



AMERICAN SOCIETY OF
SAFETY PROFESSIONALS

Wisconsin Chapter

2019 Risk, Health, And Safety For All

Commercial Auto Risk Management Best Practice Panel

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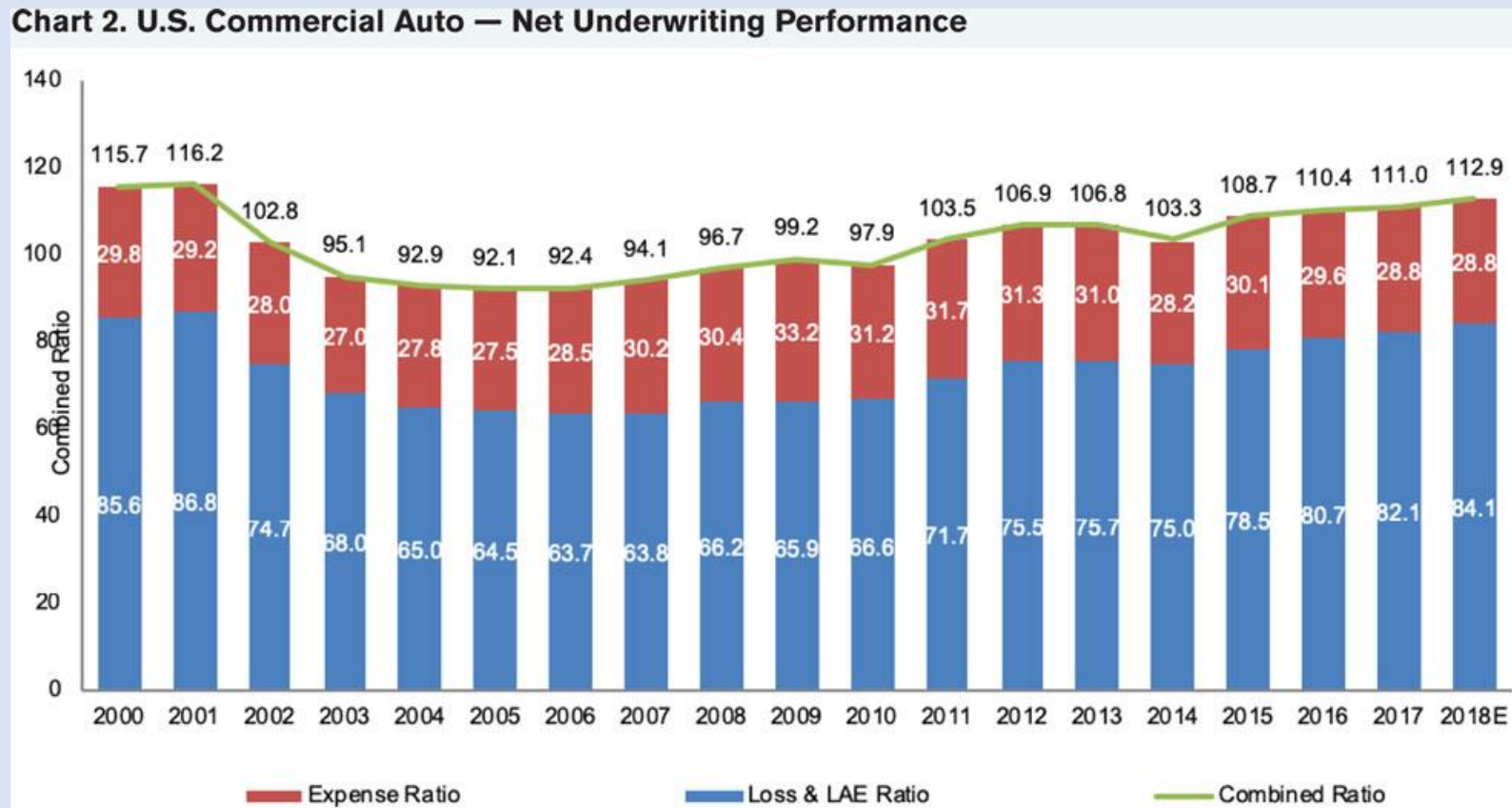
Commercial Auto Risk Management Topics

- Working with your broker- what helps them help you
- Key elements of risk control programs
- Working with claims handlers- what helps them get the best outcomes
- Questions and discussion

Working with your broker

State of the Commercial Auto Market:

