

March 2013 Accident Prevention Newsletter

~ ~ ACCIDENT PREVENTION ~ ~
INFORMATION
 MARCH 2013

HAPPY ST. PATRICK'S DAY

ACCIDENT PREVENTION "INFORMATION" NEWSLETTER

We ask that each State Accident Prevention Chairman make sure a copy of this newsletter is distributed to each local Lodge within their designated territories.

Also please note that all Lodge members now have access to this newsletter online at www.elks.org/resources/accident/.

PARKED AUTOMOBILES/RV'S

Local Lodges should note the Self-Insured Master Liability Program is not responsible when automobiles and/or RV's are damaged while parked on Lodge property; no payments will be made to reimburse owners for any such damage.

Vehicle owners/operators park at their own risk; they must seek recovery from their own insurance carrier.

VOLUNTARY WORKERS COMP PROGRAM FOR LODGES (CAN INCLUDE VOLUNTEER COVERAGE)

You may have already received or will receive a communication from Lockton Risk Services offering participation in a voluntary Workers Comp program. This program provides individually written policies that offer the following benefits:

- ◆ This program can provide rates on a lower level by using the "clubs not otherwise classified" rate, which is lower than the rates usually applied.
- ◆ There are no surcharges made under assigned risk plans or for small groups.
- ◆ Most importantly, coverage can be obtained for volunteers in most states if the Lodge chooses to do so.

Offering volunteer coverage may help those Lodges that were concerned by the fact that secondary medical payments were eliminated under the Master Liability Program. However, the following exceptions must be noted:

Workers Comp Offered Through the State (Monopolistic States)

- ◆ North Dakota
- ◆ Ohio
- ◆ Washington
- ◆ Wyoming

States That Do Not Allow Coverage for Volunteers

- ◆ Connecticut
- ◆ New Jersey
- ◆ Texas
- ◆ Wisconsin

It is recommended that all eligible Lodges obtain a quote to see if they would benefit from this voluntary program. Please contact **Lockton Risk Services at: 1-877-735-6349** with any questions.

Do not call the Elks Insurance Department or Aon Affinity Services.

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DISCRIMINATION/SEXUAL HARASSMENT POLICY

Every Lodge should establish a discrimination/sexual harassment policy. For more information on what should be included in this policy, please refer to the Fifth Edition of the *Accident/Claims Prevention Manual*, Code 513100 (Pages 13-17); and the *Discrimination and Harassment Guide*, Code 510900.

If Lodges adopt the policies discussed in these booklets and implement the procedures they outline, Lodges will have reduced the possibility of having a damaging claim filed.

Of course, every Lodge should also consider obtaining D&O/Employment Practice coverage. To participate in the voluntary discounted D&O/Employment Practice Program offered through Chubb, please contact the Elks Team of Aon at 1-800-421-3557. Lodges can also visit/register on www.chubbworks.com for articles that provide additional information on how Lodges can avoid claims.



SUPERVISION OF LODGE FACILITIES

Every Lodge owes a duty to supervise Lodge operations. Lodges that provide open access to Lodge facilities are not properly serving and protecting Lodge members and guests. When a Lodge gives its members 24/7 access to Lodge facilities by giving them keys or key cards, they are ignoring their duty to protect members and conduct activities in a safe manner.

Over the years, there have been several incidents involving sauna and hot tubs that resulted in death and many other incidents involving injuries that occurred in pools, workout facilities and a person's general use of Lodge facilities. In several cases, Lodges that allowed unlimited access to Lodge facilities suffered fire damage.

Lodges must remember that both the Master Liability and Property Plus Programs are self-insured programs, which means that a large portion of the costs are paid by the Elks (the first million dollars of every liability claim and the first \$750,000 of every property claim). Therefore, it is important to avoid claims, but it is even more important for Lodges to have proper control and supervision of Lodge property.

GLASS DOORS/WINDOWS

Every Lodge should cover glass doors with decals or fixtures of some type; the presence of handles alone is not sufficient. This same principle would also apply to any ground level windows that might be mistaken as an entryway.

