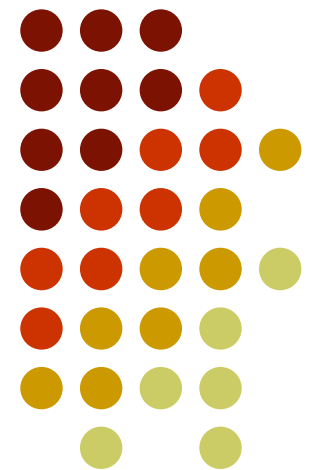
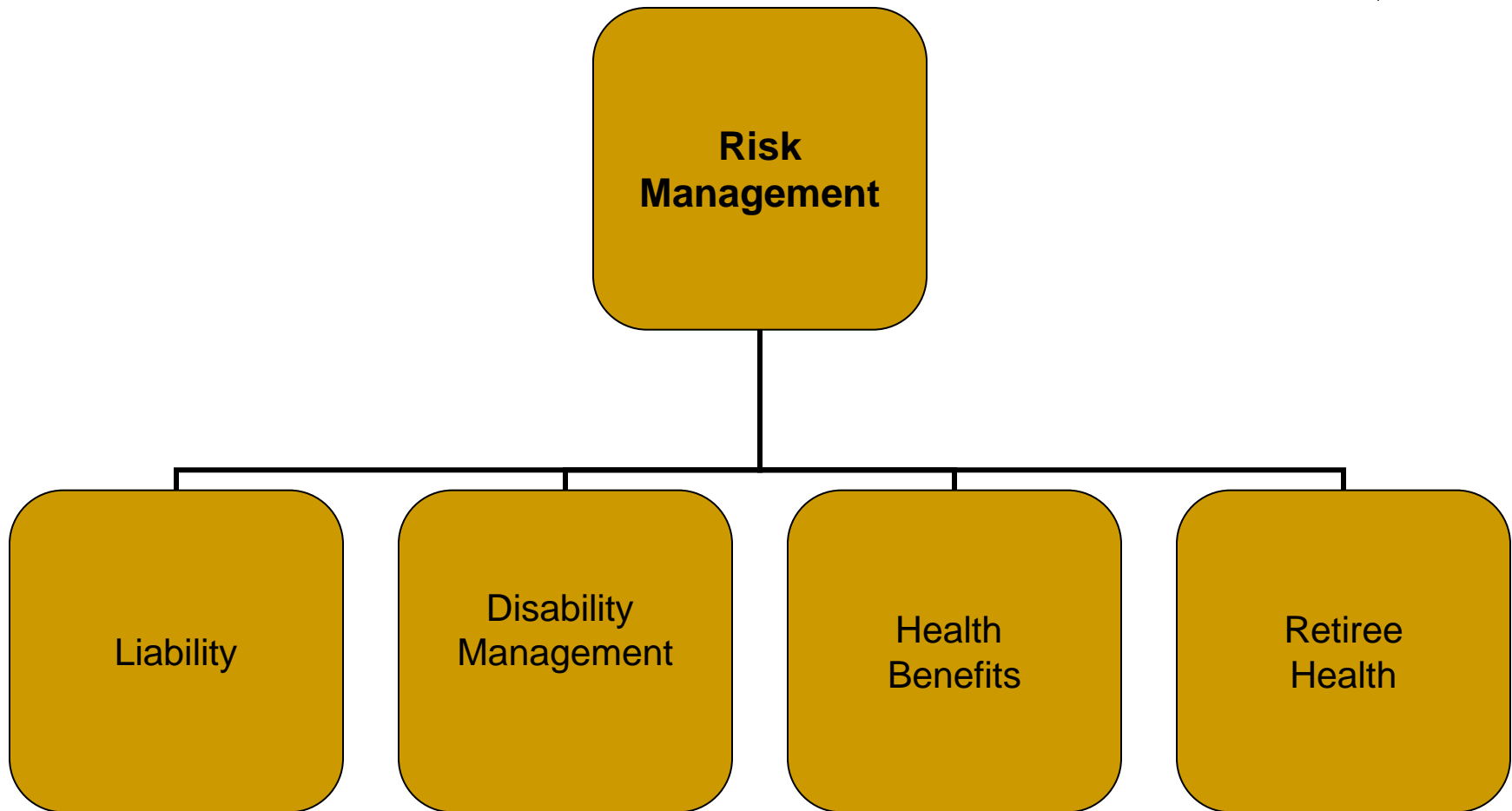


