

 Texas Council  
Risk Management Fund

**2020**  
ANNUAL  
REPORT



**Managing Risks. Helping People.**



# 2020 ANNUAL REPORT

Managing Risks. Helping People.



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# CHAIR'S LETTER

Dear Friends,

What a year and the pandemic is not over yet. All of us have made drastic changes in the way we do business, socialize, and relate to the ones we love. The pandemic has led us all to new ways of doing things, communicating, and being productive. Just as in our own lives, the Fund has made adjustments in the way it provides services, communicates with members, stages workshops, training, consulting, and board meetings. The primary focus in all the adjustments we've made in our personal and business lives has been on the health and safety of everyone we deal with. This fits squarely with the Fund's tagline – "Managing Risks. Helping People." We have adopted frequent hand washing, wearing masks, social distancing, working from home, and foregoing the simple pleasures of going out to eat or to the movies. The Fund has adjusted with virtual board and committee meetings, webinar trainings, working from home, and only very rare visits to our members. And, just when we think we may be able to move a step or two back toward normal, the pandemic strengthens its grip with new infection spikes and outbreak hot spots.

So, we bide our time, stay as safe as we can, and do our best to provide the services our members need, want, and demand. And oddly enough we have improved our reach and effectiveness in many areas. For instance, in 2020 Leadership Training, through its robust selection of courses and webinar delivery, has staged 143 webinars attended by almost 4,900 students, reaching every Community Center in the Fund. The Risk Management Advisory Committee has also reached hundreds of attendees with its series of risk management topics relevant to the current pandemic. Topics have included "The Importance of Telehealth in the Current Environment," "How to Deal with Multiple Disasters at the Same Time," and "Safe Return to Work." Our Claims staff has also been active with follow-up calls to members affected by the hurricanes and tropical storms that hit the Texas coast this year. Our underwriters and risk management consultant continue to field questions about contracts, coverages, and specific issues like college interns. Program Management maintains its steady hand, taking the pulse of the Fund and guiding it through the current environment. Our General Counsel also helps us understand the unique legal and regulatory issues raised by the pandemic. The needs of our members haven't changed, and our responsiveness has continued to be excellent. It's just that you don't see us in your door, just on your screen.

We do lament the passing of our beloved and effective board member, LaDoyce Lambert from PermianCare's Board. LaDoyce, with his extensive background in banking and finance, chaired the Budget and Finance Committee and guided the Fund through a significant shift in investment strategy that broadened our portfolio while maintaining a conservative and solid risk management foundation. His work helped us revive our investment earnings to help the Fund offset losses and keep contributions stable despite increasing losses and reinsurance costs. He will be missed but our Board is resilient and pulls together to continue their vital work as governors of the Fund.

As we present the financial results of the most recent Fund year and describe the architecture of our infrastructure in this report, we let it carry our pledge to you to continue doing our best to provide the best service we can deliver. We don't know when the pandemic will allow us to move on to a new normal, but we will. A lot of things will change and our commitment to our members will be stronger and better for the challenges we have faced together.

# AN EXTRAORDINARY COMMITMENT TO SERVICE

The Texas Council Risk Management Fund provides many services for its members. The following list highlights the services and characteristics that distinguish the Fund from its competitors and fulfill its service commitment to members.

- Fund members own and govern the Fund. Each member has a financial stake in the Fund.
- The Board of Trustees is composed of board members from Community Center boards. A Board Advisory Committee is composed of executives from every member of the Fund. All Fund members are welcome to attend Board meetings and address their particular concerns to the Board.
- Loss Prevention services are provided by Loss Control Consultants for:
  - Facility safety inspections
  - Direct and virtual consultations regarding specific safety issues
  - Safety training
  - Helping form and coach safety committees
  - Investigating serious accidents
  - Driver training specific to community center vehicles and usage
  - Van driver training addresses this specific service centers offer to their consumers
- Loss Control staff members also present virtual Safety Seminars and Training. Recent Topics included:
  - Driving Safety
  - Lock-out/Tag-out
  - Ergonomics
  - Analysis of Recent Claims
  - Job Hazard Analysis
- Risk Management Consulting addresses:
  - Contract issues including general and specific conditions
  - Insurance requirements
  - Claim analysis
  - Policies and procedures designed to improve risk management
  - Comprehensive on site/virtual risk management reviews for members resulting in a report to management and recommendations for improvements in all areas of risk
  - Risk management review of specific projects, locations or documents
  - Security assessments for center locations and operations
  - Pre-purchase building evaluations
- Online safety training with over 150 training selections including several Spanish language topics.