When installing glass doors and/or windows, appropriate shatterproof safety glass should be used.

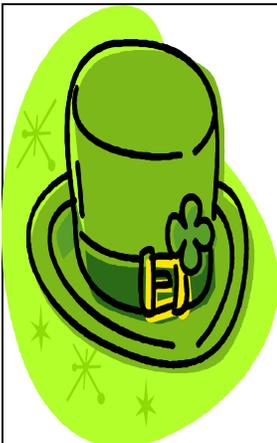
OFFICERS/TRUSTEE BONDS

As a reminder, no separate bonds are needed under the Statutes of the Order. All bonding of persons required under the Statutes of the Order is covered under the fidelity coverage section of the Property Plus Program. If any Lodge purchases separate bonds for this purpose, it is an unnecessary expenditure.

FLOOD INSURANCE

We would again remind all Lodges that the Self-Insured Property Plus Program does not provide flood insurance. The exclusion in this Program, which is similar in all comparable package policies, is as follows: "Flood, surface water, waves, tides, tidal waves or overflow of any body of water (whether driven by wind or not) or mud slides or mud flow." A loss of this type without specific coverage would leave the Lodge uninsured.

If a Lodge is in a flood plain; if there is a realistic chance of floods; or if there is a risk associated with tidal activity, the Lodge should investigate obtaining flood insurance through a governmental plan or through private carriers. Lodges can also obtain such separate and independent insurance by contacting Aon at 1-800-421-3557 for a quote.





EMPLOYEE SAFETY

The following is a draft of a safety review that should be done by all employees (new and current) on a periodic basis. Each Lodge should add or delete items that better deal with their specific Lodge's operations.

Remember that injuries to employees must be reported to the Lodge's Workers' Compensation insurance carrier, **NOT TO GALLAGHER BASSETT** (the third-party administrator for the Master Liability Program).

The Master Liability Program does not cover employee claims.

ACCIDENT PREVENTION REVIEW FOR NEW EMPLOYEES

NOTE: This form should be completed by the manager before a new employee starts working.

Name _____ Date _____

Department _____ Position _____

- 1. MOST IMPORTANT!** Review the Lodge's policy for service of alcoholic beverages if relevant to the job. (Training in the serving of alcohol is recommended and mandatory where required by law.)
- Review possible hazards and how to prevent those that are unique to this department, i.e. cuts, burns, slips, chemicals, etc. Specific hazards covered: _____, _____, _____.
- Review employee's role during an emergency, i.e. fire, bomb threat, power failure, natural disaster, etc.
- Regarding floors: wipe up any spills, pick up any trash or articles.
- Explain where the fire exits are and why they must be kept clear. Explain the location and use of fire extinguishers.
- No running and/or horseplay—explain why.
- Explain why equipment must be in good repair before use....especially electrical equipment.
- Review safe lifting procedures.
- Explain why tools or equipment should not be used unless the employee has been properly trained.
- Review the proper care one needs when dealing with chemicals, including cleaning materials.
- Review the proper use of doors, especially to and from kitchens.
- Explain the use of protective devices and clothing as prescribed by the job: safety gloves, shoes, aprons, etc.
- Tour all areas. Explain the extra care needed in certain hazardous areas.
- Explain voice signals such as "behind you", "hot" or other warning terms and why it is important to continually use them.
- Make sure that all employees understand that ALL accidents/incidents must be reported to management immediately.

REMOVAL OF HAZARDOUS MATERIAL

It has come to our attention that some Lodges have been presented with problems related to the removal of hazardous material such as asbestos, lead, etc. It is imperative that the Lodge management properly handle such situations to avoid potential injury to workers, members and guests. It is also very important that ALL local, state and Federal regulations, laws and/or procedures are followed; mishandling these materials can result in fines totaling thousands of dollars. Additionally, some properties could be closed or quarantined.

If such materials are removed, this work must be done by properly certified contractors; it cannot be done by volunteers or regular workers.



