



## **FY 2015 Performance Accountability Report Office of Risk Management**

### **INTRODUCTION**

The Performance Accountability Report (PAR) measures each agency's performance for the fiscal year against the agency's performance plan and includes major accomplishments, updates on initiatives' progress and key performance indicators (KPIs).

### **MISSION**

The mission of the Office of Risk Management (ORM) is to reduce the probability, occurrence and cost of risk to the District of Columbia government through the provision of risk identification and insurance analysis and support to District agencies, and by efficiently and fairly administering the District's public sector workers' compensation, tort liability and captive insurance programs.

### **SUMMARY OF SERVICES**

ORM implements its mission through four programs: Risk Identification, Analysis and Control Division (RIAC), Public Sector Workers' Compensation Program, Tort Liability Program and the Insurance Program. An individual summary of services is provided by division in each section.

### **OVERVIEW – AGENCY PERFORMANCE**

The following section provides a summary of ORM performance in FY 2015 by listing ORM's top three accomplishments, and a summary of its progress achieving its initiatives and progress on key performance indicators.

### **TOP THREE ACCOMPLISHMENTS**

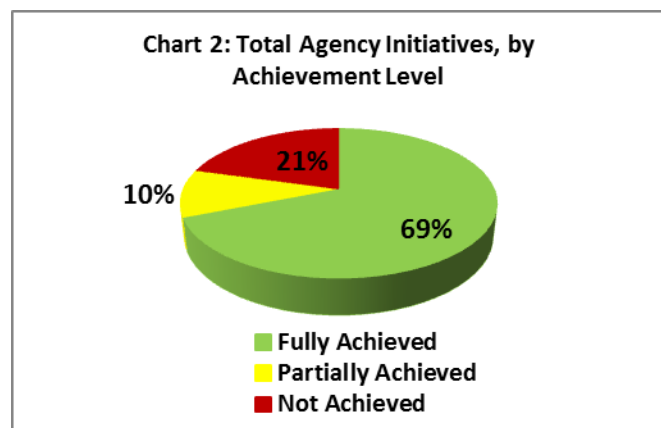
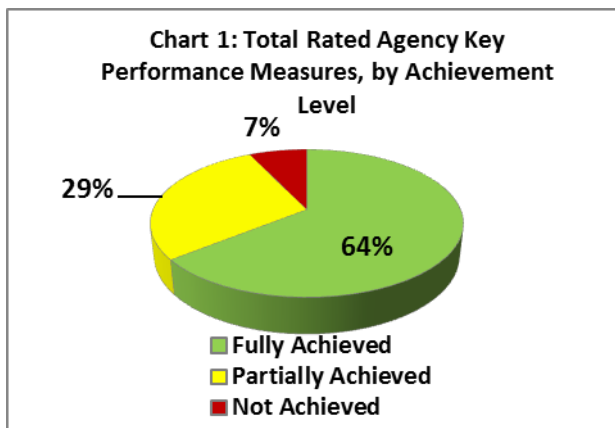
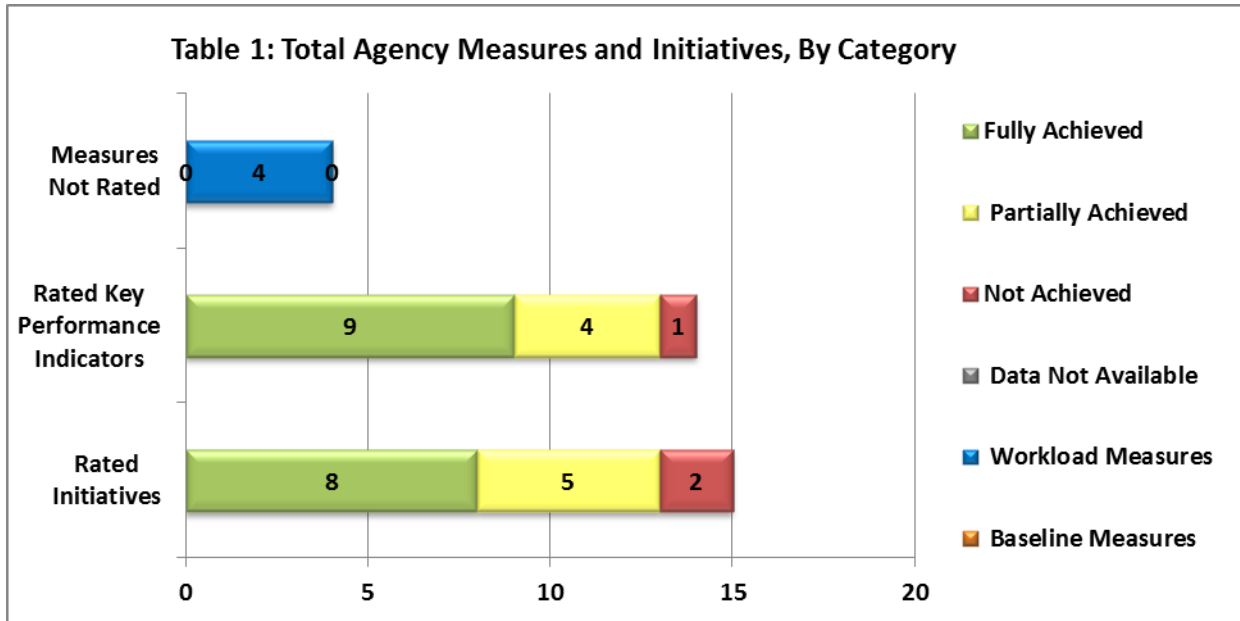
The top three accomplishments of ORM in FY 2015 are as follows:

