



Texas PRIMA Press

OFFICIAL NEWSLETTER OF TEXAS CHAPTER PRIMA

Summer 2004

Texas PRIMA Board Announces Theme For 15th Annual Conference and Expo



Each year the Texas PRIMA Annual Conference and Expo gets bigger, better and more fun filled. The 15th Annual Conference in Galveston on November 10 – 12, 2004 should be another great educational and networking opportunity for the Risk Management community.

With the many programs and choices available these days, it is more important than ever before that risk managers know how to solve the mysteries of risk management. We invite all of you Risky Managers,

Safety Sleuths, Undercover Adjusters, Canny Exhibitors and Sponsors, Third Body Administrators, and Associate Risk Detectives to the Conference. You will be enlightened through presentations from highly experienced risk management professionals who will share their clues and theories on the challenges of risk management.

With the above in mind, we encourage our Presenters, Sponsors, and Exhibitors to be ready to help our Participants “*Solve The Mysteries with Texas PRIMA*” during the educational sessions and in decoration of your Exhibits. By the way, be prepared to *Get A Clue* during the Opening Reception. It is quite elementary that the Conference and Expo will be fun and a must attend for risk and insurance management professionals.



Gary Urban, MPA, ARM
President Elect



BE INFORMED, GET INVOLVED, AND STAY TUNED

If you are waiting until next year to prepare for the next Texas Legislative Session, you are waiting too long. Although legislature normally meets every other year, there are many things that happen before an actual session. In addition, now that a special session has been called to address the school finance issue, anything can happen.

Prior to each session, the Speaker of the House and Lt. Governor appoint various

interim committees that will help shape the work of the 79th Texas Legislature that convenes in January 2005. Of particular interest to PRIMA members in both the House and the Senate is workers’ compensation. The Senate Select committee on Workers’ Compensation has met several times and will more than likely regularly meet for the next several months. Discussion thus far in this committee seems to be focused on the health care delivery system, provider networks, and return to work programs but it is all but certain that other topics will be included such as fee guidelines, cost containment and other administrative issues.

While information will be provided by a number of sources including Texas Chapter PRIMA’s legislative committee, you are encouraged to listen in to these committees, whether in person (they are public) or live on the web.

Additional resources are available on line at www.capitol.state.tx.us <<http://www.capitol.state.tx.us/>> as well as other commercially available sources that your entity may contract with. With all the issues we face with our current laws and regulations, it is important that you stay informed and make your representatives aware of how current and proposed laws will affect your local entity.

If you have any questions regarding the legislative process or how to get involved, feel free to contact me at david_kester@co.harris.tx.us.

Submitted by
David Kester, Legislation Chair

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A MESSAGE FROM THE PRESIDENT

Risk Management is our way of life - we practice risk management every day in our lives. We make sure our vehicles are in good working order before taking our families for a ride. We repair and maintain our houses to prevent accidents from occurring to our loved ones. We insure our automobiles and homes to protect us financially against catastrophic losses. We report to work every day to practice what we have studied, learned, and experienced that will protect our entities and its employees from harm. Risk Management is our profession, and our way of life!

Texas PRIMA is your profession's "professional association". We exist because of our members, and we exist for our members. Our members are our association. Without our members, there is no need for the association. Texas PRIMA exists exclusively for the benefit of professionals who practice this discipline of risk management on behalf of public entities in Texas. We support each other, help each other, and are loyal to each other. Please support your association by joining Texas PRIMA and by becoming active in the affairs of the association.



Board of Directors Meeting

The Texas PRIMA Board of Directors met in Austin on April 1st and 2nd. In addition to receiving updates from Committee Chairs regarding initial committee activities for 2004, the Board reviewed the activities of the Chapter for 2003 in relation to the strategic plan adopted by the Board at the beginning of 2003.

The Board spent considerable time in the initial stages of planning the 2004 annual conference which will be held in Galveston on November 10 – 12, 2004 at Moody Gardens Hotel. A conference theme was selected, which is *"Solve the Mysteries with Texas PRIMA."* In keeping with this overall theme, the theme for the opening reception will be "Get a Clue." Sponsors and exhibitors are all encouraged to work with these themes in preparing exhibits.

