The late 1970s
Ad originally ran in the September 1982 issue of the Iowa League of Cities’ magazine.
County Risk Management Services, Inc.

representing

ICAP

IMWCA
Do you know your local agent?
Board of Trustees

5 city representatives

4 county representatives

Elected of appointed officials from member entities
We Serve: 530 Members

365 Cities

78 Counties

87 Political Subdivisions
Financially Stable

**Premium**
$17.5 million +

**Fund Balance**
$58.5 million

**Loss Ratio**
54.37% over 5 years
52.88% over 7 years

**FY2016-17 Loss Ratio**
70.87%
(including three catastrophic claims)
Reinsurance

**IMWCA:** First $850,000 or each (per occurrence) claim

**NLC Mutual:** $850,000 to $1.5 million

**Safety National (A+ Rated):** Anything over $1.5 million. Unlimited statutory.
Publishes underwriting, data and reference manuals for all participating states

Collects loss data from employers and sets the rate for each class code in Iowa and 37 other states

Distinguishes between various types of work and creates a class code for each

Adjusts rates by class code each year based on historical loss experience
NCCI Data: Experience Modification Factors

Payroll (by class code)
\( \times \) Rate (per $100 payroll)
\( \times \) Experience Modification Factor (EMF)
\( \times \) Discounts/Surcharges = Net Premium
\( + \) Expense Constant = Total Premium

Components you control to some degree:

- Payroll
- EMF (determined by loss experience)
NCCI Experience Rating

Formula compares your experience (based on payroll and claims) to expected experience based on that of all other employers in the state.

The resulting modifier adjusts your standard premium higher or lower according to your loss experience.

The modifier for the next coverage year is based on your loss experience of the last 3 completed years.
3 Years for Experience Rating

Used to calculate the current EMF

Used to calculate the EMF for next fiscal year


Current EMF

New EMF
NCCI Experience Rating Formula

Simple Terms:
- Actual Losses
- Expected Losses

Final in simple terms:
- Modified Actual Losses
- Modified Expected Losses

NCCI Actual Formula

Primary Actual Losses + Ballast Value + (Actual Excess Losses X Weighting Value) + (1-Weighting Value) X Expected Excess Losses

Primary Expected Losses + Ballast Value + (Expected Excess Losses X Weighting Value) + (1-Weighting Value) X Expected Excess Losses
The Experience Modification Factor (EMF)

A multiplier that is applied to the pure premium

Multiplier of 1.00 represents an average risk

↑ Multiplier greater than 1.00 – *debit mod*

↓ Multiplier less than 1.00 – *credit mod*

<table>
<thead>
<tr>
<th>Standard Premium</th>
<th>Experience Modification Factor</th>
<th>Modified Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>X 1.15</td>
<td>= $57,500</td>
</tr>
<tr>
<td>$50,000</td>
<td>X 0.85</td>
<td>= $42,500</td>
</tr>
</tbody>
</table>
### Experience MOD Worksheets

#### Experience Modifier Calculation

<table>
<thead>
<tr>
<th>Actual Incurred Losses</th>
<th>B + H + (E x G)</th>
<th>D + H + (F x G) + (E x G)</th>
<th>Calculated Experience Modifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>$73,464.00</td>
<td>$28,589.00</td>
<td>$47,700.00</td>
<td>0.82</td>
</tr>
</tbody>
</table>

- **Maximum Experience Modifier**
  
  \[1.10 + (0.00004)(C + 2(C) / 9.5)\]

- **Minimum Experience Modifier**
  
  \[0.68\]

- **Final Experience Modifier**

\[0.82\]
Medical-only claims: prior to 2012 included at full value, now discounted by 70%

Indemnity claims: the portion of each included as primary loss increase

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$5,000</td>
</tr>
<tr>
<td>2013</td>
<td>$10,000</td>
</tr>
<tr>
<td>2014</td>
<td>$13,500</td>
</tr>
<tr>
<td>2015</td>
<td>$15,000</td>
</tr>
<tr>
<td>2016</td>
<td>$16,000</td>
</tr>
<tr>
<td>2017</td>
<td>$16,500</td>
</tr>
<tr>
<td>2018</td>
<td>$16,500</td>
</tr>
</tbody>
</table>
What have these changes meant?

