

Developing your Risk Management Strategy



www.bowermaster.com



California Businesses







My Purpose

My purpose is to be a
trusted strategic partner
dedicated to positively
impacting client net
worth, while changing the
perception of insurance
brokers...one client at a
time.





California
Employer

35 Employees

\$1.7MM

payroll

Forklift

incident,

“Serious”

injury

Employer

35 Employees

Forklift incident, resulting in a “[Serious](#)” Cal-OSHA injury

\$1.7MM payroll

OSHA Citations:

- | | | |
|----|---|-----------------|
| 1. | Regulatory Violation T8 CCR 342(a): failure to report: | \$5,000 |
| 2. | General Violation T8 CCR 3368(b)(3): failure to train: | \$550 |
| 3. | Serious Violation T8 CCR 3668(a)(2): lack of program: | \$4,950 |
| 4. | Serious Violation T8 CCR (3650(t)(5): failure to operate: | <u>\$14,440</u> |

Cal-OSHA Penalties

\$24,900

Workers' Compensation Claim Cost (Serious and Willful Misconduct): \$423,205

Experience Modification Rate points:

21 pts

- Now 148%, which exceeds the 125% Cal-OSHA High Hazard employer threshold

Estimated Workers' Compensation Insurance premium increase per year (3 years):

\$36,000

Total Direct Cost for 3 years period:

\$132,900



Richard Langton



Sacramento
Bowermaster & Assoc.



Christina Cheung



Silicon Valley
ISU Cheung & Assoc.



To qualify as a **BEST PERFORMER**, the agency must have an audited, X-MOD performance record of 89% (89% or below = a Grade of "A" - excellent vs. an X-MOD of 100 = Grade of "C" - average) for employers enrolled in the agency's **WorkComp Controllable Premium Improvement** programs during the calendar year.
(see chart on attached page)

To be nominated as a **BEST PERFORMER** the agent must first have spent 4 years in the practice of workers **compensation** (double the amount of time for an accountant to earn the CPA designation) and pass an exam to become a **CERTIFIED WorkComp Advisor. (CWCA)** Most importantly, the agent must then submit the "Performance Record" of employers for whom they have managed the **workers compensation insurance** for a minimum of 3 years.

Note: the "X-MOD Performance Record" for each California employer and their insurance agent representative is published on a yearly basis by the California state agency, **WCIRB *** and

SAFETY IS NO ACCIDENT





TAHITI
CABINETS INC.



TAHITI
Cabinets Inc.
Custom Millwork



\$79,245

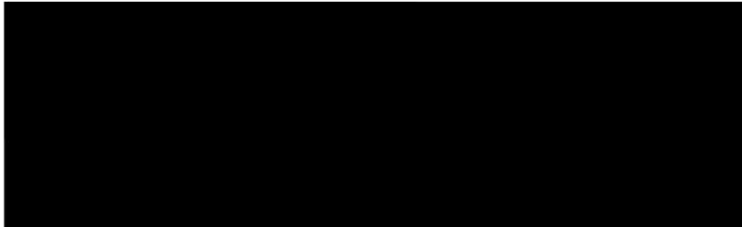
Thank You
Richard Langton

WOODPRO
Insurance Protection Management
A DIVISION OF BIRMINGHAM ASSOCIATES INS. AGENT, INC.

+ CPR IMPROVEMENT™



Richard Langton
BOWERMASTER & ASSOCIATES
Folsom, CA
0611030
rlangton@bowermaster.com



2812	I	CABINET MFG	9.01	M	8.96
2883	I	FURNITURE OR CABINET MFG - WOOD	14.36	M	14.23
5146	I	*** CABINET OR SIGN INSTALLATION	8.13	C	8.44
5146-1	I	CABINET / FIXTURES INSTALL (PORTABLE)+D3	8.13	C	8.44
5403	I	CARPENTRY - NOC < \$29/HR	20.15	C	18.29
5645	I	*** CARPENTRY RESIDENTIAL <\$26/HR	12.49	C	11.28
8742	I	OUTSIDE SALESPERSONS	0.60	U	0.57
8810	I	CLERICAL OFFICE EMPLOYEES	0.47	U	0.46
8810-2	I	DRAFTSPERSONS	0.47	U	0.46

Names the Bureau Has Removed



01/15/16	C	2016	094	R
12/25/15	C	2016	118	
01/15/16	C	2015	100	R
02/20/15	C	2015	126	
03/08/13	C	2013	064	
01/20/12	C	2012	066	
04/01/11	E	2011	075	
04/01/10	E	2010	079	
12/26/08	C	2009	080	
01/11/08	C	2008	088	
01/19/07	C	2007	083	
04/01/06	E	2006	115	
04/01/05	E	2005	106	
04/01/04	E	2004	087	
04/01/03	E	2003	085	
04/01/02	E	2002	090	
04/01/01	E	2001	086	
04/01/00	E	2000	077	
02/04/00	C	1999	082	P
04/01/99	E	1999	082	
04/01/98	E	1998	074	P
12/19/97	C	1998	074	
04/01/97	E	1997	071	P
12/27/96	C	1997	071	
04/01/96	E	1996	071	P
12/29/95	C	1996	071	
04/01/95	E	1995	070	P
02/17/95	C	1995	070	



How do you
mitigate risk today
and in the future?