# AN EXTRAORDINARY COMMITMENT TO SERVICE (cont'd.)

- Leadership Training for managers and supervisors is provided through courses such as:
  - *Retaining, Encouraging and Developing Employees for Success*
  - *Respect in the Workplace*
  - *Leadership Skills*
  - *Managing Behavior and Performance*
  - *Effective Delegation*
  - *Building Team and Trust*
  - *Situational Leadership*
  - *Communicating Effectively*
  - *Active Listening*
  - *Compassion Fatigue*
  - *Managing Difficult People*

Courses are taught on virtual platforms until pandemic conditions permit training at the center or in a regional setting, without cost to the member.

- Fund publications include:
  - *Risk Advisor*, quarterly newsletter about current trends and developments in safety and risk management.
  - *Bulletins* provide in depth coverage of current risk management topics such as Flood Insurance, Contracts, Property Coverage, and Hurricane Preparedness.
  - *Risk Alerts* issued when members need to know about current risk related events such as tropical storms, cyber threats or potential pandemics.
  - *Emergency Management Resources* guide (published in 2018)
  - *Personnel Policies Guide* (updated in 2018)
  - *Annual Report*
  - *Resource Library on the tcrmf.org website*
- Liability Workshops that were presented as full day events four times a year before the pandemic have been shifted to more frequent virtual workshops presented monthly. Recent presentations included:
  - *Center's Safe Return to the Workplace*
  - *Dealing with More than One Disaster at the Same Time*
  - *Telehealth during the Pandemic*
  - *The Harris Center's C.O.R.E. Program*
  - *Return to Work Considerations*
- Legal Loss Prevention is offered by Pam Beach, General Counsel for the Fund.

- Amicus briefs or other legal assistance on behalf of members in litigation or regulatory matters that could have wide impact on Fund members, decided at the discretion of the Board of Trustees.
- Annual property valuations and periodic professional on-site appraisals to ensure accurate replacement cost values to prevent under-insurance in the event of a loss.
- Efficient online services for:
  - Claim reporting
  - Dashboard style loss history
  - Online renewals
  - Online MVR checks with quick, same day response for new hires
  - Accessible and useful website with significant content including:
    - Upcoming events
    - Sign-up for workshops and seminars
    - Archived publications
    - Risk checklists
    - Extensive library of resources
    - FAQ guidance for contractor and vendor insurance requirements at [tcrmf.org](http://tcrmf.org)
- Dedicated claims adjusters handle workers' compensation, general and automobile liability, errors and omissions, employment liability, and property claims for Fund members.
- Members have access to the Political Subdivision Workers' Compensation Alliance, a preferred and vetted network of medical providers that provide immediate access to care, excellent outcomes for member employees, and reduced medical costs.
- Medical bill review for cost, appropriateness, and efficacy is standard on every claim.
- Accredited nurse case managers are available to help seriously injured workers and their families navigate and understand medical treatment.
- Coverages have evolved over time to respond to emerging risks or coverage needs such as:
  - Employee Benefits liability
  - Cyber Coverage including 24-hour breach response
  - Reimbursement for Criminal Defense
  - Limited Sexual Misconduct coverage
  - Extension of Professional Liability coverage to center Primary Care services
  - Legal Defense for Professional License Agency actions against center staff

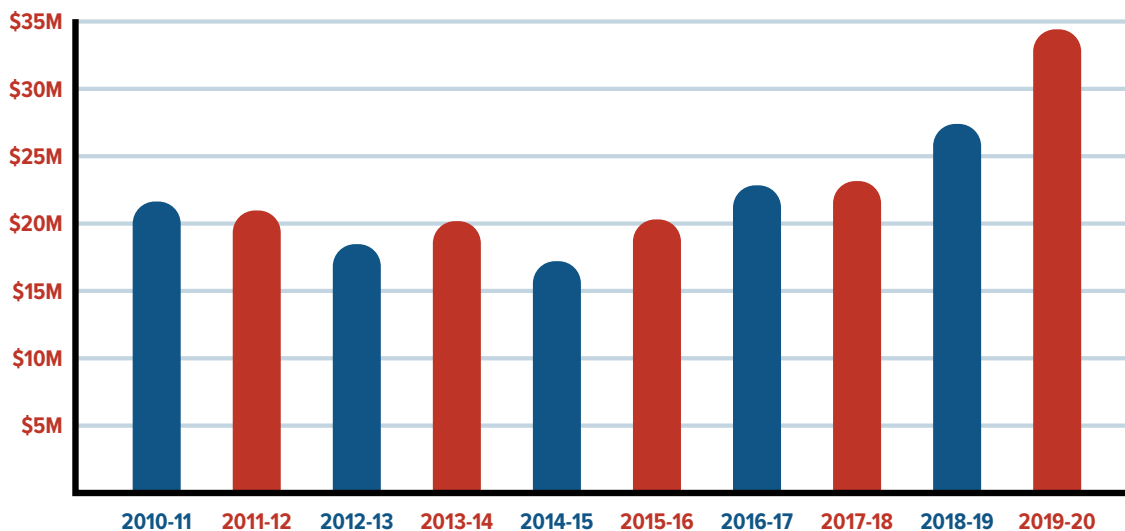
# FINANCIAL HIGHLIGHTS

## KEY INDICATORS

Key indicators give a good indication of the performance of the Fund as a self-insurance entity for its community center members. The indicators provide an overview of the growth of the Fund, its financial health and its underlying strength and ability to pay member claims.

