular basis. The Committee should review and address the cause of accidents and injuries, research best practices in safety for their service area operations, and solicit and evaluate safety suggestions from department staff. The Safety Committee along with the department's senior manager and safety officer can play a role in

ensuring that the department educates and trains employees on safety prevention and control methods thru new employee orientation, on-job training, familiarity with safety standards and procedures and refresher training that targets specific types of injuries. According to the City's Safety Manual, some of the Safety Committee's responsibilities include:

- Reviewing all job related accidents and making recommendations to the department director, RM or the Safety Officer for prevention of future accidents.
- Making recommendations for safety awards, incentives and new policies
- Assisting with safety inspections of work sites, vehicles, tools and buildings
- Promoting a positive attitude with regard to safety in the department
- Publishing a department safety guide detailing safe work practices and procedures, safety rules and regulations.
- Maintaining a department safety bulletin board displaying safety related materials such as results of safety meetings, etc.

The Employee Safety Manual also mentions a City of Miami Beach internal Safety Committee that has as its main function to develop recommendations for the correction of safety deficiencies or special safety problems coming to the Committee's attention to determine preventability, and to minimize the frequency and severity of future accidents.   These recommendations will be based on an in-depth analysis of all wok related accidents to determine its cause. Since the City of Miami Beach internal Safety Committee is non-existent, the City should consider rolling the in-depth analysis function into the responsibilities of the departmental safety committees.

All of the cities we benchmarked with had a safety committee.   In developing the City of Hialeah's Citywide Safety Committee the Risk Manager called upon the National League of Cities (NLC) for assistance. A National League of Cities representative came on-site at no cost and interviewed department directors as to the safety needs of their departments. The NLC coordinated and attended the first two Citywide safety meetings in Hialeah. Only those city departments in Hialeah with the highest number of claims attend the quarterly safety meetings and department directors select the Committee members. Some of the Committee responsibilities include ensuring accidents are thoroughly investigated and follow-up action is taken, establishing safety training sessions, and recommending improvements to the Safety Program.

3. **Opportunity for improvement**

Responsibilities assigned to the CMB Safety Committee by City ordinance should be adhered to, or revised in order to provide greater benefits.

Discussion

A CMB Safety Committee was established by ordinance in 1997 (97-3086) with the purpose of serving as a vehicle for communicating safety issues in the City with the City Commission and City Administration. The Committee is composed of 14 members appointed by the Mayor and each Commissioner. The power and duties of the Committee include the formulation of plans and programs to coordinate the activities of governmental and nongovernmental entities pertaining to safety in the City, and to serve as vehicle for responsible persons to utilize and consult with, in attempting to understand and resolve concerns regarding safety issues in the city and to make recommendations to the City commission and City Administration regarding such matters. In 2010 the ordinance was amended to require that one of the two direct appointments made by the Mayor and each commissioner should be citizen emergency response team (CERT) certified.

The RM has stated, and confirmed by our observation, that meetings are a gripe session where members of the Committee only complain about safety hazards in their neighborhoods. It is suggested that the City Commission determine if the Committee is meeting its stated purpose of saving the City from lawsuits resulting from perilous conditions. If not, it is suggested that they review the operations of the Committee and identify those specific activities where the Committee can have the most impact in helping to protect the safety of citizens and visitors to the City.

A phone number is listed on the Human Resources website so that employees, citizens and visitors can report safety hazards 24/7 to Public Works Operations. Although this is an important vehicle for reporting safety hazards it is difficult for citizens and visitors to access since they have no idea where the phone number resides, or how to get to it. To provide the greatest exposure for this phone number it is suggested that it be listed on the front page of the City of Miami Beach Official website and its existence communicated to citizens thru various media outlets.

4. Opportunity for improvement

Updated safety standards and procedures that are enforced can be an effective guide in helping employees to carry out their responsibilities in a safe manner.

Discussion

A comprehensive City Safety Manual was developed in April 2005 but has not been updated since that time. The purpose of the Manual is to provide a general reference guide for departments and division directors, supervisors and employees by outlining their duties and responsibilities in the daily safe performance of their tasks. The rules set forth in the safety

program are the minimum standard requirements that apply to everyone within the City of Miami Beach. Since the manual has not been updated for over seven years it needs be reviewed and revised to reflect changes in technology such as texting while driving, as well as changes in training and education, protective equipment, etc. Before updating the safety manual RM should review safety manuals developed by other local governments for information and subject areas that may be applicable to CMB. Safety manuals from cities we benchmarked with can be found in F:\OBPI\$ORG DEV & PERF IMP\Performance Improvement\Risk Management\2011 review\Benchmarking\Benchmarking results.

5. Opportunity for improvement

Work orders and standardized check sheets specific to the safety requirements of every major City building would help to ensure that building safety inspections are occurring.

Discussion

A successful safety program must provide not only for the safety of City employees, but also protect the public by preventing unsafe conditions that may exist in City buildings. The Director of CMB's Property Management Division stated that his staff walks though every major City building once every 30 days and issues repair orders for any problems, including those that are safety related. The Director also stated that no work order is generated to guide the inspections, nor are there standardized check sheet that identifies within each major City building the hazardous areas and safety related equipment that should be present to ensure the continued safety of employees and the public.

Although this review did not assess the extent to which department's focus on the safety of an employee's work area, the City safety manual emphasizes the importance of a safety inspection program. A complete walk through and detailed inspections of equipment, work areas, and employee operating procedures should be performed on a regular basis. Inspections should be documented and all unsafe condition, procedures and practices corrected.   The City of Hollywood requires that an annual safety inspection of all City facilities be conducted by an outside safety specialist. The City of Hollywood's TPA conducts this onsite review of City buildings, parks, garages, etc.   All identified safety discrepancies are reported to the department head who must respond to RM within 15 working days as to the disposition of all observed safety discrepancies.

6. Opportunity for improvement

Injury data could be better utilized to support the Risk Manager and department safety liaisons.

Discussion

The National Safety Council recommends analyzing injury data to identify trends and evaluate performance. The NSC states that analysis information should be compiled into clear and meaningful report to management that reflects performance. As discussed in Section I of this report, the JE's database for CMB contains numerous fields of data regarding employee injuries. This information is obtained from the WC-1 (First Report of Injury and Illness) and the Supervisors Report of Accident submitted by the City for all employee accidents/injuries.

 Information on injuries can be disaggregated by cause, body part and nature, and location of the injury. The TPA also tracks medical and indemnity payments by claim. As long as injury data is tracked by the TPA, they can provide the City with reports that can be used to identify trends and evaluate performance. Injury data can be disaggregated by departments and divisions such as fire prevention, fire combat, and fire rescue. Injury data can be utilized to identify and address specific safety problems by analyzing injuries by particular occupation or workgroup, employee experience, time of day or shift worked, and time of year, etc. A list of the current reports received by RM from the TPA is found in Appendix I.

In order to set appropriate safety-related goals and monitor performance related to those goals, the RM must receive adequate safety performance data from the TPA and provide this information to City Management. Without critical performance information, RM and City Management will be unable to inform, counsel, or initiate corrective action when safety performance shows need for improvement.

Two examples of detailed reports that could be provided to Risk Management and disseminated to the CMO and department directors and their management/supervisory staff are found in the City of Hialeah and the City of Charlotte Mecklenburg North Carolina. The City of Hialeah's TPA provides an extensive graphical presentation of the City's workers compensation experience annually and over a four-year period. The presentation displays the citywide and department specific information provided in this report including claims by medical only and those with lost time for the past four years (a similar report had to be requested from CMB's TPA for our review), frequency analysis by body part, occupation and cause citywide. Separate graphical information is provided for police, fire, and sanitation and includes payments by fiscal year, breakdown of WC expense payments, indemnity payments and medical payments by type, and lag time analysis showing if injury reporting is timely (within 24 to 48 hours of the incident). The quicker the injury is reported the less cost.

The City of Charlotte Mecklenburg's Risk Management Division develops department specific and organization-wide loss reports on a weekly, monthly, quarterly and annual basis. For example, an annual loss analysis report specific to the Charlotte Mecklenburg Police Department was developed. Detailed charts, graphs, and analysis provides a detailed, as well as a comprehensive, picture of the Police Department's overall and division specific workers compensation claims, vehicle claims, and general liability claims.

7. Opportunity for improvement

A complete set of Citywide safety-related performance goals and measures would help to track improvement of safety performance.

Discussion

Goals, measures and performance improvement targets should be developed that aims at reducing on-the-job injuries and their resultant costs. The number of risk management related measures the City currently tracks is limited to ratio of closed to reported liability claims; ratio of reported liability claims per 10,000 people; and number of employees on ISC and number of employees on WC. Additional performance measures can be developed to track citywide and department specific workers compensation and liability claims performance. Listed below are some results-oriented performance measures recommended by the National Safety Council. These and similar output, efficiency and outcome measures can be used to gain a picture of Citywide performance with respect to safety efforts, to identify higher-risk departments and occupations, or to monitor performance within departments. In addition, goals should be developed to reflect what the organization wishes to achieve such as reducing police related liability claims, and performance measures should be developed to track progress toward the attainment of the goals.

