

RIMS AIL

E-Newsletter – San Diego Chapter Risk & Insurance Management Society

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January/February 2007

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JANUARY MEETING RECAP

By Kim Pinkerton

If you missed January’s meeting, you missed a meeting that was full of information. Your President, Pat Greene, briefly provided us with a quick reminder of all we accomplished last year in the way of Chapter programming. I hope you were able to attend most if not all the programs. We want to know what is challenging you this year. Speak up, let us know; our programming comes from the surveys you complete.

Congratulations to the Insurance Committee members for winning the 2006 Committee of the Year award. It was an excellent submission and contribution. Congratulations also go to the runner up Work Comp Committee for their submission and contribution. We are making changes to the structure of our committees to a more functional format. Stay tuned. Get involved.

Our speaker on the Changing Face of San Diego, Mr. Garry Bonelli, the Communications Director for the San Diego Association of Governments (SANDAG), is one of the most engaging and dynamic speakers I’ve had the pleasure to listen to. The topic was timely and relative to all San Diegans.

Here are some highlights. Lindbergh Field is going to remain our airport for the immediate future. The FY2007 budget is \$1 Billion, mostly designated to transportation. Growth is slowing down, San Diego is at a .8% growth rate, whereas most areas are seeing a 1% growth rate. Las Vegas is 4.5%. Growth rates by ethnicity—we can anticipate a much more diverse society. Imperial County is our next projected growth area. Garry said that if you own a house in San Diego now, plan to keep it for at least another 10 years because there is going to be a gap with planned housing and expected growth. By 2030, change in Population = 42%, Housing = 33%, and Jobs 48%. It is anticipated that by 2030 390,000 homes will be needed but only 290,000 are planned.

Transportation—who doesn’t drive to work? The 20 miles of 4 lanes being built on the I-15 corridor is slated for a 2012 completion date. This will include direct access ramps and a bus rapid system. Have you seen those bridges that appear to go nowhere in Rancho Bernardo? Soon to follow—hands free driving.

SANDAG’s Regional Comprehensive Plan includes Urban Form, Healthy Environment, Transportation, Housing, Public Facilities, Economic Prosperity and our Borders.

You learned it here first—by dialing 511 from your cell phone you can get instant traffic status beginning in February 2007.

Two web sites worth checking out are www.sandag.org and www.keepsandiegomoving.com.



Pat Greene, President, with the Winning 2006 Committee of the Year Insurance Committee members who were present at the January meeting.

**RIMS
San Diego
2007
BOARD OF
DIRECTORS**

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(858) 826-3577

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Kim Pinkerton
(760) 591-7134

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(760) 918-4589

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(858) 571-7221

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(619) 224-4120

**Past President, RIMS
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(619) 589-7575

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Juvy Pitiquen
(619) 238-1000

Director

Cindy Titgen
(760) 839-4588

Director

Linda Wikstrom
(619) 686-6572

Director

Elizabeth Zepeda
(858) 481-8500

PRESIDENT'S MESSAGE

As the new year gets under way, the San Diego RIMS Chapter is embarking on some exciting new endeavors that I'd like to share with you. First, as we announced in the November 2006 RIMSail edition, we are making the switch to an electronic RIMSail newsletter format. This is our first such issue, and we hope you embrace the change. We plan on bringing you more useful information and color pictures, and saving the Chapter several thousand dollars in the process. Teri Sowul has taken over as Editor, and I think you will agree has made some great enhancements! Please be sure to notify us of any email changes so you continue to receive your monthly newsletter.

Also, at our Planning Retreat in January, the Board renewed its commitment to the Chapter's Mission of providing exceptional, quality educational meetings and has decided to replace the full-day Annual Professional Development Seminar with quarterly one-half day seminars. These promise to be in-depth discussions of relevant topics that will surely be of interest to you, and will be held in Qualcomm's new conference center and auditorium. Look for upcoming announcements of our first half-day seminar that will be held the morning of March 22nd. We look forward to seeing you there!