- ✓ ORM expanded the Captive Insurance Agency by successfully procuring property insurance for the District for the first time in its history. This policy will protect District property in the event of casualty, flood, earthquake or terrorist activity.
- ✓ Improvement in the timeliness of tort claims handling. The case resolution rate increased from 52% for FY 2014 to 59% for FY 2015, despite an increase of claims received in FY 2015 from the previous year.
- ✓ ORM provided necessary resources for staff to conduct core services, including the purchase of vehicles and Principles of Occupational Health (POSH) training.

### **SUMMARY OF PROGRESS TOWARD COMPLETING FY 2015 INITIATIVES AND PROGRESS ON KEY PERFORMANCE INDICATORS**



**Table 1** (see below) shows the overall progress the ORM made on completing its initiatives, and how overall progress is being made on achieving the agency’s objectives, as measured by their key performance indicators.



In FY 2015, ORM fully achieved more than 60 percent of its initiatives and more than 50 percent of its rated key performance measures. **Table 1** provides a breakdown of the total number of performance metrics ORM uses, including key performance indicators and workload measures, initiatives, and whether or not some of those items were achieved, partially achieved, or not achieved. **Chart 1** displays the overall progress being made on achieving ORM objectives, as measured by their rated key performance indicators. Please note that Chart 2 contains only rated performance measures. Rated performance measures do not include measures where data is not available, workload measures, or baseline measures. **Chart 2** displays the overall progress ORM made on completing its initiatives, by level of achievement.



The next sections provide greater detail on the specific metrics and initiatives for ORM in FY 2015.

## PERFORMANCE INITIATIVES – ASSESSMENT DETAILS

### RISK IDENTIFICATION, ASSESSMENT AND CONTROL (RIAC)

#### OBJECTIVE 1: Reduce the level and cost of risk to the District government.

##### **INITIATIVE 1.1: Determine the areas where the District has the greatest exposure to risk and make recommendations to minimize its occurrence.**

The Office of Risk Management requires all Agency Risk Manager Representatives (ARMRs) to report the Cost of Risk (the total cost of losses, risk control, risk financing and risk administration) associated with the risk management function bi-annually.

In FY 2014, ORM revised the Cost of Risk (COR) requirements. In FY 2015, ORM will analyze the results of the FY 2014 COR data to determine the District's Total Cost of Risk ratio and top five areas of risk exposure, and provide recommendations to District agencies to minimize the probability, occurrence and impact of losses to the District of Columbia government, and promote a safe working environment for employees. **Completion Date: September 30, 2015.**

##### **Performance Assessment Key: Fully Achieved**

The Risk Identification, Analysis and Control Division (RIAC) in the Office of Risk Management (ORM) reviewed the Tort Liability Division and the Public Sector Workers' Compensation Program's (PSWCP) FY 2014 claims results, as well as the Cost of Risk (COR) data submitted by District agencies to identify key risk exposure areas for District agencies and develop a cost of risk ratio. This year's Tort Division trend analysis, and the trend analysis from previous years, reveals that motor vehicle claims have consistently been the most costly claims for the District, followed in second by slip, trip and fall claims, as well as claims involving trees. PSWCP trend analysis reveals that slip and fall injuries are the most common District employee injury, followed by bend, lift and twist injuries, injuries from being struck or hit, and motor vehicle injuries.

