

MTM Manufacturing Technology Mutual Insurance Company

Monthly Newsletter for September 2010



Participant in the Michigan Property & Casualty Guaranty Association



From the Desk of Gary Wood Audits, Audits, Audits...

We seem to have auditors in our office nearly every quarter! The state audits us, the reinsurer audits us, the CPA audits us and our prior excess insurance companies audit us.

Just the other day Midwest Employers Casualty Company (the insurance company that currently reinsures our insurance company) completed an audit of our processes to see if we are doing okay in what they concede is a "rough" economy.

Their four staff members began the audit with a "Management View Report" which reviews the operations of this organization and benchmarks against other similar organizations (mutual insurance companies). In 2005, when we were still a self insured group, we went through the same process and received a favorable report and we had a chance to compare the results.

The 2010 report solidifies our favorable position and places us even closer to their "Best Practices" ideal with even less severity and frequency in claims than in 2005. This review placed us significantly better than their model in terms of severity and nearly equal to their model in terms of frequency. We are proud to be performing our services for you at a level exceeding the expectations of our reinsurer. This best practices evaluation may result in some future cost savings to you as this means we are on track to spend less money on claims and to obtain the best possible reinsurance terms.

For those of you that do not remember, we had an audit by the Michigan Office of Financial and Insurance Regulation last year which included over six weeks on-site work by the State with the result being a one page letter with three minor recommendations (four if you include putting a better lock on the server room door).

As a mutual insurance company our financial information is available at any time by request to the State. Our policy holders are secure by virtue of our participating in the Michigan Property & Casualty Guaranty Fund which Guaranties claim payment to our policyholders regardless of our status.

We are a secure source for your workers' compensation insurance. Call the Guaranty Fund (look for source information on our website) if you want to hear it directly from them!



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Now It Begins – The Renewal Cycle That Is

We are again nearing that time of the year when we offer renewal quotes to the majority of our policyholders. Please return your renewal questionnaire as soon as possible so that we can develop a renewal package for our reinsurer and develop quotes for the 2011 policy year.

The questions are simple but meaningful. We really do need to know if you have an airplane or a boat that you use in your business and if you are working underground or in elevated locations. We are not asking the questions because we are trying to find an excuse to charge you more money; our reinsurance treaties actually have exclusions for aircraft and boats and heights and depths. If you neglect to tell us about this very important information, we might not have reinsurance should a disaster occur.

Somebody's Got Your Money

Chris Doebler, Controller

Many people are aware that the State of Michigan maintains a website where you can check to see if any of the millions of dollars escheated each year belong to you. What you may not be aware of is that the site provides this information not just for individuals but for businesses, retirement plans, and many other entities.



Where do these funds come from? There are a wide variety of sources, including

- dormant bank accounts
- life insurance policies
- uncashed payroll checks
- uncashed investment checks (fee refunds, dividends, interest, etc)
- uncashed insurance checks
- unclaimed deposits (utility, rent, telephone, cable, etc)
- bankruptcy or other legal proceeds
- tax refunds

In short, any source where the owner could be identified but could not be found.

Where do you go to find your windfall? Go to www.Michigan.gov/Treasury and click on Unclaimed Property. Click on Michigan's Money

Quest. Be sure to read the search tips before you begin so that you don't inadvertently miss a possible name variation. If something pops up that looks like it could be you, download and execute the Initial Inquiry Form to start the ball rolling.

Note that each state has its own unclaimed property system, so if you have ever lived in another state you may want to do a search there too. If you receive a letter or email from someone who says that they can help you find these unclaimed funds chances are that they have already found them, so you can too.

Claims Corner

Donna Motley, Claims Manager



If you have filed a claim with our department, you may be familiar with our practice of hiring a Nurse Case Manager to participate in the claim handling process. A Nurse Case Manager is a nurse who will attend the actual doctor appointment with the injured employee. In severe or catastrophic injuries, she/he will assist in all medical aspects. The nurse will go to the hospital, obtain medical records, meet with family members, arrange for medical supplies and equipment, assist with scheduling therapy, etc. They help the employee and they also help the employer and insurance carrier.