The next Board Meeting is scheduled for June 25-26 at Moody Gardens Hotel in Galveston. ● ● ● ●

WORKERS' COMPENSATION COMMITTEE EXAMINES PROBLEMS WITH HEALTH CARE

High medical costs and questionable care are two of the major issues facing the Senate Select Interim Committee on Workers' Compensation which met on March 25, 2004, at the Texas Capitol. Today's specific issues included surveying the costs and benefits of other cost-containment systems and comparing the Texas workers' compensation system to other states.

Amy Lee, team-leader for the workers' comp research group at the Texas Department of Insurance and D.C. Campbell, a primary researcher on the project spoke about their research findings on the quality of care and medical costs. Lee said the average medical cost per claim went up by more than 20 percent between 1999 and 2001. Lee confirmed that the rise was due to increased usage of the program, not rising medical costs.

In a 2002 survey, Lee's group found that a high percentage of workers were satisfied with their care but that a fifth of those injured questioned the quality



of their care and a fourth said their doctor was more concerned with pleasing the employer, rather than properly treating their injuries. In addition, injured Texans returned to work more slowly than those in other states.

Other witnesses included Bob Shipe, Director of Medical Review for the Texas Workers' Compensation Commission, Margaret Lazaretti, Deputy Commissioner of the Texas Department of Insurance's HMO Division and representatives from various insurance companies.

The Senate Select Interim Committee on Workers' Compensation has six different charges from the Lieutenant Governor, all of which concern reform of today's compensation system. The committee is due to submit a report to the Texas Legislature by December 1, which will be used as a basis for new legislation when lawmakers meet this coming January.

The committee is chaired by Senator Todd Staples. Members include Senators John Carona, Robert Duncan, Craig Estes, Juan "Chuy" Hinojosa, Kyle Janek, Frank Madla, Jane Nelson and Royce West. The committee adjourned subject to call of the chair with its next meeting scheduled for April. ● ● ● ●

2004 Call For Presentations

We need a few good folks to present the educational tracks at the annual conference in Galveston, November 10 – 12, 2004. We seek a broad range of presentations from basics aimed at newcomers, to new products and ideas developed and implemented by our membership to advanced tracks for experienced members. Subject matter areas include general risk management, risk-financing, legal/regulatory, environmental, safety/loss control, workers' compensation and employee benefits. We anticipate 16 - 18 sessions and each session will be one hour and fifteen minutes in length.

PRIMA will produce handouts of the conference proceedings for all participants. If selected, you will receive a speaker agreement, publication deadline and other related information. Please be aware that deadlines are critical to providing members with quality presentations that include handouts, CEU's and the audiovisual equipment you need. One speaker for each track will receive a complimentary conference registration.

All proposals must be submitted in the following format and be typed. Presentation proposals may be mailed to Paula Sasser-Bigan, Horizon Meetings, P.O. Box 500209, Austin, TX 78750, phone 512-336-9029, Ext. 104 or by e-mail to psasser@horizonmeetings.com. You may also contact Speaker & Sessions Chair, Linda Comeaux at phone (210) 299-5578 or e-mail to LComeaux@saisd.net. Proposals must be received by June 1.

Suggested Session Title: _____

Speaker(s): _____

Speaker's Entity or Company: _____

Speaker contact information: Phone number _____

Has this presentation been approved for CEU's? Yes No

If yes, by whom: _____

Include the following information by attachment:

1. Speaker Qualifications: Vita or biography for all ALL speakers.
2. Learning objectives: Complete the following sentence: At the end of this presentation the participants will be able to... (You should include a minimum of three learning objectives.)
3. Presentation Summary/Outline: 250 – 300 words describing session content in as much detail as possible.
4. Relevance: Why is this topic of interest to PRIMA members? 75 – 100 words explaining the relevance of your presentation to our audience.

Criteria for review of presentations:

- Relevance and timeliness of topic
- Content
- Speaker
- CEU's
- Handouts and visual impact of presentation.

