



New Jersey Schools Insurance Group

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Board of Trustees Meeting of June 17, 2015

Loss Control Report

- **NJABSO Conference**

NJSIG Loss Control, in conjunction with Legal One and Gallagher, O’Gorman and Young, presented *Defusing the Legal Liability Time Bomb* to business administrators at their annual conference in Brigantine, NJ. The presentation was presented in back to back sessions (attached). Each session had over fifty attendees.

Based upon positive feedback, we are expanding the presentation into a half-day session which will be available at Legal One, which provides legal training for the New Jersey Superintendent and Principals Association (NJPSA). The NJSIG Loss Control Department will present as part of this training class.

- **SafetyNet**

The June Safety theme is *Protect Your Hearing*, which provided keys to preventing noise induced hearing loss. The Claims Corner provided information on the new Errors and Omissions Claim reporting procedures which take place 7/1/2015. The article, *It’s Hot Outside, What Are the Safety Risks and Remedies When Temperatures Rise?* provides ideas on how employees can protect their workers from heat related injuries.

Accident Prevention Specialist, James Gabrieli provided an article titled *Kitchen Fire Hazards* which provided safety tips to prevent cooking fires. We are continuing to advertise our Boiler Operator Maintenance Seminar, which will take place later this month and next. A copy of this month’s SafetyNet is provided with this report.

- **ERIC North and MOCSSIF Training Day**

Both sub funds combined to present *Crazy Claim Therapy*, which followed three different types of claims from inception, insured investigation, reporting to the broker, the Claim Department investigation and legal handling. The Loss Control Department provided training on how to investigate and prevent each type of claim.

- **On-line Training**

The Scenario Learning (Safe Schools) contract is part of the 2015-2016 budget submitted for approval. Safe Schools provides over three hundred different online training classes. Since July 1, 2014, over 47,000 member district employees completed over 181,000 trainings. This works out to approximately 69¢ per class. The terms under the new contract are identical to those last year.

Tony Jones

Tony Jones, Loss Control Manager



Defusing The Legal Liability Time Bomb

Presented by:

David Nash, Esq. Director, Legal One

Tony Jones, Loss Control Manager, NJ Schools Insurance Group

Jay Lawton, Area Executive Vice President, Gallagher O’Gorman & Young

Dan Regan, Esq. Area Vice President, Gallagher O’Gorman & Young

CHILD SAFETY

abc NEWS .com

Insurance Coverages Protects People, Places & Things



General Liability
**School Board Legal Liability
(Errors & Omissions)**
Auto
Excess/Umbrella
Property
Workers' Compensation
Supplemental Indemnity
Medical Liability
Student Accident



General Liability Protects Named Insured



Protects the named insured for bodily injury & property damage for which the named insured is legally obligated to pay, subject to policy terms and conditions.

School Board Legal Liability Protects the Named Insured on the Job

- **Specialized liability coverage (includes defense costs) for teachers, school leaders, district officers, and board members**
- **For acts, errors, and omissions arising from services provided by the named insured while acting in the scope of their duties.**
- **Usually covers allegations such as bullying, discrimination, harassment, failure to educate, and Individual Education Plan (IEP)**

Schools Must Have Auto Insurance

- **Provides** for bodily injury and property damage for the named insured's legal liability as per the policy.
- Applies to collision, fire, hail, theft, vandalism, glass breakage
- Covers vehicle damage for **owned, non-owned, hired**



NOTE:

The amount of liability coverage required for motor vehicle insurance varies state by state.

Umbrella/Excess Liability Policy Extends Policy Limits



Umbrella and Excess policies provide liability **limits over the underlying policy e.g. General Liability, Auto Liability, and Errors & Omissions**

Property Insurance Protects Buildings and Personal Property

- Damages to school property that may be caused by a covered peril: fire, lightning, wind, hail.
- NOTE - Additional property coverage may require a separate policy: flood, earthquake, crime.



Workers' Compensation is a Given!



Employer Responsibility/Risk Management

- Provide Safe Place
- Safe Tools
- Qualified Workers
- Create Safety Rules
- Enforce Safety Rules
- Warn of any Dangers

**Required for workers
with work-related
injuries or illnesses**

Supplemental Indemnity is Optional!

- **Applies to full-salary employees**
- **Injured in the course and scope of employment, less wage loss.**

Max benefit period: 52 weeks



Student Accident Insurance is Excess

Student Accident Insurance is Excess Coverage PARENTS' INSURANCE IS PRIMARY!

