

Tool Kit for Mitigating & Managing SAM Claims

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Safe Successful Schools



The WSRMP Story

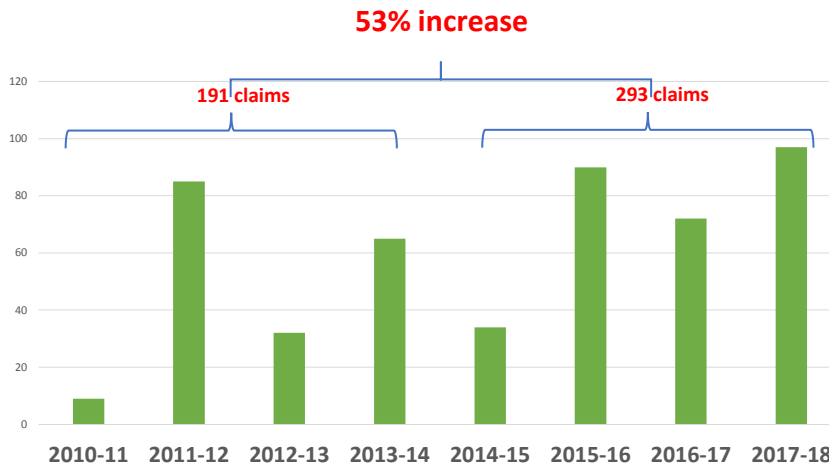
- 4 years ago...
- 48 million in equity
- 98% confidence level

...and then....

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Sex Abuse Claim Count

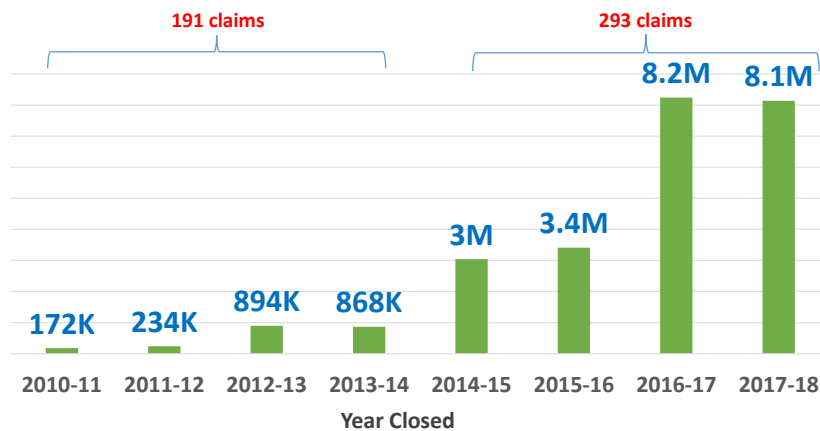


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Sex Abuse Claim Count

Total Cost of Closed Sex Abuse Claims per year

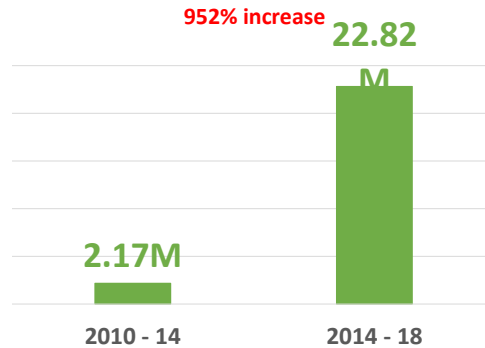


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Sex Abuse Claim Cost

Total Cost of Closed Sex Abuse Claims
for each 4 year period



2015-2018

- 53% increase in claim count
- 952% in claim costs
- Drop from \$48M in equity to \$16M in equity
- Drop in confidence level from 98% to 85%
- Still met state solvency thresholds
- WSRMP Executive Board instituted a 40% premium increase in 2018

How is WSRMP Doing Now?

- Improvement to equity all four quarters of 2018 and Q1 in 2019
- Equity has increased to \$22.5M
- Now standing at 90% Confidence Level – meeting Board Target
- Assets are at \$98.9M
- Actuarial results

Multi-Pronged Approach

- Coverage
- Data Driven
- Underwriting
- Claims Handling
- Risk Prevention
- SAPAC
- Care Team Model
- National/State Wide Collaboration

Coverage

- Deemer clause
- Anti-stacking language
- One occurrence regardless of the number of events
- Employee/youth vs. youth/youth language
- Proposing counseling coverage

Underwriting

- Raised limits from \$20M to \$40M
- Maintain long-term relations with reinsurers
- Created “Casualty Consortium”