Risk control efforts across the District of Columbia vary by agency depending on their mission and operations. They include, among many others, a wide range of unique, often ambitious, risk mitigation activities, such as staff and vendor training, contract reviews by in-house or external legal counsel, purchasing personal protective gear, vehicle maintenance, security guards, and improving or streamlining internal operations to mitigate risks. The FY 2014 COR report revealed the top agency risk control efforts were building security and protective services, legal services supporting risk management, safety programs including training, and personal protective equipment. The risk exposure findings and risk mitigation recommendations were provided to District Agency Risk Management Representatives (ARMRs) at the January 22, 2015 Risk Management Council meeting.









**INITIATIVE 1.2: Create and maintain a District government prioritization risk map based on the frequency and severity of projections of anticipated loss.**

The Office of Risk Management (ORM) is responsible for creating and maintaining a risk map. A risk-based approach to assessing operations for risk deficiencies involves identifying the areas of high risk within the District of Columbia and building and prioritizing monitoring programs around identified risks. Based on data gathered during ORM’s risk assessments of agencies, in FY 2015, ORM will develop an agency risk heat map, which will identify and categorize agency-specific risks. The creation of a heat map will ultimately assist each agency or program to self-identify agency-specific risks. This will assist ORM in tracking agency strengths and weaknesses and apply risk resources to areas of concern. **Completion Date: September 30, 2015.**

 **Performance Assessment Key: Partially Achieved**

The Risk Identification, Analysis and Control Division (RIAC) in the Office of Risk Management (ORM) developed a risk map as part of the Cost of Risk report to identify agency-specific risks and agency risk efforts aimed at mitigating risk exposures. The Cost of Risk report and risk map were sent to the existing ORM Director for approval but not reviewed and approved during FY 2015. Once approved, the risk heat map will be used to provide recommendations to District agencies to minimize the probability, occurrence and impact of losses to the District of Columbia government and provide a safe working environment for employees.

**KEY PERFORMANCE INDICATORS-RISK IDENTIFICATION, ASSESSMENT AND CONTROL**

	   	KPI	Measure	FY 2014 YE Actual	FY 2015 YE Target	FY 2015 YE Revised Target	FY 2015 YE Actual	FY 2015 YE Rating	Budget Program
1.2			Number of environmental and safety inspections/re-inspections at District Government buildings	566	615	Not Applicable	619	100.65	Risk Management – Risk Identification and Control (RIAC)
1.3			Percentage of eligible facilities for which agencies have submitted an Emergency	82%	100%	Not Applicable	85.61	85.61%	Risk Management – Risk Identification and Control (RIAC)



		Response Plan (ERP) for approval by ORM						
1.4	●	Percentage of agencies under the purview of the Mayor that file Cost of Risk reports	Not Applicable	100%	Not Applicable	98%	98%	Risk Management – Risk Identification and Control (RIAC)

## PUBLIC SECTOR WORKER’S COMPENSATION PROGRAM

### OBJECTIVE 1: Improve the management and efficiency of the Public Sector Workers’ Compensation Program.

#### INITIATIVE 1.1: Increase the number of injured workers, who have received medical permission to work in a limited, modified or full duty capacity, to return back to the workforce in some type of work capacity.

In the past, the Public Sector Workers’ Compensation Program’s (PSWCP) Return-To-Work (RTW) program’s main objective was to temporarily place injured workers in alternative modified work assignments, in order to facilitate their transition back to full duty on a permanent basis. In FY 2013, the vision and scope of the Return to Work program was expanded to include claimants whose original District government jobs have been eliminated and who have permanent and continuing duty restrictions. In FY 2014, the Public Sector Workers’ Compensation Program (PSWCP) transitioned from Sedgwick CMS to a new Third Party Administrator (TPA), CorVel. Consequently, the transition impacted the number of claims closed by the adjusters and the tracking of the data for employees who returned to work. **Completion Date: September 30, 2015.**

- **Performance Assessment Key: Partially Achieved.** The Return to Work (RTW) Program is making significant improvement in returning the injured employees back to the workforce. The Program continues to focus on file reviews, vocational rehabilitation, and collaborating with various agencies and organizations for resources that are beneficial to the return to work process.