## NET POSITION

Each year the financial report of the Fund provides the “Net Position,” an indicator of the Fund’s financial condition. In accounting terms, net position is simply assets minus liabilities. The net position is surplus that is available for various uses such as assuming more risk, thus reducing the cost of reinsurance, stabilizing contributions as costs increase, or paying for losses that exceed member contributions or are not covered by reinsurance. The net position is there to manage and temper the Fund’s risk and represents the collective members’ equity in the Fund. Net position has been growing steadily since 2014 because of reduced losses and improved investment income.



## KEY FINANCIAL RATIOS

Net position, without some context, is of limited value in determining the Fund’s financial strength. The Fund also uses certain key financial ratios to monitor the adequacy and strength of the Fund’s surplus. These are ratios that have been adopted by the National Association of Insurance Commissioners (NAIC) as tools to analyze the solvency of insurance companies. Specifically, the Fund closely monitors the following ratios: Net Contribution to Net Position; Unpaid Claims (Claim Liabilities) to Net Position; and Net Position to Self-Insured Retention. The Board has adopted targets for each ratio that are well within the ranges (more conservative than the ranges) accepted by the NAIC as reflecting strong financial condition.

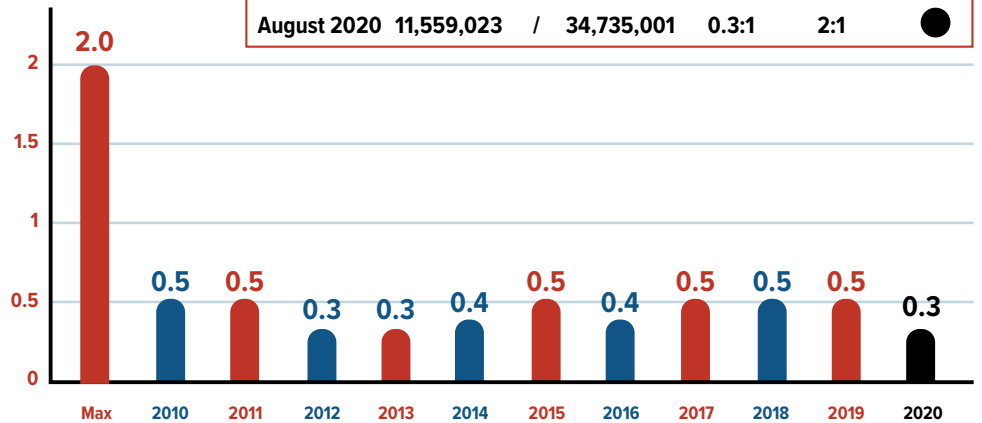


# NAIC RATIO ANALYSIS

The National Association of Insurance Commissioners publishes several target ratios that indicate the financial ability of the Fund to meet its obligations. The following charts are presented to the Board at each board meeting as benchmarks to a national set of performance standards.

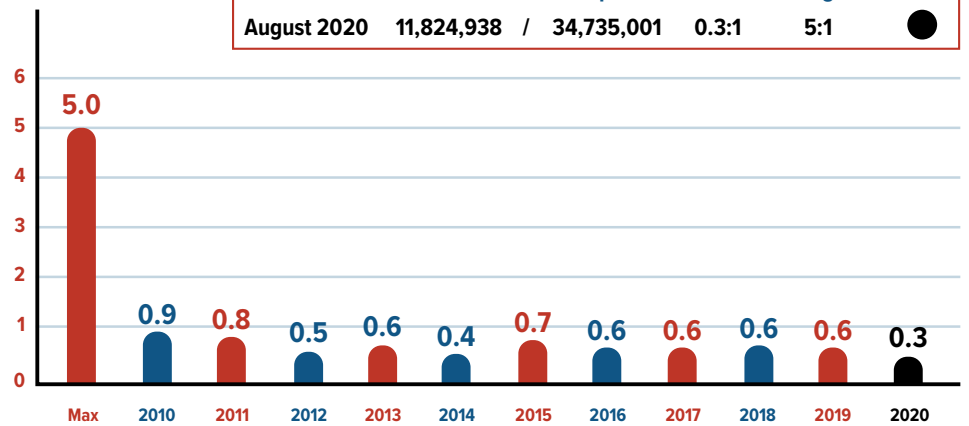
**RATIO A: Net Contribution to Surplus**