The nurse will contact the employer regarding availability of restricted or light duty work; they will obtain a job description for the doctor or therapist to aid in determining if the employee can return to work and in what capacity. They will let the employer (and insurance adjuster) know of the employee work status and the date of the next scheduled doctor visit.

The nurse reports to the insurance adjuster immediately following a doctor visit thereby assuring no break in employee benefits. A lot of doctors appreciate the nurse's presence as they "speak" the same language. The nurse will ask medical questions and make sure the employee has their questions and/or concerns addressed. They will also have the doctor address questions or concerns of the adjuster.

A Nurse Case Manager is not assigned to ALL cases. As indicated, the nurse is a tremendous help in complicated medical cases, but also in those of questionable nature. When attending a doctor visit they will document the employee's behavior and attitude; the employee will not be able to tell the doctor that there is no light duty work available or that he lifts 100 pounds, 50 times a day (without a crane), etc. The nurse may also find out the employee was playing baseball over the weekend, or has a medical history of the same type of injury or a family history of filing claims.

Does everyone like a Nurse Case Manager assigned to a claim? No, some employees and plaintiff attorneys think they are more like a spy and push a doctor to return an employee to work too soon. Does an employee have to agree to let the nurse attend the appointment? No, the employee can say they do not want the nurse in the room with them at the appointment (which raises a red flag for the insurance carrier), but we still have the right to have the nurse follow up with the doctor and obtain the information following an appointment.

We find the nurses very valuable in assisting in claim handling and we are very particular about the nurses we hire. They have to understand the ins and outs of the Workers' Compensation Law and also understand how our Claims Department operates and what we expect from them. It is a working partnership.

What's an MSDS Sheet Any Way? Why You Should Care

By Ruth Kiefer, Loss Control Consultant, MSc, ARM

Everyday, at work, at home we are exposed to chemicals. Household cleaners, gasoline for your car, cutting fluids, grinding dust and metal fumes from welding and cutting, even the water we drink represent some of the everyday exposures we face. Chemicals are a necessary part of our lives and without them we could not live or work.

Your company's "Hazard Communication" or "Right to Know" program is designed to help you understand what the hazards are so that your employees can work safely with the materials in your workplace. When a MSDS comes into your workplace it is imperative that it is reviewed to determine what the hazards of the chemical are and how to protect your employees. Employees must also be trained on the chemicals they will be using, how they enter the body, and any physical hazards they may represent. Additionally, any special handling instructions will also be given especially when dealing with flammable materials.

As an employer you are required to have a written hazard communication program, this includes a chemical inventory, Material Safety Data Sheets, training employees on the standard and about the chemicals they will be using and how the personal protection equipment is used to protect them from chemical exposure, and last but not least implementing a labeling program.

The MSDS identifies the chemicals in the material, to include hazardous ingredients and their permissible exposure levels, physical data such as appearance, color, or odor. This document also has fire and explosion data and will give you flashpoint information regarding this material, what material may react to it such as water or air, and any other precautions for special handling.

What if the material you're using spills on the floor? Will your employees know how to clean it up? The MSDS sheet will identify cleanup or emergency evacuation activities that may be needed. The document will give routes of entry and over exposure symptoms the employees may experience if they are over exposed. The sheet will also list the appropriate personal protective equipment that is needed to work with the chemical.

With all this information at your fingertips, your employees should be able to work with workplace chemicals and materials in a safe manner. However, when data sheets are ignored and just routinely placed into a book is when trouble will come knocking on your door. You are opening yourself up to preventable worker injuries or fatalities. Various worker injuries occur because materials were not reviewed as to their hazards and/or employees were not adequately protected, or instructed in how the chemical was to be used or the hazards associated with the chemical. These can be prevented through periodic reviews of your MSDS's and through properly training and protecting your workforce. If you have any questions regarding how to read a MSDS sheet please contact your loss control consultant so they can assist you.