Examples of recommended NSC performance measures include:

- Injury frequency – Every injury that occurs
- Injury incidence rates – Every injury in a chosen category – e.g. reported, lost-time injuries - based on the exposure of 100 full time workers, using 200,000 employee hours as the equivalent.
- OSHA recordable rate – Only those incidents requiring medical attention beyond first aid are counted. Based on the exposure of 100 full time workers, using 200,000 employee hours as the equivalent.
- Lost workday incidence rate – Days of work lost due to injury. Based on the exposure of 100 full time workers, using 200,000 employee hours as the equivalent.
- Accident type frequency analysis – Number of accidents by type
- Average injury severity – Average days lost per lost workday case

- Incurred workers compensation costs – Reflects anticipated costs through the lifetime of the injury which can be expressed as a rate.
- Total incident cost – Total of all costs resulting from an injury incident

APPENDIX A
REPORT METHODOLOGY

Methodology utilized in conducting review of the Risk Management Division

To accomplish our objective of identifying opportunities to reduce the loss from risks that the City is exposed, to we reviewed benchmarking data from six cities and used the National Safety Council and OSHA voluntary guidelines to obtain criteria for comparison to the City's approach to safety. In order to determine the City's accountability structure for risk, we looked at Citywide and departmental policies and procedures covering risk management activities and available management plans to mitigate their costs.

Although fieldwork covered all City departments, the six with the highest number of claims received the most scrutiny. Those departments were fire (rescue, combat, beach patrol), police patrol, parks (parks maintenance, recreation) sanitation, property management, and parking. Our methodology included collecting, reviewing and analyzing documents related to workers compensation and interviews with City Attorney's Office attorneys, and City Department Directors or their designees responsible for safety. We also interviewed the Director of the City's Fleet Management department and the Director and Assistant Director of the Human Resources Department. Interviews were also conducted the three attorneys in the City's legal department who are responsible for litigating the City's police liability claims and the Police Department legal advisor. We had several face-to-face interviews with the City's Risk Manager and email follow-ups. We also interviewed Johns Eastern representative and conducted interviews with the cities that submitted benchmarking surveys. We also gathered information from the City's Actuary and a representative of the State of Florida's Division of Worker's compensation. We also conducted a survey of City departments to ascertain the number of employees on light duty.

In assessing adequacy of management controls, we compared existing controls in each of the six departments we reviewed with the appropriate components of a comprehensive safety program as outline by the National Safety Council. For example, we analyzed the following control systems and the degree to which they were effectively operating:

- Accident investigations
- Recommendations for corrective action based on identified causes
- Analysis and reporting of accident and injury data to identify trends and opportunities for improvement
- Management commitment to safety
- Accountability systems at all organizational levels to enforce safety procedures

We identified and reviewed workers compensation and safety audits from the City of Austin, Texas; City of Tallahassee; Hillsborough County; and Northampton County, Pennsylvania;

Portland, Oregon metro area. We also developed flowcharts of the workers compensation and liability claims process. See Appendices D and I.

We conducted quantitative and qualitative analyses of available data for on-job injuries and claims costs incurred Citywide and by the six departments with the highest number of claims. We also reviewed and analyzed data available for all types of liability claims. For liability claims we relied on in-house generated data. For workers compensation claims (ISC) we relied on data obtained from the City's third party administrator, which included records for all compensable claims, supplemented by ISC information from Eden.

APPENDIX B
EXPERIENCE MODIFICATION RATINGS

EXPERIENCE MODIFICATION RATINGS

Company Name	status	carrier	Exp. Mod	Effective Date
Altamonte Springs, City of	APPROVED	9885	1.08	01-Oct-11
Avon Park, City of	APPROVED	9824	1.25	01-Oct-11
Bartow, City of	APPROVED	9655	0.84	01-Jun-12
Belle Glade, City of	APPROVED	8025	1.29	01-Oct-11
Belleair, Town of	APPROVED	9920	1.07	01-Oct-11
Boca Raton, City of	APPROVED	9553	0.58	31-Dec-11
Boynton Beach, City of	APPROVED	9642	0.71	01-Oct-11
Bradenton, City of	APPROVED	9140	1.02	01-Oct-11
Brooksville, City of	APPROVED	8131	1.08	01-Oct-11
Cape Coral, City of	APPROVED	9547	1.44	01-Oct-11
Clearwater, City of	APPROVED	9173	0.92	01-Oct-11
Clewiston, City of	APPROVED	9806	1.46	01-Oct-11
Cocoa, City of	APPROVED	9809	1.33	01-Oct-11
Coral Gables, City of	APPROVED	9598	0.83	01-Oct-11
Coral Springs, City of	APPROVED	9185	0.85	01-Oct-11
Davie, Town of	APPROVED	8116	1.15	01-Oct-11
Daytona Beach, City of	APPROVED	9192	1.47	01-Oct-11
Deerfield Beach, City of	APPROVED	9525	0.95	01-Oct-11
Deland, City of	APPROVED	9979	1.08	01-Oct-11
Delray Beach, City of	APPROVED	9804	1.11	01-Oct-11
Dunedin, City of	APPROVED	9202	0.89	01-Oct-11
Eustis, City of	APPROVED	9923	1.3	01-Oct-11
Florida City, City of	APPROVED	8166	1.16	01-Oct-11
Ft. Lauderdale, City of	APPROVED	9239	1.08	01-Oct-11
Ft. Meade, City of	APPROVED	9930	1.09	01-Oct-11
Ft. Myers, City of	APPROVED	9240	1.32	01-Oct-11
Gainesville, City of	APPROVED	9245	0.95	01-Oct-11
Gulf Breeze, City of	APPROVED	9648	0.84	01-Oct-11
GulfPort, City of	APPROVED	9879	0.79	01-Oct-11
Hallandale, City of	APPROVED	9973	0.86	01-Oct-11
Hialeah, City of	APPROVED	9272	1.73	01-Oct-11
Hollywood, City of	APPROVED	9633	0.69	01-Oct-11
Homestead, City of	APPROVED	9558	1.16	01-Oct-11
Indian Rocks Beach, City of	APPROVED	8081	0.98	01-Oct-11

Company Name	status	carrier	Exp. Mod	Effective Date
Jacksonville Beach, City of	APPROVED	8008	0.93	01-Oct-11
Jacksonville, City of	APPROVED	9292	0.69	01-Oct-11
Kenneth City, Town of	APPROVED	9922	0.97	01-Oct-11
Key West, City of	APPROVED	9300	1.91	01-Oct-11
Kissimmee, City of	APPROVED	9584	1.07	01-Oct-11
LaBelle, City of	APPROVED	9637	1.37	01-Oct-11
Lady Lake,Town of	APPROVED	8042	0.87	01-Oct-11
Lake Mary, City of	APPROVED	9985	0.84	01-Oct-11
Lake Placid, Town of	APPROVED	8026	0.94	01-Oct-11
Lake Wales, City of	APPROVED	8018	1.2	01-Oct-11
Lake Worth, City of	APPROVED	9307	0.83	01-Oct-11
Lakeland, City of	APPROVED	9571	0.9	01-Oct-11
Lantana, Town of	APPROVED	9309	1.04	01-Oct-11
Largo, City of	APPROVED	9504	0.92	01-Oct-11
Lauderhill, City of	APPROVED	9811	1.07	01-Oct-11
Leesburg, City of	APPROVED	9585	1.11	01-Jan-12
Longboat Key, Town of	APPROVED	9638	0.9	01-Oct-11
Longwood, City of	APPROVED	9997	0.91	01-Oct-11
Maitland, City of	APPROVED	8137	0.85	01-Oct-11
Marco Island, City of	APPROVED	8133	0.88	01-Oct-11
Margate, City of	APPROVED	9534	0.81	01-Oct-11
Melbourne, City of	APPROVED	9605	0.97	01-Oct-11
Miami Beach, City	APPROVED	9614	1.56	01-Oct-11
Miami Springs, City of	APPROVED	8145	0.93	01-Oct-11
Miami, City of	APPROVED	9340	1.38	01-Jan-12
Miramar, City of	APPROVED	9692	1.12	01-Oct-11
Moore Haven, City of	APPROVED	9685	1.22	01-Oct-11
Naples, City of	APPROVED	9353	1.13	01-Oct-11
New Port Richey,City of	APPROVED	9970	1.23	01-Oct-11
North Miami Beach, City of	APPROVED	9865	0.72	01-Oct-11
North Miami, City of	APPROVED	9644	1.17	01-Dec-11
North Port, City of	APPROVED	9636	1.02	01-Oct-11
Ocala, City of	APPROVED	9569	0.81	01-Oct-11
Ocoee, City of	APPROVED	8153	0.76	01-Oct-11
Okeechobee, City of	APPROVED	8058	1.04	01-Oct-11
Orlando, City of	APPROVED	9497	0.61	01-Oct-11
Ormond Beach, City of	APPROVED	9371	0.91	01-Jan-12
Oviedo, City of	APPROVED	8055	1.12	01-Oct-11
Pahokee, City of	APPROVED	8027	0.92	01-Oct-11
Palm Beach Town of	APPROVED	9381	0.75	01-Oct-11