	Net Contribution	Surplus	Ratio	Target	Result
August 2020	11,559,023	34,735,001	0.3:1	2:1	●



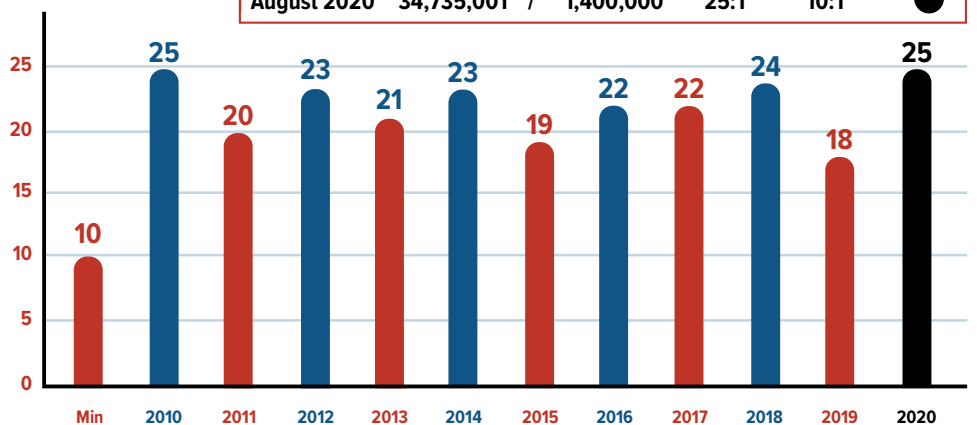
**RATIO B: Unpaid Claims to Surplus**

	Claim Liability	Surplus	Ratio	Target	Result
August 2020	11,824,938	34,735,001	0.3:1	5:1	●



**RATIO C: Surplus to Self-Insured Retention**

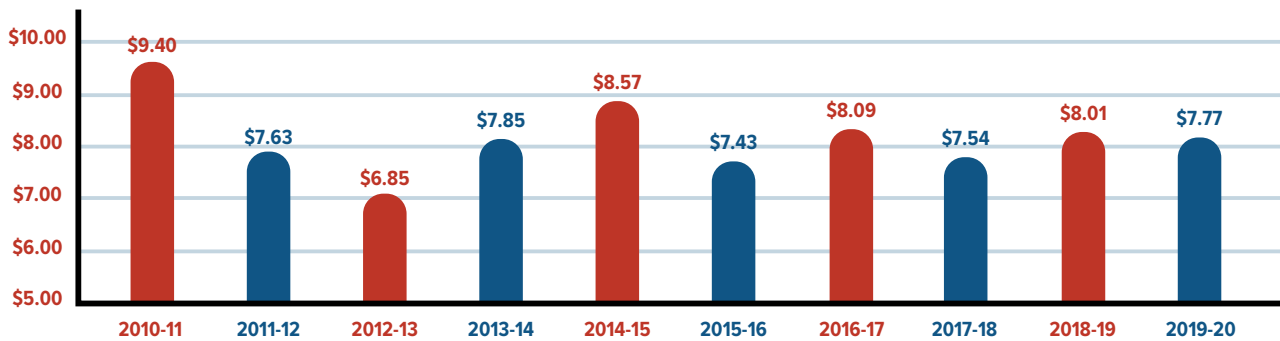
	Net Contribution	Surplus	Ratio	Target	Result
August 2020	34,735,001	1,400,000	25:1	10:1	●



# FINANCIAL HIGHLIGHTS (cont'd.)

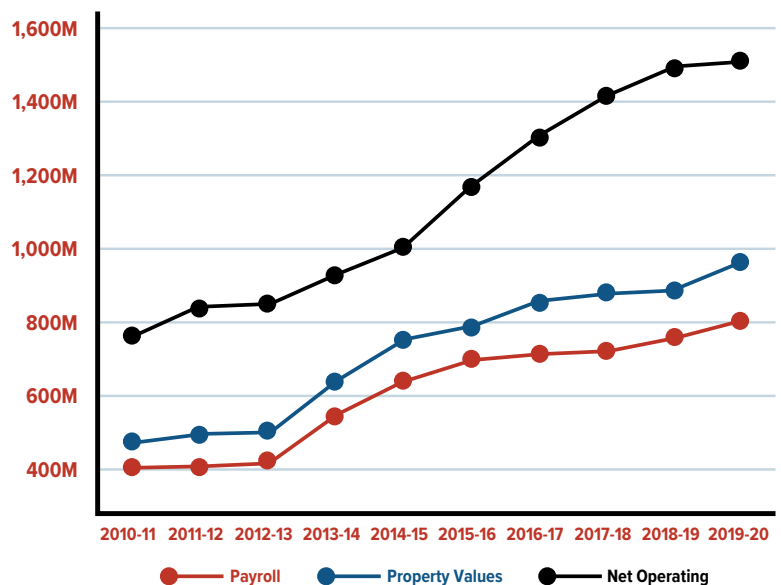
## CONTRIBUTIONS PER \$1,000 OF NET OPERATING EXPENDITURES

