



## Case Study: Similar School Districts; Very Different Outcomes Due to CIC's Pre-Claim Loss Control Program

BY Staff



### About CIC:

Community Insurance Corporation was started in 2001 by the Wisconsin County Mutual Board of Directors to open the doors of the company to cities, towns, villages, and school districts looking to access the highly successful and stable County Mutual insurance program.

Community Insurance Corporation is unlike other insurance companies that provide coverages solely based on price and are not heard from again until renewal time. We work directly with our municipal clients in partnership to control their insurance costs through our unique risk management practices and aggressive claims philosophy.

We are proud to be a Wisconsin company, comprised of local government officials from throughout the state.

**There truly is strength in our Community.**

### >> PRE-CLAIM LOSS CONTROL

Often, an insured's administration staff is aware of a situation that may give rise to a potential, full-blown claim. Most insurers do not respond under AFTER a claim from monetary damages has been presented. Community Insurance Corporation provides legal assistance to our insureds on a "pre-claim" basis.

This assistance provides the insured with the assurance and support for their response to the situation BEFORE the claim is presented. In fact, in the majority of cases, a full-blown claim is avoided using this technique. Should a claim end up being presented, the insured has already been preparing a defense in response to the allegations.

For more information on setting up a Pre-Claim Loss Control file, please contact your CIC litigation manager.

The Wisconsin County Mutual Insurance Corporation and Community Insurance Corporation (CIC) adhere to a strong claims philosophy and have never wavered from our belief to fight for our clients in a proactive manner.

A recent news story best illustrates this point. A non-CIC client, the Middleton-Cross Plains School District (Story, here: <http://bit.ly/jpfAzb>), recently had to pay legal fees for attorneys and arbitrator costs close to \$400,000 to fight an arbitration demand for a teacher that was terminated after having pornographic content on their computer that violated the district's policies. Because the arbitrator reinstated the teacher, the district now has to repay the teacher \$195,000 in back pay and benefits and is currently appealing the decision. Read the latest story on this decision from the Wisconsin State Journal here: <http://bit.ly/A8uuCo>.

### >> THE CIC DIFFERENCE

Community Insurance Corporation recently set up a Pre-Claim Loss Control file for a similar sized school district to assist them in dealing with the discipline/termination of three employees who were found to similar content on their computers that violated this district's policy. CIC's Pre-Claim Loss Control program is a claims and loss control tool the company uses when a situation arises that could lead to a covered claim, but has not yet triggered coverage under a CIC or County Mutual policy.

CIC assigned counsel, Phillips Borowski, S.C., to assist the school district's human resources department to make sure the terminations were done properly and to put the company at the best possible position in case the teachers fought the allegations.

Interviews were conducted by CIC defense attorney Andy Phillips and Human Resources Director and after the interviews and negotiations with WEAC, all three employees resigned without the district having to pay severance.

CIC's cost was under \$5,000 instead of the disastrous non-CIC Middleton-Cross Plains payout of close to \$600,000. At a time when districts are strapped for cash, this is a big victory for all of our insureds.