Risk Management

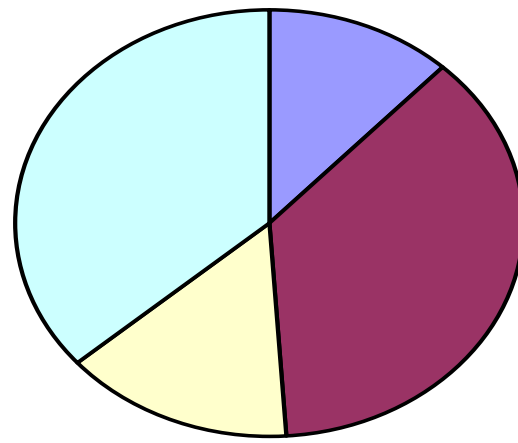
Overview of
Liability,
Disability Management,
Programs



Risk Management Programs



Risk Management Fund Equity as of June 30, 2009



- Liability

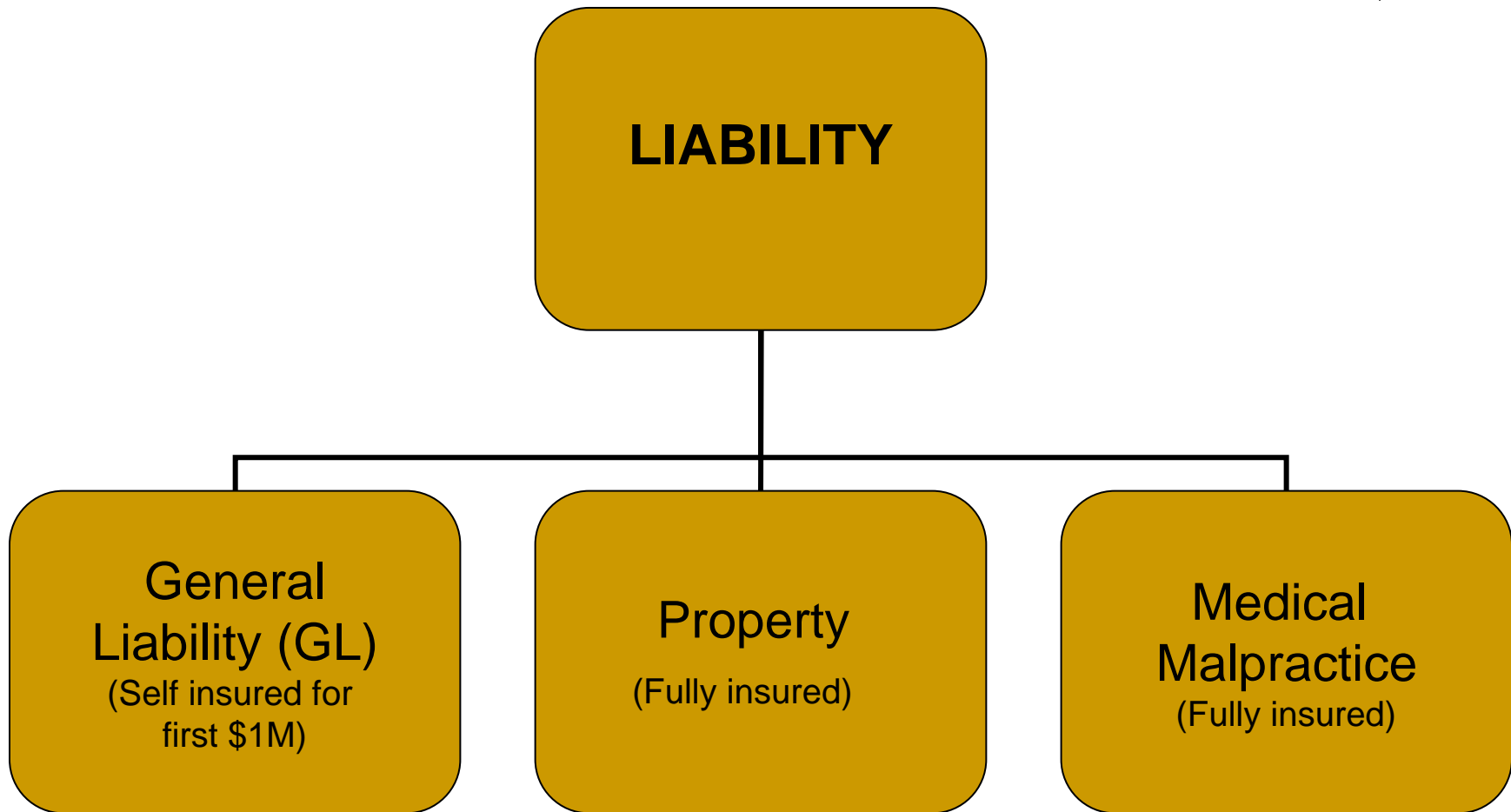
- Workers Compensation

- Health

- Retiree Health

Risk Management Fund	June 30, 2009
Liability	\$5,520,978
Workers Compensation	\$17,012,125
Health	\$6,824,613
Retiree Health	\$16,747,337
Total of Risk Management Funds	\$46,105,053 ³

Liability



Liability



Annual Process for Determining Funding Level

- Claims administrator (George Hills Company) provides liability claims history to actuary (Bickmore Risk Services).
- Actuary analyzes claims history as well as trends and development.
- Actuary provides funding recommendations at various confidence levels.