Frequency → Severity
- Impact of claim frequency lessens
- Impact of claim severity increases

What about deductibles?
- Minor medical no longer effective
- Large deductible?
Underwriting Timeline

Feb
- Annual Payroll Worksheets

May
- Renewal Packets mailed
- Invoices mailed
- Pay in Full
- Payment plans: Deposit + 7 equal installments.

July/Aug
- Annual Audits by IPI
Determine your city’s estimated payroll, taking into consideration:

- Cost-of-living and/or merit pay increases
- Staffing changes
- Changes in operations

Review Experience modification worksheets and last 4 completed years of claims data valued as of 12/31.
Budgeting for Workers’ Compensation Premium

- NCCI Rates are approved
- Discount Rating Plan
  - Longevity Credits
  - Loss Experience Credits
  - Large Premium Credits
- New MOD Factors available
- Good Experience Bonus
- Payroll Worksheets coming soon
## Payroll Renewal Worksheet

**Member Name**

**Renewal Worksheet as of 1/20/2017**

**Policy Period: 7/1/2016-7/1/2017**

### Workers' Compensation Coverage

<table>
<thead>
<tr>
<th>Class Code</th>
<th>Description</th>
<th>IMWCA Estimated Payroll</th>
<th>Member Estimated Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>5506</td>
<td>Street or Road Paving</td>
<td>796</td>
<td></td>
</tr>
<tr>
<td>7520</td>
<td>Waterworks Operations &amp; Driver</td>
<td>7,581</td>
<td></td>
</tr>
<tr>
<td>7580</td>
<td>Sewage Disposal Plant Operations</td>
<td>4,973</td>
<td></td>
</tr>
<tr>
<td>7711</td>
<td>Volunteer Firefighters &amp; Drivers</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>8810</td>
<td>Clerical Office Employees - NO</td>
<td>150,111</td>
<td></td>
</tr>
<tr>
<td>8810V</td>
<td>Elected or Appointed Officials</td>
<td>2,700</td>
<td></td>
</tr>
<tr>
<td>9015</td>
<td>Building Maintenance - Operation</td>
<td>20,684</td>
<td></td>
</tr>
<tr>
<td>9102</td>
<td>Parks NOC - All Employees</td>
<td>3,589</td>
<td></td>
</tr>
<tr>
<td>9402</td>
<td>Street Cleaning &amp; Drivers</td>
<td>6,095</td>
<td></td>
</tr>
<tr>
<td>9101</td>
<td>Public Library/Museums - Maint</td>
<td>1,583</td>
<td></td>
</tr>
</tbody>
</table>

### Other Coverage

**Non-Statutory Medical Coverage**

- Number of Volunteers: 10  
  Corrected Number: 

By signing this document, I represent that I am authorized to make policy changes for Member Name

