



THE INSIDER

NEWS AND EVENTS FROM THE BUILDERS GROUP



TBG BOARD APPROVES
\$4.1M
IN DIVIDEND DISTRIBUTION PAYABLE IN 2020

CHANGE IS IN THE AIR

There are recent changes to our Auditing Department we are sharing with mixed emotions. Jim Walerius, TBG's longtime Audit Manager and friend to all, officially retired on November 15th. We have all thoroughly enjoyed working with Jim. The depth of knowledge and commitment he brings to TBG will certainly be missed.

Jim has been a great help in preparing Anne Blessing to fill his role as Audit Manager. Jim has been training and coaching Anne all year to make this transition as smooth as possible for our agents, members and associates. In fact, since mid-September Anne has been acting as our Audit Manager under Jim's guidance. If you haven't already, please begin directing all communications to Anne.

Fortunately, Jim will continue to work with us part-time from his home office as coach and mentor to Anne along with performing audits during the busy season. These are exciting new developments for Jim and Anne along with all of us at TBG. Congratulations!

We are also excited to announce the addition of Sarah A. Miller as a Premium Auditor. Being a problem solver at heart, Sarah brings her passion for finding customer solutions to her new role at TBG. Sarah comes to The Builders Group with 20 years of workers' compensation insurance underwriting experience. She was most recently a Senior Underwriter at Omaha National Group, responsible for designing the underwriting pricing model and establishing procedures, manuals and training tools for their start-up operations.

Previously she worked in the San Francisco Bay area as a Senior Underwriter.

Sarah graduated from Augustana College in Rock Island, Illinois with a Bachelor's degree in English. She holds designations as Associate in Risk Management (ARM), Associate in General Insurance (AINS), Certified Insurance Service Representative (CISR) and has her MN Property and Casualty Producers license.

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TBG MEMBER SPOTLIGHT: MIKE HOVEN OF GRIZZLY TRUSS

Mike Hoven is uncommonly dedicated to safety. Mike, the president of Grizzly Truss in Bemidji, did something truly exceptional when he heard about a proposed OSHA 10-hour construction safety course hosted by TBG.

Because TBG needs 10 attendees to host the 10-hour course, there was a strong possibility the course would be canceled due to a lack of people enrolled in the Bemidji area. Even though the course was designed for construction instead of general industry (to which Grizzly Truss belongs), Mike offered to call on his clients – contractors and vendors – to let them know of the TBG training opportunity. Mike even took the extra step to sponsor 12 people for the course!

The fact that Mike would offer to sponsor safety training perfectly demonstrates how TBG members understand the true value of safety training in their community. Without Mike's generous offer to champion safety in his area, local Bemidji companies might have missed a rare opportunity to participate in an OSHA 10 course.

It is worth noting, temperatures those days were as low as -40 F.



Mike's dedication to safety doesn't stop there. In the spring of 2019 Mike requested that TBG conduct a mock OSHA inspection as well to make sure his company was on track with OSHA safety compliance and protocols.

Mike's value and support of continuing education and safety training is truly an inspiration. We cannot thank Mike enough for being a wonderful partner of TBG and for his outstanding commitment to safety.

TBG'S SAFETY TRAILER

Every year we train about 4,000 Minnesota workers on workplace safety from our Safety Services training center in Eagan. But Minnesota is a big state. There are many faraway companies who would like to get their employees the safety training they need, but can't afford the time lost from work and the cost to transport their team to our Eagan facilities.

That is where TBG's Safety Trailer comes in. Our Safety Trailer is where the state-of-the-art resources and the expertise of our safety trainers meets the road. TBG's Safety Trailer provides a convenient solution for taking training to the field, direct to your employees for a hands-on training experience.

The continued success we've seen at TBG's field classes is proof that bringing safety training directly to the field helps employees to retain more information, and makes training more efficient and the content more relevant to the specific and diverse environments in which your employees work. Sometimes employees can even use their own tools in our workshops and training sessions.

Recently, our facilitators Chris and Louie held a workshop in Ely, Minnesota, a four hour drive from our Eagan offices. TBG has even teamed up with Associated Builders and Contractors of Minnesota/North Dakota to deploy safety training to even more members throughout Minnesota and North Dakota.

Meanwhile, in Eagan, the Safety Trailer has been a real crowd pleaser at events like the OSHA 10, and the Safety Summit hosted by TBG, where other self-insured groups (SIGS) from all over the country — Michigan, Louisiana, Kansas, Hawaii, Florida, and California — were able to experience how the Safety Trailer is revolutionizing state-wide safety compliance.



The preventive efforts of the Safety Trailer and our team of mobile trainers are helping members create safer work environments which have resulted in fewer and less severe injuries. This is one of the reasons TBG is set to distribute our biggest dividends to members ever. In 2020, TBG is projected to distribute over four million dollars!

As a member of TBG, our Safety Services team is available to visit your jobsite and/or workplace to assist you in coordinating and implementing much-needed and complementary safety procedures. This helps your company's safety programs stay current, enforceable, reflective of your company's core values, and inline with all regulatory compliance requirements. Not only that, it helps keep your workers safe, happy and efficient on the job.