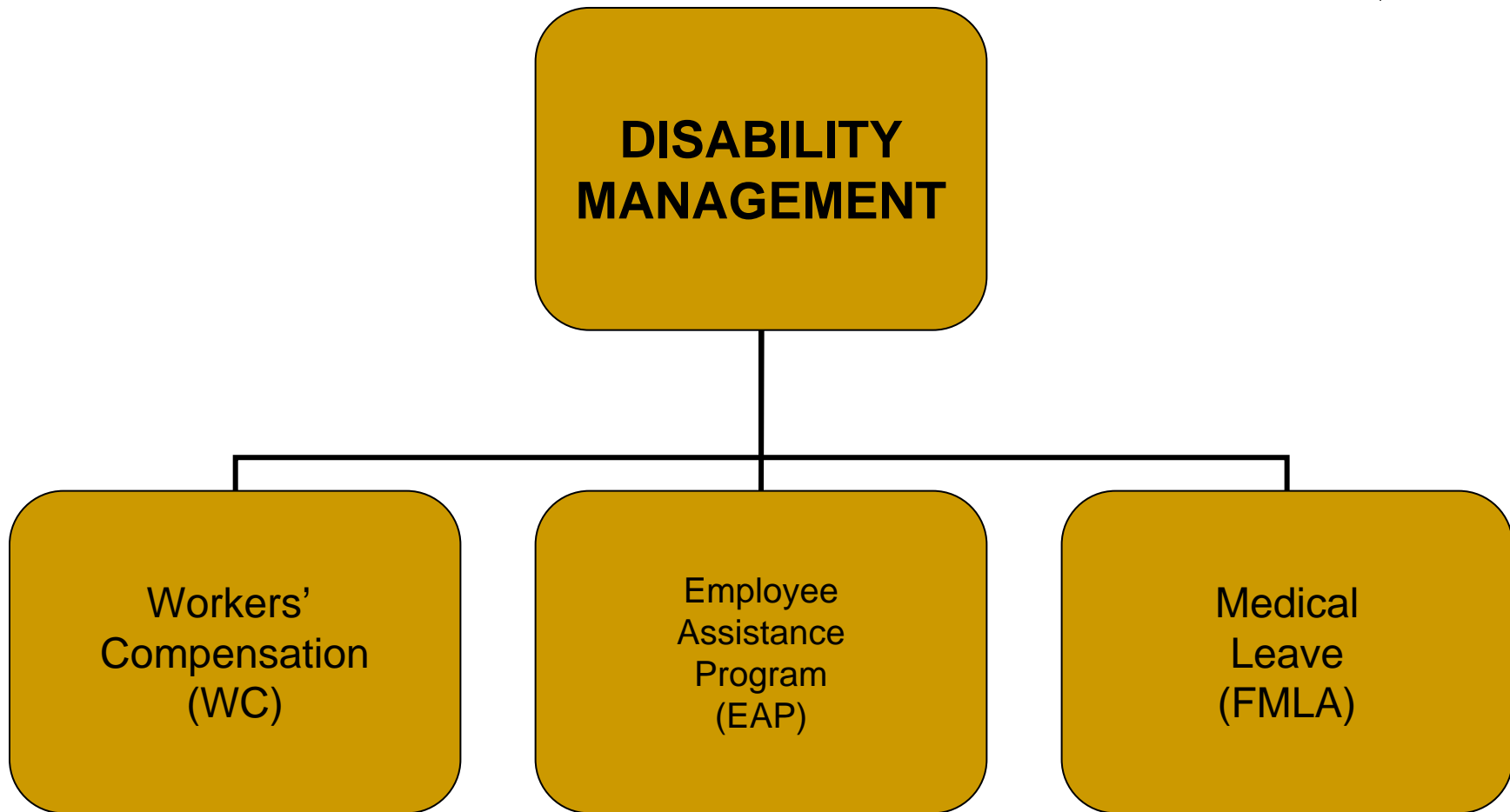


Liability

Annual Process for Calculating Cost-Applied Charges

- Program budget (including cost of program administration) developed.
- Costs allocated to departments:
 - Experience (5-10 yrs. claims history) = 70%
 - Exposure (total FTEs) = 30%
- Allocated costs/charges published for inclusion in department budget requests.

Disability Management Programs





Workers' Compensation

Annual Process for Determining Funding Level

- Claims administrator (Bragg & Associates) provides up-to-date WC claims history to actuary (Bickmore).
- Actuary analyzes claims history as well as trends and development.
- Actuary provides funding recommendations at various confidence levels.



Workers' Compensation

Annual Process for Calculating Cost-Applied Charges

- Program budget (including cost of program administration) developed.
- Costs allocated to departments:
 - Experience (5 -10 yrs. claims history) = 80%
 - Exposure (total FTEs) = 20%
- Allocated costs/charges published for inclusion in department budget requests.



Next Steps

- Actuarial reports need to be completed for FY 2010/2011 Budget
- Risk Management Cost Allocations need to be prepared for the FY 2010/2011 Budget
- A full assessment of the County's Risk Management Programs should be conducted
- Report back to board as part of a Risk Management assessment analysis



Bickmore Risk

- Currently performs the actuarial study for the County of El Dorado on an annual basis
- It has been difficult to recruit an experienced Risk Manager
- The County of El Dorado would benefit greatly from a full assessment of our Risk Management Programs
- The expertise of Bickmore Risk is Vital for providing an analysis to determine appropriate operations and staffing levels.

Requested Board Action



- Authorize the Chairmen to sign agreement for services with Bickmore Risk for a six month term in an amount not to exceed \$50,000