How do you
comply with
industry
regulations?

**Where do you
start?**





Control Injuries



Policy name	Template Established	Month	Responsible Person	Final Approval (Y/N)	Date Approved	Date To Review	Comments
		Assigned for Review					
Bloodborne Pathogens	Yes						
Code of Safe Practices	Yes	January					
Drug & Alcohol Policy	Yes						
Electrical Safety	Yes						
Fall Protection	Yes						
Fire Prevention & Response	Yes						
First Aid / CPR	Yes						
Fleet Safety	Yes						
Hazard Communication	Yes						
Hearing Conservation Program	Yes						
Heat Illness Prevention	Yes						
Industrial Truck / Forklift	Yes						
Injury & Illness Prevention Plan	Yes	January					
Lockout Tagout	Yes						
Material Handling / Lifting	Yes						
Personal Protective Equipment	Yes	February					
Respiratory Protection	Yes						
Return To Work	Yes						
Safety & Health Policy	Yes	January					
Trenching & Shoring	Yes						
Warehouse/Housekeeping	Yes						

Key	
	Priority
	Secondary
	Tertiary



www.floorlayers.com



pacificHARDWOOD



40% improvement in
our experience mod
reduced our
"controllable" premium by

\$20,556



CPRIMPROVEMENT™

FIRE EXTINGUISHER

Control Lost Time Injuries



Control Litigation



Control Bad Hires



Control Delays



Control Fraud




Safety Committee

- Establish a monthly set day & time
 - 3rd Thursday's from 3 – 5pm
- Require department managers/supervisors
 - Champion the monthly message
- Standardize your meeting to discuss strategic initiatives
- Establish a unified plan



FOREST PLYWOOD PARTNERS WITH BOWERMASTER TO IMPROVE THEIR SAFETY CULTURE AND INCREASE PROFITABILITY



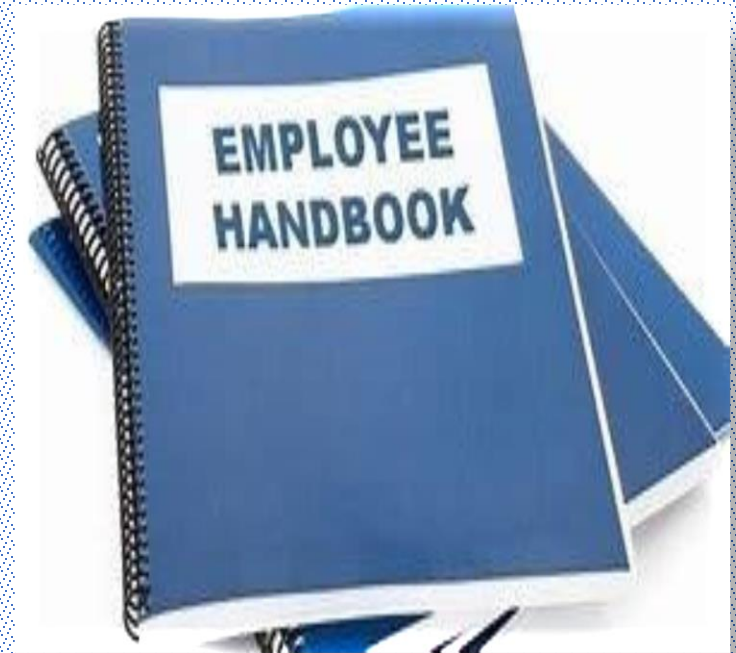
- 
- A photograph of a large warehouse interior. The floor is polished concrete, reflecting a bright light source at the far end of a long aisle. On both sides of the aisle, there are tall stacks of lumber, some wrapped in plastic. The ceiling is high with visible structural beams and fluorescent lighting. The perspective is looking down the center of the aisle towards the bright light.
- Employer
 - Wholesale Distributor
 - 140 Employees
 - 90 Million in Sales
 - Two Locations




- Warehouse supervisor terminated
- Unhappy supervisor seeks out attorney (Boo, Hiss)
- EPLI Limit \$1,000,000
- Deductible \$25,000

COMPANY NAME				EARNINGS STATEMENT				
EMPLOYEE NAME		SOCIAL SEC. ID		EMPLOYEE ID		CHECK NO.	PAY PERIOD	PAY DATE
INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS		CURRENT TOTAL		YEAR-TO-DATE
<ul style="list-style-type: none">• Wage & Hour Class Action• EPLI includes \$100,000 for W&H Defense• No Coverage for improper pay								
YTD GROSS	YTD DEDUCTIONS		YTD NET PAY	CURRENT TOTAL		CURRENT DEDUCTIONS		NET PAY

- **Handbook not updated by Labor Law Attorney for 4 years**
- **No HR assessment of policies and procedures**
- **Estimated cost \$500,000, not covered by insurance**



- 
- Now I'm on a mission
 - Termination Procedures
 - HR Assessment
 - Employee Handbook

My Purpose

My purpose is to be a
trusted strategic partner
dedicated to positively
impacting client net
worth, while changing the
perception of insurance
brokers...one client at a
time.