In FY 2015, file reviews were conducted on all claims exceeding ten (10) years – dating back to 1960 – because this population of employees have exceeded the two year restoration period; a period in which agencies are required to restore career and education service employees who receive public sector workers’ compensation to their pre-injury position, or, to a position substantially similar to the pre-injury position, or to the next available position for which the employee is qualified to hold. Additional Medical Evaluations were completed for these



employees to determine medical necessity, maximum medical improvement, and work status. Most of the employees in this category have reached maximum medical improvement with permanent restrictions.

Employees that have permanent restrictions are referred to vocational rehabilitation. This is utilized to provide training and employment opportunities for the injured employees. The RTW Program has also partnered with DC Department of Human Resources (DCHR), Department of Employment Services (DOES) and DC Office on Aging (DCOA) to address training and employment opportunities. Injured employees are enrolled in DCHR's Center for Learning and Development (CLD). CLD conducts free classes every other Thursdays to assist with resume, interview skills and new job science (i.e. computer skills). These classes will prepare the injured employees for entry into the workforce. Also, the injured workers are required to complete the DOES Orientation which provides an overview of the American Job Centers. The Program partnered with DCOA for volunteer and internship opportunities due to the fact that DCOA collaborates with various agencies and organizations. Based on the resources provided by DCOA, RTW Program has enrolled injured workers into the volunteer initiatives. For example, the Program has assigned an injured worker to the Baptist Convention as a volunteer. The Church has provided positive feedback and may consider changing this assignment to a permanent position. DCOA has also introduced us to NCBA (National Caucus for Black Aging). This organization focuses on citizens from age 55 and up, DC residents and unemployed.

The Return to Work Orientation was held on September 9, 2015. The Orientation provided an overview of the Return to Work Program. A DOES representative was introduced to the injured workers and information was provided regarding DOES services.

The Return to Work Program conducted its first job fair on September 28, 2015. There were 13 employees and six employers in attendance. The employers conducted on-site interviews. The Program received feedback from some of the employers who were interested in five of the candidates. The Program is in the process of assisting the employees with the application process. Two candidates had a second interview with DCHR. DCHR is in need of customer service representatives for their care center. DCHR would like for the employees to train for 90 days prior to making a decision on permanent employment. Service Source was interested in five candidates and recommended the employees to apply for positions via the website. Once the employees have submitted the applications, the Program will provide the names to Service Source for a second interview. NCBA are also interested in some of the candidates and have pre-screened them. The Program is in the process of confirming a date with NCBA for the qualification process. Once the employees are qualified through NCBA, then NCBA will provide the applications to the different employers for employment opportunity.

The Return to Work Program was able to place three (3) FTEs in agencies for this fiscal year.

**INITIATIVE 1.2: Improve data accuracy, auditing and analysis.**



ORM seeks to improve the overall efficiency of the PSWCP by auditing as well as making recommendations for losses or claims that appear to be fraudulent, auditing overpayment files, reviewing payment calculations before checks are issued to claimants, and auditing files to determine whether actions have been taken after the issuance of Additional Medical Examination reports that release an injured worker to work in some type of limited or full duty capacity. The Program will evaluate files to determine if the new Third Party Administrator (TPA) has committed errors and/or omissions as a result of its performance, and will implement a tracking system to facilitate recovery of monies due to any errors by the TPA. Program staff will work with the TPA to improve in the collection and entry of claim management data and the analyzing of such data. Also, the Program will develop a quality assurance review process or protocol for all certified payments by the Program. **Completion Date: September 30, 2015.**