FUTURE SKILLED PROFESSIONALS VISIT TBG

It is not every day that our Safety Services team gets a visit from the future of Minnesota's skilled trades. Recently, a group of young men and women from the Eagan High School Construction Trades class joined us with a goal of exposing more youth to the construction trades.

We are so excited that Eagan High School shares our view that careers in the skilled trades and safety go hand in hand. It was both illuminating and inspiring to watch future graduates witness firsthand what a career in the skilled trades looks like, but also, how the conversation of safety should be integrated into the agenda as early as possible.

Many employers, general contractors and property owners alike require employees to have a level of training that OSHA refers to as their OSHA 10 Hour Construction Course. This course can typically be done online or in person and addresses the following topics: an introduction to OSHA, health hazards, personal protective equipment, falls, struck-by, caught-in or between, electrical hazards and other topics covered by the OSHA 1926 Construction Standards.

There is an added value to attending the OSHA 10 course in person and on location. For this reason, we'd like to take a moment to specifically thank Ryan Hauenstein and Wayne Krantz with Eagan High School for reaching out to create partnership opportunities to provide the best possible safety training to their students. Ryan and Wayne's Construction Trades class is providing a valuable service to the construction industry as a whole by educating students about the exciting opportunities the industry has to offer.

Our Safety Services team worked with Ryan and Wayne to provide an environment where students were able to utilize the tools of the trade through hands on demonstrations. This interactive environment opened channels for direct dialogue

and questions furthering the value of the experience. We love to see our students roll up their sleeves and really get into the hands-on safety activities of the course!

This was all made possible thanks in no small part to the financial assistance of TBG's Education Foundation and its generous donors. With the support of the Foundation our Safety Services team was able to conduct this OSHA 10 Construction Course for 16 Eagan High School students – FREE OF CHARGE. This saved the Eagan School District \$4,675!!

We valued our time with the young adults that are building our future! We were able to provide an interactive learning environment while incorporating hands-on demonstrations such as:

- Sawstop table saw use
- Dropped objects
- An electrical panel demonstration
- Proper use of fall protection harnesses
- Equipment inspections
- Ladder use
- Group discussion and exercises
- Interactive quizzes and more

Ryan and his students, were fantastic people who took full advantage of this partnership opportunity. We were pleasantly surprised with the professionalism, knowledge, politeness and the level of engagement the students showed. We look forward to the possibility of partnering again in the future to support our mutual goal of educating students about the construction trades.



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Members are jointly and severally liable for their proportionate share of obligations for the group and will be assessed on an individual and proportionate share basis for any deficit created by the group. Dividends are not guaranteed.

TBG THE INSIDER

MAKING WORKERS' COMP WORK FOR YOU

COVERAGE BEYOND BORDERS: THE IMPORTANCE OF WRITING WORKERS' COMP FOR OTHER STATES By Frank Pennachio

One of the most confusing and challenging components of workers' comp insurance is trying to understand cross-border coverage. The persistent question for cross-border coverage is almost always – does workers' compensation coverage apply when an employee is injured on the job in a state other than the state in which they're insured?

Many agents and employers assume workers' compensation insurance will simply follow an employee that crosses state lines and provide coverage in the event an employee is injured outside the domicile state of their employer. But workers' compensation coverage is state-specific. The best way to ensure employees are covered in other states is to make sure items 3A and 3C on the Declaration Page of their policy are set up properly.

Item 3A is a list of states where the employer conducts business operations or expects to operate at the beginning of the policy. The policy states, "If you have work on the effective date of this policy in any state not listed in Item 3A of the Information Page, coverage will not be afforded for that state unless we are notified within thirty days."

Item 3C is a list of states where employees may work, or travel through, during the policy period, but where the work has not yet commenced on the effective date of the policy. The policy states that the policyholder must, "Tell us at once if you begin work in any state listed in Item 3C of the Information Page."



When filling out Item 3C, the most preferred language would read as follows, "All states, not including the Monopolistic States, the District of Columbia, and States listed in 3A." Some insurance carriers may be unwilling to list all other states for a number of reasons, but most likely because they may not be licensed to provide coverage in all states. Be especially wary of State Funds and Assigned Risk Policies, as they frequently exclude or limit coverage for other states.

Other state's coverage can be confusing and challenging with policyholders facing the risk of denied claims. Injured employees may go "jurisdiction shopping" when injured outside their employer's domicile state to seek richer benefits, and the policy may not respond. Agents and employers must work together and communicate effectively to avoid significant adverse financial events.

Frank Pennachio, Principal, Oceanus Partners a ReSource Pro Company

Frank Pennachio has more than 30 years of experience in the insurance industry as an agency owner, and producer. In 2009 he sold his agency and co-founded Oceanus Partners with his partner, Susan Toussaint. Today, he is a full-time trainer and consultant to independent insurance agents, insurance carriers, agent associations, and technology companies with "agent as customer."

If after reading this article, you are not confident this exposure has been addressed, please contact your insurance agent. TBG has made adding Other States Coverage easy, comprehensive and cost effective. Your agent will walk you through your policy and set up the coverage that is right for you — assuring you and your employees are covered no matter where the job takes you.