

# Property & Liability Outreach

Produced by Department of Administration Bureau of State Risk Management

August 2016  
FY16, Quarter 4

## P&L Manual Link



## Total Property Insurance Values:

<u>FY16</u>	<u>FY17</u>
\$26,075,356,986	\$27,168,991,757

Approximately a 4% increase in total property values from last FY.

## Paid Property Claims

Auto	Auto
<u>FY15 YTD</u>	<u>FY16 YTD</u>
\$431,241	\$564,693

Property w/o Auto	Property w/o Auto
<u>FY15 YTD</u>	<u>FY16 YTD</u>
\$27,518,068	\$8,217,762

## Welcome

Hello and welcome to our first issue. We created this newsletter as a way to better stay in touch with you and communicate the latest issues and changes to our Property & Liability programs. We want your feedback and encourage you to send us any questions or suggested topics for future newsletter articles. We hope you enjoy these newsletters and that they are not only educational, but give you tools to improve your job.

As the Property & Liability Program Manager for the Bureau of State Risk Management, I have over 10 years of experience working in Risk Management for state and local government agencies. I earned my Master's Degree in Occupational Safety from UW-Whitewater and a Bachelor's Degree in Psychology from UW-Stevens Point. I have an Associate of Risk Management for Public Entities Certification (ARM-P) and a Lean Six Sigma Yellow Belt. Previously, I have worked as the Risk Manager for the City of Waukegan, Illinois, the Risk Manager for the City of Glendale, Arizona, and a Loss Prevention Consultant for the State of Arizona Department of Administration.

-Contributor Andy Jennings

## In This Issue:

Welcome from Andy Jennings  
Property Claims Reporting  
Negligence  
Introducing Dave Brown



## Property Claims Reporting

Proper procedure, as outlined in the P&L manual, ensures accurate and timely adjudication of property claims. All property claims are expected to be concluded within **120 days** from the date of loss. If a claim cannot be brought to closure within this time frame, a written extension request must be submitted to [Olivia.Johnson@wisconsin.gov](mailto:Olivia.Johnson@wisconsin.gov) advising the reason. State property coverage pays the lower of either the cost to repair or to replace with a like unit or model less the applicable deductible. Both repairs and purchases should be supported with two (2) estimates if the damages are over \$2,500, sales tax deducted. Betterments or upgrades are not covered, and these costs should be deducted from the claim. A claim submitted for payment must include a signed [Proof Loss Form, DOA 6414](#), and all supporting documentation, including calculation of applicable deductible, salvage value and recoveries. Without proper documentation, claims will be returned to the agency. Appropriate property claim documentation to ensure adequate and timely compensation for a loss should include:

- Photographs (if taken)
- If damage is \$2,500 and above, **two (2) written estimates** for repair or replacement with sales tax deducted
- Copies of purchase orders or invoices documenting the actual repair or replacement
- Signed [Lightning Losses Affidavit, DOA 6740](#) (required when lightning is the cause of loss)
- Narrative, such as the [General Incident Report, DOA 6441](#), and any correspondence describing what happened to cause the loss

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- If numerous bills and charges are associated with the claim, provide a summary sheet describing and detailing the individual charges
- Police report (required for theft, robbery, or burglary claims to document forcible removal/entry and to substantiate vandalism claims)
- A signed [Proof of Loss Form, DOA-6413](#)

-Contributor Olivia Johnson

## Liability Liaise

Negligence is a tort defined as a “failure to do something that a “reasonable person” would do under the circumstances, or doing something a “reasonable person” would not do.” The elements of a tort include: (1) a legal duty to use reasonable care under the circumstances, (2) a breach of this duty, (3) resultant harm to the plaintiff, and (4) a direct causal link between the breach and the plaintiff’s harm.

### Four Basic Elements to Negligence

1. A duty is owed (keeping floors dry).
2. A breach of that duty occurs (a floor is knowingly left wet with no signage).
3. Injury results (a person slips and falls, breaking an arm).
4. The breach was the proximate cause of the injury (the slippery floor directly contributed to the fall).

If these elements can be shown, negligence may be asserted and liability may result.

### Clear Liability vs Comparative Negligence

In some cases, the negligence or “liability” is clear. An example of clear liability would be when a state employee driving a state owned vehicle while in the scope of their employment strikes a parked unoccupied vehicle or a state employee rear ends a stopped vehicle which ends up resulting in damage to a third party vehicle/owner. Many incidents that occur in the Auto and General Liability areas include Comparative Negligence.

There are several different types of Negligence however Wisconsin is a comparative negligence state. Comparative negligence means that the negligence of the parties is compared, commonly on a percentage basis. There is no right of recovery due a person who is **more than 50%** responsible for the incident. One who is 50% responsible may collect up to 50%.

### Other Types of Negligence

- Contributory Comparative Negligence, meaning if a person contributes to the accident in any way, they have no right to recovery. Not acknowledged in Wisconsin.
- True Comparative Negligence, meaning the person collects to the extent they were not negligent, e.g. if they were 90% responsible, they may collect up to 10% of their damages. Not acknowledged in Wisconsin.

- Contributor Bradley Templin

## Experts Corner

### Dave Brown

Company: **Cunningham Lindsey**

Position: **Regional General Adjuster**

Dave Brown is the third party adjuster for the State funded property program. Typically, Dave will be involved in property claims that exceed \$10,000. He has been an adjuster with Cunningham Lindsey for the past 15 years and has over 30 years’ experience in the insurance industry. He holds a Bachelors of Business Administration from the University of Iowa and a Masters of Business Administration from St. Ambrose University. Dave resides in south west Wisconsin with his wife of 36 years. In his spare time he enjoys visiting his 4 children and 7 grandchildren.



## Paid Liability Claims

FY15	FY16
\$6,542,460	\$4,995,768

## Open Claim Counts

August 2016

Auto	General
25	19
Civil Rights	Environmental
106	1
Medical Malpractice	
50	
Professional	
10	
Employment Practices	
9	
Total	
220	

## Website:

[P&L Webpage](#)

## Contact Us

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