● **Performance Assessment Key: Fully Achieved**

ORM has made significant improvements, and continues to improve the overall efficiency of the PSWCP. ORM maintains an on-going tracking spreadsheet of all claims identified as potential errors and omissions through claim reviews and roundtable claim presentations. The Compliance Officer maintains the tracking spreadsheet and conducts a complete review of each claim to determine the validity of the potential error. For FY 2014/FY 2015, ORM audited 36 claims that evidenced errors and/or omissions committed by the current TPA, and subsequent issuance of an official notice to the TPA of the specific errors and omissions cited for each claim that resulted in \$357,230 additional exposure to the District. This includes ten claims with errors resulting from the TPA's failure to take responsive action to the Additional Medical Examination reports that released injured workers to limited or full duty capacity. In an effort to decrease the number of erroneous payments, ORM has implemented a QA process that includes rigorous vetting of weekly indemnity and vendor payments, ORM has consistently identified and prevented payment errors due to incorrectly calculated or entered payment amounts, expired repetition pays, omission of, or erroneous inclusion of, biweekly indemnity payments to injured workers, and changes to health and life insurance premium deductions. ORM has reviewed and approved the issuance of overpayment notifications of indemnity funds to 16 injured workers totaling \$67,093. A total of \$15,080 has been recovered in overall indemnity and medical overpayments during the fiscal year.

**INITIATIVE 1.3: Issue reconsideration decisions within 30 days of filing of request for reconsideration.**

After the PSWCP issues its initial decision on whether to accept or deny a claim for workers' compensation, the injured worker can request that the Program review and reconsider the program's initial decision that was adverse to the claimant. It is the policy and practice of the PSWCP to review, decide and render reconsideration decisions within thirty days of receipt. However, the Program has never tracked whether it is complying with its policy and to what extent. This initiative will help to facilitate an efficient decision-making process because it will require the agency to collect data to determine whether reconsideration decisions are being



issued within 30 days of the program receiving the request. **Completion Date: September 30, 2015.**

- **Performance Assessment Key: Not Achieved.** In FY 2015, the General Counsel position remained vacant. This impacted the reviews for reconsideration decisions due to other pending litigation and personnel shortage. A new General Counsel was hired on August 31, 2015.

**INITIATIVE 1:4: Reduce the number as well as the length of time that employees receive workers compensation benefits, which impacts total cost of the workers’ compensation program.**

Historically, recipients of workers’ compensation benefits in the District have received benefits in excess of industry standard. While ORM has made gains in how it manages the Program, and has identified successful practices that has improved in the overall operations of the Program, the Program continues to face challenges, especially now that a new TPA is managing the workers’ compensation program. Consequently, it is important that the Program continue to track total program costs, the number of claims filed with the Program as well as the number of days that claimants remain on workers’ compensation. **Completion Date: September 30, 2015.**

- **Performance Assessment Key: Fully Achieved.** Historically, the Public Sector Workers’ Compensation Program (PSWCP) has retained claims that have been on the rolls for decades. Due to statutes and regulations, it is hard to successfully close out any of those claims to reduce the overall exposure. In order to track the performance of the Program’s success for reducing the total cost, the Program is tracking the total cost for claims that were reported four years or less on a rolling cycle each fiscal year. Due to changes in the statute in 2012, the Program is able to show downward trends with total cost. In FY 2013, the total payment for claims that were four years or less was \$11.9M. In FY 2015, the Program paid out \$9.1 M for claims that were four years or less.

**KEY PERFORMANCE INDICATORS-PUBLIC SECTOR WORKER’S COMPENSATION PROGRAM**

	   	KPI	Measure	FY 2014 YE Actual	FY 2015 YE Target	FY 2015 YE Revised Target	FY 2015 YE Actual	FY 2015 YE Rating	Budget Program
1.2			Total Cost of the Public Sector Workers’ Compensation Program (in millions)	\$16.7 million	\$17 million	Not Applicable	\$16.5 million	103.03%	Employees’ Compensation Fund





1.3		Average number of days a claimant receives workers' compensation benefits for claims opened within the fiscal year.	20.50	22.29	Not Applicable	19.31	115.46%	Employees' Compensation Fund
1.4		Number of workers' compensation claims per 100 FTEs	5.7	5.5	Not Applicable	7.13	77.17%	Employees' Compensation Fund
1.5		Average total payment on all claims that are four years or less (in millions)	Not Applicable	\$11.5 million	Not Applicable	\$10.18 million	105.16%	Employees' Compensation Fund
1.6		Number of employees returning to work and/or participating in job club	504	675	Not Applicable	664	98.37%	Employees' Compensation Fund
1.7		Percentage of reconsideration decisions that are decided and issued within thirty (30) days.	NA	100%	Not Applicable	8.33%	8.33%	Employees' Compensation Fund