Company Name	status	carrier	Exp. Mod	Effective Date
Pembroke Pines, City of	APPROVED	9600	0.92	01-Oct-11
Pensacola, City of	APPROVED	9387	1.01	01-Oct-11
Plant City, City of	APPROVED	9652	0.73	01-Oct-11
Plantation, City of	APPROVED	8001	0.85	01-Oct-11
Pompano Beach, City of	APPROVED	9398	0.83	01-Jan-12
Port Richey, City of	APPROVED	9971	1.24	01-Oct-11
Port St. Lucie, City of	APPROVED	9635	0.93	01-Apr-12
Punta Gorda, City of	APPROVED	9682	1.24	01-Oct-11
Riviera Beach, City of	APPROVED	9407	1.23	01-Oct-11
Safety Harbor, City of	APPROVED	9880	0.96	01-Oct-11
Sanford, City of	APPROVED	9421	0.91	01-Oct-11
Sarasota, City of	APPROVED	9423	0.76	01-Oct-11
Sebring, City of	APPROVED	9683	1.12	01-Oct-11
South Pasadena, City of	APPROVED	9924	1.12	01-Oct-11
St. Pete Beach, City of	APPROVED	8065	1.17	01-Oct-11
St. Petersburg, City of	APPROVED	9418	1.34	01-Jan-12
Stuart, City of	APPROVED	9634	0.89	01-Apr-12
Sunrise, City of	APPROVED	9643	0.74	01-Oct-11
Sweetwater, City of	APPROVED	8146	1.61	01-Oct-11
Tallahassee, City of	APPROVED	9449	0.64	01-Jan-12
Tampa, City of	APPROVED	9452	1.04	01-Jan-12
Tavares, City of	APPROVED	9805	0.82	01-Oct-11
Temple Terrace, City of	APPROVED	8078	1.09	01-Oct-11
Titusville, City of	APPROVED	8047	1.29	01-Oct-11
Umatilla, City of	APPROVED	8175	1.15	01-Oct-11
Venice, City of	APPROVED	9998	0.92	01-Oct-11
Vero Beach, City of	APPROVED	9675	0.76	01-Oct-11
Wauchula, City of	APPROVED	9684	1.02	01-Oct-11
West Miami, City of	APPROVED	8147	1.2	01-Oct-11
West Palm Beach, City of	APPROVED	9479	0.92	01-Jan-12
Winter Garden, City of	APPROVED	9972	1.12	01-Oct-11
Winter Park, City of	APPROVED	8070	0.78	01-Oct-11
Zephyrhills, City of	APPROVED	9825	0.96	01-Oct-11

APPENDIX C
GLOSSARY

Glossary

Estimated outstanding losses – Cost of unpaid claims. Cost of claims that have occurred but have not yet been paid, Include case reserves, the development of known claims and incurred but not reported (IBNR) claims

Incurred but not reported – Comprised of two distinct items – Development of known case reserves and incurred but not yet reported.   Actuaries typically calculate the total IBNR provision on a combined basis not on each claim.

Incurred cost of claims – Dollars paid plus estimates of future costs on a claim. Once a claim is closed, the claim's incurred cost is brought in line with the amount actually paid during the life of the claim.

Injury service connected (ISC) - Benefit which provides full pay to employees for being out-of-work for up to 32 weeks. Can also be called a supplemental injury pay program.

Indemnity expenses – Includes death benefits, impairment income benefits, permanent disability benefits, supplemental income benefits, temporary income benefits, and legal expenses

Injury severity rate. The average days lost per 100 FTEs as a result of on-the-job injuries.

Light/limited/restricted duty assignments. Temporary work assignments that meet an employees' medical restrictions, which could include reduction in work hours and/or alternate job assignments.

Paid cost of claims. Actual payments made on to a specified date

Projected ultimate limited losses – The accrual value of losses. They are the total amount that is expected to be paid in a particular claim period after all claims are closed.

Reserve cost of claims. Funds set aside to pay for the future estimated cost of claims

Third Party Administrator. Workers' compensation administrator that processes, monitors, and pays workers' compensation claims.

APPENDIX D
WORKERS COMPENSATION PROCESS FLOW STEPS

ISC/Workers Compensation Process

Note: ISC/WC used interchangeably in most steps

1. Employee reports injury to supervisor.
2. Employee receives medical treatment pass from their supervisor and proceeds to the authorized Health Care Center of Miami or Mt. Sinai Medical Emergency Center.
3. Doctor provides direction to the employee regarding work status and limitations; next appointment or referral to an outside specialist; and injury status report. JE selects their ISC/WC physician from an approved State list. Any additional treatment needs to be authorized by JE.
4. Supervisor gets injury information from employee and completes notice of injury report (DWC-1) and City's Supervisor Report of Injury. If supervisor disagrees with employee's description of accident then attaches cover memo advising RM of additional information.
5. DWC-1 and City's Supervisor Report of Injury reports forwarded to Human Resources by supervisor within 24 hours of completing the reports.
6. Report is given to HR tech who logs the WC-1 information into Eden (OSHA report). This report serves as a quick reference.
7. Risk Management Manager (RMM) reviews the DWC-1 and City's Supervisor Report of Injury
8. When injured employee goes to hospital gets a DWC-25 (Florida Workers' compensation uniform medical treatment status reporting form). Copy to JE and employees department. Every time the employee goes to see doctor they will get that form and will provide a copy to their department's payroll person who will use that date or an email from Cliff to code them on ISC beginning on a certain date.
9. DWC-1sent to Johns Eastern (JE) by RMM
10. Employee placed on ISC.
11. Johns Eastern conducts claims investigation, receives, reviews and pays medical claims, performs medical management and handles state filings. Medical claims only are handled by JE when individual is on ISC. Indemnity for lost time paid through regular payroll system
12. JE sends bi-weekly medical payment check to employees on ISC/WC
13. After 16 or 32 weeks on ISC and the employee cannot return to work then the City physician determines if the employee is to be placed on WOR where they receive 2/3 of regular wage payments. Employee is limited to 105 weeks on WC. There is no limit on receiving WC medical payments. In addition to WOR the injured employee can get accrued, sick, vacation, or holiday time.   An employee can participate in light duty program while on ISC/WC. The number of days person is on ISC is monitored by RMM thru bi-monthly report from JE and Eden report run by RMM.
14. If injury results in physical restrictions that are permanent then department confers with HR to determine if permanently injured employee's future employment situation.
15. Cliff receives a once a week report from JE showing amounts paid.

APPENDIX E
METHODOLOGY FOR EXHIBIT 6

Methodology for analyzing ISC report from Eden

1) Ran report from Eden of those who had hours on ISC from FY 08-11
2) Asked JE to run a report of those who had more than one ISC claim from FY 09-11
3) 36 people with overlapping claim in #2 were not included in analysis because cannot tell which hours go with each claim because Eden report only provides names and not claim numbers.
4) I identified those people who had claims at the end of FY 11 and Jim Sutter ran a report of those who had ISC claims in FY 12. The hours of those on #1 report were added to #1.
5) JE ran a report of continued salary from 10/1/06-9/30/08. I identified those with claims at the beginning of FY 08 and Jim Sutter ran a report of those who had ISC claims in FY 07 or earlier. The hours of those on #1 report were added #1.
6) Did not include 5 who received more than 1280 hours.

See document pyacthstsumdetisc 2009to2011 in F:\OBPI\$ORG DEV & PERF IMP\Performance Improvement\Risk Management\2011 review for excel spreadsheet that calculates hours and costs for those employees with ISC hours from FY 2008/09 to FY 2010/11.