The next chart presents a key benchmark used in determining the effectiveness of the Fund as a risk transfer mechanism. Most businesses calculate a cost of risk that is composed of the cost of insurance and other elements. The measure presented in the chart is analogous to cost of insurance. One of the guiding principles of the Fund is to strive to provide a stable platform of cost that is not as subject to wild premium fluctuations that the insurance market is seeing this year, especially in property coverages. The rate shown in the chart is cost of total contributions per \$1,000 of net operating expenditures for all members of the Fund.



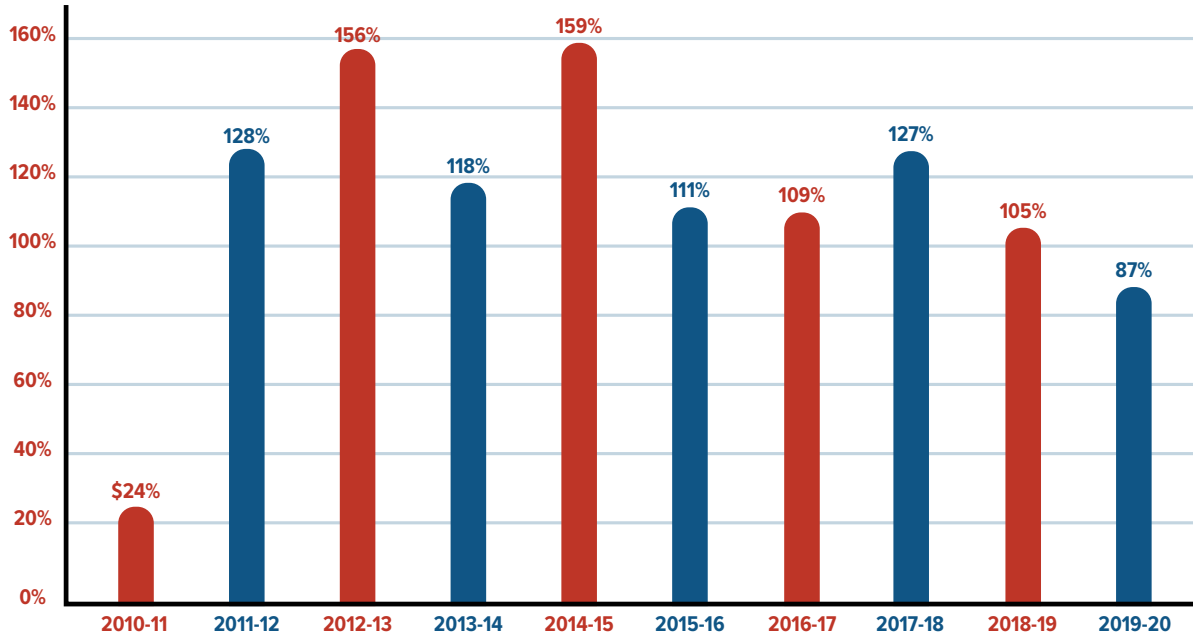
## TCRMF MEMBER GROWTH

The last ten years have shown steady growth in the three key exposures that are used to calculate the contributions and rates members pay for their coverages. Payroll is the basis for determining Workers' Compensation contributions. Property values are the basis for contributions for buildings, business personal property inside the buildings (contents) and time element coverage (business interruption and extra expense). Net operating expenditures are used to calculate general liability, errors and omissions coverage and professional liability contributions. Types of vehicles and their value determine automobile liability and physical damage contributions but are not shown in this chart.



## RATIO OF LOSSES AND EXPENSES TO CONTRIBUTIONS

The ratio of losses and expenses to contributions is an accepted way of comparing the financial health of insurance companies promulgated by the A.M. Best Company. The ratio is commonly called a combined ratio. Losses include paid and reserved claims and expenses include the expense of managing the Fund, claims handling and use of outside contractors and experts such as attorneys, auditors and actuaries. Because the Fund is not a large organization, our ratio can fluctuate quite a bit from year to year with the impact of claims and actuarial adjustments. Since the 2014 – 2015 year the trend has been very positive.