Underwriting

2017-18 contribution: 40% increase

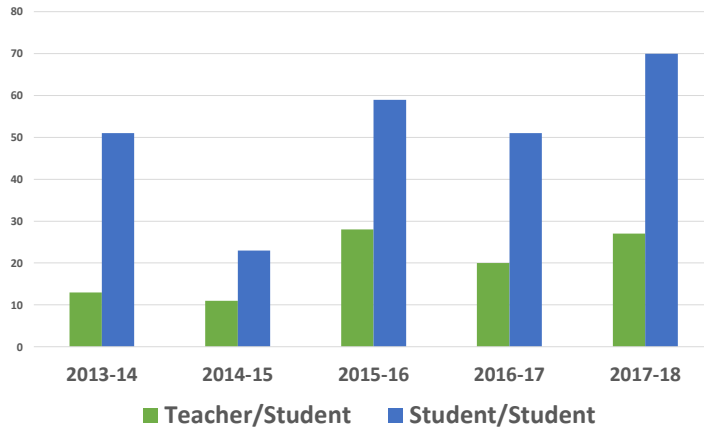
Future Pricing :

- Monitor member loss ratios
- Review incentives/consequences
- Consider long-term recommendations for rates/program structure
- Stability concerns for member budgeting

Data-Driven

- Strong data-driven approach
- Analyze data at pool/member level
- Confirmed problem was SAM claims
- Shared claim trends

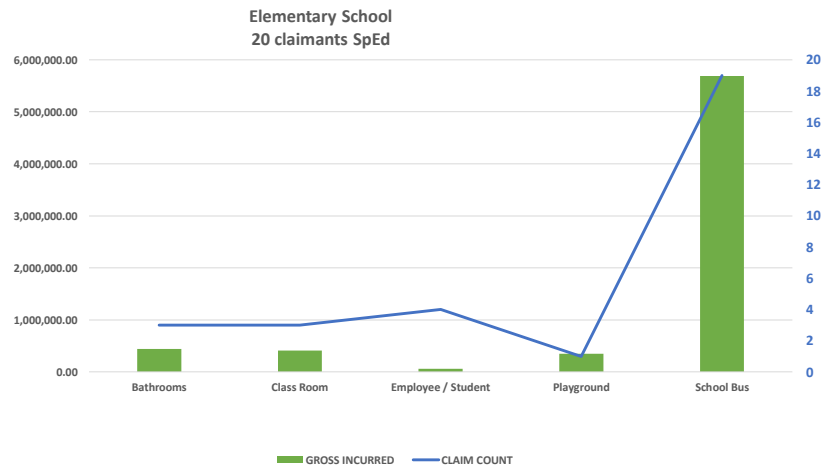
Sex Abuse Claim Type



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\$7M TOTAL INCURRED 30 SAM Claims

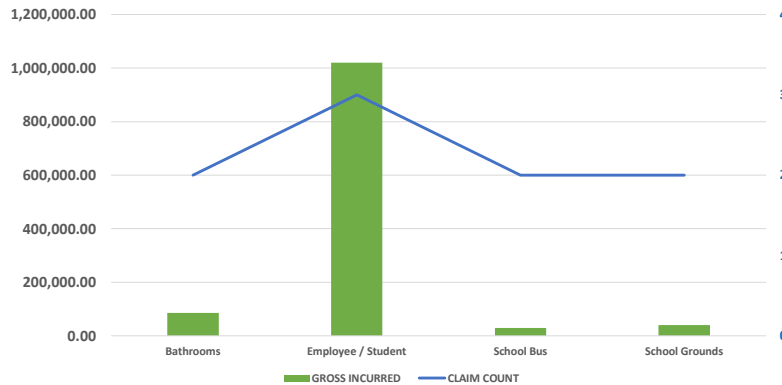


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\$1.2 M TOTAL INCURRED 9 SAM Claims

Jr. High / Middle School
2 claimants SpEd

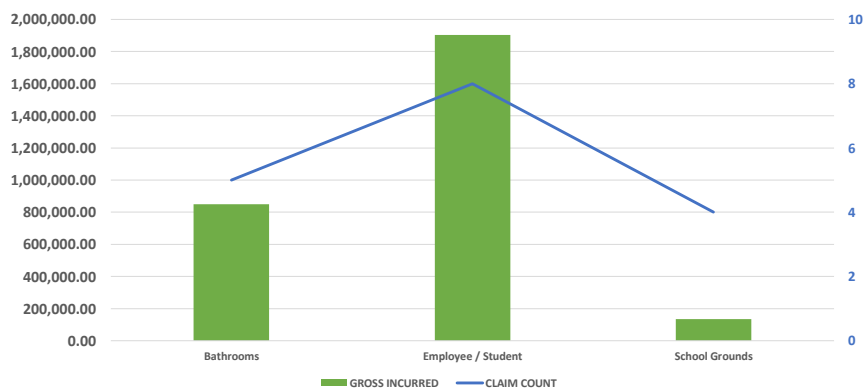


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\$3M TOTAL INCURRED 17 SAM Claims

