LSU
RISK MANAGEMENT

Administrative Services and Risk Management
AGENDA

• Risk Management’s Mission
• Risk Management Autonomy
• Moving Forward
• New Coverages
• Contracts and Agreements
• Risk Assessments
MISSION

- To protect the people, property, environment, financial, and other resources in support of the University’s teaching, outreach, research, and student services.
TRADITIONAL RISK MANAGEMENT AND ERM

Traditional Risk Management

Strategic Risk

Operational Risk
Hazard Risk

Financial Risk

Other Risk
Reputational Risk
Compliance Risk

Enterprise Risk Management
Insurance Programs

- Property
- Accident & Travel
- Workers’ Compensation
- Liability
FISCAL IMPACT: PREMIUMS AND FUNDED RESERVES
FY10-FY15

<table>
<thead>
<tr>
<th></th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Allocations</td>
<td>$9,061,176</td>
<td>$13,020,930</td>
<td>$11,753,001</td>
<td>$3,390,000</td>
<td>$3,110,000</td>
<td>$2,753,000</td>
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<tr>
<td>Premiums Paid to ORM</td>
<td>-</td>
<td>$2,000,000</td>
<td>$4,000,000</td>
<td>$5,854,798</td>
<td>$8,292,296</td>
<td>$8,281,924</td>
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</tbody>
</table>
FISCAL IMPACT: PREMIUMS AND FUNDED RESERVES BY COVERAGE AREA
FY 2015

** Excess property premiums pro-rated FY2014-FY2015
“GRAD ACT 2.0” ENACTED
(ACT 418 of 2011 Legislative Session)

ELIGIBILITY CERTIFICATION & APPLICATION ADMINISTRATION
Board of Regents (BOR)

OPERATIONAL CAPACITY DETERMINATION
Division of Administration (DOA)

AUTONOMY GRANTED
(Phased Plan of Implementation)
Benefits of an Autonomous Program

- Broader Coverage Tailored to the University
- Insurance Programs Defined for Students
- Comprehensive Insurance Programs
- Flexibility to Respond to Changing Market Conditions
- Independent Protection for the State, University, and Students
- Potential for Savings
PROJECTED SAVINGS
FY16-FY20

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
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</thead>
<tbody>
<tr>
<td>Autonomous Program</td>
<td>$14,625,304</td>
<td>$14,906,387</td>
<td>$15,244,117</td>
<td>$15,705,387</td>
<td>$16,153,261</td>
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<tr>
<td>State ORM Program</td>
<td>$15,725,965</td>
<td>$16,008,212</td>
<td>$16,336,166</td>
<td>$16,646,012</td>
<td>$16,970,335</td>
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<tr>
<td>Savings</td>
<td>$1,100,661</td>
<td>$1,101,825</td>
<td>$1,092,049</td>
<td>$940,625</td>
<td>$817,074</td>
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<tr>
<td>Cumulative Savings</td>
<td>$1,100,661</td>
<td>$2,202,486</td>
<td>$3,294,535</td>
<td>$4,235,159</td>
<td>$5,052,232</td>
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</tbody>
</table>
Anticipated Implementation Timeline

- **January 2015**: LSU Releases ITBs for Workers Compensation and Liability Insurance
- **February**: Broker Begins Preparing Insurance Renewal Market Submission
- **March**: LSU Awards Contracts for Commercial Workers Compensation and Liability Insurance
- **April**: LSU with Support of Broker Begins Technical Terms and Conditions Negotiations with Underwriters
- **July 1st**: New Coverage Begins
  LSU Assumes Responsibility for Worker Compensation, General Liability, Bonds & Crime, Auto Liability & Physical Damage, Wet Marine and Associated Activities
- **June 1st**: New Coverage Begins
  LSU Assumes Responsibility for Property, Boiler & Machinery and Associated Activities

- **January 2015**: Broker Begins Insurance Coverage Analysis
- **February**: LSU Releases Property and Liability Third Party Administrator (TPA) RFP
- **March**: LSU Awards Contract for Workers Compensation Third Party Administrator (TPA)
- **April**: LSU Awards Contract for Property and Liability Third Party Administrator (TPA)
Primary Accident or Sickness Expense Benefit - $250,000
Emergency Medical Benefits - $10,000
Emergency Medical Evacuation - 100%
Repatriation of Remains Benefit - 100%
Emergency Reunion $5,000
Political Evacuation & Repatriation Benefit War Risk Coverage - $500,000
Accidental Death & Dismemberment Benefit - $100,000
Trip Cancellation - $2,500
Trip Interruption Benefit - $2,500
Trip Delay Benefit - $2,500

More Information On-line
lsu.edu/riskmgmt
ATTENTION
In the event of a medical emergency, call ACE’s Travel Assistance Services immediately

24-Hour Access
1-855-327-1414 Toll-Free
1-630-694-9764 Direct Dial

Call when:
• You require a referral to a hospital or doctor
• You are hospitalized
• You need to be evacuated or repatriated
• You need to guarantee payment for medical expenses
• You experience local communication problems
• Your safety is threatened by the sudden occurrence of a political or military event

When you call ACE’s Travel Assistance Services, please be prepared with the following information:
1. Name of caller, phone no., fax no., relationship to Covered Person;
2. Covered Person’s name, age, sex and policy number;
3. A description of the Covered Person’s condition;
4. Name, location, and telephone number of hospital;
5. Name and telephone numbers for the treating doctor; where and when the doctor can be reached;
6. Health insurance information, worker’s compensation, or automobile insurance information if the Covered Person had an accident.