Another exciting change for 2007 is the restructuring of our Chapter Committees. To encourage greater participation in the Chapter's activities we are focusing the committee structure on functional areas as opposed to topical areas, and hope that you will volunteer to participate on one or more committees. For 2007, the new committees will be:

- **The Programming Committee**, which will be responsible for arranging all of our Regular Monthly Meetings and ½ Day Seminars. Kim Pinkerton will be Chairperson and Cindy Titgen is Co-Chair. Much help is needed in this endeavor, so please volunteer!
- **The Eternal Affairs Committee**, which encompasses not only Legal/Legislative matters across all lines of insurance, but also Education Outreach activities with local schools, colleges, other professional organizations to help promote and develop Risk Management programs. Community Service activities will also fall under this Committee. Dave Dolnick and Cathy Aguilar are Chair/Co-Chair respectively, and are anxious to have you join them!
- **The Membership Committee**, which is responsible for providing our Chapter members with exceptional services and developing/maintaining a membership recruitment and retention plan throughout the year. Cheryl Berman and Lyn Hall are Chair/Co-Chair and look forward to working with you on this important committee!
- **The Special Events Committee**, which is responsible for planning and conducting all of the Chapter's unique events. This includes the Golf Tournament, Associate Appreciation Day, and the Holiday Party. Liz Zepeda and Cheryl Berman, Chair/Co-Chair respectively, envision separate sub-committees for each event and are looking for volunteers to help make these events truly special!
- **The Nomination & Chapter Succession Committee**, which will incorporate the previous Past Presidents' Committee and include being the Chapter's liaison to the Society. Pat Greene and Linda Wikstrom will head this Committee as Chair and Co-Chair respectively.

More details about the Committees and Committee sign up sheets will be available at the February 22nd Regular Monthly Meeting!

The Board recognizes that the Chapter's success is due to the participation of many of our members, and as we embark on these new changes for 2007 we hope that you will get involved as much as possible. We look forward to your contributions and support in making this another exciting and successful year!

Respectfully,

Patrick Greene

Chapter President

MISSION STATEMENT

The mission of the San Diego Chapter of the Risk and Insurance Management Society, Inc. is to promote and improve Risk Management through education, networking, peer review and community service, in a dynamic environment, which furthers the growth and development

Benefits Buzzzz...



NEW TRENDS?

*Submitted by
Cindy Titgen, Programming Committee*

According to a MetLife's 2005 Employee Benefits Trend Study a couple of highlights

- ✓ Single employees and those with children under the age of six place a higher value on benefits, workplace education and financial advice than other employees
- ✓ Even though employees understand they need to take on more of the financial responsibility to build their own future, many young employees feel unprepared to meet long-term savings, planning and retirement goals.
- ✓ Singles and young families still see the workplace as a trusted source of financial products and services.
- ✓ 40% of young families now purchase the majority of their financial products (e.g. mortgages, home/auto insurance, loans, mutual funds, retirement savings vehicles, banking services, life/health/disability insurance, long-term care insurance at work.
- ✓ Over half of young families surveyed stated they would like access to a financial planner at work.
- ✓ Single employees are interested in having access to a financial advisor in the workplace as they understand they need help becoming more financially savvy.
- ✓ 35% of singles do not allocate any of their monthly household income to retirement vehicles such as 401k(s)
- ✓ In general, in addition to having access to professional guidance and advice, employees are open to having access to a broader range of voluntary benefits which they can purchase on their own.

Here we go again.....Universal Health Care

Each year it comes up...each year (so far)...it has silently disappeared. Several proposals are being presented. What we do know is that the Governor is agreeable with the concept of requiring employers and employees to participate in some sort of health care system. While several health care bills were introduced, some are not all in print yet.