APPENDIX F
BENCHMARKING CHART

Risk Management Benchmarking Results*

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
Current fiscal year general fund budget	244,336,740	$115,586,777	$166,274,134	$462,800,000	$948,175,649	$270,000,000
FY 12 GF budget with enterprise funds	424,062,635. Includes GF, general obligation debt service, enterprise, transfers to redevelopment agency	$121,569,268. Includes. solid waste fund	$340,265,326 Operating budget	1,062,600,000 Operating budget	$1,645,862,211 Operating budget	$450,000,000 Operating budget
FY 12 police department budget	91,992,541	$39,750,917	$68,115,350	$200,200,000	$343,000,000	$100,000,000
2010 population	87,779	226,329	141,202	745,912	1,362,528	165,121
FY 12 FTEs	1,894 +239 PT	1286	1294	6,804	11,407	2,105
FY 12 police department FTEs	508 + 15 PT	390	500	2296	2,475	706 (503 sworn and 203 civilian)
2) Risk management organization	Risk Manager	Risk Manager; 2 Risk Manager specialists	7 staff. See job descriptions in Hollywood benchmarking file on F drive.	Staff services the City of Charlotte, Mecklenburg County and Board of Education. See organization chart in Charlotte benchmarking file on F drive	Have a director and liability workers comp group staffed by 8 positions and safety group staffed by 8 positions. See organization chart in San Antonio benchmarking file on F drive	Ten including risk manager. See organization chart in Fort Lauderdale benchmarking file on F drive

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
3) Safety manual	Yes	Yes. See safety manual in Hialeah benchmarking file on F drive.	Yes. See safety manual in Hollywood benchmarking file on F drive.	No	Has Risk Management handbook. See handbook in Charlotte benchmarking file on F drive.	Has Risk Management handbook. See handbook in Fort Lauderdale benchmarking file on F drive.
4) Wage continuation policy	City ordinance says 16 weeks and additional 16 weeks with approval of workers compensation physician and City Manager. Practice has been there is no approval by City Manager. Current AFSCME contract	Yes. 100% of wages for 26 weeks then onto WC; In FY 11 5-10 employees went to WC	Yes. Receives 100% of wages. AFSCME/supervisory/ professional – 13 weeks. CM can extend for another 13 weeks; Fire/Police – 16 weeks but is extended for as long as employee is unable to perform the employee's regular job duties, medically released to perform light duty, or receives disability pension.	No	No. Civilian employees get 75% of average weekly wage for 1st 13 weeks and 70% beginning on the 14th week. Firefighters and police entitled to leave of absence with full pay for up to one year for an injury and or illness related to line of duty.	No. Employees can use sick/vacation time toward the percentage that WC does not pay. Continues until they exhaust their sick/vacation. Police – 30 injury days per accident. Then WC at 66 2/3 of salary. Can use sick/vacation to make up the difference. Firefighters – 90 injury days to cover % of salary that WC does not pay.

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
5) Light duty	Yes. No cap on light duty days	No cap on light duty days	No cap on light duty days	Yes. No Cap	Yes. Cap of 60 days. Can be assigned light duty in another department other than their own. Extensive light duty policy.	No. City does provide where and when available
6) Self-insured	Yes	Yes	Yes. Excess insurance for WC, general liability, auto liability. $500,000 deductible for WC claims, $100,000 for employment practices, $400,000 general liability claims.	Yes. Purchase excess insurance coverage above $2 million self-insured retention	Yes. Excess insurance coverage $5MM/$10MM limits for claims exceeding SIR. Excess insurance above $1million self-insured limit	Yes. Carry excess insurance for WC , public officials, employment practices
7) 3rd party administrator	Yes	Yes	Yes. Employers Mutual, Inc. Also used for liability claims.	Only for 3% of annual claims	Yes. Also used for liability claims. Sedgwick	Yes for WC
8) Charge department's budget for cost of claims	No	No	Currently charged by head count. However, moving forward each department will be charged based on risk level.	Yes	No	Yes. Based on average # of employees, state WC rates and claims experience
9)Avg. # of days out of work	19.5 days	17; Most employees out of work 1-2 days	2.3 days	3.9 days FY 11 WC claims – 687 Restricted days - 5605; lost days - 1428	51 days	NA

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
10) FY 11 average cost of worker's compensation claim	$4,457,851	$8,500-$9,100	$1,943	$5,762 includes both paid and reserves	NA	NA
11) FY 11 claims and days off due to injury	373 claims. The average number of days off due to injury for largest departments for FY 09-11 – Police patrol – 18 days; Fire rescue – 24 days; Parks maintenance – 19 days; Sanitation – 19 days; Fire combat – 23 days; Parks recreation – 8 days; Property management – 32 days; Parking – 29 days; Beach patrol – 7 days	365 total claims Police – 67; avg. of 7 days off; fire – 90; average of 7 days off. See questionnaire response for claims and days for all City departments	NA	Claims with lost time – 687	Injury claims - 597	NA
12) FY 11 liability claims by type and amount	Employment -1 Police -24 General – 59 Vehicle bodily injury – 18 Vehicle property damage -38 Vehicle contract - 1 Other -1	Auto liability – 18; auto physical damage – 159; general liability – 56; non-auto property damage loss – 49	Property damage – 46- $905,929; bodily injury – 13 - $2300; personal injury -1, $0; wrongful discharge -1; $10,000; auto property damage – 4 - $1285; bodily injury – 2 - $5,000	General liability – 998, $1,033,886; Auto – 567, $1,800,059	Auto – 411; General liability – 534; police – 63, $1,566,616 (avg. $24,867)	Auto – 112; general – 231, employment practices -10; police -55

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
14)Average police liability claim	$14,011	$4,875	NA	28 claims - $4423	$24,867	NA
15) Efforts to reduce police liability claims	Training, policies, disciplinary action.	The Insurance Committee meets monthly and reviews cases involving police liability with the Police Chief. The Safety Committee, which includes a Commander from the Police Department, meets quarterly and discusses accidents involving police claims. In addition, police liability claims are handled by the liability adjuster, supervised by a claims manager from the third party administrator, and monitored by the Risk Manager.	NA	In addition to number 13 above, all incidents are investigated and documented by internal affairs with an "eye" toward preventing recurrence. In specific cases, outside experts may be used to help investigate and document loss causing incidents.	NA	Police training program

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
16) FY 11 vehicle subrogation claim payments	Information unavailable. RM believes that it is zero.	$70,063	NA	182; $472,008	77; $243,579 collected	$78,030
17) Workers disciplined for safety violations	No	Disciplined if not wearing special equipment/ attire. Defense against WC claim. Union contracts include provisions regarding safety.	NA	No policy exists to cover these situations.	No City-wide policies	No

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
18) Efforts to curb individuals abusing ISC	None	RM will discuss with department head plan of action in regards to repeat claimants and repeat accidents/ injuries. RM will send out vocational case manager to meet with individuals who continually utilize wage continuation/ workers compensation program. In certain circumstances, RM and WC adjuster will also meet with these individuals as part of the accident analysis.	NA	No. Abuse of wage continuation/ workers' compensation is handled like any other attendance or abuse of leave, or job performance issues.	NA	Accident review board for vehicles where discipline is appropriate for the incident.

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
19) Programs/ activities to reduce injury claims/costs and increase health and safety	Police vehicle simulator; sanitation department has monthly safety meetings; police department has a vehicle accident committee; City safety manual; safety discussed at new employee orientation.	The City provides regular safety training in English and Spanish to employees with Municipal Safety Services (see list of classes in descriptions in Hialeah benchmarking file on F drive). Physician's Health Center, Miami-Hialeah Medical Group, and Providian Physical Therapy and Functional Capacity Evaluation Specialists. The City also provides monthly driver safety training classes that are available to all employees that use City vehicles with MV Transportation, Inc. The City Safety Committee meets quarterly to	Safety training, safety videos readily available, routine safety checks of department areas and City grounds; safety committee meeting. RM is responsible for safety program. Newly developed safety manual developed. All City divisions are responsible for performing a monthly inspection of all of their facilities, equipment and operations. Safety inspection report form is utilized and forwarded to RM monthly. Annual safety inspection of all City facilities is conducted by outside Safety Specialist. Dept. need to respond to RM within 15	Have a multitude of training, fitness for duty, safety, risk control, programs aimed at increasing the health and safety of our employees that are too numerous to mention. We do own and operate a 16 acre multi-use defensive driving training center on which we train Police, Utilities, Solid Waste, Transit (Bus), and other employees I the safe	Refer to Safety and Wellness programs	NA

		Hialeah (cont.)	Hollywood (cont.)	Charlotte (cont.)		
		evaluate accidents and injuries. Risk Management also utilizes a vocational case manager. The City has a health fair open to employees and retirees during open enrollment. Health Risk Assessments are available with both the HMO and City of Hialeah Self Funded Plan. The City is forming a Wellness Committee to continue development of wellness program.	working days as to the disposition of observed safety discrepancies. Each Department has a safety representative who reiterates safety directives to department personnel and coordinates all necessary training activities with RM. Each department has a safety committee. Some meet monthly and some quarterly. The Risk and Safety Specialist gets minutes of all department safety meeting. TPA conducts an on-site review once a year of department buildings, parks, garages, etc.	operation of their various type vehicles.		