---

Print Name

Title

Signature

Date
### Workers' Compensation Coverage

<table>
<thead>
<tr>
<th>Class Code</th>
<th>Description</th>
<th>Rate</th>
<th>Payroll</th>
<th>Premium</th>
<th>Modified Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>5506</td>
<td>Street or Road Paving</td>
<td>9.27%</td>
<td>795</td>
<td>74</td>
<td>69</td>
</tr>
<tr>
<td>7530</td>
<td>Waterworks Operations &amp; Driver</td>
<td>5.38%</td>
<td>7,581</td>
<td>408</td>
<td>379</td>
</tr>
<tr>
<td>7580</td>
<td>Sewage Disposal Plant Operation</td>
<td>3.13%</td>
<td>4,973</td>
<td>156</td>
<td>145</td>
</tr>
<tr>
<td>7711</td>
<td>Volunteer Firefighters &amp; Drivers</td>
<td>49.9%</td>
<td>10,000</td>
<td>4,960</td>
<td>4,611</td>
</tr>
<tr>
<td>8810</td>
<td>Clerical Office Employees - No</td>
<td>0.31%</td>
<td>190,111</td>
<td>405</td>
<td>432</td>
</tr>
<tr>
<td>5810V</td>
<td>Elected or Appointed Officials</td>
<td>0.31%</td>
<td>2,700</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>9015</td>
<td>Building Maintenance - Operation</td>
<td>5.44%</td>
<td>20,884</td>
<td>1,125</td>
<td>1,046</td>
</tr>
<tr>
<td>9102</td>
<td>Parks NDC - All Employees</td>
<td>5.63%</td>
<td>3,569</td>
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<td>113</td>
</tr>
<tr>
<td>9402</td>
<td>Street Cleaning &amp; Drivers</td>
<td>5.78%</td>
<td>6,096</td>
<td>352</td>
<td>327</td>
</tr>
<tr>
<td>9101</td>
<td>Public Library/Museums - Mant</td>
<td>7.68%</td>
<td>1,583</td>
<td>122</td>
<td>214</td>
</tr>
</tbody>
</table>

**Totals:**

|                  | 208,144 | 7,902   | 7,347   | 5,42    |

### Your IMWCA Discount for Workers' Compensation Coverage:

- Longevity Credit: $441, 6%
- Loss Experience Credit: $882, 12%
- Large Premium Discount: $0, 0%
- **Total Discount:** $1,322, 18%

### Workers' Compensation Premium Calculation

- Pure Premium: $7,902
- Experience Modification Factor: $7,347
- IMWCA Discount Amount: $1,322
- Discounted Premium: $6,025
- Good Experience Bonus: $5,582

**Total Estimated Coverage Premium:** $5,582

This is not an invoice.
Interchange of Labor

Payroll for employees performing duties related to more than one work code may be divided provided:

• The employer maintains proper payroll records showing actual payroll by classification for each employee
  • Records must reflect actual time spent working in each classification
  • Estimated or percentage allocation of payroll not permitted

Interchange of Labor not allowed for work codes: 8810, 8742, 8380 and 8227
## Interchange of Labor Example