Protects students against accidental injury during school sponsored and supervised activities, as outlined in the policy.

WHETHER AT SCHOOL OR AWAY, including participation in interscholastic athletics.



Optional programs
available for
competitive sports.

Case Study

It is the first day of a new school year for New Horizon Middle School, a school that includes grades 6 - 8 with 600 total students, including about 50% who are bused and 50% who walk or are driven to school. The school has a new school principal, Mr. Goodheart, who began on July 1st. At the June 20th Board of Education meeting, the board voted to contract with the Premier Safety Bus Company to provide some of its transportation, due mainly to the promise that it would save the district approximately 20% off what it has been paying for transportation with another vendor. Most parents, staff and students are very excited about the first day of school, and conduct themselves in an appropriate manner. However, the principal is informed that a few "issues" have come up, including the following:



Scenario 1



One of the new Premier bus drivers, Ms. Wandering, gets lost while taking students home, and a route that should have taken 45 minutes to complete take 2 hours. The delay leads to more than a dozen concerned parents calling the school and demanding to know what is happening. That evening, a company representative from Premier calls the principal and explains that the driver became distracted when a fight broke out on the bus, and ended up missing a turn as she was looking in her rearview mirror and telling the students to stop fighting. Several students then offered to assist the driver in getting back on the approved bus route, but apparently only made matters worse.

Large Group Activity

As a full group, let's review Paragraph 1 and do the following:

- Identify the legal issues that are raised
- The additional information that needs to be gathered
- The next steps that should be taken by the district, and by whom
- What coverages would apply to this scenario?

Scenario 2

Small Group Discussion

There is a second bus incident with a driver who is a district employee, Mr. Headon. You learn that Mr. Headon, collided head on into a car on a local street. Fortunately, both vehicles were moving slowly (about 15 mph), so that no students were seriously injured, although a couple were treated at a local hospital for minor cuts and bruises. However, Ms. Badluck, a paraprofessional aide who was assigned to be on the bus with Johnny, a special education student, is injured when she staggers and falls, hitting her head. At the time of the incident, she was standing, talking with her assigned student, Johnny, and another student, who the aide says kept calling Johnny "special Johnny" over and over.



Scenario 2 (continued)

Headon and Badluck both tell the principal they intend to file workers compensation claims. The aide is examined that evening by her chiropractor, calls out sick the next two days, and comes to work with a neck brace the following Monday. The driver bumps his head on the steering wheel and is treated at the local hospital for the bruise. It is also determined that he suffered a concussion. The driver calls the principal in the morning and says he is unable to work and has been ordered to be on bed rest by his doctor for the next 3 weeks.



Scenario 2 (continued)

The aide talks with the principal from home the day after the bus accident, and tells the principal she knows what happened. She says that "Headon has his cell phone glued to his ear" and she knows he was texting at the time. She admits that she was not looking at the driver precisely when the accident occurred, but reiterates that he is always on his phone.



Small Group Activity

Scenario 2 – Identify and analyze the issues raised:

- Legal issues that are raised
- Additional information that needs to be gathered
- Next steps that should be taken by the district
- What coverages would apply to this scenario?

Scenario 3

Small Group Discussion

An incident occurs in 8th grade algebra class during period 3. A student Jenny Push Buttons, is late coming to class, and is confronted by Mr. Hothead. Mr. Hothead asks Jenny to explain to the class why she can't bother to show up on time, even on the first day of class. Jenny responds by saying she makes it her business to never be late for things that are important. Many students in the class let out a collective "oohh!" Mr. Hothead tells her to stop speaking, sit down and get her act together. Jenny wanders the class, bypassing three open seats, pauses for another moment, and finally chooses a seat in the back of the room. She then takes a minute to slowly look through her bookbag, and finally takes out a notepad. Mr. Hothead stares silently at her the entire time, and then announces to the class that "it seems we can finally proceed, if that's OK with you, Jenny." Jenny shrugs, saying "whatever." Hothead replies that he now understands why he was warned about Jenny by her 7th grade math teacher, and says he is "pleasantly surprised that she feels she is up to the challenge of Algebra." Jenny then picks up her things and storms out of class, and goes straight to the principal's office, and reports that she is being bullied by Mr. Hothead.