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
20) Identification of injury trends on a regular basis	No	RM monitors every injury that comes into Office. Quarterly all injuries are evaluation by specific departments and with safety committee.	Annual review of data provided by TPA.	Compile department specific and organization-wide reports on a weekly, monthly, quarterly and annual basis. Extensive loss analysis report annually for departments with largest number of claims. See police department loss analysis in chart in Charlotte benchmarking file on F drive.	Risk analysts provide claims data charting and department specific reports are reviewed quarterly. RM tracks costs and injury count/type by department monthly	Runs reports from their claims management software system for new injuries, total incurred, claim type and share last 5 years with highest exposure departments. Discuss trends, areas of improvement, etc.
21) Ongoing public safety fitness requirement	No	Yes for police SWAT. Firefighters allowed one hour per day when on duty for physical training	No	Fire, yes. Police, no. EMS, yes, but it is not a City Department.	NA	No

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
22) Performance measures	4	NA	No	Our measures focus on getting metrics out to departments and helping them eliminate and/or ameliorate the issues they face, but we do not have formal measures in place.	NA	NA

	City of Miami Beach	Hialeah	Hollywood	Charlotte	San Antonio	Fort Lauderdale
Other		Will be purchasing excess worker's compensation insurance because experience modification factor is going down. RM conducts on-site interview with the injured worker after treatment so they can understand the cause of the injury and getting workers back to work as quickly as possible.	31 cases of light duty Uses TPA for liability claims	Total incurred costs – FY 11 - $3,343,816 Excess liability for insurance for police is incurred up to $2 million. They do CDL training. Also vehicle training for new employees; Refresher every 3 years and retraining for certain types of accidents.	TPA completes investigation of WC claim before payments for lost time is issued. Medical bills audited for compliance w/h State mandated medical fee schedule by contracted medical audit firm. TPA investigates alleged WC abuse. If abuse City can deny claim, terminate employee, and prosecute. Send trend analysis to departments ¼. City has excess insurance for liability claims. TPA handles liability claims.	

NA = Not available

* = The City of San Francisco responded but the information was minimal. The City's completed questionnaire is in the F drive benchmarking folder. The City of San Francisco does not have a supplemental injury program. Employees can use their sick leave to supplement WC benefits. Light duty program is limited to 90 days.

APPENDIX G
REPORTS RECEIVED ON A REGULAR BASIS FROM JOHNS EASTERN

REPORTS RECEIVED ON A REGULAR BASIS FROM JOHNS EASTERN

The first page of each of the reports is included with the source documents. The complete report is in F:\OBPI\$ORG DEV & PERF IMP\Performance Improvement\Risk Management\2011 review\Reports from Johns Eastern

- Monthly payment check register

- Potential recover report for open claims – Lists individual claims

- Loss report by cause – Displays by department the cause of each injury such as fall, slip, struck

- Loss summary by location – Location means department/division

- Loss control by nature – Examples of nature include burn, sprain, fracture

- Loss control by body part – Examples of body part include finger, head, legs

- Claim activity report – Monthly report by department for all claims with activity during the period

- Potential Recovery Report

- Specific Excess report

- Register by claimant

APPENDIX H
TRANSITIONAL DUTY POLICY

TRANSITIONAL DUTY POLICY

TRANSITIONAL DUTY PROGRAM POLICY

1. **PURPOSE AND BENEFITS**

The City of Miami Beach is committed to affording employees productive work in their recovery from an on-the-job injury or illnesses. Employees who become ill or are injured in connection with the performance of their duties shall be returned to work as soon as possible, consistent with their medical restrictions and the City's needs.

The Transitional Duty Program helps ensure that essential public services continue to be delivered, reduces the cost of workers' compensation, and allows ill and injured employees to continue contributing to the mission of the City. The Transitional Duty Program is designed to decrease loss of time from work, support employee recovery, protect employee income, reduce workers' compensation costs and promote employee goodwill.

2. **TRANSITIONAL DUTY ASSIGNMENTS**

A transitional duty assignment is temporary work that an employee may perform during a work-related injury recovery period. It may be either a full-time or part-time assignment. The transitional duty assignment will be tailored to the employee's skills, knowledge and abilities, and must be such that the City will derive a benefit. If no such work is available, the employee will remain off-duty on workers' compensation.

The rate of pay during the transitional duty assignment will be equal to the employee's regular wage in effect at the time of injury. In no case shall the employee be entitled to a higher rate of pay due to the transitional duty assignment.

Transitional duty assignments are temporary, and will be provided only if there is a reasonable expectation that the employee can resume his/her regular duties within a reasonably designated time. Transitional duty assignments are not intended to become permanent accommodations. Transitional duty assignments may be changed based on the Department/City's needs.

Transitional Duty employees will remain on the payroll of their home department regardless of assignment.

a. Transitional duty assignments may include the following:

- Temporary modification of a regular work assignment;
- Temporary reassignment to another shift;

- Temporary reassignment to another position within the department; or
- Temporary reassignment to another department within the same bargaining unit (does not apply to sworn police or fire personnel).

b. Participation in the Transitional Duty Program is based on the following guidelines:

- The employee's medical condition(s) is/are due to occupational injury or illness that temporarily prevents the employee from performing the full scope of his/her regular duties;

- The employee will only be assigned to a temporary duty assignment when it is medically necessary for the employee to be restricted from his/her normal work duties in the opinion of the authorized workers' compensation physician; and
- The workers' compensation claim has been approved or is pending coverage determination.

c. The authorized workers' compensation physician must:

- Certify that the employee has a temporary condition; and
- Determine the employee's current physical capabilities.

d. Duration of Transitional Duty Assignment:

- The employee may continue to participate in the Transitional Duty Program for up to a total of 12 weeks per work related injury or illness, as long as the employee is making medical progress toward recovery and return to full regular duties. Transitional duty assignments may be extended only when it is determined by the Human Resources Director that the additional time would facilitate a return to full regular duties, and would not adversely affect the City's operational goals or the objectives of the Transitional Duty Program.

- Transitional duty assignments will be evaluated closely and will be reassessed with the authorized workers' compensation physician at least every four (4) weeks. The appropriateness of continuing the transitional duty assignment will be continuously reviewed.

- If at any time during participation in the transitional duty assignment, the authorized workers' compensation physician determines that the employee has reached maximum medical improvement (MMI), the employee will not be allowed to remain in the transitional duty assignment. In such event, the employee's status will be subject to review by the City to determine whether continued employment or other action is appropriate.

- Upon receipt of approval by the authorized workers' compensation physician that an employee is physically able to return to full duty, transitional work will cease and the employee shall return to the performance of the employee's customary or most recent job assignment.

3. **RESPONSIBILITIES**

   a. **Home Department Supervisor:**

   The home department supervisor must:

   1. Inform the Assistant Human Resources Director and the Risk Manager upon receiving information of initial assessment of an employee's restricted ability to perform normal job functions due to an on-the-job injury or illness.

   2. Assist the Assistant Human Resources Director and the Risk Manager in identifying any available transitional duty assignments.

   3. Assist the Assistant Human Resources Director and the Risk Manager in placing returning employees to transitional duty assignment.

   4. Maintain regular communication with the injured or ill employee regarding the status of their recovery.

   5. Maintain and submit the official timekeeping record of the employee.

   b. **Temporary Supervisor:**

   Employees whose transitional duty assignment is in a department/division other than their home department/division will be assigned a temporary supervisor. The temporary supervisor will be a member of the staff in the department/division in which the employee is working the transitional duty assignment. All City rules, regulations and departmental policies will be adhered to by the employee as they would be adhered to in regular employment. The activities of the employee will be the responsibility of the temporary supervisor. Those activities include but are not limited to absenteeism, (sick and/or vacation leave), reporting to work in a timely manner, work performance, employee morale, relationships with co-workers, and any other activity covered under policies, rules, and regulations. The home department supervisor and the temporary supervisor must maintain open communications concerning the employee's work status and medical condition.

   The temporary supervisor must:

   1. Provide the necessary training to the employee to enable him/her to complete the assignment(s) successfully.

   2. Ensure that transitional duty assignments stay within the limitations set by the employee's authorized workers' compensation physician.

3. Assure that actual hours worked, leave taken, etc., are reported to the employee's home department supervisor.

4. When an employee has been released to full duty, the temporary supervisor shall notify and forward a copy of the authorizing documentation to the Assistant Human Resources Director and the Risk Manager, who shall then notify the home department supervisor.

5. Participate in the employee's annual evaluation, if the temporary supervisor oversaw the employee for four (4) weeks or more.

c. **Employee:**

An employee on transitional duty assignment is subject to all rules, regulations, work standards, policies and procedures of the City of Miami Beach, and is required to follow the policies and procedures of the department to which he/she is assigned. Work assigned on transitional duty assignment must be done in an acceptable manner and meet the requirements of the job. Unsatisfactory performance during transitional duty assignment will be addressed as any other type of performance issue. If an employee feels that he/she does not need the restrictions set forth by the diagnosing health care provider, he/she must obtain a release from his/her authorized workers' compensation physician.

