

KLC Insurance Services



is

the Choice
of Kentucky Cities



klcis.org

The Kentucky League of Cities Insurance Agency (KLCIA) markets a full line of products and services provided by the Kentucky League of Cities Insurance Services (KLCIS). From property, liability, and workers' compensation to health, life and dental, KLCIA is staffed by licensed professionals who will assist you in evaluating your current plans and your insurance needs.

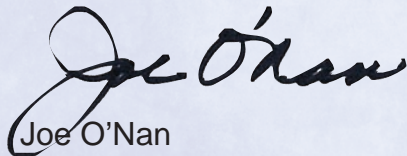
KLCIA is based in Kentucky and serves customers all across the Commonwealth. Because we're Kentucky-based, money remains in the state and is reinvested locally. For you, this means lower insurance premiums in tough budgetary times and money saved for your taxpayers.

As you know, the added value services provided by KLCIS are like no other. We are a member-owned organization, and the products provided by our policies are designed specifically for Kentucky cities and city agencies. What really sets us apart from other carriers is our dedication to serving Kentucky's cities, and our customized municipal service.

In this booklet, you will find information on the added value services that we believe sets us apart from other municipal insurance carriers. We hope this information will make your decisions about insurance much easier.

As always, if you have any questions about a product or service, please contact us. We stand ready to assist you.

Sincerely,



Joe O'Nan
Director of Agency Operations
Kentucky League of Cities Insurance Agency
1-800-876-4552



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Health Insurance

KLCIA offers Anthem Health Insurance through the newly formed Kentucky Local Government Health Trust. Many cities and associated city agencies have seen large increases in their health insurance rates/premiums. The Trust may be an option you should consider. For more detailed information on this fully funded health insurance plan, contact the health division of the KLC Insurance Agency. KLCIA also has access to major providers for competitive group rates on dental, life, disability insurance and other employee benefit plans.



Safety Grant



The KLCIS Board of Directors began the Safety Grant Program to assist members with the purchase of safety related equipment. Since the program began in 1999, KLCIS has awarded in excess of \$3 million. The Safety Grant is a 50/50 matching grant, and is actually two grants rolled into one.

Workers' Compensation (WC): Members with Workers' Compensation coverage with premiums less than \$15,000 qualify for up to \$1,500 in grant reimbursements for approved WC purchases. Members with Workers' Compensation coverage with premiums of \$15,000 and above qualify for up to \$3,000 in grant reimbursements for approved WC purchases.

General Liability (GL) and/or Property (P): Members with General Liability and/or Property coverage with total GL & P premiums less than \$35,000 qualify for up to \$1,500 in grant reimbursements for approved GL & P purchases. Members with General Liability and/or Property coverage with total GL & P premiums of \$35,000 and above qualify for up to \$3,000 in grant reimbursements for approved GL & P purchases.



Drug Free Workplace

The Kentucky legislature recognized the importance of having a Certified Drug Free Workplace. Such facilities are more productive, employees have fewer accidents and it sets a great example for the public at-large.

The staff at KLCIS agrees, and will add a five percent discount on the workers' compensation insurance premium for those who become a Certified Drug Free Workplace. KLCIS will also assist you, at no charge, with the certification process and will help with the required initial training as well as the annual refresher training.



Alternative Dispute Resolution

Sometimes the most compatible supervisor and worker will have a disagreement. Those disagreements can escalate into shouting matches and possibly end up as a lawsuit. The KLCIS Alternative Dispute Resolution Program provides, at no cost to you, an unbiased mediator to help resolve workplace problems. Eighty percent of employees must agree to utilize this no-cost service. You will receive a five percent discount on your public officials' liability policy.



No Cost Disaster Recovery

KLCIS recognized the need for property insured members to have access to a disaster recovery service in the event of a disaster or disruption of municipal operations. We now have an agreement with Agility Disaster Recovery to assist you in resuming operations within 24 to 48 hours of an interruption. This service is provided at no additional cost to KLCIS property insured members if the event is covered by the property policy. Even if the event is not covered by your insurance, you can make use of this service at a reduced cost. To be more prepared for Agility's recovery, log in to the "myAgility" recovery planning portal at www.myagility.com and complete steps one through four of the recovery plan. This allows Agility to better understand your recovery needs for power, computer systems, office space and communication. If you do not have a username and password, contact Agility at 877-364-9393.



Loss Control

KLCIS provides loss control services to all insured cities and municipal agencies as an added value service to their insurance policies. Working with these specialists, at no cost to the city, to improve a city's scorecard and to create a safety program has saved cities money on the cost of property, liability and workers' compensation insurance. Loss control specialists also help cities avoid costly OSHA fines through the recommendations they make during their visits. Cities that work with the loss control specialists receive custom-designed safety and risk management to keep them compliant with OSHA regulations. KLCIS has loss control specialists across the Commonwealth to provide quality risk management assistance and best practice recommendations for our insured members.



Law Enforcement Assistance

KLCIS recognizes the importance of a well-run professional police department. We have two loss control staff members who are former law enforcement officers. These specialists are highly qualified and work exclusively with the law enforcement community to reduce liability exposure and increase the safety of your officers.



KLCIS provides model policies for police departments that address highly critical liability and safety issues that relate specifically to police officers.

In addition to providing important model policies, KLCIS is proud to provide members with hands-on, state-of-the-art firearms training simulators. The use of force simulators are used to train officers on various tactics including voice commands, OC spray, electronic control devices, rifles and pistols. The scenarios that the officers encounter are specifically designed using real life situations and coordinate with each model policy.