## TORT LIABILITY PROGRAM

### OBJECTIVE 1: Reduce the number of lawsuits against the District government.

#### INITIATIVE 1.1: Resolve tort claims more efficiently.

In FY 2013, ORM implemented several new policies designed to resolve tort claims filed with ORM more effectively and efficiently (i.e. requiring all claims be reviewed by ORM's Tort Liability Manager, enforcing inter-office deadlines for claims resolution, etc.). As a result of the policies implemented, in FY 2014, ORM made significant strides in its claims handling. Specifically, ORM resolved more total claims in the first three quarters in FY 2014 than it did in FY 2013. In FY 2015, ORM will build on the policies established in FY 2014 and attempt to



decrease the number of days it takes to resolve tort claims by five percent. **Completion Date: September 30, 2015.**

● **Performance Assessment Key: Partially achieved**

In FY 2015, ORM continued to follow the policies implemented in FY 2013 and FY 2014 that were designed to resolve claims more effectively and efficiently. ORM has continued to make significant strides in its claims handling process. ORM has continually increased its case resolution rate from 52% for FY 2014 to 59% for FY 2015, despite the 17% increase of claims received in FY 2015 as compared to FY 2014. ORM also met 84.7% of its projected average number of days to resolve tort claims, even with the increase in claims. For FY 2016, ORM reorganized its internal policies for maintaining and closing cases to provide adjusters with more time to handle claims. ORM also intends on procuring a new risk management system that will allow for more efficient processing of claims.

**OBJECTIVE 2: Recover money owed to the District as a result of tortious acts by third parties.**

**INITIATIVE 2.1: Increase subrogation revenue recovered by the Tort Program.**

In FY 2014, in an effort to increase the amount of funds the District recovered as a result of its subrogation efforts, ORM hired its first ever claims examiner whose primary focus was recovering subrogation funds. Additionally, ORM's Tort Liability Manager met with several District agencies and discussed with them how important it was to the District to recover subrogation funds for damage to District property caused by third party tortfeasors, and impressed upon them the importance of contacting ORM regarding any potential subrogation claim their respective agencies may have. As a result of its efforts, fiscal year to date, ORM has recovered \$66,010 in subrogation funds, which is a 47 % increase over the amount of subrogation funds recovered in all of FY 2013 (\$18,321). **Completion Date: September 30, 2015.**

● **Performance Assessment Key: Fully achieved**

ORM's FY 2014 KPI projection for subrogation recovery was based on an incremental increase of \$5,000 annually from a baseline projection established in FY 2013. For FY 2015, ORM projected a minimal recovery of \$75,000 in subrogation funds. At the close of FY 2015, ORM recovered \$82,809 in subrogation funds. This amount exceeds the minimal projected recovery amount by 10%. In FY 2014 ORM recovered \$101,109 in subrogation funds and established an aspirational goal of increasing the amount of recovery for FY 2015 by 5%, or \$106,164. The total subrogation funds meet 78% of this goal.<sup>1</sup> For FY 2016, ORM intends to procure a District-wide incident reporting system to ensure that all losses to District property are reported to ORM for subrogation. ORM also started a Subrogation Task Force that is charged with creating a subrogation manual and developing new policies and procedures for subrogation.

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<sup>1</sup> ORM was unable to fully meet its informal target of \$106,164.59 because of the increased number of claims filed in FY 15. The increased number of claims required ORM to assign additional claims to its subrogation specialist, thereby reducing the number of subrogation claims pursued.



**OBJECTIVE 3: Develop and maintain a Risk Map so that the District can use to take steps to remediate or reduce defects and/or risks that may be consistently occurring in certain parts of the city.**







**INITIATIVE 3.1 Create a District City Risk Map.**

In FY 15, ORM plans to create and maintain a District City Risk Map, which will track areas where individuals have had accidents/incidents in the District based on claims that ORM’s Tort Liability Programs receives (i.e. motor vehicle accidents, slip/trip and falls and tree falling claims). The map will allow ORM, other District agencies and the public to track alleged incident/accident types in the District by incident/accident type and location. The map will also facilitate the remediation of risks or reduce defects/claims that may be consistently occurring in certain parts of the City. **Completion Date: September 30, 2015.**

 **Performance Assessment Key: Partially achieved**

ORM has compiled the data necessary to load into map generating software. ORM is in the process of selecting the appropriate software to create its risk map.