Continued ↗

Watch for these:

- ✓ Senator Don Perata: "Working Californians and their dependents are to have health care insurance paid for by their employees and their employees – estimated cost over \$7 billion annually. The re-emergence of Mr. MIB (Managed Risk medical Insurance Board) and fees collected by EDD (are you very afraid yet?) and fees deposited into a trust
- ✓ Medi-Cal Expansion for Parents: State looking to submit a Medicaid state plan amendment. This would extend coverage to about 1.2 million currently uninsured.
- ✓ Healthy Families Expansion for Children: State would increase Health Families coverage for children. This would cover about 58,000 currently uninsured children.
- ✓ Individual Mandate: All working Californians (yes even risk managers) and their dependents would be required to have a minimum health coverage policy. Of course the minimum coverage benefit level would be determined by Mr. MIB.
- ✓ Enforcement through the Tax Code: All taxpayers would be required to show proof of health coverage. If you don't provide your tax is computed without the benefit of the personal exemption credit or dependent credit.

2007 MEMBERSHIP DRIVE

Here is how it works:

1. Bring a potential deputy member (risk manager, safety manager, etc.) to a monthly meeting;
2. The chapter will pay the cost of that lunch for the potential member (one time only);
3. Your name will be entered for a special drawing at the January 2008 meeting for a fabulous prize (not yet determined);
4. You can get a drawing entry for every potential member you bring until December 2007.

This may sound familiar since this will be the third year we have been running the program. It is a great opportunity so see you at the next meeting with a guest!

BUREAU REPORTS THAT WC REFORMS ARE WORKING

The Workers' compensation Rating Bureau of California reports that the reforms are still yielding positive results.

Calendar year premium for the first nine months of 2006 was \$12.8 billion, 21 percent less than in the first nine months of 2005. The average workers' comp rate per \$100 of payroll was \$3.21 in the third quarter of 2006 compared to \$4.42 in the second half of 2005 and the peak of \$6.47 in the second half of 2003.

The bureau projects aggregate industry losses of \$6.4 billion for 2005, 11 percent less than estimates for 2004 and 46 percent less than 2002 estimates.

The only black mark is that the average cost of an indemnity claim increased in 2005 to \$38,200 from \$36,426 the year prior. Bureau actuaries attributed this latest increase to the fact that reforms have squeezed small permanent disability claims out of the system, leaving mostly the more severe and expensive claims. Regardless, the recent costs are still a far cry from 2002, when the average indemnity claim was about \$46,500.

Excerpts of a 2006 Providence Publications

SILVER FILLINGS WHAT DON'T YOU KNOW?

Dentists are seeing more and more silver fillings causing teeth to break.

Why does this happen?

Silver fillings are not pure silver; they are a mix of silver, tin, copper, zinc, and mercury. The mercury makes the other metals stable and able to stick together.

This works well for some years. However, the mercury in the filling is the same mercury found in thermometers. As heat rises in the mouth, the mercury and the filling expand. The opposite occurs when the temperature cools. The result is a push and pulls effect on the tooth.

In addition to damaging the filled tooth, mercury is a toxin that has been proven to be harmful. If the filling is small, a resin filling can be used. If the filling is larger, a porcelain or gold material that bonds to the tooth should be used. Porcelain or gold fillings are more costly initially. Over time, however, they tend to be cheaper because they cause fewer problems, and actually strengthen the teeth.

*Excerpt from Willis' Legal & Research Group – Winter 2006 edition
Submitted by Christie Barr, Willis Risk and Insurance Services of San Diego*

2006 MEMBERSHIP DRIVE RAFFLE HELD AT FEBRUARY MEETING

The raffle for the 2006 membership drive will be held at the February Meeting. For every potential Deputy member you brought to a meeting in 2006, you will have a raffle opportunity. If you want to qualify for the raffle next year, take a look at the 2007 Membership Drive instructions on page 3. It is very simple; just bring a potential deputy member (risk manager, safety manager, etc) to a monthly meeting.



NEW MEMBER WELCOME

Welcome to all of our new and returning members.