SPRING CLEANING/FIX-UP

For those Lodges in locations that have had a winter with ice and snow, spring again approaches. The following are things a Lodge should do to prepare for the increased activity that warm weather brings:



- Parking lots and open-air areas may have damage or need maintenance.
- Plans should be made now to make the appropriate repairs; clean and remove any hazards that might cause claims by users during the spring and summer months (particular attention should be given to entrances and stairs).
- Fully inspect all areas in the Lodge that will experience an increase in activity.
- Properly mark and block access to areas that are not to be used by members and/or guests.
- Make sure that all areas with different levels are clearly marked or blocked (stages, dance floors or multi-level rooms).
- Most importantly, make sure that those responsible for serving alcohol (employees and volunteers) are properly trained to never serve anyone approaching intoxication. When in doubt, don't serve the patron.

SAFETY AWARENESS

The two major insurance programs created by the Statutes of the Order are now essentially self-insured. The Liability program has a one million dollar self-assumption for each occurrence; the Property Plus Program has a \$750,000 self-assumption for each loss.

If these programs are to continue to benefit the Order, a team effort must be made to avoid losses. Every loss is the individual member's loss; therefore, Lodge management must think safety. In the property area, these policies can't be viewed as a means for maintenance.

- ◆ Do not think about how to file a claim but how to avoid a claim.
- ◆ How can I make sure the Lodge will never serve a person approaching intoxication?
- ◆ How will we make sure there is no hazard on which a person can fall?

To keep the great benefits these programs provide, all must think "safety first."

LEAD PAINT

All Lodges should determine if lead paint has been used in areas that might be accessible to children. More importantly, if the Lodge has any rented properties, it should be clearly established that all lead paint has been removed from the interior or any areas accessible to children. In most areas of the country, the existence of lead paint in these areas constitutes a violation of local or state law.

The Master Liability Program excludes coverage for claims arising out of exposure to lead paint. Any Lodge involved in a claim of this type would have to pay its own defense and any settlement or judgment that might occur, which could bankrupt most Lodges. Proper and prudent management can help avoid this loss potential.

LODGE ACCIDENT PREVENTION MANAGERS

Has every Lodge complied with the Statutes of the Order (12.070) and appointed someone in this position? See Pages 48-49 of the *Accident/Claim Prevention Manual* for a suggested description.



MOBILE EQUIPMENT

Special attention should be given to Page 6, Exclusion G in the *Liability Insurance Program* booklet. Accidents arising out of their general use, for racing and/or for transportation is excluded with the exception of carts used on Lodge golf courses, which are covered.



FIRE EXTINGUISHERS

It has come to my attention that there has been a change in some areas in the recommended types of equipment to be used in various circumstances. Because of the many different state and local requirements, I urge each Lodge and State Chairman to review the needs of each state and/or local jurisdictions.

As we have always stated, it is imperative that Lodges comply with proper maintenance and recharging schedules. If such procedures are not strictly adhered to, the extinguisher may not function properly.

Also, every Lodge with an interior cooking facility should obtain a dry chemical installation for hoods over the cooking area. There is absolutely no doubt that such an installation will stop all fires related to the accumulation of grease or involving cooking.

AUTOMOBILES/TRUCKS/BUSES

As a repeated thought, no Lodge should ever own an automotive unit.

- ◆ There is no coverage of any sort under the Self-Insured Master Liability program.
- ◆ The Lodge would have to buy local insurance, which is expensive. The Lodge would probably not be able to get more than one million dollars in coverage and possibly considerably less than that. If a Lodge were to have any type of catastrophic loss, especially involving buses, the low limits of coverage could result in a judgment that would take all the assets of the Lodge.
- ◆ There is no logical business or efficiency reason that any Lodge should own any vehicles licensed for road use.