High School
1 claimant SpEd



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Claims Handling

Reserves

- Intense training by national law firm
- All open SAM files re-reviewed/profiled
- Reserve check list created
- Tiers
- Data base
- Statistical reserve created

Reserve Checklist: Part I

- Age at time of the abuse/at time of the claim
- Claimant's attorney, if any
- Section 504 student/what accommodations
- Was student in special education
- Type of abuse (i.e. fondling)
- Frequency of abuse

Reserve Checklist: Part II

- Relationship to the claimant (i.e. teacher/fellow student)
- Location of abuse (if off campus, was the event school sanctioned)
- Social self-isolation
- Difficulty in relationships
- Grades/attendance
- Sexual acting out

Reserve Checklist: Part III

- Sexual orientation issues
- Drug/alcohol use
- Mental health issues such as depression, anxiety, PTSD, OCD, suicidal ideations
- Issues with authority/criminal activity
- Claimant's support or early therapeutic intervention

Reserve Checklist: Part IV

- Other abuse/injuries or life stressors
- Supervision issues by the district
- Notice/mandatory reporting failures
- Gender/age differentials
- Credibility of version of events
- Other-not cookie cutter

Claims Handling

Specialized support

- Investigation panel
- Monitoring attorney panel
- Mediators
- Experts
- Adjusters- Round tabling claims

Claims Handling

Claims Prevention Measures

- Immediate reporting
- Specialized attorney
- Early empathic contact by District leader
- Offer of counseling
- Safety plans-door to door
- Planned follow up
- District audit of safety plans

Claims Handling

Claim Mitigation – Pre-Litigation

- Exchange of key discovery
- Informal interview of student/family
- Early mediation
- Fair settlements/low legal costs

Risk Prevention

- 3 members = 47% of SAM claims
- 14 members had SAM claims in excess of 1 million total incurred
- 53 members had elevated SAM claim loss ratios
- Developed customized action plans (MBR) for these members

Risk Prevention

- Developing micro-learning series for staff, students and families
- Regional trainings
- Newsletter articles
- Guest speakers
- Books provided to membership
- Anonymous reporting tools

SAPAC

Sex Abuse Prevention Advisory Committee

- WSRMP staff
- High volume SAM claim members
- SAM attorneys
- SAM investigators
- SAM psychologist

SAPAC

Goals:

- Create the Care Team Model
- Identify strategies to disrupt/prevent sexual abuse
- Interview vendors, products and tools
- Identify members to pilot strategies and report back on progress
- Meet with State representatives

Care Team Model Objectives

- Offer apology
- Express concern/offer assistance
- Careful language choices
- Student/family counseling sessions (6)
- Optimistic recidivism statistics
- Create Safety Plan with student/family input
- Establish follow up schedule

National/State-wide Collaboration

- AGRIP
- WSSDA state policies
- OPP misconduct investigations/“pass the trash” laws
- State-wide pools approach to keep kids safe
- Tell our story with legislators utilizing the Liability Reform Coalition

Tool Kit

- WSRMP Annual Report
- Care Team Model
- SAPAC Charter
- Coverage: Deemer language
- Coverage: Anti-stacking language
- Coverage: One occurrence language

Tool Kit

- Claims: Reserves Checklist
- Claims: SAM Attorney Panel List
- Loss Prevention: Member Benefit Review sample
- Loss Prevention: RAS Resource List
- Loss Prevention: SAM Trainings
- Other: WSRMP Newsletter Articles on SAM

Tool Kit

Outside Resources

Please be mindful of copyrights:

- WSSDA SAM Policies 5253 and 5253P
- ***Understanding Children's Sexual Behaviors***, by Toni Cavanagh Johnson
- ***Assessing Student Threats: Implementing Salem-Keizer System***, by John Van Dreal
- ***8 Ways to Create Their Fate: Protecting the Sexual Innocence of Children in Youth-Serving Organizations***, by Diane Cranelly

The WSRMP story...This is why...



QUESTIONS?

THANK YOU