The employee must:

1. Remain within any physical limitations established by his/her authorized workers' compensation physician while working the transitional duty assignment.

2. Attend all scheduled workers' compensation physician appointments, and participate in prescribed treatment. If possible, treatments or therapy should be scheduled at the beginning or end of the work shift to lessen the impact of the employee's absence on the temporary duty assignment.

3. Provide to the temporary supervisor, within one (1) business day, updated documentation each time he/she visits the authorized workers' compensation physician in relation to the work related injury or illness. The medical notification should contain a brief statement about the injured employee's progress and should indicate the date of the injured employee's next medical appointment. This information can be furnished through a Florida Workers' Compensation Uniform Medical Treatment Status Reporting Form (Form DFS-FS-DWC-25).

4. Promptly notify the temporary supervisor of any change in his/her work-related medical limitations.

5. Notify the home department supervisor and the temporary supervisor immediately upon receiving a physician's release to return to full duty without restrictions.

6. Report to the home department on the next scheduled working day that the authorized workers' compensation physician releases the employee to return to full duty. Failure to do so will result in uncompensated time off, and may be grounds for disciplinary action.

   d. Assistant Human Resources Director and Risk Manager:

   The Assistant Human Resources Director and the Risk Manager shall be primarily responsible for administering the Transitional Duty Program in concert with department/division directors.

   The Assistant Human Resources Director and the Risk Manager will review cases to determine whether an employee can perform transitional work. If an employee can perform transitional work, the Risk Manager or his/her representative will contact the home department/division director to determine if the injured employee can be utilized in any division within the department. In all cases, the department to which the injured employee is permanently assigned will have priority in utilizing the employee while the employee is in transitional duty status.

   If the department has no appropriate tasks available for the injured employee, the Risk Manager and the Assistant Human Resources Director will survey other departments to determine if they can use the injured employee on a transitional duty basis.

   If there are no meaningful tasks available that the injured employee is capable of performing, the injured employee will remain off-duty on workers' compensation, subject to being called back should an appropriate transitional duty assignment become available.

6. **EMPLOYEE REFUSAL OF TRANSITIONAL DUTY ASSIGNMENT**

   Participation in the program is *mandatory*, provided there are assignments that are available and compatible with the injury restriction. An employee who refuses to return to a transitional duty assignment in response to a written bona fide job offer, may be denied workers' compensation and ISC payments, and may be subjected to disciplinary action, up to and including termination.

7. **GENERAL PROVISIONS**

   This Policy does not affect an employee's rights under the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act or any other applicable Federal or State law. The provisions of this policy are intended to be consistent with the terms of the applicable collective bargaining agreement, and shall not supersede any collective bargaining agreement provision with respect to "light duty."

APPENDIX I
LIABILITY CLAIMS PROCESS FLOW STEPS

LIABILITY CLAIMS PROCESS FLOW STEPS

General Liability claims process (types include law enforcement liability, public officials liability, automobile liability, employment liability, police bodily injury, false arrest, general liability bodily injury, etc.)

1. Claims are received by RMM by telephone, personal contact, or letter by department or employee involved, police department, fire department, claimant, or attorney representing the claimant.
2. If accidents involving the public which occurs on City property or City facility and employee witnesses then they are to report it to their supervisor who when completes a Risk Management Property Claim Form and forwards it to RM within 24 hours.
3. Claim is entered into the RiskMaster (RM) software by the RMM.
4. Claim is acknowledged by RMM contact with department/employee involved, telephone contact with claimant possibly followed by written acknowledgement or telephone contact with employee followed written acknowledgement.   If department employee involved then all documentation and employee completed forms are obtained by RMM for dept. involved.
5. If claims covered by insurance and not involving City responsibility and its contractor negligent then appropriate insurance carrier is notified by CMM and claimant attorney is advised. For claims involving locations where CMB is not responsible the claimant or claimant attorney is referred to appropriate agency by RMM.
6. When attorney not involved in claim, claimant is notified directly by CMM. RMM obtains claimants description and confirmation of the facts. In addition, based on the type of claim other documentation is obtained by RMM (i.e. independent appraisal, wage verification, medical reports and billing, etc.)
7. If attorney involved then claimant cannot be contacted directly. RMM requests all documentation supporting the claimant's claim for damages. Claim is reviewed on a regular basis by RMM until all requested documentation obtained.
8. Status notes of claim are entered into RiskMaster by risk manager on a regular basis. Investigation checklist is completed for Bodily Injury claims.
9. If investigation by RMM determines that CMB negligent and liability exists then degree of negligent is determined by RMM and sometimes with City Attorney's Office), damages are reviewed and evaluated by RMM and, settlement is negotiated up to authority ($25,000 by RMM)
10. After settlement, appropriate release is obtained by RMM, payment is made by RMM and claim is closed in RiskMaster in RMM when release is obtained. Statutory cap on tort claims was 100,000/200,000. On October 1, 2011 cap went to 200,000/300,000. Claims are also closed if they were denied because the RMM determines that CMB is not negligent. Hard copy claim files are maintained in Risk Management Office.

11. If suit is filed against CMB claim is assigned by CMM to City Attorney's Office. Investigation information is provided to legal and HR will conduct any additional investigation requested by City Attorney's Office.

Automobile liability claims process (general steps)

1. Claims can come to RMM by telephone, personal contact, or letter by department or employee involved, police department, fire department, claimant, or attorney representing the claimant.
2. Claim is acknowledged by RMM through contact with department/employee involved, telephone contact with claimant possibly followed by written acknowledgement or telephone contact with employee followed written acknowledgement.
3. If department/employee is involved then driver and immediate supervisor must complete the CMB Vehicle Accident Report and forward to Risk Management and Fleet Management within 24 hours.
4. Employees who discover accidental damage or theft to City property must report in writing to RMM within 24 hours. Preliminary phone call to RMM for notification is also required.   Cost may be covered by the City's self-insurance fund.
5. If department/employee is involved contact is made by RMM with department/employee involved to gather records, employee completed forms and statement.   Police Department Accident Investigation Unit investigates crime scene and takes photos. Money to replace vehicle comes out of insurance fund monitored by Risk Management if a vehicle is totaled. If vehicle not totaled then Fleet bills department for cost of repairs.
6. When attorney is not involved the claimant is interviewed by RMM. If property damage or injury is involved then damages must be substantiated by documentation.   Claim is reviewed by RMM on a regular basis until all requested documentation obtained.
7. If attorney involved then RM cannot contact the claimant. Documents substantiating damage are requested by RMM.
8. General investigation is conducted by RMM which includes but not limited to accident scene inspected and photographs obtained, witnesses interviewed, fire rescue report obtained.
9. Status report entered into RiskMaster by RMM. Investigation checklist is completed for BI claims
10. If CMB negligent and liability exists then: degree of negligence is determined, damages are reviewed and evaluated, settlement is negotiated up to authority ($25,000 by Cliff) After settlement, appropriate release is obtained, payment is made, and claim closed.
11. If decision is made that CMB negligence is not involved the claim is denied by RMM with concurrence with City Attorney's Office.
12. If claim against CMB then assigned to City Attorney's Office but investigation conducted by Risk Management.
13. Claims are also closed in RiskMaster claim is denied or final recovery is made on a subrogation or it is determined that monies are not recoverable.
14. Claim files maintained in the Risk Management Office.

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General subrogation procedures for property damage where CMB and was not negligent. Procedures for vehicle damage claims listed below separately:

1. On all damages to City property, RMM confirms cost of damages in writing from Fleet Management.
2. Once cost of damages id determined notice is sent to legally responsible entity.
3. If responsible entity is insured notice is made to the insurance company.
4. If responsible entity has no insurance, the State of Florida Financial Responsibility Division is notified.

Subrogation procedures for vehicle damage claims. When a City vehicle sustains documented damages as a result of the negligence of another party, the City has the legal right to recover for its loss from the at-fault party. The procedure for the determination of damage collectability and processing of those claims is as follows:

1. When an automobile accident occurs involving a City vehicle, the operator of that vehicle reports immediately report the accident to their supervisor and the Miami Beach Police Department.
2. The driver's department sends the City's Vehicle Accident Report to Risk Management Manager and Fleet Management within 24 hours.
3. If the City vehicle was damaged, the vehicle is taken to Fleet Management for damage assessment within 24 hours.
4. Fleet Management will photo the damage and obtain at least three competitive estimates prior to repair of the vehicle.
5. If estimates exceed $1,000, Fleet Management immediately notifies RMM. If under $1,000, Fleet Management submits copies of the estimates to Risk Management upon request.
6. Risk Management assigns an independent appraiser to assess the accident damage. Note: Appraiser used when there is heavy damage, and borderline totaled. If the vehicle is deemed totaled or unsafe it will be sold at auction with a certificate of destruction salvage only.
7. RMM conducts a claims investigation to determine liability for the accident.
8. If RMM determines the other party in the accident is legally liable, the damage recovery process is initiated by RMM against the owner, operator, or insurer of that vehicle, as appropriate. Fleet Management forwards the estimates and/or actual invoice for repairs.
9. For those cases with recovery potential, RMM will create a City bill and send City bill to Finance for recordkeeping as a potential receivable.
10. For these claims, Finance will not send a City bill to the potentially at-fault party, as RMM will pursue recovery directly.
11. For claims over $1,500 that Risk Management is unable to recover, the claim will be referred by RMM to the City Attorney's office for possible recovery through litigation.
12. The recovery process will terminate when any following occurs, as determined by Risk Management:
     1) The claim is paid by the at-fault party.
     2) The claim is determined to be uncollectible due to the City's liability in the accident.