**KEY PERFORMANCE INDICATORS-TORT LIABILITY PROGRAM**

   	KPI	Measure	FY 2014 YE Actual	FY 2015 YE Target	FY 2015 YE Revised Target	FY 2015 YE Actual	FY 2015 YE Rating	Budget Program
1.2		Average number of days to resolve tort claims that were filed in same fiscal year	80	59	Not Applicable	50.46	116.92%	Risk Management – Tort Liability Program
1.3		Subrogation Monies Collected	\$101,109	\$75,000	Not Applicable	\$82,809.93	110.41%	Risk Management – Tort Liability Program

**INSURANCE PROGRAM**

**OBJECTIVE 1: Increase contractual risk management and awareness of District agencies.**

**INITIATIVE 1.1: Number of contract risk management and risk awareness seminars conducted for agency officials.**

Agencies frequently seek advice from ORM on how to protect the District from risks and liabilities as they carry out agency initiatives, particularly when coordinating special events.



Moreover, agency staff is not aware of the steps that they need to take to protect the District from the conduct of vendors who may be providing a contract service on behalf of the District. Consequently, there is a great need to conduct roundtable discussions or seminars to educate agency staff on risk reduction efforts that agencies can take to insulate the District from risk and liability exposures when they either carry out agency work or hire contractors to provide government services. **Completion Date: September 30, 2015.**

● **Performance Assessment Key: Fully Achieved.**

ORM met its performance goal as it relates to roundtable discussions with partner agencies. However, ORM believes more conversations and reviews are necessary to continue protecting the District's interests.

**OBJECTIVE 2: Ensure DC residents' access to affordable health care.**

**INITIATIVE 2.1: Number of in-house risk management seminar to Captive members.**

ORM administers the D.C. Captive, which provides medical malpractice liability insurance to four non-profit community health clinics. By providing subsidized insurance to clinics that are otherwise not able to afford market-rate insurance, the D.C. Captive facilitates thousands of residents' access to affordable health care and wellness education. With the assistance of the Captive Manager and the D.C. Captive Advisory Board, in FY 2015, ORM plans to continue to conduct in-house risk management seminars at the locations of each insured clinic for all insured staff of each health center in order to cover new and important risk reduction topics (i.e. securing confidential medical information; use of modern technological equipment to reduce liability risk, reducing at-risk births with new prenatal care outreach efforts).

**Completion Date: September 30, 2015**

● **Performance Assessment Key: Not Achieved.**

ORM has gone through an administration change and is currently undergoing an improvement process as it relates to the insurance program.

**INITIATIVE 2.2: Number of District residents who receive medical care at clinics who receive subsidized medical liability insurance from the District.**

ORM provides medical malpractice insurance to four clinics in the District of Columbia. ORM will document the number of people who are utilizing the services of these four clinics to determine whether the clinics are providing a useful and important medical service to residents of the city. In addition, ORM will collect information on the number of patients who are being treated by the healthcare facility. This data will help the District determine whether the clinics are providing a useful service to District residents and whether the volume of medical services provided to District residents supports the liability coverage and expenses offered by the City. **Completion Date: September 30, 2015.**

● **Performance Assessment Key: Fully Achieved.**

ORM has received the number of patient visits each Medical Captive Clinic participant has had over FY 2015. ORM will use this data to better analyze and target services where needed.



### **OBJECTIVE 3: Reduce risks to District property.**

#### **INITIATIVE 3.1: Build a stronger District property risk management program with a combination of self-insurance and private insurance.**

In FY 2013, the scope of the Captive Insurance Agency (Captive) was expanded to include the purchase and issuance of property insurance for District government buildings. In FY 2014, the Captive used a comprehensive inventory of District buildings to obtain property appraisals of District buildings, and secure the services of an insurance broker to obtain comprehensive property insurance. On October 1, 2013, the Amended Captive Insurance Agency - Subtitle D of Bill 20-0199, the FY 2014 Budget Support Act of 2013, approved by the Council on June 26, 2013, authorizes the Captive to purchase and issue property insurance for District-owned real property assets became effective. As a result of the amended legislation in FY 2014, ORM achieved the following: (1) completed the appraisal services of District-owned property which was performed by American Appraisal. As previously reported, the purpose of the appraisal was to determine the insurable values and insurance amounts for real property owned by the District; (2) Awarded RFP No. DCRJ-2014-R-0001 for Captive Manager and Property Insurance brokerage services in support of subtitle D of Bill 20-0199 to Aon Risk Services of Washington, DC. Aon is finalizing quotes from the market and will submit them to ORM early in the fourth quarter; and by the end of the fourth quarter, ORM and the Captive will have placed commercial property insurance on District-owned property. During FY 2015, ORM and the D.C. Captive will continue to review the insurance program to identify and implement any improvements. **Completion Date: September 30, 2015.**

#### **● Performance Assessment Key: Fully Achieved.**

ORM revisited prior contract concerns and addressed best practices going forward. ORM plans to research additional ways to mitigate risks as it relates to property concerns. ORM continues to work with the Department of General Services and partner agencies to protect our property.