Scenario 3 (continued)

Later that day, Hothead is questioned by the Principal about the incident. He explains to the principal that he had a similar issue with Jenny's older sister last year, and that both siblings like to test limits and need to understand that there are parameters for acceptable behavior. Mr. Hothead explains that his therapist has told him that it is not healthy to keep his feelings bottled up, and that when feels he is not being treated in a respectful manner he needs to address the issue immediately. The principal tells Mr. Hothead he is not there to discuss his therapy, but rather to deal with the incident at hand.



Small Group Activity

Scenario 3 – Identify and analyze the issues raised:

- Legal issues that are raised
- Additional information that needs to be gathered
- Next steps that should be taken by the district
- What converges would apply to this scenario?

Risk Management Problem & Solutions

LC Recs Scenario 1

- Training on all policies
- Designated routes (BOE approved) should be practiced/tested by the driver prior to start of school
- Each driver must have a 'run sheet' that lists students and stops
- A policy/practice that a driver must contact dispatch if deviated from planned route for any reason (traffic, missed turn, detour, etc.)
- Obtain directions from dispatch, not from students
- A policy/practice that a driver must stop the vehicle in a safe location prior to addressing student behavior

Risk Management Problem & Solutions

LC Recs Scenario 2

- Policy/practice that if bus is in motion all must remain seated. Stop to stand.
- Need driver accident procedure- info notifications, etc.
- District accident procedure- parent notifications, ems notifications (allergies, conditions) for student prior to E med care.
- Policy to assign administrator/certified staff to respond to the hospital as student escort until guardian arrives.

Risk Management Problem & Solutions

LC Recs Scenario 2

- Administration must respond to accident and provide a site- policy for releasing children (medical clearance, guardian custody) only an administrator is authorized, not the driver.
- Training/drill for all involved. Notify parents procedure at the start of the year to avoid confrontations at accident scenes- remember each kid has a phone!

Risk Management Problem & Solutions

LC Recs Scenario 2

- Aide must recognize and report potential bullying/LAD violation.
- Personal electronics use policy/training for bus drivers- phone, texting, headphones, music, etc
- Install cameras on the buses- can require by contract that companies also provide. Work out w/ contractor when district is able to view video and who can view it. Legal sticking points!

Risk Management Problem & Solutions

LC Recs Scenario 2

- Policy/practice on WC reporting-
 - internal incident report completed before employee leaves premises.
 - managed care initiation
 - Employees do not to seek treatment on own
 - BOE directs care

Risk Management Problem & Solutions

LC Recs for Scenario 3

- Brought up last year's behavior and performance- implied student not bright enough for class
- Therapist opinions don't apply. We are dealing with children, not adults.
- Student/Classroom Management Training.
- Non-violent Crisis Intervention Training.



“Thank You”

Jay Lawton, Area Executive Vice President, Gallagher O’Gorman & Young
Dan Regan, Esq. Area Vice President, Gallagher O’Gorman & Young
David Nash, Esq. Director, Legal One
Tony Jones, Loss Control Manager, NJ Schools Insurance Group

Protect Your Hearing

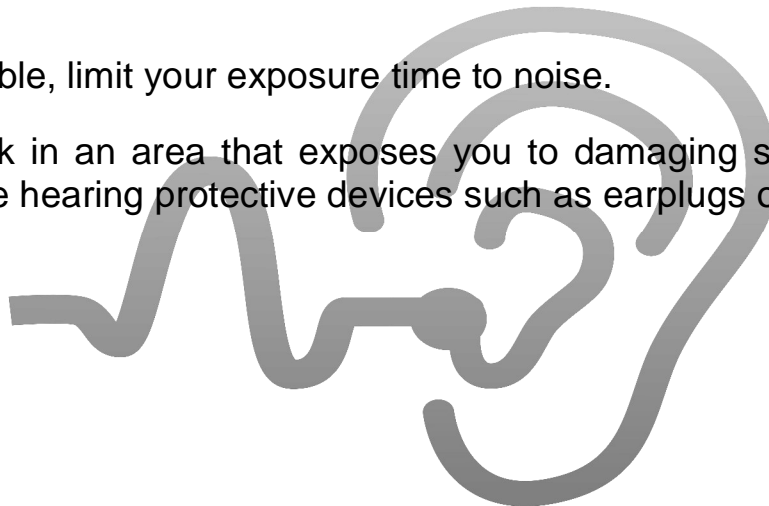
Hearing loss is the number one disability in the world, and ironically, it's also the most preventable. Every day we experience sounds in our environment, but when we are exposed to harmful sound, sensitive structures of the inner ear can become permanently damaged causing Noise-Induced Hearing Loss (NIHL).