    3) The claim is determined to be uncollectible against the at-fault party; for claims over $1,500, the City Attorney's office will analyze recovery potential through litigation.

13. Subrogation check goes to RMM and then transferred to Fleet account to pay for repairs.

16. File closed in RM when final payment made release is obtained, or the claim is denied.

17. Claim files are maintained in Risk Master.

APPENDIX J
POLICE DEPARTMENT TRAINING COURSES

	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
PPO (Probationary Police Officer) post academy curriculum			x	x						
SBT (Scenario Base Training/Role Playing)			x	x						
FTO (Field Training Officer) Program			x							x
AMR (Annual Mandatory Re-certification)		x	x		x			10	x	
Firearms (Handgun, Shotgun and Rifle)	x		x		x					
ASP (Retractable Baton)			x	x			x	4 hr		
ADS (Pepper Spray)			x	x			x	4 hr		
Defensive Tactics	x		x	x	x					
Arrest Procedures	x		x	x						
Handcuffing and Subject Restraint	x		x	x						

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	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
Suspicious Persons			x	x						
In Progress Calls (Robberies, Burglaries, Disturbances, etc.)			x	x						
Domestic Violence	x		x	x						
Foot Pursuits			x	x						
Active Gunman			x	x						
Officer Involved Shootings			x				x			
Crime Scene Preservation			x	x						
Alarm Calls			x	x						
Building Searches			x	x						
Search and Seizure			x							
Traffic Stops			x	x						
High Risk Traffic Stops			x	x						

	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
Vehicle Pursuit Policy			x	x						
DUI (Driving Under the Influence)	x		x					24		x
DRE (Drug Recognition Expert)	x							110		
Field Sobriety Exercises	x									
Accident Investigations	x							80		
Driving	x									
Bicycles (Rapid Response Team)			x					8		x
ATV			x	x						x
Segway & T-3										x
Field Force			x							
Crowd Management			x							
Critical Incident Scenarios	x		x							

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	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
K-9	x		x		x			480		x
Perimeters			x	x						
First Responder	x									
CPR	x		x			x				
Officer Emergency Self-Aid/Buddy-Aid										
PPE (Personal Protective Equipment) Support Personal			x							
Chemical Agents										x
Weapons of Mass Destruction	x		x							
Bombs and Explosives			x							
Fire Extinguisher Usage	x									
Ambush Survival										
Sovereign Citizens										

	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
Hate Crimes	x		x							
Sex Crimes	x		x							
Sexual Deviance	x		x							
Deviant Behavior			x							
Elderly Abuse	x		x				x			
Juvenile Crimes & Victims	x									
Narcotics Familiarity	x									
Narcotics Investigations	x									
Interview & Interrogation	x									
Forfeitures			x							
Holding Facility (Jail)			x	x	x					
Detention Officers	x									

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	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
Flying Armed			x							x
SWAT			x					120		x
Motors	x		x					120		x
Marine Patrol			x							
PSCU (Communications Unit)	x		x					232		x
Radio Procedures	x		x	x						
Property and Evidence			x	x						
Harassment Policy			x	x						
Ethics	x	x	x	x						
EAP (Employee Assistance Program)			x	x						
FMLA (Family Medical Leave)			x	x						
Emotional Survival										

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	FDLE	CALEA	DEPT	PA	ANNNUAL	Biennial	4 YR CYCLE	HOURLY	MANDATORY	ONE TIME CERT.
Stress Management for Officers and Civilians										
Quality of Life		x	x							
Supervisor Training	x		x							
Physical Fitness Awareness			x	x						
Hazards of Steroids										

Ledger : FDLE= state or academy

DEPT = City or PD

APPENDIX K
VEHICLE ACCIDENT REVIEW COMMITTEE

	DATE ISSUED: _____ 2011	**Page:** 97	**SEQUENCE NUMBER:**
MIAMIBEACH CITYWIDE POLICY AND PROCEDURE	**DATE UPDATED:**	**Of:** 105	
	SUBJECT: VEHICLE ACCIDENT REVIEW COMMITTEE POLICY		
	RESPONSIBLE DEPARTMENT: HUMAN RESOURCES		

I.   Purpose and Benefit:

This policy is established to emphasize the importance of safe driving, to develop a sense of responsibility among all employees in the operation of City-owned or controlled vehicles, and to create an awareness of the need to drive defensively at all times. The goal is to reduce the number of vehicle accidents, promote driver safety and assign accountability.

A Vehicle Accident Review Committee (Committee) shall be established to review each vehicle accident and determine the cause(s) and action(s) that could have been taken to avoid or lessen the severity of the accident. Drivers will be notified of the Committee's findings and recommendations.

This policy applies to all City of Miami Beach Departments, except the City of Miami Beach Police Department, who has via SOP # 075 established a Departmental Accident Review Committee.

II.   Definitions:

1. City-owned or Controlled Vehicle – Any vehicle owned or controlled by the City; or other motorized equipment owned or controlled by the City that can be driven under its own power such as a bulldozer, forklift, mobile crane or other similar equipment.

2. Vehicle Accident – Any unplanned event involving a City-owned or controlled vehicle resulting in damage to a City vehicle, a third party vehicle, property or personal injury.

3. Avoidable Vehicle Accident – A vehicle accident where the driver (operator) of the City vehicle did not take all reasonable precautions to prevent the accident.

4. Unavoidable Vehicle Accident – A vehicle accident that occurs in spite of all reasonable precautions taken by the driver (operator) to prevent the accident.

5. Department/Division Head – The head of a department or division with the power to recommend appointment and dismissal, and includes subordinates who have been delegated authority for personnel management functions.

6. Serious Accident – An accident that results in: 1) a fatality; 2) bodily injury to a person, who, as a result of the injury, requires emergency life support at the scene or immediate medical treatment away from the scene of the accident; 3) where one or more vehicles incur disabling damages as a result of the accident, requiring the vehicle to be transported away from the scene of the accident by a tow truck or other vehicle; or 4) that results in property damage in excess of $2,000.00.

   a. Damage is disabling if the damage precludes the departure of any vehicle from the scene of the accident in its usual manner in daylight after simple repairs (e.g., minor damage to headlights or taillights may preclude driving the vehicle at night but may not be disabling in daylight). This includes damage to a vehicle that could have been operated but would have been further damaged if so operated.

7. Less Than Serious Accident – An accident that results in: 1) no injury to a person, or minor injury that does not require immediate medical treatment away from the scene; 2) no disabling damage to a motor vehicle to prevent the vehicle from being driven under its own power; or that results in property damage of $2,000.00 or less.

III.   Committee Members:

The Committee Members will be comprised of the following City employees:

- Risk Manager or his/her designee;
- Police Department Accident Investigation Squad (AIS) Sergeant;
- Fleet Management Division Director or his/her designee; and
- Two Union Representatives collectively appointed by AFSCME Local 1554, CWA Local 3178, GSA Local 100 and IAFF Local 1510.

The Risk Manager shall serve as the Chairperson.

The term of office for the Union Representatives shall be two (2) years. The term limit for the Union Representatives shall be four (4) consecutive years.

At least three (3) members of the Committee must be present during the meeting to constitute a quorum.

IV.   Committee Structure and Guidelines:

The Committee shall meet monthly, or as needed, to evaluate each vehicle accident in which a City-owned or controlled vehicle is involved.

The Committee will meet at the Chairperson's call, whenever the review of an accident involving a City-owned or controlled vehicle requires the Committee's review.

The Chairperson will coordinate the convening of the Committee, including the attendance of the driver and witnesses, if necessary. Drivers will be notified of the time and place that the Committee will meet to review their accident. Drivers will be permitted to participate in the discussion on their particular accident if they choose to do so, or to submit a written statement, which they would like the Committee to consider during their review. The employee driver must be afforded the opportunity to bring a union representative, as disciplinary action may result.