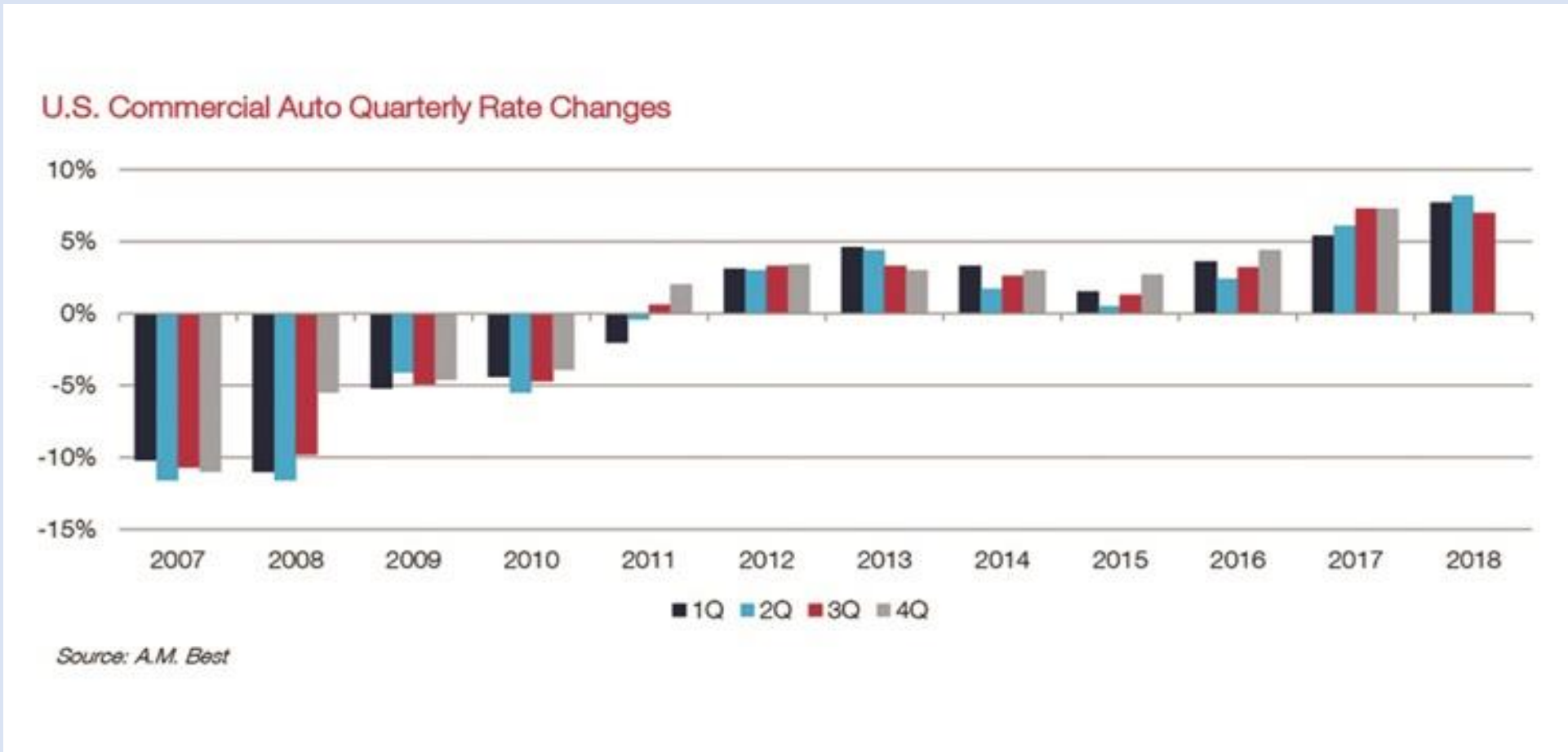
92.1 Combined Ratio in 2005 to 112.9 in 2018



Working with your broker

Rates are on the rise!

Well performing accounts are seeing increases of 5 to 10%



Working with your broker

Reasons for the increase

- “Nuclear Verdicts” multiple recent verdicts north of \$10 million and as high as \$89 million

 - Re-insurance Costs

- Increase in distracted drivers

- Decrease in Driver Quality

- Increase in labor and repair costs

- These factors are just a few, there are many more...

Working with your broker

- Know your scores and Know CAB

 - Central Analysis Bureau Reports as well as FMCSA Scores

- Create Company Standards

 - Insurance carriers do not give guidelines like they used to

 - It's your name on the truck, who are you comfortable with?

 - Yes insurance carriers will still enforce standards

 - Enforce your own company standards

- Embrace Technology

 - ELD's, Dashcams, Telematics

Key Elements of Risk Control Programs

- Have someone in charge
- Use written programs
- Know what good looks like
- Use model programs
- Benchmark your results
- Track metrics over time

Fleet Programs- what does good look like

- Select drivers based on their history and ability to perform the job
- Establish and communicate expectations on how jobs should be performed
- Monitor performance against the expectations
- Provide feedback on performance
- Change behavior that does not meet expectations
- Document their policies and actions

Fleet Risk Control Ten Best Practices

- Have and follow driving record criteria to operate vehicles on company business
- Use continuous monitoring for driving records
- Prohibit cell phone use (and other distractions)
- Use telematics to identify aggressive drivers
- Have, document and follow vehicle inspection schedules
- Identify non-owned vehicle drivers and include in your program
- Establish and communicate protocols for crash reporting
- Control personal use of company vehicles
- Have and enforce seat belts policies
- Review your written programs and keep them up to date

Working with Claims Professionals

- Focused on 3 things; Coverage, Liability, & Damages
- Coverage
 - Is the vehicle owned, leased or rented?
 - Who was driving the vehicle and what is their relationship to the insured?
 - Is the employee a permissive user and in the course & scope of their employment?
- Liability
 - Statement from the insured driver
 - Dash cam video?
 - Police report or report number & officer name
- Damages
 - Photos from the scene of the accident & of vehicle damages

Working with Claims Professionals

- Claims will obtain other pertinent information:
 - Police reports
 - Witness statements
 - Claimant statements
 - Social media and background checks
 - Video surveillance from nearby business's
- Utilize internal resources
 - Special Investigation Unit (SIU)
 - Field Investigators (FI)
 - Field Legal

Questions and Discussion

- For a copy of the written program evaluation checklist send an e mail to peter.vandyne@libertymutual.com