- **Greg Gitter** of Gitter & Associates (Associate member of the Society)
- **Deana Carter** of Carter Financial (Associate Member of the Chapter). You may recall meeting Deana at our November Food Drive the past two years. She was instrumental in channeling much needed support to the families of our troops.
- **Lindy Hardman** now with Crum & Forster, always a pleasure to have Lindy's support to our chapter.
- **Bob Rey** also with Crum & Forster.
- Belated welcome to **Wendy McBride** of RCR Companies. Wendy is a deputy member with an office in Riverside, so when you meet her give her a BIG welcome because she sure did travel a long way to get to the meeting.
- **Brook Roberts** of Latham & Watkins, LLP (Associate member of the Society)
- **Linda Seibert** of ScrippsHealth (new Deputy Member of the Society)
- **Mary Gallagher** also with ScrippsHealth
- Welcome back to **Paula Morrison** now with MedAllocators, Inc.
- New to the chapter is **Chris Carpenter** also with MedAllocators, Inc.

We look forward to your future participation in the chapter!

BOARD OF DIRECTORS MEETING SUMMARY

FEBRUARY 2007

Submitted by Liz Zepeda, Acting Secretary

The following are a few highlights from the February 1st Board of Directors meeting:

- The Board reviewed the prior month end Account Balances & Transactions as well as the 2007 Budget with the changes discussed at the January Board Meeting. Directors will review the revised budget for approval at the March Board Meeting.
- The Audit Committee met in January for the 2006 Year End Audit Meeting – there were no changes.
- Chapter Programming was discussed and potential topics for the entire year of monthly meetings and special events were reviewed. There will be some exciting changes to programming this year (both in content and logistics), spearheaded by our new Vice President, Kim Pinkerton
- RIMSail is scheduled to begin distribution electronically this month – with the assistance of our new editor: Teri Sowul.
- Membership renewals for 2007 have begun to come in as well as new member dues creating revenue of \$6360 for the chapter in January.

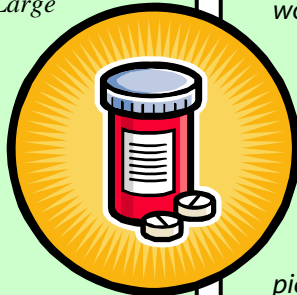
MAKING A MOVE TO MAIL ORDER PRESCRIPTIONS

Submitted by Cindy Titgen, Director at Large

Help, my insurance company changed my co-pays at the pharmacy and for the mail order. I'm confused!!!

Many of us experienced a change this year or last and it is time to move to a mail order prescription program. The following is an example of a letter you may send to your physician to help you do so. Obviously your mail order prescription plan may be a bit different, however, the same principal applies.

Continued ↗



Dear Doctor:

My insurance company changed my mail order prescription program effective January 1, 2007 to a 90-day supply for a 2 month co-payment. As I order the majority of my medications via mail order I will need new prescriptions which indicate that I may receive a 90-day supply. Therefore, I would appreciate it if you would please write me new prescriptions for the 2007 year.

I need the following medications prescribed for 90 days and also please indicate on the prescriptions to "dispense as written." Also, where possible and where it does not make a difference, please provide a non-formulary or generic medication.

The medications and dosage I take now are: _____.
Please have your office call me at (XXX) XXX-XXXX and I will pick up the prescriptions OR mail the scripts to my home address at _____.

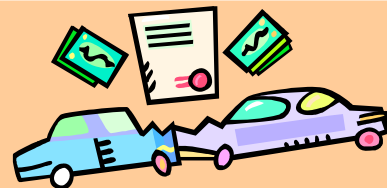
If you have any questions, please call me at (XXX) XXX-XXXX.

Thank You.