# FINANCIAL SUMMARY



## Independent Auditors' Report

To the Board of Trustees of  
Texas Council Risk Management Fund:

### Report on the Financial Statements

We have audited the accompanying financial statements of Texas Council Risk Management Fund (the "Fund"), which comprise the balance sheets as of August 31, 2020 and 2019, and the related statements of operations and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Texas Council Risk Management Fund as of August 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



AUDIT • TAX • ADVISORY

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the claims development information and changes in claims liabilities presented on pages 25 through 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying other financial information, consisting of balance sheets by program as of August 31, 2020, and the schedules of operations and changes in net position by program for the year ended August 31, 2020, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

#### ***Emphasis of Matter***

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigations measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

*Holtzman Partners, LLP*

Austin, Texas  
November 20, 2020



# BALANCE SHEETS

## TEXAS COUNCIL RISK MANAGEMENT FUND

### BALANCE SHEETS AS OF AUGUST 31, 2020 AND 2019

	2020	2019
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents (Note 3)	\$ 5,327,891	\$ 2,172,549
Investments — at fair value (Note 3)	1,033,371	175,676
Contributions receivable from members, including unbilled contributions of \$406,657 and \$708,924 at August 31, 2020 and 2019, respectively (Note 2)	992,212	1,258,739
Reinsurance receivable - Paid (Note 6)	778,445	118,722
Accrued interest	130,897	120,340
Other assets	<u>266,393</u>	<u>2,826,271</u>
Total current assets	8,529,209	6,672,297
NONCURRENT ASSETS:		
Investments — Long-term (Note 3)	39,294,300	35,532,449
Other Assets - Long-term (Note 10)	<u>1,000,000</u>	<u>1,000,000</u>
Total noncurrent assets	<u>40,294,300</u>	<u>36,532,449</u>
<b>TOTAL ASSETS</b>	<u>\$ 48,823,509</u>	<u>\$ 43,204,746</u>
<b>LIABILITIES AND NET POSITION</b>		
CURRENT LIABILITIES:		
Reserve for losses and loss adjustment expenses — net of reinsurance (Notes 5 and 6)	\$ 3,747,992	\$ 4,465,934
Unearned member contributions	1,085,472	1,199,011
Other accrued expenses and liabilities	335,750	308,380
Accrued support and contract fees	-	116,572
Excess equity due to members (Note 8)	<u>63,903</u>	<u>769</u>
Total current liabilities	5,233,117	6,090,666
NONCURRENT LIABILITIES:		
Reserve for losses and loss adjustment expenses — net of reinsurance (Notes 5 and 6)	<u>8,855,391</u>	<u>9,599,068</u>
Total liabilities	<u>14,088,508</u>	<u>15,689,734</u>
NET POSITION - UNRESTRICTED	<u>34,735,001</u>	<u>27,515,012</u>
<b>TOTAL LIABILITIES AND UNRESTRICTED NET POSITION</b>	<u>\$ 48,823,509</u>	<u>\$ 43,204,746</u>
<i>See notes to financial statements.</i>		

## TEXAS COUNCIL RISK MANAGEMENT FUND

### STATEMENTS OF OPERATIONS AND CHANGES IN NET POSITION FOR THE YEARS ENDED AUGUST 31, 2020 AND 2019

	2020	2019
CONTRIBUTIONS:		
Gross earned contributions	\$ 14,282,364	\$ 14,220,667
Reinsurance contributions ceded (Note 6)	<u>(2,723,341)</u>	<u>(2,376,398)</u>
Net earned contributions	<u>11,559,023</u>	<u>11,844,269</u>
LOSSES AND LOSS ADJUSTMENT EXPENSES (Notes 5 and 6):		
Paid losses and loss adjustment expenses	5,970,440	6,273,620
Change in reserve for losses and loss adjustment expenses	<u>(1,461,616)</u>	<u>644,865</u>
Net incurred losses and loss adjustment expenses	<u>4,508,824</u>	<u>6,918,485</u>
OTHER OPERATING EXPENSES:		
Contract and support fees (Notes 4 and 7)	1,561,786	1,557,423
Loss control (Note 4)	936,547	1,012,161
Legal and professional fees	155,470	221,928
Other expenses	<u>251,678</u>	<u>350,216</u>
Total other operating expenses	<u>2,905,481</u>	<u>3,141,728</u>
OPERATING INCOME	4,144,718	1,784,056
OTHER INCOME:		
Investment income	1,575,493	947,854
Change in fair value of investments	<u>1,499,778</u>	<u>1,124,618</u>
Total other income	3,075,271	2,072,472
CHANGE IN NET POSITION - UNRESTRICTED	7,219,989	3,856,528
NET POSITION - UNRESTRICTED — Beginning of year	<u>27,515,012</u>	<u>23,658,484</u>
NET POSITION - UNRESTRICTED — End of year	<u>\$ 34,735,001</u>	<u>\$ 27,515,012</u>

*See notes to financial statements.*

# COVERAGES

One of the most effective ways to manage risk is to transfer it to someone else. Insurance is the most common way to transfer risk. The members of the Texas Council Risk Management Fund have transferred significant amounts of risk to the Fund through the coverage documents that describe how that transfer works. By paying contributions, the member is assured that the Fund will stand in the member's place in the event of various claims and losses. The paragraphs below describe the categories and circumstances covered for the member.