Sounds that are louder than 85 decibels (dB) can damage your ears. Commonly used equipment that often produces noise levels in excess of 85 (dB) include: chainsaws, hammer drills, bulldozers, powered lawn mowers, motorcycles, diesel trucks, food blenders, and factory machinery.



Keys to Preventing Noise-Induced Hearing Loss:

- 👂 Be aware of noise hazards, and take action to protect your hearing.
- 👂 If possible, remove or control noisy equipment to eliminate or reduce the noise hazard.
- 👂 Whenever possible, limit your exposure time to noise.
- 👂 If you must work in an area that exposes you to damaging sound levels, always wear appropriate hearing protective devices such as earplugs or earmuffs.





New E & O Claims Reporting Procedure



Please be advised that **effective July 1, 2015** all **NEW** claims reported under your E & O Policy will be processed and handled by Summit Risk Services. The new loss should be faxed to:

NJSIGCLAIM@SUMMITRISK.COM

Only new E&O claims should be sent to this email address. Below is the definition of what should be reported to this address.

Section V of the policy, Definition "C" states:

The term "Claims first made against the Insured and reported to the Group" shall mean that the Insured has received notice of legal process, or that a demand for money or services has been made against the Insured, or that the Insured has become aware of a proceeding, event or development which has resulted in or could in the future result in the institution of a claim against the Insured and that notice has been given in writing to the Group during the policy period.

Samples of what you must report:

- Letters from attorneys demanding damages or other relief, or threatening suit
- Direct claims by employees, students, public demanding damages
- Notice of Tort Claim
- Lawsuits
- Administrative Law Proceedings

This change was made to hold the insurance premium down for this line of coverage. You will still receive the same great service you received in the past. The NJSIG Hotline is still available to you free of charge.

The only way districts can help reduce the losses in E & O is to train employees and utilize the NJSIG Hotline prior to making any adverse employment decisions and obey all employment and discrimination Federal and State Laws.

Should you have any questions, please contact Louis Giannetto or Mike Cox at 609-386-6060, extension 3011 or extension 3049 respectively. 🌴

*By Louis Giannetto
NJSIG Claims Manager*



It's Hot Outside.

What Are The Safety Risks And Remedies When Temperatures Rise?



The objective of the Occupational Safety and Health Administration's (OSHA) *Campaign to Prevent Heat Illness in Outdoor Workers Program* and to increase awareness and educate employers, as well as employees, about how working in hot weather can endanger employees, especially those working in

outdoor industries like construction, agriculture, landscaping, and transportation.

Activities in hot weather, specifically, those that are labor-intensive, can raise body temperatures beyond levels that normally can be cooled by sweating.

There were 31 heat-related employee deaths and 4,120 heat-related worker illnesses reported in 2012. According to the Assistant Secretary of Labor for occupational safety and health, Dr. David Michaels, "lack of acclimatization [building up tolerance to heat] was the cause in 74 percent of heat-related citations issued." Dr. Michaels emphasized the responsibility of employers to provide work environments that are free from recognized hazards, including excessive outdoor heat.

To help employers, OSHA created heat illness educational materials, as well as curriculum employers can use for workplace training, which is available in both English and Spanish. OSHA also released a free mobile app to enable employees and supervisors to monitor the heat index at their workplace. "Annual summer campaign to prevent heat-related illnesses launched by US Labor Department," www.dol.gov (May 22, 2014).

Commentary

According to the Centers for Disease Control and Prevention (CDC), "heat stress can result in heat stroke, heat exhaustion, heat cramps, or heat rashes."

How can employers help protect their workers from heat-related illness?

- Whenever possible, schedule maintenance and repair jobs in hot areas during cooler months.
- Whenever possible, schedule hot jobs or the most difficult or heavy work for cooler times during the workday.
- Acclimate employees by gradually increasing exposure to the heat for longer periods of time.
- Provide cool water and/or other liquids to employees, but avoid providing alcohol and drinks that contain large amounts of caffeine or sugar.
- Make sure your workers drink water frequently, approximately 8 ounces every 15 to 20 minutes – enough water that they never become thirsty.
- Provide your workers with rest periods with water breaks.
- Provide cool areas for employees to use during breaks.
- If workers cannot avoid exposures to heat, instruct them to wear light-colored, breathable, loose-fitting clothing such as cotton. Avoid wearing non-breathable synthetic clothing.

