

## **City County Insurance Services (CIS) Emphasizes Risk Management Advisor Role for Local Agents**

### Marketing Vs Risk Management

The traditional local agent role of finding insurance coverage for your city or county clients and helping the entity choose among competing proposals has diminished in recent years. There are at least two reasons for this change.

First, repeating a pattern seen in previous market cycles, commercial insurance companies have again withdrawn from the Oregon market place. Unable or unwilling to match pricing for the combination of coverage and risk management services offered by CIS, the scarcity of liability and property insurers leaves CIS as the clear alternative for entities seeking this coverage.

Second, CIS' growth and success have been built, in large part, on the commitment to promoting the practice of aggressive risk management among our members. As claims have been avoided, and losses controlled, the rate of increase in CIS pricing has diminished in each of the past five years. CIS' vast array of risk management assistance distinguishes us from commercial insurers and has been a positive factor in bringing the cost of coverage under control.

One side effect of the change is an increasing number of CIS members who question the value of maintaining a local agent relationship (this is not something we encourage because, when these relationships are severed, CIS staff, and our overhead expense, is often burdened with picking up the slack). The model we prefer to endorse is exemplified by the more successful member/local agent relationships that engage the agent in the member's risk management activities.

### Risk Management Advisors (RMAs)

Anticipating that the de-emphasis on marketing may be a long-term change, CIS is encouraging members and local agents to emphasize ways they can work together with CIS to improve local risk management practices and performance.

In July 2005, CIS initiated a local Risk Management Advisor (RMA) program to acquaint local agents with the CIS approach to risk management and to offer a partnership role in delivering these services locally to our members. About 60 local agents participated in the first RMA training workshop last October. Three additional workshops will be held in March 2006 to ensure that the RMA program is open to all agents interested in enhancing their ability to service CIS members.

- 03/17/06 Grants Pass      03/21/06 Pendleton      03/23/06 Tualatin

At their December 2005 meeting, the CIS Board of Trustees encouraged staff and local agents to develop a "best practices" approach to delivering comprehensive risk management services at the member level with the goal of keeping losses to minimal levels.

The Risk Management Services page on the CIS web site [www.cciservices.com](http://www.cciservices.com) contains a special section relating to Agents/Risk Management Advisors (RMAs). CIS-certified RMAs are listed and Members are encouraged to visit this site for information to use in establishing an effective risk management partnership with a CIS-certified RMA in the local community.

In the future, CIS pricing will base credits not on whether a local agent is involved, but on an entity's commitment and progress towards established risk management objectives laid out in local risk management plans.

### **Risk Management Advisor (RMA) Certification Program**

#### *What*

RMA Certification is awarded to attendees at one-day RMA training program presented by CIS that emphasizes CIS' key risk management expectations and the resources available to support CIS members. As a result of attending the training, graduates will have specialized knowledge and awareness about CIS Trust programs and services. CIS will partner with certified RMAs in the delivery of risk management services and encourage members to use a certified RMA as their local risk management team leader.

Certification, renewed annually on April 1 each year, is maintained during the year by attending at least 10 hours of CIS sponsored training. This may include the CIS Annual Meeting and Risk Management Conference each February, special RMA training workshops sponsored by CIS, regional training and seminars conducted or sponsored by CIS, and member specific training provided by CIS staff on topics such as safety committee effectiveness, safe driving training, sewer backup prevention etc. The CIS web site contains an extensive training calendar and RMAs can select relevant training programs to attend during the year. Attendance at the CIS Risk Management Conference can generate as much as eight RMA hours (one RMA hour for each session attended).

#### *Why*

As cities and counties see that it is in their long-term interest to stay in CIS' joint self-insured programs, their need to market coverage every year diminishes and they begin to question why they need to pay a local agent. As elected officials and staff change over time, the local agent is often the only continuing presence. CIS supports the continued involvement of those local agents who are willing to partner with CIS and work with our staff risk management consultants to provide an additional level of local risk management advice and assistance focused on reducing risk and keeping losses to a minimum.