<table>
<thead>
<tr>
<th>WEEK ENDING</th>
<th>STREETS/ROADS HOURS</th>
<th>#5506 PAY</th>
<th>WATER DEPT HOURS</th>
<th>#7520 PAY</th>
<th>CEMETERY HOURS</th>
<th>#9220 PAY</th>
<th>STREET CLEANING HOURS</th>
<th>#9402 PAY</th>
</tr>
</thead>
<tbody>
<tr>
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<td>2</td>
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<td>3</td>
<td>$30.00</td>
<td>15</td>
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<tr>
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<td>0</td>
<td>0.00</td>
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<td>18</td>
<td>$180.00</td>
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<td>$30.00</td>
<td>9</td>
<td>$90.00</td>
<td>8</td>
<td>$80.00</td>
<td>20</td>
<td>$200.00</td>
</tr>
<tr>
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<td>8</td>
<td>$80.00</td>
<td>8</td>
<td>$80.00</td>
<td>20</td>
<td>$200.00</td>
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<tr>
<td>2/11/03</td>
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<td>$40.00</td>
<td>8</td>
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<td>8</td>
<td>$80.00</td>
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<td>$180.00</td>
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<td>3</td>
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<td>$70.00</td>
<td>20</td>
<td>$200.00</td>
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<tr>
<td>3/4/03</td>
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<td>$50.00</td>
<td>7</td>
<td>$70.00</td>
<td>10</td>
<td>$100.00</td>
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<td>$180.00</td>
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<td>$230.00</td>
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<tr>
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<td>11</td>
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<td>4</td>
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<td>$120.00</td>
<td>8</td>
<td>$80.00</td>
<td>20</td>
<td>$200.00</td>
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<td>$80.00</td>
<td>6</td>
<td>$60.00</td>
<td>23</td>
<td>$230.00</td>
</tr>
<tr>
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<td>60</td>
<td>$600.00</td>
<td>92</td>
<td>$920.00</td>
<td>108</td>
<td>$1,080.00</td>
<td>260</td>
<td>$2,600.00</td>
</tr>
<tr>
<td>YR TO DATE</td>
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<td>$600.00</td>
<td>92</td>
<td>$920.00</td>
<td>108</td>
<td>$1,080.00</td>
<td>260</td>
<td>$2,600.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WEEK ENDING</th>
<th>STREETS/ROADS HOURS</th>
<th>#5506 PAY</th>
<th>WATER DEPT HOURS</th>
<th>#7520 PAY</th>
<th>CEMETERY HOURS</th>
<th>#9220 PAY</th>
<th>STREET CLEANING HOURS</th>
<th>#9402 PAY</th>
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</thead>
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<td>$80.00</td>
<td>10</td>
<td>$100.00</td>
<td>10</td>
<td>$100.00</td>
<td>12</td>
<td>$120.00</td>
</tr>
<tr>
<td>4/15/03</td>
<td>9</td>
<td>$90.00</td>
<td>12</td>
<td>$120.00</td>
<td>9</td>
<td>$90.00</td>
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<td>$90.00</td>
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<td>$1,320.00</td>
<td>144</td>
<td>$1,440.00</td>
<td>304</td>
<td>$3,040.00</td>
</tr>
</tbody>
</table>
Volunteer Coverages

Statutory volunteers

Elected and Appointed Officials including county trustees

Non-statutory volunteers

411 employees
Volunteer Endorsements

Non-Statutory Volunteer Medical-Only

Who is eligible for coverage?

Any person who is a non-statutory volunteer of an IMWCA member, does not receive remuneration and is not covered by the Iowa Workers’ Compensation Act is eligible for this coverage.

If your municipality elects volunteer coverage, all eligible non-statutory volunteers must be covered.

When is a volunteer covered?

A volunteer is covered while he or she is:

- Participating in a volunteer activity sponsored by and under the direct supervision of the IMWCA member.
- Traveling directly to and from such activities.

Description of Benefits

Limits: This coverage provides medical benefits only. Medical benefits paid under this endorsement shall not exceed $25,000 per occurrence or extend beyond two years from the date of injury.

Excess Coverage: This coverage is in excess of any other applicable insurance in force. It essentially "fills in" other plans’ deductibles and coinsurance as well as pays remaining covered expenses if benefits of other plans are exhausted or if the volunteer has no other medical insurance.

Premium: $10 per volunteer per year with minimum annual premium of $100. This endorsement may be added at renewal or any time throughout the year.

Reporting: Members are required to retain a copy of the signed application form for each volunteer and have them available for the annual payroll audit. The forms also provide a mechanism for certification of claims.

Claims: Claims should be submitted through Company Nurse, following the same process that employees use. When asked for whom they work or who their employer is, the injured volunteer should give the name of the IMWCA member for whom they are volunteering.
This invoice is 25% of total annual premium. The balance will be invoiced in 7 monthly installments of $16254. If full payment is remitted, total annual premium is $151704.
<table>
<thead>
<tr>
<th>#</th>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
<th>UO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Installment 1 - Work Comp Prem 15-16</td>
<td>14,254</td>
<td></td>
</tr>
</tbody>
</table>

This invoice is due on August 1, 2015.

Thank You.
Invoicing

Return yellow copy with payment
Information Providers Inc. (IPI)

Premium Audits

Welcome
Information Providers Inc. (IPI) is a leading provider of Property & Casualty and Premium Audit information services. We are a regional company operating directly in 32 states, with additional national coverage capability. We maintain a regional network of service offices, a central processing center, and an employee based field force dedicated to delivering accurate, high quality information to our clients.