Mr. Joe Patient

COVERAGE QUIZ

From Your Insurance Committee
By Al Haverkamp of Lucas & Haverkamp



QUESTION: Marilyn Yamasaki's car insurance policy (issued by Mercury Insurance) included a "Designated Person Coverage Exclusion," which specifically excluded Ruben Peña from coverage. The exclusion stated "coverage shall not apply nor accrue to the benefit of any insured or any third party claimant while any motor vehicle is being used or operated by Ruben Peña." Mr. Peña took Ms. Yamasaki's car without permission and was involved in a serious accident. Ms. Yamasaki was sued for negligent entrustment of the car to Mr. Peña. Ms. Yamasaki tendered her defense to Mercury and Mercury denied coverage based on the "designated person" exclusion. Ms. Yamasaki argued the exclusion is only applicable to permissive drivers and Mr. Peña was driving her car without permission. Is there coverage?

(Answer on Page 6)

RIMS SAN DIEGO CHAPTER DEPUTY MEMBER ADOPT-A-MEMBER APPLICATION

*Are you interested in adopting a new deputy member?
If so, please complete, sign and return this form.*

Name: _____ Company: _____

Phone: _____ Email: _____

I offer the best expertise in the following area(s): _____

I acknowledge and agree that if my application is accepted and I am assigned an individual/company to adopt that I will fulfill the following responsibilities within six months of the adoption process.

- Place an initial phone call to introduce myself and offer assistance to introduce new member to others within the chapter and find out what areas they may need assistance and follow up. Place the new member in touch with another if needed.
- Place a call to the new member to remind the new member to attend the luncheon meeting.
- Sit with the new member when they attend a function (or arrange for someone else in the chapter to do so).
- Facilitate introductions at event/meeting.
- Discuss available RIMS resources (Society, Society web site, San Diego Website).
- Ensure the new member is well taken care of and having fun.

Signature



SAN DIEGO CHAPTER CPCU

Wednesday, February 21, 2007

ETHICS AWARENESS MONTH

CHAPTER MEETING—WEDNESDAY, FEBRUARY 21st

Luncheon Meeting—Ethics In the Public Sector

Speaker: Steve Cushman, San Diego Unified Port Commissioner

Continuing Education Workshop— Ethics Training for the Insurance Professional

Speakers: Patrick S. Hanley and Kevin Kershnik, Socius Insurance Services

TIME

Workshop Registration: 7:45am

CE Workshop: 8:00am-11:50am

Luncheon Registration: 11:45am

Luncheon: 12:00 noon

LUNCH MENU

Sliced London Broil
with Cabernet Mushroom Sauce
Garlic Mashed Potatoes
Garden Salad

OR

Grilled Chicken Caesar Salad
Seasonal Fruit Cup

OR

Vegetarian
Chef Special of the Day

All Options Include:
Rolls & Butter
Snickers Mousse Cake
Coffee and Iced Tea

COST

Workshop Only:	\$35.00
Workshop/Luncheon:	\$50.00
Luncheon Only/Members	\$15.00
Luncheon Only/Non-Members	\$20.00

LUNCHEON SPEAKER: Steve Cushman,

President and CEO of Cush Enterprises a fourth generation San Diegan, has continued his family's tradition of service to the community. He has served on more than fifty boards and commissions. Currently, he is Commissioner for the San Diego Unified Port District and is on the Board of Directors of Sharp Healthcare, as well as the Board of Hubbs SeaWorld Research Institute.



CONTINUING EDUCATION SESSION—4 HOURS CE CREDIT

San Diego Chapter of CPCU & UnionBanc Insurance Services Inc. present:

ETHICS TRAINING FOR THE INSURANCE PROFESSIONAL

With

Patrick S. Hanley, Sr., President and Kevin Kershnik, Vice President
Socius Insurance Services

This 4 hour Continuing Education workshop meets the requirements of:

STATE OF CALIFORNIA DEPARTMENT OF INSURANCE

Administration & Licensing Services Branch

Resident Insurance Agents and Brokers

New Ethics Continuing Education Requirement

Section 21888.6(h),(i), and (j) of the California Code of Regulations was amended effective June 24, 2006 to require Fire and Casualty broker-agents and Life agents, whose license term expires after January 31, 2007, to complete four hours of ethics continuing education prior to the expiration date of their license.

