THE MUTUAL ADVANTAGE
THE COUNTY MUTUAL: A HISTORICAL PERSPECTIVE

The Wisconsin County Mutual was created in response to the 1985 insurance crisis, when several commercial carriers ceased writing municipal liability insurance. This crisis served as a catalyst for Wisconsin county officials to join together and find a solution - an insurance company owned and operated by county boards.

When the County Mutual was created, our goal was to provide quality liability insurance substantially at cost to our owners. Our record demonstrates that we are meeting that goal.

Ownership gives you a voice in the County Mutual’s programs and services. Today, we insure the liability exposures of 52 of Wisconsin’s 72 counties. Since 1997, the County Mutual has provided workers compensation coverage and risk management services to 31 of our member counties.

We have prepared the following document as a review of the County Mutual’s liability and worker’s compensation insurance program and why we are unique in comparison to our commercial counterparts.
COVERAGE
The County Mutual drafted its own policy to provide the total scope of liability protection needed by counties. Under this policy, the County Mutual provides the following liability coverage:

» General liability;
» Personal injury liability, including a broad definition and coverage for discrimination, civil rights violations and employment related actions;
» Automobile liability, including uninsured motorist coverage;
» Law enforcement liability, including coverage for assault and battery and intentional acts;
» Public officials errors and omissions liability, including directors and officers liability for health care institutions, county owned airports, and county officials representing the county on other boards and commissions.
» Full Cyber Liability Coverage
» Property Insurance Program
» Nursing Home Liability (if needed)
» Workers Compensation

With the exception of the worker’s compensation coverage, the County Mutual includes all coverages in one policy. This eliminates potential coverage gaps and reduces potential for claims disallowance.

As the County Mutual matured, the Board has expanded the policy to respond to the changing needs of county government. For example, the policy was expanded to cover lawsuits seeking injunctive relief. The County Mutual now defends counties in all injunctive relief cases that demand attorney’s fees and allege a civil rights violation, personal injury or error or omission because a plaintiff victory may lead to other lawsuits seeking monetary damages.

All coverage is written on an occurrence basis, not the onerous claims made form used by most of the industry.

LIMITS
The County Mutual offers $10 million limits for each and every occurrence covered under the policy, with no annual aggregate. Many carriers offer annual aggregate limits that appear to provide higher limits, but in actual comparison are limiting. The County Mutual’s higher per occurrence limit provides our members the greatest degree of protection without annual limitations.
COVERAGE
COMMON COVERAGE DIFFERENCES

The coverage afforded to you by the County Mutual is unique. It has been customized over the last 25 years to the unique challenges that Wisconsin counties face. Below are some common coverage differences you will find between your policy with the County Mutual and those found in the commercial insurance marketplace.

» Non-Aggregated Policy Form
» Single Policy Form - No Potential Gaps
» Policy Form Design Specifically for Counties
» Claims Made vs. Occurrence Policy Form
» Joint Defense Strategy
» Coverage for Punitive Damages
» Coverage for Non-Monetary Damages
» Coverage for Care, Custody & Control - Full Limits
» Pre-Funded Deductibles - Not Paid in Addition To Premium
» Immediate Response for EEOC / Civil Rights / Due Process Claims
» Legal Loss Prevention Expense Endorsement
PREMIUM VS. THE COST OF RISK

Merely comparing premium does not offer a complete comparison of the actual cost of your insurance and risk management program. Often there are outside expenditures you may incur that are no included in the premium costs of a competing program.

Examples of some of these costs:

» Legal expenses of actions that have not triggered coverage
» Expenses for risk management and training programs currently funded by your carrier
   » Lexipol Law Enforcement Policy Development & Training
   » In-House Firearms Training Simulators
   » HIPAA Policy Development
   » Highway Safety Days - Audiogram testing for Highway Departments
   » Cyber Risk Assessments
   » Forestry Training - Chainsaw Safety
   » Online Safety Training
» 24/7 Nurse Care Line
» Other Field Training Programs and Risk Management Consultation
SERVICES

The County Mutual prides itself in responding to the changing needs of county government. Here are some unique examples of what the County can expect:

CLAIMS PHILOSOPHY - The claims philosophy of the Mutual is simple. If our insured is not liable, fight. If our insured is liable, beat the attorney to the door and strategically negotiate.

EMPLOYMENT RELATED ACTIONS - Due Process / Administrative Hearing response or “I want my job back!” type situations, where no actual monetary damages are sought.

PRE-CLAIM LOSS CONTROL STRATEGY - Often in employment actions, the county is aware of potential litigation long before any formal legal action is taken. We provide strategic consultation to assist counties in proper handling to prevent legal action or advance a position removed from the “politics” of a situation.

LEGAL EXPENSE SUPPORT – Often in the bargaining process, issues may arise that can have back-end mediation, arbitration or litigation. We provide risk management support by securing approved counsel, familiar with the bargaining process and the County Mutual’s philosophy, and sharing the cost of said services with the member.