Employment Opportunities
Information Providers, Inc. is seeking part-time employees to complete on-site home... Read More

Mobile & Manufactured Home Surveys
As you know, it’s not always this obvious that a mobile or manufactured home can be a problem... Read More

Your Data Security Is Important
A headline is about as far as you need to go to see examples of comprehensive data security practices.

PERSONAL LINES INSURANCE SURVEYS
IPI offers a variety of personal property surveys detailing condition, replacement cost, hazard exposure, protection and liabilities using reports, diagrams and photographs.

COMMERCIAL LINES INSURANCE SURVEYS
Providing three levels of service for commercial customers, our reports can be ordered based on specific underwriting concerns of the risk.

FARM LINES INSURANCE SURVEYS
IPI provides farm surveys ranging from a quick snapshot to an extensive survey providing comprehensive observations of property, operations, conditions, exposures and violations.

PREMIUM AUDITS
We provide professional and accurate physical, telephone and voluntary audits performed by experienced employees. Every audit passes through a rigid review process.
Lisa A. Mart, SPHR, SHRM-SCP
lisamart@iowaleague.org
Office | (515) 974-5329
Cell | (515) 350-3362

Lisa helps members manage their workers’ compensation exposures by providing human resources assistance.
Claims Staff

Matt, Claims Manager

Kim, Claims Examiner

Jenny, Claims Examiner

Sara, Claims Examiner

Chuck, Senior Claims Examiner
Claims Process

* Through Company Nurse. 24/7 first-report of injury & nurse triage service
Additional Tools

Tracker
- Online Tool to track the employee
- Provides several reports
  - Develop the OSHA 300 and 300-A report

Return-to-Work Now
- Online database to help members with return-to-work issues
  - Essential Job Functions
  - Transitional Work Assignments
Free monthly e-newsletter
Sign-up online
An employee is injured on the job...

Video outlines claims process
Web Site

IMWCA Online University
60+ courses
CEUs available
Free to members

Prepare for Winter Driving
Use the Online University to train employees on everything from aquatic safety to active shooter response in the workplace. With winter weather looming in the future, check out the many driving courses available, including:

- Driving in Adverse Weather (DM09) covers driving techniques to reduce the likelihood of a motor vehicle accident.
- Defensive Driving (DD60) discusses how to reduce the likelihood of a collision rules of the road, making safe choices.
- Winter Driving Safety (W109) covers safe driving techniques in adverse winter weather conditions.
- Tailgate Topics: Buckle Up (TP06) highlights the importance of buckling up.

Newsletter Subscription

Contact Information
Phone: (800) 257-2708
Fax: (793) 307-2802
imwcainfo@iowaleague.org

Administered by the Iowa League of Cities
Loss Control Service Areas
Online University
Workshops

One-Day Safety University
- Especially designed for safety coordinators
- Topics relevant to members’ needs year-to-year

Regional Workshops
- Held around the state each winter

Solid Waste Workshop
- Focused on Solid Waste issues
Preventing Injuries/Incidents

- Make safety a priority – get everyone’s buy-in
- Form a Safety Committee
- Create an incident review team
- Develop written safety programs and train employees
- Incorporate a disciplinary policy for unsafe behavior
- Communicate frequently with employees about safety
- Perform pre-employment, post-job-offer physicals and background checks
- Contract with outside firms to do work employees not qualified, trained or equipped to perform
Containing Claim Costs

Report claims immediately!

Implement a designated physician program.
Have written, detailed job descriptions.
Implement a return-to-work program.

Complete incident review and report to Safety Committee.

Stay in Contact

Claims examiner
Treating physician
Injured employee
Have a safe day.

What questions do you have?

TimKirgan@iowaleague.org
imwcainfo@iowaleague.org