LOCATION & RESERVATIONS

The Handlery Hotel and Resort
950 Hotel Circle North, San Diego, CA 92108

RSVP TO (include your lunch choice with your reservation):
Robert Kennedy, Golden Eagle Insurance Corporation
525 B Street, San Diego, CA 92101

E-Mail: Robert.kennedy@GoldenEagleCorp.com

Phone: 619-744-6430 Fax: 619-744-6380

Make checks payable to: San Diego Chapter CPCU



CHAPTER MEETING

February 22, 2007

Please join us for this month's meeting in which we pay special recognition to our **Chapter's Past Presidents!** It is because of their dedication and leadership that the San Diego Chapter is one of the Society's premier Chapters!! Come help us say "Thanks"!!!

The **Heart of the Chapter Award** will also be presented. The Heart of RIMS San Diego Chapter Award recognizes individual achievement at the chapter level. The award will be presented to one deputy member who exhibits qualities that further risk management at the chapter level.

Find out what has changed since last year regarding **Legal Legislative update**, civil and employment law.

Speakers: Bob Tyson – Tyson & Mendes
Craig Schloss – Morrison & Foerster LLP

WHEN: **Thursday, February 22, 2007**

11:15 – 11:45 Registration, Check-In, and Networking
11:45 – 1:30 Meeting

WHERE: **The Handlery Resort & Hotel**

(Parking will be hosted by the Chapter)
950 Hotel Circle North
San Diego, CA 92108
Hotel Phone: (619) 298-0511



MENU: **Vegetarian Wellington with Salad**

Apple and Berry Crisp for Dessert
Brewed Coffee, Decaffeinated Coffee, Tea, and Iced Tea

COST: \$25 for Members / \$30 for Guests of a Member
\$10 Additional for Late RSVP and walk-ins

RSVP TO: San Diego Chapter of RIMS – Please use online RSVP if possible.

E-mail: sandiegorims@gmail.com (**just say you are attending**)

On-Line: Click the "RSVP" button San Diego Chapter's homepage at <http://www.sandiegorims.org> & complete the online form

Call: Juvy Pitiquen at (619)238-1000

Mail Checks To: San Diego RIMS, P.O. Box 85307, San Diego, CA 92186-5307

RSVP BY NOON on MONDAY, February 19, 2007
or be subject to an additional \$10 late fee

Remember: No shows may be billed for the meal.



ATTENTION ALL SPEAKERS!

Have you recently participated in a conference, seminar, or industry meeting as a speaker? Will you be in the near future? If so, please let us know! We'd like to acknowledge your efforts to Advance the Risk Management profession! Mail a copy of the event announcement to the Chapter's P.O. Box or e-mail any of the Board Members!

ANSWER TO COVERAGE QUIZ

*From Your Insurance Committee
By Al Haverkamp of Lucas & Haverkamp*

No. The court found the exclusion was not ambiguous and applied to either permissive or non-permissive drivers. The court also noted Yamasaki got what she paid for, reduced premiums for excluding Peña. See *Yamasaki v. Mercury* (1992) 11 Cal.App.4th 830



HOLIDAY LUNCHEON PHOTOS



Cindy Titgen making a \$1,500 donation to the City of Escondido Police Department to support Child Safety in North County.



*Ellen Vinck asking for donations in order to stuff stockings for students of Toussaint Academy. Over \$1,300 was raised!!!
A big thank you to everyone from the students of Toussaint Academy whose holiday we made a bit merrier!*



JANUARY MEETING PHOTOS



Cathy Aguilar of the Work Comp Committee



Speakers from SANDAG

SAVE THE DATES



UPCOMING CHAPTER MEETINGS

February 22, 2007Legal/Legislative Update

March 22, 2007Half Day Seminar in the morning at Qualcomm
(Stay tuned for more details)

Address and Changes - Please send all changes to the attention of:

Membership Director
San Diego RIMS
P. O. Box 81244
San Diego, CA 92138-1244

Or submit it via the website: www.sandiegorims.org. Click on "Update Your Info" on the Home Page.