## People

The Fund protects the people who work for each member with Workers' Compensation coverage. For injuries suffered in the course of employment, Workers' Compensation pays medical expenses for the injured worker and replaces much of the wages lost during a period of disability caused by the injury. Experienced claims adjusters guide the member and the injured worker through the claim process with bill review and case management resources to help reduce costs and restore the worker to health and their job.

Members of the public including family members, visitors, and the occupants of cars are protected in the event of injury on center premises, automobile accidents or professional mistakes or malpractice in the delivery of mental or physical health care. Liability coverages provide premises, automobile, and professional defense and indemnity.

Board members, officers, and employees are protected in their capacity as governors and decision makers for the member. Board or management actions regarding employment, contracts, and official actions are defended under Errors & Omissions coverage.

## Property

The buildings, contents, valuable documents, extra expenses incurred, interrupted earnings, and other specialized properties are covered from loss by natural and man-made perils. Coverage is extended for "risks of direct physical loss" except as excluded. Comprehensive and Collision coverage is also provided for damage to center-owned automobiles.

The data and information management systems of the center are also protected from attack through Cyber coverage. The coverage helps contain attacks, identifies the source of the attack, and responds to notification requirements and regulatory fines. The Cyber coverage is a program available to Fund members and is underwritten by Beazley, a Lloyds of London syndicate.

The finances of the center are also protected from loss by criminal action or damages from covered property losses. Business interruption coverage helps replace lost income because of the center's inability to deliver services due to damage to facilities and operations after a loss.

Additional information about the Fund's coverages can be found at the Fund's website at [tcrmf.org](http://tcrmf.org).

# MEMBERS OF THE TCRMF

## ACCESS

Andrews Center  
Betty Hardwick Center  
Bluebonnet Trails Community Services  
Border Region Behavioral Health Center  
Burke  
Camino Real Community Services  
Center for Life Resources  
Central Counties Services  
Central Plains Center  
Community Healthcore  
Denton County MHMR Center  
Gulf Bend Center  
Gulf Coast Center  
Heart of Texas Region MHMR Center  
Helen Farabee Centers  
Integral Care  
LifePath Systems  
Metrocare Services  
MHMR Authority of Brazos Valley  
MHMR of Tarrant County  
MHMR Services for the Concho Valley  
Nueces Center for Mental Health & Intellectual Disabilities  
Pecan Valley Centers for Behavioral & Developmental Healthcare  
Permiacare  
Spindletop Center  
StarCare Specialty Health System  
Texana Center  
Texoma Community Center  
The Center for Health Care Services  
The HARRIS CENTER for Mental Health and IDD  
Tri-County Behavioral Healthcare  
Tropical Texas Behavioral Health  
West Texas Centers

# BOARD OF TRUSTEES

**Mary Lou Flynn–DuPart, Chair**  
Gulf Coast Center

**Gus Harris, Vice–Chair**  
Spindletop Center

**John Jackson, Secretary**  
Nueces Center for Mental Health  
and Intellectual Disabilities

**Steve Hipes**  
Gulf Bend Center

**Rita Johnston**  
Betty Hardwick Center

**Judge Dorothy Morgan**  
MHMR Authority of Brazos Valley

**Hartley Sappington**  
Bluebonnet Trails  
Community Services

**Judge Van York**  
West Texas Centers





# 2020 TCRMF SAFETY AWARDS

Each year the Fund presents Safety Awards to members who have shown great results in reducing and controlling Liability, Automobile, and Workers' Compensation Claims. The awards are determined by calculating ratios that reflect actual loss experience over a four-year period. The calculations involve actual member payroll, net operating expenditures, and number of vehicles compared to actual claims experience.

There are four types of awards. Liability awards include results in the general liability, professional liability, and errors & omissions coverages. The automobile liability award includes liability and physical damage claims for each member's fleet of vehicles. The workers' compensation awards determine the loss rate per \$100 of payroll for each member.