*Sessions are not to be used for sales or marketing.
Decision of the Speaker Committee in selection of the speaker slate is final.*

Chapter Partners for 2003-2004

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Review Med
TML Intergovernmental Employees Benefits Pool
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Ward North America

EXECUTIVE DIRECTOR OF SORM RETIRES

Ron Josselet, Executive Director of the Texas State Office of Risk Management announced his plans to retire from state employment effective April 30, 2004. Mr. Josselet served as SORM's Executive Director since January 2000, and worked for the State of Texas for 23 years. Mr. Josselet began his state service in the 1970s with the Texas Parks and Wildlife Department and has also worked for the Texas Workers' Compensation Commission and the Texas Department of Mental Health and Mental Retardation. Josselet currently serves Texas Chapter PRIMA as its President, and has held positions on the Board of Directors since 1998. The Chapter awarded Josselet its "Risk Manager of the Year" award for 2003.



NEWS FROM NATIONAL PRIMA

CHAPTER RECOGNITION AWARD



Congratulations to Texas Chapter PRIMA on being the first recipient of PRIMA's Chapter Recognition Award! This inaugural award will be presented at the Awards Luncheon on June 14th, during PRIMA's annual conference this year in Ft. Lauderdale.

What is unique about the Texas Chapter PRIMA Conference and why it was singled out for award by National is that the conference serves to foster relationships on many levels and is much more than a meeting. It is important to remember that this award honors the many chapter officers and directors over the last 15 years whose vision, leadership, pioneer spirit, and persistence have served Texas Chapter, and allows the Chapter to develop a program which is being honored this year.

The annual conference is a team effort requiring many hours of hard work and advanced planning to prepare and hold this event. It is very gratifying to know that National PRIMA recognizes these efforts and that the Texas Chapter conference is the premier state chapter event in the nation.

ACHIEVEMENT AWARD



Congratulations to the City of Bryan for winning a 2004 Achievement Award for their Healthcare Joint Purchasing Project.

CHAPTER SERVICE AWARD



Congratulations to Robby Neill, Risk Manager, City of Garland, on his selection for the Chapter Service Award for 2004. The Texas Chapter nominated Robby

Neill for this award for his active involvement in the Chapter over many years. Robby's creativity, openness, and new ideas were instrumental in the Chapter's growth and in the growth of the Chapter's leadership.

Robby was an active Board member for many years and continues to contribute his talents to the Chapter. He frequently presents sessions at the annual Conference and at regional programs. He provides counsel and participates in the development of PERI projects and "hot topic" programs. Robby continues to assist the Board by filling leadership and committee roles. Examples include Nominations Committee Chair, Awards Committee, Conference Planning Committee, and By-Laws Committee. Robby was a key member of our Host Committee for the 2002 National Conference. He volunteered tirelessly before and during the conference and participated in a session on behalf of the Texas Chapter. In addition, Robby continues to promote our Chapter with both current and potential sponsors.

Robby is an outstanding representative and supporter of Texas Chapter PRIMA. He is always willing to share his enthusiasm and excitement for enhancing the risk management profession and is a mentor for many risk managers. Robbie has served as 1995-Director (Past President); 1994-President; 1993-Vice President/ Secretary; 1992-Treasurer of Texas Chapter PRIMA.



Annual Conference 2004 registrations are steady. Housing is filling up quickly and the Marriott, Hyatt and Renaissance is now full, but the Embassy Suites has space. Please remember that the easiest way to access the room reservation process (Passkey) is via the PRIMA web site. PRIMA is putting the final touches on the conference program. There are a few moderator positions still open. If anyone is interested in moderating a session, please contact Pam Wolfe at pwolfe@primacentral.org.

New this year, PRIMA will have available professional audio tapes of the conference seminars on CD ROM's. One feature of the CD ROM is that you will be able to view the handouts while listening to the CD. You can purchase the entire set of sessions or individual sessions. The CD ROM will also contain conference exhibitor information as well as information on our 2005 conference.

2005 National PRIMA Conference

All interested speakers please visit the PRIMA Central web site at www.primacentral.org to obtain information on submitting proposals to speak at their conference in Milwaukee, Wisconsin June 5-8, 2005. Deadline for your submissions is June 28, 2004.