SUMMARY OF TOPICS FOR ACCIDENT PREVENTION MEETINGS

1. Never serve anyone approaching intoxication. Count the drinks. If in doubt, cut the patron off. The Drug Awareness effort extends to more than just programs for children.
2. Lodges must be well maintained; should complete the self-inspection reports; and must take action to correct deficiencies. Lodges should also use the other inspection forms and reports in the *Accident/Claim Prevention Manual*.
3. Make sure each Lodge has appointed an accident prevention manager as required in the Statutes of the Order.
4. Make sure the Lodge has Workers' Compensation coverage. Even if a Lodge has no employees, it should have a defense policy in the event a person contends they are an employee. The Master Liability Program does not cover such claims and can not defend such allegations.
5. Lodges should not engage in any fundraising ideas that generate risk or exposures with the high potential for losses or catastrophic events.
6. Lodges should be cautious about assuming obligations under contracts or other documents; legal advice should be sought.
7. Lodge management should seriously consider obtaining Directors & Officers/Employment Practice coverage through the discounted program offered by Aon (the Master Liability Program does not provide this coverage). Without D&O coverage, the personal assets of Lodge officers and managers are at risk.
8. Lodges must have licensed persons remove hazardous material (asbestos, lead, mold, etc.).
9. If there is a liability claim, the accident report must be completely filled out. Copies of these reports are in the *Liability Insurance Program* booklet.
10. Make sure special care is taken to maintain, mark and control access to stairs, stages, entrances or any areas with different levels.
11. Persons or corporations leasing or using the Lodge's premises and/or facilities should follow the instructions on Pages 10-11 of the *Liability Insurance Program* booklet. Obtain indemnification and, in most cases, be named as additional insured on the leasing party's insurance policy.



LIQUOR SERVERS

As we have frequently pointed out, all those who serve alcohol should be certified and have proper training. This is true whether they are employees or volunteers. Those who serve alcohol must also be observed, monitored and controlled by Lodge management on a continuing basis.

During the selection process for servers (employees and volunteers), the Lodge management must make prudent choices to avoid claims and/or other problems. The following are some situations where servers should be rejected or subjected to further investigation:

- ◆ Any person known to drink while serving alcohol or observed doing so.
- ◆ Any person having several drinks at the Lodge after his/her shift is over.
- ◆ Any person known or suspected of being a substantial alcohol user or considered in any way to be a problem drinker.
- ◆ Any person known to have an aggressive nature, a short temper or any history of violence.
- ◆ Any person employed to serve alcohol before a complete check has been conducted in relation to prior employment.

These servers are the front line of defense against liquor related claims. They should not have problems themselves, nor should they cause problems but, most importantly, they must be responsible to members and guests throughout the alcohol service process.

BOATS/DOCKS/MARITIME EXPOSURE

It has come to my attention that some Lodges may have exposures related to docks and various areas related to the use of boats.

The Master Liability Program specifically excludes coverage on any owned boat propelled by engines of any type or by sail and any rowing boats over 18 feet in length. The Lodge is covered for claims arising out of non-owned water crafts under 52 feet in length (there is no coverage for any owner of any boat).

If the Lodge has a dock or mooring facility, regardless of whether or not the spaces are rented or provided free, the Lodge should purchase an appropriate marine docking liability policy to protect the Lodge from any claims arising out of the use of such facilities presented by owners of moored boats or any other third parties. Such a policy must cover docks, mooring and other facilities used to enable launching or maintenance.

Lodges with such an exposure should also make sure that the Lodge's Workers' Compensation policy (obtained locally) includes appropriate endorsements that provide coverage and defense under Federal or state laws for work related claims arising out of allegations of injury in maritime or dock circumstances.

It should also be noted that the Property Plus Program does not provide flood coverage on docks or marinas, nor does it provide coverage for any "storm surge." Lodges can try to obtain outside/independent coverage on an all risk marina form that would cover floods and storm surges. Lodges can contact Aon to get a quote for such coverage at 1-800-421-3557 or contact someone locally.



ANIMALS IN LODGES

We recently had several cases where members or employees had their dogs in or around the Lodge premises that resulted in a biting incident.

To date, we have defended the Lodge in these cases and directed civil actions to the owner of the animal; however, the defense of the Lodge in these cases is an unnecessary expense. This situation should be avoided.

I can think of almost no situation where a member or an employee should bring any pet on the Lodge premises, except in the case of a needed guide/assistance dog.