#### **INITIATIVE 7.2: Build a stronger District property risk management program with a combination of risk management technology, self-insurance and private insurance.**

In FY 2014, ORM hired a third-party commercial property insurance broker and purchased commercial property insurance, including terrorism coverage for District-owned Property. In FY 2015, ORM will continue to review the insurance program to develop: (1) a marketing plan to inform all District agencies of the program and the importance of safeguarding and properly maintaining District-owned property, (2) a claim reporting process by which building managers of District-owned properties that are covered by the commercial property insurance program can report all property damage claims, (3) explore opportunities to leverage the commercial property insurance program to include additional types of insurance coverage - this could require legislative expansion, and (4) explore, examine, and possibly purchase a risk management software application that will allow a comprehensive and centralized way to manage the Captive and ORM operations including insurance, safety, tort



claims, and public sector worker-compensation management. **Completion Date: September 30, 2015.**

**● Performance Assessment Key: Partially Achieved.**

During the administration change no Capital Budget was procured for FY 2015, however in FY 2016 funding has been secured to obtain a risk management system. During FY 2015 numerous meetings were held with the Office of the Chief Technology Officer and outside vendors to discuss IT needs for the District and ORM. ORM’s meetings assisted in laying the foundation for ORM’s upcoming Capital Budget enhancement for FY 2016.

**KEY PERFORMANCE INDICATORS-INSURANCE PROGRAM**

	   	KPI	Measure	FY 2014 YE Actual	FY 2015 YE Target	FY 2015 YE Revised Target	FY 2015 YE Actual	FY 2015 YE Rating	Budget Program
1.2			Percent of District government vendors in compliance with ORM minimum insurance requirements	100%	100%	Not Applicable	100%	100%	Captive Insurance Agency
1.3			Number of contract and insurance risk management training classes offered to agency officials	Not Applicable	6	Not Applicable	6	100%	Captive Insurance Agency
3.1			Percentage of government real estate property assets insured by private insurance	Not Applicable	50%	Not Applicable	100%	200%	Captive Insurance Agency

**AGENCY MANAGEMENT**

**OBJECTIVE 1: Oversee the implementation of agency-wide priorities.**

**INITIATIVE 1.1 Conduct agency sustainability assessment using OCA approved criteria developed by Department of Energy and the Environment (DOEE) and Office of Planning (OP) in accordance with Mayor’s Order 2013-209 (Sustainable DC Governance Goal 1, Action 1.2; Built Environment Goal 3).**



Within 120 days after the City Administrator approves sustainability assessment criteria developed jointly by the DOEE and OP, each agency head subject to the authority of the mayor shall use the criteria to evaluate the sustainability of their respective operations in accordance with the requirements of Mayor's Order 2013-209, the Sustainable DC Transformation Order, and submit to his or her responsible Deputy Mayor and the Office of the City Administrator (OCA) the results of the agency's internal assessment. **Completion Date: April 2015.**

 **Performance Assessment Key: Fully Achieved**

This information was submitted by ORM to OCA/DOEE as requested.

[NO KPI TABLE]

**WORKLOAD MEASURES – APPENDIX**

**WORKLOAD MEASURES** 

<b>Measure Name</b>	<b>FY 2013 YE Actual</b>	<b>FY 2014 YE Actual</b>	<b>FY 2015 YE Actual</b>	<b>Budget Program</b>
Number of OSHA complaints received by ORM from District agencies	49	30	55	Risk Management – Risk Identification and Control (RIAC)
Total number of open workers' compensation claims filed with ORM	1,519	1,932	2,500	Employees' Compensation Fund
Number of tort claims filed with ORM	1,235	1,247	2,039	Risk Management – Tort Liability Program
Number of insurance inquiries received by ORM from District agencies	717	512	823	Captive Insurance Agency