2004 Committees/Chair Assignments

| <u>COMMITTEE NAME</u> | <u>CHAIR</u> |
|----------------------------|---|
| Executive | Ron Josselet |
| By-Laws & Governance | Robin Vincent |
| Nominations & Elections | David Kester |
| Legislation | David Kester |
| Finance | Linda Spacek |
| Performance Review | Ron Josselet |
| Member Services | Melissa Sullinger |
| Newsletter | Editor: Henry Kaplan Assistant Editor: Melissa Sullinger Associate Editor: Sam Lawrence |
| Professional Development | Alan Smith |
| Regional Programs | Bill Cody |
| Future Conference Planning | Tina Paquet |
| Conference 2004 | Gary Urban |
| Opening Reception Planning | Linda Spacek |
| Speakers & Sessions | Linda Comeaux |
| Sponsors & Exhibitors | Scott Payne |
| 2004 Golf Tournament | Bill Cody |
| Awards & Recognition | Cindy Kirk |

A NOTE OF CONGRATULATIONS FROM TEXAS PRIMA

The National PRIMA Board of Directors has elected James E. Huckaby to fill the newly created President Elect position. Huckaby will be installed in this position next month during the annual conference and then he will be installed as PRIMA President in June 2005.

2004 BOARD OF DIRECTORS

Ron Josselet, CPCU, ARM, President

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TEXAS PRIMA INVITES SPONSORSHIPS

Texas PRIMA exists for the benefit of its members...both public entity and corporate. And while we have the greatest sponsors and exhibitors in the world, there is always room for a few more!!

If you know of a benefit, insurance, loss control or safety related vendor that is not a current sponsor or exhibitor of Texas PRIMA, that you believe might benefit from being a part of our first class organization, please pass on their name and contact information to one of the following individuals or ask the vendor to contact us directly.

Thanks for your help in this endeavor and for all the other ways you help to make Texas PRIMA the great organization that it is! See you in Galveston!

Submitted by Paula Sasser-Bigan, Horizon Meetings, PSasser@HorizonMeetings.com, Phone: 512-336-9029, Ext. 104, Fax: 512-336-1238; and Scott Payne, City of Denton, Scott.Payne@cityofdenton.com, Phone: 940-349-7836, Fax: 940-349-7870

U.S. RISK, LLC ACQUIRES WARD NORTH AMERICA & SPECTRUM MANAGED CARE

Ward-U.S. Risk, LLC, a newly formed corporation, announces the acquisition of Ward North America, Spectrum Managed Care and SubroNet from Ward North America Holding, Inc. Jeffrey Ward, President and CEO of Ward-U.S. Risk, LLC, announced this transaction which involved a buyout by U.S. Risk Insurance Group, Inc., Tobat Capital, LLC, and Jeffrey Ward.

Ward North America will continue providing an integrated outsourced claims management solution to the insurance and alternative risk markets through 35 branch locations nationwide. Spectrum Managed Care will service insurance carriers and risk management accounts providing case management and other managed care services. SubroNet will focus on subrogation and deductible recovery services. For more information visit www.wardna.com.

Randall Goss, Chairman of U.S.Risk Insurance Group, Inc., will assume the role of Chairman of this new entity.

U.S. Risk Insurance Group, Inc. is a specialty lines underwriting manager, wholesale broker, and claims manager headquartered in Dallas. With six operating divisions, U.S.Risk provides underwriting, brokerage, financial services, risk management and claims management services. Coverage is provided for an extremely diverse group of clients through a network of thousands of producing agents and over 120 insurance companies worldwide. For more information www.usrisk.com.



SAVE THE DATE!
November 10-12, 2004
Texas PRIMA Annual
Conference



REGIONAL NEWS

Texas Chapter PRIMA is organized into six regions, each with a regional coordinator appointed by the Board of Directors. Watch for regional program announcements in your area, and bring an associate or colleague to the next meeting.