“Covered Person” means the person insured under the applicable ACE policy.

By requesting assistance you agree to assign to us your rights to recover from any of your responsible insurers any expenses we incurred.

ATTENTION
Medical Personnel or Police

In the event of a medical emergency, our Assistance Provider will provide the services on the card below. To verify eligibility call the multi-lingual call center 24 hours a day toll free at 1-855-327-1414, or direct dial at 1-630-694-9764.

For medical referrals, evacuation, repatriation or other services please call:
ACE Travel Assistance Program
1-855-327-1414 (Toll-Free)
1-630-694-9764 (Direct Dial)
medassist-usa@axa-assistance.us

Visit www.acetravelassistance.net for access to global threat assessments and location based intelligence.

Username: medassist-usa@axa-assistance.us
Password: ace&h

In addition to the insurance protection provided by your insurance plan, ACE USA has arranged with our Assistance Provider to provide you with access to its travel assistance services around the world. These services include:

• Medical Assistance including referral to a doctor or medical specialist, medical monitoring when you are hospitalized, emergency medical evacuation to an adequate facility, medically necessary repatriation and return of mortal remains.

• Personal Assistance including pre-trip medical referral information and while you are on a trip: emergency medication, embassy and consular information, lost document assistance, emergency message transmission, emergency cash advance, emergency referral to a lawyer, translator or interpreter access, verifies medical benefits and assists with medical claims process.

• Travel Assistance including emergency travel arrangements, arrangements for the return of your traveling companion or dependents and vehicle return.

• Security Assistance including a crisis hotline and on the ground security assistance to help address safety concerns or to secure immediate assistance while traveling as well as access to a secure, web-based system for tracking global threats and health or location based risk intelligence.

This information provides you with a brief outline of the services available to you. These services are not insured benefits. Reimbursement for any service expenses is limited to the terms and conditions of the policy under which you are insured. You may be required to pay for services not covered. A third party vendor may provide services to you. Our Assistance Provider makes every effort to refer you to appropriate medical and other service providers. It is not responsible for the quality or results of service provided by independent providers.

In all cases, the medical provider, facility, legal counsel or other professional service provider suggested by ACE’s Assistance Provider are not employees or agents of our Assistance Provider and the choice of provider is yours alone. ACE’s Assistance Provider assumes no liability for the services provided to you under this arrangement, nor is it liable for any negligence or other wrongful acts or omissions of any of the legal or health care professionals providing services to you. Travel assistance services are not available if your coverage under the policy is not in effect.

ACE TRAVEL ASSISTANCE PROGRAM

Organization: "LSU" Board of Supervisors of Louisiana State University and Agricultural and Mechanical College
Policy Number: SPEDMEN
Assistance Provider: AXA Assistance USA, Inc.

AXA provides emergency medical and travel services and pre-trip information services. Please call when:
• You require a referral to a hospital or doctor
• You are hospitalized
• You need to be evacuated or repatriated
• You need to guarantee payment for medical expenses
• You experience local communication problems
• Your safety is threatened by the sudden occurrence of a political or military event
• Programs who use scientific instruments and equipment in the field including placement in water or underground as part of a research expedition

• Over-the-Side and Field Equipment Insurance provides the necessary coverage (replacement cost) for high value equipment either left unattended in the ground or ocean or that may be tethered to a mooring or vessel.

• Request for coverage may be made on-line at lsu.edu/riskmgmt
The mission of Administrative Services and Risk Management in Finance and Administrative Services (FAS) at Louisiana State University (LSU) is to protect people, property, the environment, financial, and other resources in support of the University's teaching, outreach, research, and student services.

Administrative Services and Risk Management consists of Risk Management, responsible for the administration of the University's insurance program and coordination of insurance programs for LSU paid campuses; the Office of Environmental Health and Safety (EHS), responsible for administering the campus safety, health, and environmental programs; the Office of Parking, Traffic and Transportation, responsible for controlling, distributing, enforcing/maintaining all parking facilities, and providing various modes of transportation on campus; and the Office of Financial Systems Services (FSS), responsible for providing leadership for the development and maintenance of all FAS business processes, supporting the network, and educating and training FAS employees on the use of technology.

NEW SAFETY IMPROVEMENT PROGRAM

POLICY REVISIONS

PS 90 – WORKERS' COMPENSATION AND WORK RELATED ACCIDENTS
PS 67 – MISUSE OF DRUGS OR ALCOHOL
RISK ASSESSMENTS

Risk Appetite
RISK ASSESSMENT
It's Not Worth It
MOU/AGREEMENTS/CONTRACTS/INTERNS

• All contracts may be sent to Risk Management at any point in the development process for review.

• Risk Management’s review will include the insurance requirements, indemnification clauses and identify other liabilities or risks the University may assume.

• If required Risk Management may also waive the insurance requirements upon the completion of a risk assessment.

• Signature authority for an MOU, agreement or contract on behalf of the University does not lie with the department and all should reviewed by Risk Management.
QUESTIONS – WE WANT TO HEAR FROM YOU!

Colorado Robertson
colorado@lsu.edu
225-578-2249