KMESHHA Conference

The Kentucky Municipal Environmental Safety and Health Association (KMESHHA) Conference provides an opportunity for supervisors, foremen, public works, and many other municipal employees to trade experiences and ideas for improving workplace safety, while receiving training specifically designed for their line of work.



Training offered at KMESHHA has ranged from dog bite prevention and personal protective equipment, to verbal judo, trenching, confined space, ladder safety, defensive driving, and workers' compensation issues.

KLCIS hosts this annual safety conference that provides a networking forum and specialized safety training for municipal employees. This is the only conference of its kind in the state of Kentucky. It is designed to serve the educational needs of municipal safety professionals.

Return to Work

An effective Return-to-Work Program will have a direct impact on your workers' compensation premium. You can save up to 20-40 percent. The indirect benefits, such as employee morale, internal communication and customer service, will also positively impact your municipal agency.

You develop your own program. KLCIS is here to provide support and data to assist you in developing and implementing a Return to Work Program. The tools that KLCIS will provide for you include a history of your premium cost and experience modification (mod), an analysis of your workers' compensation injuries for the last three years, guidelines and a sample policy for implementing a Return to Work Program.

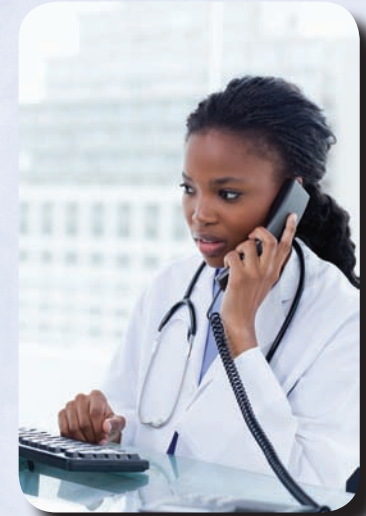
KLCIS is dedicated to assisting our insured in identifying methods to control their workers' compensation costs. It has been proven that a good safety program along with an effective return-to-work program will reduce costs.



Injury Triage

The Day of Injury is the most critical time to influence medical care, claims costs, return-to-work outcomes, and employee satisfaction.

KLCIS now provides a Company Nurse to strengthen your workers' compensation program and to help streamline the claims process. Company Nurse is a 24/7 365-day-a-year telephone triage injury hotline. When an injury occurs, your injured employee and/or supervisor places a call to Company Nurse, staffed by trained registered nurses, who evaluate the injury and refer the patient for appropriate medical treatment. Not every employee injury warrants a trip to the ER but without medical expertise, it's natural for supervisors to err on the side of caution.



Company Nurse will enhance your current claims reporting process by automatically setting up your claim in our system. Your First Report of Injury will also be completed and emailed to you. Company Nurse gets immediate and appropriate action for your injured employee while providing countless benefits to you as the employer.

Unlimited Aggregate

The KLCIS general liability, public officials' liability and law enforcement liability policies all provide an unlimited aggregate. This means with KLCIS, no matter how many liability claims you have, you will have the full limit available on each claim.



All policies, including the KLCIS policy, have a limit of liability per claim. With KLCIS, the number of claims that can be paid each year is not limited because our aggregate is unlimited. Essentially, with KLCIS, you will never run out of coverage.

Punitive Damages

The KLCIS liability policy provides coverage when a court ruling requires a public official to pay punitive damages.

This coverage only applies for actions committed by an individual while in an official capacity for a covered cause of loss and is subject to the limit of liability. Some carriers exclude the payment of punitive damages.



Defense Costs

Legal defense can be expensive. At KLCIS, we recognize the value of excellent legal representation, and that's why the KLCIS policy will pay defense costs outside the limit of liability.

By paying defense costs in addition to the liability limits of your policy, you will have all the funds available to pay for court awarded judgments. You won't have to worry about attorney fees.



Property Valuation



The purpose of property valuation is to determine the replacement cost value of the property. At KLCIS, we believe there is a philosophical and practical reason to insure your property to its 100 percent replacement cost.

Philosophical Reason: Insuring to value is the fair thing to do. KLCIS is a risk-sharing pool, meaning members have similar risks and together the members insure each other. Premium paid into the pool is based on value; therefore, all members should report correct value.

Practical Reason: There is policy language that protects the insurer in the event that values are underreported. The language is commonly known as coinsurance. This concept is inserted to almost every property insurance policy. Coinsurance means the amount you will receive in a recovery from a loss is reduced in proportion to the amount that the values were underreported.

Bonds



Most city treasurers, many clerks and other city officials are required to handle cash and checks or have access to city funds. It is important that these people are adequately bonded. KLCIA can assist your city in obtaining the necessary bond to meet the legal requirement set forth by KRS 65.067, which requires city officials and employees “who handle public funds in the execution of their duties” to be bonded. The reason for the bond is “...for the faithful and honest performance of his or her duties and as security for all money coming into that person’s hands or under that person’s control.” The KLC staff suggests working with your city attorney on determining who should be bonded and for what dollar amount. Once that amount has been determined, contact KLCIA to apply for your bond.



Kentucky League of Cities Insurance Services
100 East Vine Street, Suite 800
Lexington, KY 40507
1.800.876.4552 ♦ 859.977.3700 ♦ Fax 859-977-3703
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