GULF COAST REGION



A meeting was held on March 4 at the Friendswood Public Library in Friendswood. Laura Lyons with Interface, EAP gave two motivating, informative presentations. The first was “Surviving and Thriving Organizational Change,” in which she discussed the five steps to conquering change and what not to do if

we want to survive changes in our organizations. After lunch she brought everyone up to date on “Drug and Alcohol Abuse.” Laura’s dynamic, enthusiastic style ensured an enjoyable learning experience for everyone in attendance. The Region would like to thank the City of Friendswood who provided lunch, as well as two travel bags for door prizes. Additional door prizes included a Texas PRIMA bag and a \$25 gift certificate to Home Depot. Winners included Beverly Davidson and Elaine Lum with the Metropolitan Transit Authority of Harris County, Leta Holt with Jefferson County, and Daisy Palmer with Texas Municipal League-IRP.



NORTH TEXAS REGION



Strasburger Governmental Practice Group presented their acclaimed “Hot Issues Relating to Governmental Immunity” at the North Texas Regional meeting. The North Texas region met at the East Arlington Branch Library, Arlington, Texas.



SOUTH TEXAS REGION



The South Texas Region will be meeting Wednesday, May 19, 2004, 11:00 a.m. – 2:00 p.m., at the Corpus Christi Town Club, 800 North Shoreline Blvd., Corpus Christi, Texas 78401. The meeting topics include “How to Analyze and Photograph a

Vehicle Accident” presented by Clifford L. McCarter, Senior Consultant, and “Using Video Graphics in Insurance Claims” presented by Barbara P. Worsham, Division Manager. Both speakers are with the RIMKUS Consulting Group, Inc., and each session is approved for one hour of continuing education credit.

MOLD LAWSUIT FINALLY SETTLED

The lawsuit that started it all, the mold scare, the higher homeowners insurance rates, the paranoia about the air we breathe, is finally settled. In June 2001, in Ballard vs. Farmers Insurance, a jury awarded the Ballards \$32 million. In December 2002, a Texas appellate court lowered the award to \$4 million in actual damages and threw out most of the award for mental anguish. The March 2004 settlement, (the details of which are confidential) closes this case. As many risk managers might remember, the original jury verdict was carried on the front pages of most newspapers in Texas. A story on the settlement is published on page 54 of the April 19, 2004 issue of National Underwriter.

2004 Regional Coordinators

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Regional Coordinator Liaison

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CALL FOR VOLUNTEERS

Planning for the 2004 Annual Conference is underway. Many volunteers are needed to ‘make this happen’. Many opportunities are available including speakers and programs, opening reception, moderators, golf and more. If you are interested in getting involved, please forward your name to the Texas Chapter PRIMA office or the committee chair in your area of interest. This year’s theme is “*Solve the Mysteries with Texas PRIMA.*” We need many creative minds to make this the best conference yet at the wonderful Moody Gardens in Galveston!

Texas PRIMA
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Texas PRIMA Press is the official newsletter of Texas PRIMA and is published by Brenda Josselet, Professional Services Manager for the Chapter. All correspondence should be sent to:

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Associate Editor: Sam Lawrence, State Office of Risk Management, 512-936-1524.

IMPORTANT DATES

Regional Meetings:

May 19, 2004 - South Texas Region ----- Corpus Christi
May 28, 2004 -- Panhandle Region ----- Lubbock State School
June 3, 2004 -- Gulf Coast Region ----- Conroe, Texas

Texas Chapter Conferences:

November 10-12, 2004 ----- Moody Gardens, Galveston, Texas

National PRIMA Conferences:

June 13-16, 2004 Ft. Lauderdale, Florida
June, 2005 Milwaukee, Wisconsin

About This Newsletter

This newsletter is the official newsletter of Texas Chapter PRIMA. It is produced quarterly. The opinions expressed in the newsletter are those of the writers and do not necessarily represent the views of Texas Chapter PRIMA. We want this newsletter to provide information to keep you -- our members -- abreast of chapter events and issues important to you. We encourage you to contribute so that this effort is successful. Please send your news, information, comments, etc. to your regional coordinator, to the editor, or to the chapter address.

The deadline for the Fall newsletter is July 15, 2004, three weeks following the next meeting of the Board of Directors.