There is one winner for the Fleet award and three winners in Liability and Workers' Compensation based on small, medium, and large centers determined by net operating expenditures. The overall best record in all three categories determines the winner of the Betty Hardwick award. In 2001 the Fund decided to recognize Betty Hardwick by naming the Excellence in Risk Management Award after her:



*This award is established in loving and respectful memory of Betty Hardwick, whom we lost this past year. Mrs. Hardwick always evangelized the virtues of a safe workplace, good risk management practices, and delivery of quality services in community MHMR center operations. She would be most proud of this and all future recipients of this award. (2001 TCRMF Annual Report)*

The Fund started operations in 1988 during a time when very few insurance companies were offering coverage for centers. Formation of a self-insurance Trust was chosen as a way to take control of the insurance problem. Two other founding members and important leaders in the Fund were also recognized in 2008 by the naming of Liability and Workers' Compensation awards. The Dick DeSanto Excellence in Liability Loss

# 2020 TCRMF SAFETY AWARDS (cont'd.)

Prevention was established in recognition of his founding role and service as Advisory Committee Chair from 1988 to 2002. The William E. Hall Excellence in Workers' Compensation Loss Prevention award was established in recognition of his founding role as Trustee from 1988 to 2005 and as Board Chair from 1997 to 2005. All three of these leaders were strong proponents of the Fund and its foundation in effective safety and risk management measures for all its members.

The fund is proud to recognize the following winners of its annual Safety Awards:

## Awards

## Winners

---

### *Liability*

Dick DeSanto Excellence in Liability Loss Prevention

**Center for Life Resources**

Outstanding Achievement in Liability Loss Prevention

**Heart of Texas Region MHMR Center**

Outstanding Achievement in Liability Loss Prevention

**StarCare Specialty Health System**

### *Fleet*

Outstanding Achievement in Vehicle Fleet Safety

**Central Counties Services**

### *Workers' Compensation*

William E. Hall Jr. Excellence in Workers' Compensation Loss Prevention

**Pecan Valley Centers for Behavioral & Developmental Healthcare**

Outstanding Achievement in Workers' Compensation Loss Prevention

**Camino Real Community Services**

Outstanding Achievement in Workers' Compensation Loss Prevention

**Spindletop Center**

### *Betty Hardwick Excellence in Risk Management*

Overall Excellence in Risk Management

**ACCESS**

# NATIONAL RECOGNITION

The Association of Governmental Risk Pools accredited the Fund as compliant with their high standards of pool governance and management. The standards are recognized as the “best practices” by public entity pools across the United States. Accreditation is for three years after which the Fund must re-apply.



# THE COVID-19 PANDEMIC AND THE FUND

Back in March 2020, Fund operations changed dramatically. Leadership training classes were canceled. Hotel contracts for Board meetings and Liability workshops were left unsigned and unreserved. Loss control consultants canceled visits and we all moved into a “virtual” world of web-based meetings. The Fund staff began working outside their Austin office and moved to home offices in dining rooms, spare bedrooms, kitchens, and dens. Staff see each other all the time on web meeting platforms like GoToMeeting and Webex but most of us haven’t seen a colleague face to face since March 13, 2020.

Sedgwick, the corporate entity that administers the Fund, closed all its offices and has imposed safety precautions for any face-to-face contact with members that include a health questionnaire, masks, frequent hand washing, and social distancing. Most members have implemented the same protocols. Community centers have adopted telehealth whenever possible, reduced the number of people in clinic lobbies and implemented drive through pharmacy operations where possible. Registration stations in lobbies have used barriers at front desks where people come in to keep appointments or sign up for services. Staff arriving for work are monitored for fever and illness and sent home if necessary. Social distancing is practiced where feasible. Centers are using virtual meetings and work-from-home wherever possible. However, the face-to-face work in jails, by MCOT and ACT teams and in group homes continues. As a result, the Fund has had numerous compensable Workers’ Compensation claims related to COVID-19. There have been many more COVID-19 illnesses reported to the Fund that were determined not to be compensable Workers’ Compensation claims because the exposure did not clearly happen in the workplace. As of December 31, 2020, there have been 81 confirmed claims with paid amounts totaling \$119,465. Most of the claims have involved testing and office visits. Very few have seen long courses of treatment or hospitalizations. Some of these claims were denied because the disease was not contracted in the course and scope of employment.

With the introduction of effective vaccines at year end of 2020, there is hope that the pandemic can be brought under control. However, there is no certainty yet and the Fund and its members continue precautions, reduced travel, and very limited face-to-face contacts until cases diminish. There may never be a return to the way things were before the pandemic. One reason is that many of the changes adopted during the past several months have been very effective in the Fund’s delivery of training and consultation services. Work-from-home arrangements may continue as infrastructure to support service delivery has been built and has proven to be effective.

We also acknowledge that the limitations imposed by the pandemic have some negative consequences. Interaction during training sessions has been reduced as the virtual platform limits the ability of participants to interact as vigorously as they would be in the same room. No one knows what was missed or not brought up to the participants or groups that could have been beneficial to everyone. There doesn’t seem to be a way to place a value on this kind of interaction, but we all miss it and know we are missing that human, face-to-face relationship.

We would be remiss if we did not acknowledge the COVID-19 pandemic in this annual report. It changed us all in ways we never could have imagined. The Fund is committed to taking the best of what we have learned through the pandemic and utilizing it to make our services even better and stronger in the future.