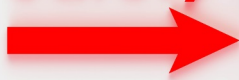
In addition to these suggestions for avoiding heat illnesses, provide training about heat stress, including information about worker risk, wearing protective equipment, self-monitoring and monitoring coworkers, and identifying the symptoms, treatment, and prevention of heat exhaustion and heat stroke. 🌳

Related Links

CDC - Heat Stress

This informational piece was published on June 24, 2014.

Fire Safety



Kitchen Fire Hazards


Can you guess what the most common fire hazard? It's a cooking

fire. The fact is your kitchen is the single most dangerous room in the house or school primarily because it's where we combine heat and flammables in close proximity.

Most cooking fires occur within 15 minutes of having started cooking. The main culprit is a pan left on the stove and walking away. Even if you think you've got a really great memory, don't risk it. It is too easy to be distracted, for the task you went to do that was only supposed to take 10 seconds to turn into a 20 minute job. Think about it, how many times have you accidentally left the burner on?

Another common source of kitchen fires are dish towels, rags or curtains that are too close to the burner. Those cute curtains that make your kitchen look so good fluttering when a breeze blows in the window, the dish towel that you dropped on the counter to grab a bowl; if they get too close to the burner they can ignite.

Safety tips to prevent cooking fires:

1. Silence the "self-talk" that tells you that you'll remember about the pan on the stove because "it only takes a second". I don't care how good you think your memory is, are you willing to risk your family or colleagues life and everything you own based on your memory?
2. Never, ever leave anything on a burner in the kitchen if you are not there to keep an eye on it. Flash fires can happen even when you're in the kitchen watching much less when you're somewhere else in the house or room.
3. Never, ever try to grab a pan with a grease fire in it. You might think to take it outside to get the smoke and flames away from your nice home, but the odds are that you'll drip fire all the way to the door and turn a manageable fire into a blaze that you cannot control.
4. If a fire occurs in a pan on the burner, snuff it out by putting a lid on it. Fire without oxygen extinguishes. DO NOT pour water on it. Water will simply project the flames, sputtering all over.
5. Keep a fire extinguisher handy in the kitchen and learn how to use it.
6. Keep flammables (kitchen rags, towels, dish cloths, curtains, etc.) at least three feet away from burners. 

By James Gabrieli
NJSIG Accident Prevention Specialist



Fundamentals of Boiler Operation Maintenance Seminar

Presented by:



Hartford Steam Boiler

New Jersey Schools Insurance Group & Hartford Steam Boiler Inspection and Insurance Company

Course Description: This program is designed to cover the fundamentals of proper boiler maintenance and the codes and standards governing boiler design, fabrication installation, maintenance and repair. The course will take an in-depth look at areas that are vital for any effective boiler maintenance program. Any person responsible for operating and maintaining boilers should attend. There are no course prerequisites required.

Topics:

- How to Operate Boilers
- Boiler Codes
- Boiler Operation
- Boiler Maintenance
- Boiler Inspections
- A "Recommended Preventive Maintenance Schedule" is included

Time: 8:30 a.m. - 3:00 p.m.

Cost: \$50 per person (NJSIG Members) Non-Member: \$150

Continental breakfast and lunch are included in the cost of the seminar.

Your choice of four locations.

June 26, 2015	July 17, 2015	July 24, 2015	July 31, 2015
Atlantic County Special Services 4805 Nawakwa Boulevard Mays Landing, NJ 08330 609-625-5590	Courtyard Marriott Courtyard Glassboro Rowan University 325 Rowan Boulevard Glassboro, NJ 08028 856-881-0048	Foundation for Educational Administration 12 Centre Drive Monroe Township, NJ 08831 609-860-1200	Hanover Marriott 1401 Route 10 East Whippany, NJ 07981 973-898-4672

RSVP by June 19, 2015, July 10, 2015, July 17, 2015 and July 24, 2015 respectively to Sue Williams, NJSIG at 609-386-6060 extension 3005 or via email at swilliams@njsig.org. Purchase orders and payments may be sent to New Jersey Schools Insurance Group at 450 Veterans Drive, Burlington, NJ 08016, attention Sue Williams. **No refunds for no shows.**