FULL CLAIMS AND LITIGATION MANAGEMENT SERVICES - Our services in this area are custom designed to meet the specific needs of the County. We work closely with Administration, key department heads and the Corporation Counsel to implement customized procedures for the communication of the claims process.

GASB ACTUARIAL REVIEW - Each year the County Mutual funds the necessary actuarial review to determine the extent and impact of funding of deductible losses and your obligations from an accounting standpoint.

COMMERCIAL DRIVERS LICENSE (CDL) EMPLOYER NOTIFICATION PROGRAM - Annually, the County Mutual funds each members per driver obligation for enrollment in this program.

ANNUAL CORPORATION COUNSEL’S FORUM - For the past 18 years, the County Mutual has sponsored the forum as a means of keeping our member corporation counsels up-to-date on topical issues in the legal environment affecting county government. In addition to meeting with many of our defense firms, each corporation counsel earns valuable continuing legal education (CLE) credits.
RISK MANAGEMENT SERVICES & TRAINING PROGRAMS

Further, we have developed a number of services to assist our county owners to better manage their operations, programs and services. Often these resources allow budget conscious members to devout valuable dollars to active safety / loss prevention programs.

The County Mutual provides the following risk management services at no additional cost to county owners.

» Pre-claim loss control;
» Americans with Disabilities Act Position Inventory;
» Safety Committee Implementation
» On-site loss control training programs;
» HIPAA compliance programs
» Personnel policies and procedures legal review;
» Contract review
» Employment practices training, including sexual harassment prevention training;
» Video loss prevention services;
» Web-based training programs [Developed by the County Mutual and produced locally]
» Mutual Effort quarterly newsletter;
» Sample policy and procedure manuals;
» Diversity/sensitivity training;
» Highway safety rodeos;
» Advanced Law Enforcement Risk Training [A.L.E.R.T.], including simulated firearms training; jail operations & policy reviews;
» Power Point presentations developed in Wisconsin; and
» Many other personalized training programs custom designed to each members needs

Our dedicated staff of 5 risk management professionals is ready to provide the needed resources to assist your department heads and elected officials in providing a safe workplace and operations.

In addition to our field work, we provide a full array of seminar based, “train the trainer” type programs. Examples of a few of these programs are:

» Excavation & Trenching
» Chain Saw Safety
» Forklift Operations
» Defensive Driving
» Employment Practices
» Playground / Parks Safety
» De-Escalation
CLAIMS AND LITIGATION MANAGEMENT

When the unfortunate occurs and a claim is filed our six (6) member claims and litigation staff will be there to assist you in the field adjusting, consultation and take the claim right through the courtroom. Working closely with our approved defense firms, we have been extremely successful in defending many noteworthy cases in Wisconsin and federal courts.

COST
PREMIUM RATES
It has been the goal of the Wisconsin County Mutual to assist our counties in stabilizing insurance costs through unique and innovative ways to match their appetite for assuming risk through deductibles with budget protection. In fact, basic rates for $10,000,000 limits today are lower than our basic rates for $5,000,000 limits in 1988.

FINANCIAL STABILITY
The County Mutual maintains an excess of $25 million in surplus to support approximately $12.5 million of premium. The insurance industry standard is a maximum $3 of premium for every $1 surplus. The County Mutual is very well capitalized using industry standards. This prompts the County Mutual Board to routinely review our surplus needs and to return excess surplus to the counties for county use.

DIVIDENDS
Further, once the original capital contribution was repaid to founding member-owners, the County Mutual board began declaring dividends. These dividends further reduce Monroe County’s liability insurance cost. In fact, 2010 the Board of Directors increased the dividend by 50%.
YOUR COMPANY, WORKING FOR YOU.
The County Mutual is dedicated to services the specific and unique needs of our member-owners, Wisconsin counties. An insurance company owned by its members is loyal to its members. Below are some examples of how the County Mutual has remained loyal to Wisconsin counties since our founding in 1988:

» Level rates since 1988
» Annual Liability Dividends
» Broad-based, COUNTY-Specific Coverage Design
» Fully-funded specialty risk management training
» Dedicated claims and risk management staff working on for Wisconsin counties
» 24/7 Nurse Care Line established (Experience Modification Reduction)
» Full Cyber Liability Coverage added
» Property Coverage added with clearly established goals:
  » Provide a long-term property solution
  » Provide a pricing structure that is substantially at cost
  » Build flexibility to respond to the unique exposures of county government
  » Minimal overall budget impact
  » Provide support and consultation of cost effective property deductible selections
  » Provide innovative risk management programs for programmed maintenance, trending building solutions and education (a “property school” for facilities management)
  » Structure and monitor the claim process.

AN ACTIVE VOICE IN YOUR INSURANCE COMPANY
Since 1988, the County Mutual is dedicated to service only one group of insureds in Wisconsin, Wisconsin counties. Through participation on the Board of Directors, serving on the company’s technical operating committees or direct communication with the insurance company, each insured has the ability to influence the operations of your insurance company. We are not able to insure any other type of business, so you have our complete attention.