The Chairperson will provide the Committee with the available information and documentation on all accidents involving City-owned or controlled vehicles reported to the Risk Management Division in the period prior to the Committee meeting.

After thoroughly reviewing all of the materials concerning each vehicle accident, the Committee shall evaluate each vehicle accident as Avoidable, Unavoidable or Incidental based upon the following criteria:

1. It shall be considered an "Avoidable" vehicle accident when the driver of the City-owned or controlled vehicle is found to have been guilty of contributory negligence.

2. The vehicle accident shall be considered "Unavoidable" when it has been determined that the driver of the City-owned or controlled vehicle did not contribute to the vehicle accident.

3. Those cases resulting from natural forces, from acts by other than human sources, from a deliberate act (e.g., vandalism), from a non-perceivable object, or while the vehicle is properly parked shall be classified as an "Incidental" and not considered a Vehicle Accident under this policy.

The Chairperson has the authority to determine, in conjunction with advice from the Miami Beach Police Department's Accident Investigation Squat (AIS), whether a particular accident clearly falls into the category of being "Incidental, Unavoidable or Avoidable." Those accidents deemed to possibly fall into the "Avoidable" category will be referred to the Committee, which, after thoroughly reviewing each accident, will make corrective or disciplinary recommendations to the department/division head, if in the Committee's judgment some action is warranted.

V.   Corrective or Disciplinary Actions:

The Committee may recommend to the department/division head that an employee who has an Avoidable Accident be subject to one or more of the below listed actions. Despite the Committee's recommendation, disciplinary action will only take place via formal disciplinary process, and only if there is sufficient evidence, witnesses, etc.

1. Remedial Training and Education – For any Avoidable Accident, the Committee may recommend that the employee be required to compete remedial training and education along with other corrective or disciplinary action(s) taken, as appropriate.

2. Termination or Extension of Probation – For a serious Avoidable Accident or several less than serious Avoidable Accidents during an employee's probationary period, the Committee may recommend that the employee have their probationary period extended or that the employee be terminated.

3. Disciplinary Action – For any Avoidable Accident, the Committee may recommend disciplinary action, up to and including dismissal, as deemed appropriate. Recommendations for disciplinary action may be based on progressive discipline and must be in accordance with applicable provisions of the collective bargaining agreement and/or Personnel Rules. For egregious cases, the Committee may recommend disciplinary action that falls outside of progressive discipline.

4. Reimbursement of Repair Costs – Where the driver of a City-owned or controlled vehicle is determined by the Committee to have been grossly negligent in the vehicle's operation (i.e., operating a vehicle with reckless disregard of the consequences as affecting the life or property of another), the Committee may recommend that the appropriate department/division head require, as part of the formal disciplinary process, for the driver to pay the following:

   - First incident – the first $250.00 to repair the damage of the City-owned or controlled vehicle;

   - Second incident – the first $500.00 to repair the damage of the City-owned or controlled vehicle; and

   - Third or more incidents – the first $1,000.00 to repair the damage of the City-owned or controlled vehicle.

   Where the driver of a City-owned or controlled vehicle is determined by the Committee to have used the vehicle for an unauthorized purpose, the Committee may recommend that the appropriate department/division head require, as part of the formal disciplinary process, for the driver to pay the entire cost of repairing any damage the vehicle has sustained.

   At the City's option, and after notifying the employee, such payments may be imposed through mandatory salary deduction(s).

VI.   Accident Reporting and Investigation Requirements:

The effectiveness of an Accident Prevention and Safety Program is dependent on a complete and impartial investigation of each vehicle accident so that a thorough evaluation can be made as to the causative factors. All accidents, no matter how minor, inconsequential or location must be reported and investigated by the City of Miami Beach Police Department. In addition, the employee driver, or a representative of the employee's

department if the employee is incapacitated, must complete a City accident reporting form as quickly as possible, and submitted to the Risk Management Division, the Fleet Management Division and the employee's immediate supervisor.

The Miami Beach Police Department need not investigate incidents were damage to a vehicle is discovered after the fact, other than damage resulting from a hit and run vehicle accident.

Whenever a vehicle accident involving a City-owned or controlled vehicle occurs outside the Miami Beach City limits, the driver shall also report the vehicle accident to the Florida Highway Patrol or the local police department having jurisdiction.

Outline of Responsibilities by Category:

Vehicle Driver

1. Follows procedures outlined in the City Vehicle and Equipment Policy, the Beach Vehicle Policy, and any other City and/or departmental policy dealing with vehicles.

2. Immediately reports all accidents, no matter how minor, inconsequential or location to the City of Miami Beach Police Department.

3. Immediately informs direct supervisor as soon as possible of the accident. If supervisor is not available, then inform the next appropriate person (i.e. the supervisor on duty).

4. Obtains the name, telephone and address of:

   a. The other driver(s);

   b. Witnesses (passengers in City vehicles or driver's helper may be listed as witnesses); and

   c. Injured person(s).

5. If applicable, obtains the driver's license, vehicle tag number and description of other vehicles involved in the accident and the name of the other driver's insurance carrier.

6. Avoids arguments, accusation and admittance of fault.

7. Does not attempt personal settlement of the case with the driver of the other vehicle(s).

8. Completes a City accident reporting form as quickly as possible, and submits it to the Risk Management Division, the Fleet Management Division and their immediate supervisor.

Risk Manager

Follows procedures outlined in the City Vehicle and Equipment Policy, the Beach Vehicle Policy, and any other City and/or departmental policy dealing with vehicles.

1. Serves as the Chair for the Committee.

2. Provides the Committee with the available information and documentation on all accidents involving City-owned or controlled vehicles reported to the Risk Management Division in the period prior to the Committee meeting.

3. Maintains the records of Committee decisions regarding evaluations of Avoidable, Unavoidable and Incidental occurrences as part of the record of each individual accident.

Committee

Meets periodically to review vehicle accidents involving City-owned or controlled vehicle reported to the Risk Management Division. The Committee will review all available information and, if desired, will interview the driver and witnesses. All drivers will be sent an invitation to attend the Committee or, if desired, to submit a written statement not less than one week prior to the Committee meeting. The employee driver must be afforded the opportunity to bring a union representative, as disciplinary action may result.

1. After thoroughly reviewing an accident, the Committee will determine whether each vehicle accident was Avoidable, Unavoidable or Incidental on the part of the City driver. The Committee will only consider facts concerning the accident in question.

2. Findings by the Committee will be made by a vote of the members present after sufficient discussion. In the event of a tie vote, a decision of Unavoidable will be made in favor of driver.

3. The Committee's findings and recommendation shall be forwarded by the Committee Chair to the driver and the employee's department/division head.

4. No further action will be taken on an Unavoidable accident by the Committee nor will they be considered in subsequent proceedings involving the same driver.

5. If the Committee decides an accident is Avoidable, the Committee Chair will submit a memo of the Notification of Findings and Recommendations to the driver via the department/division head.

6. The Committee will make recommendations, including disciplinary actions, to department/division head, as the Committee deems appropriate.

Department/Division Heads

1. Notifies the Risk Manager, no later than one business day, of any vehicle accident.

2. Allows the driver of the City vehicle to appear before the Committee, if so requested, when a hearing is scheduled.

3. Reviews the recommendations of the Committee and any supporting documentation.

4. Communicates the Committee's recommendations to the employee.

5. Applies, if deemed appropriate, the recommendations of the Committee.
6. Communicates back to the Human Resources Director what action has been taken pertaining to the Committee's recommendations. If deviating from the Committee's recommendations, provides an explanation as to the reason for the deviation.

Fleet Management Division Director

1. Follows procedures outlined in the City Vehicle and Equipment Policy, the Beach Vehicle Policy, and any other City and/or departmental policy dealing with vehicles.

2. Receives City accident forms.

3. Conducts driver's license checks.

4. Maintains records of drivers involved in accidents, including revocation of driving privileges.

5. Performs vehicle damage assessment and calculates repair costs.

Human Resources Director, Assistant Human Resources Director and/or Employee Relations Director

1. Provides advice to the Committee upon request.

VII. Grievance:

Disciplinary actions, resulting from Committee recommendations, are subject to the grievance procedures outlined by the applicable Collective Bargaining Agreement.

APPROVAL:

_____
Internal Audit   Date

Andrew Terpak, Director	Date
Fleet Management Division	

Ramiro J. Inguanzo, Director	Date
Department of Human Resources	

Jorge M. Gonzalez, City Manager	Date

Employee Policy Receipt/Acknowledgement:

I have read and received a copy of the City of Miami Beach Vehicle Accident Review Committee Policy, and agree to abide by the policy guidelines as a condition of my employment and my continuing employment with the City of Miami Beach.

I understand that if I have questions, at any time, regarding the policy, I will consult with my immediate supervisor or the Human Resources Department.

Employee Signature: _____ Date _____

Employee Printed Name: _____