

# WELCOME

Kentucky Assigned Claims Plan Governing  
Committee Meeting

&

Kentucky Insurance Arbitration Association  
Board Meeting

# KENTUCKY ASSIGNED CLAIMS PLAN

Governing Committee Meeting  
September 30, 2021

# KENTUCKY ASSIGNED CLAIMS PLAN

## **Keys to a successful meeting**

- Please keep your phone muted to reduce background noise.
- Please do not place call on hold.

## **Participation**

- During roll call please unmute your phone. We will call you by name and company. We ask that you verbally confirm you are in attendance.
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# KENTUCKY ASSIGNED CLAIMS PLAN

## AGENDA

- Call to Order
- Roll Call
- Anti-Trust Preamble
- Approval of Minutes
- Secretary Treasurer's Report
- Other Business
- Adjournment

# APPROVAL OF MINUTES

4a. Annual Meeting Minutes

4b. Governing Committee Meeting Minutes

# SECRETARY TREASURER'S REPORT

Claims Summary – Carrie Manor

Budget and Financial Report – Mark Hillis

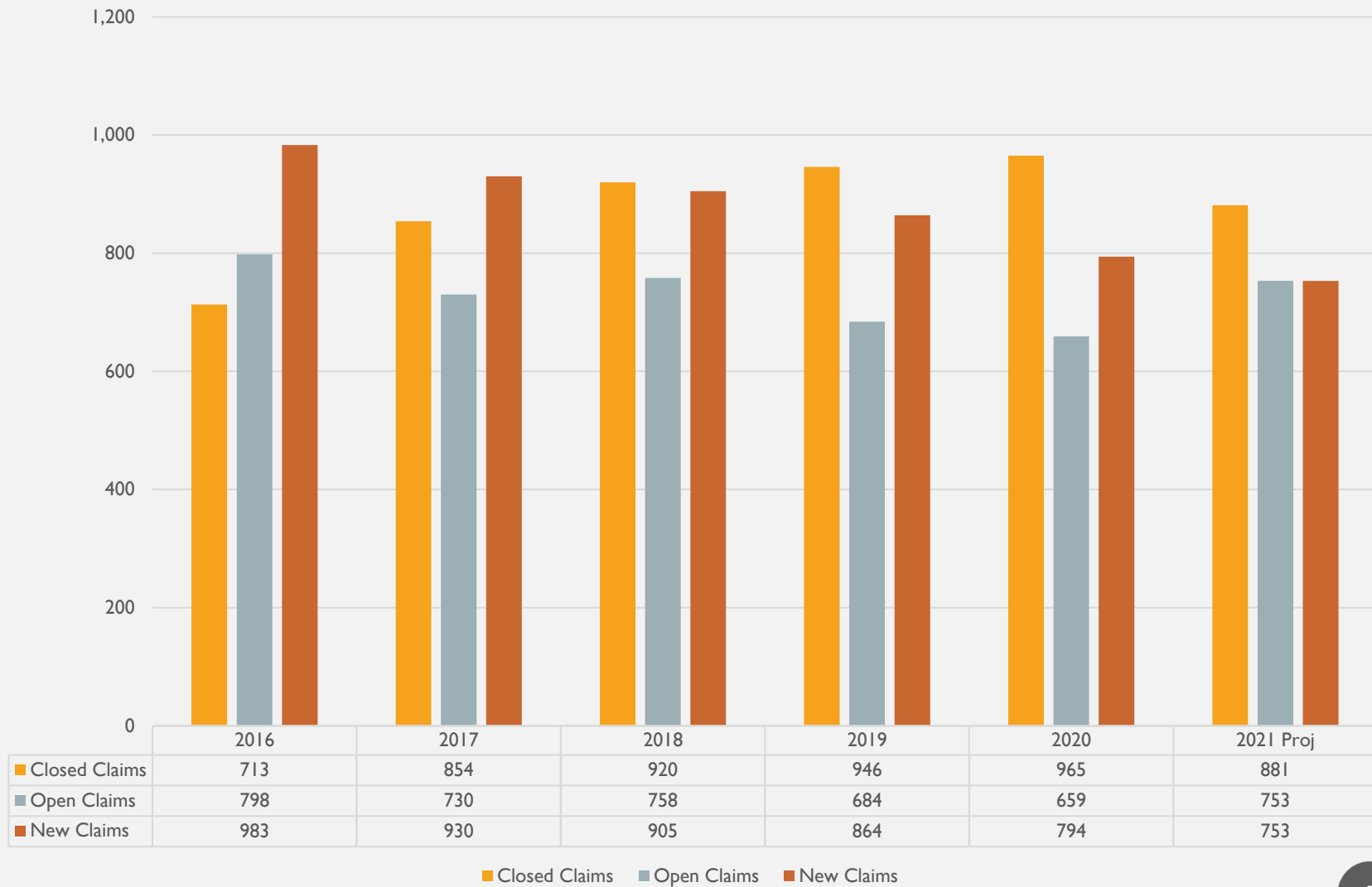
2022 Assessment – Mark Hillis

Systems Update – Melissa Chlon

# CLAIMS SUMMARY

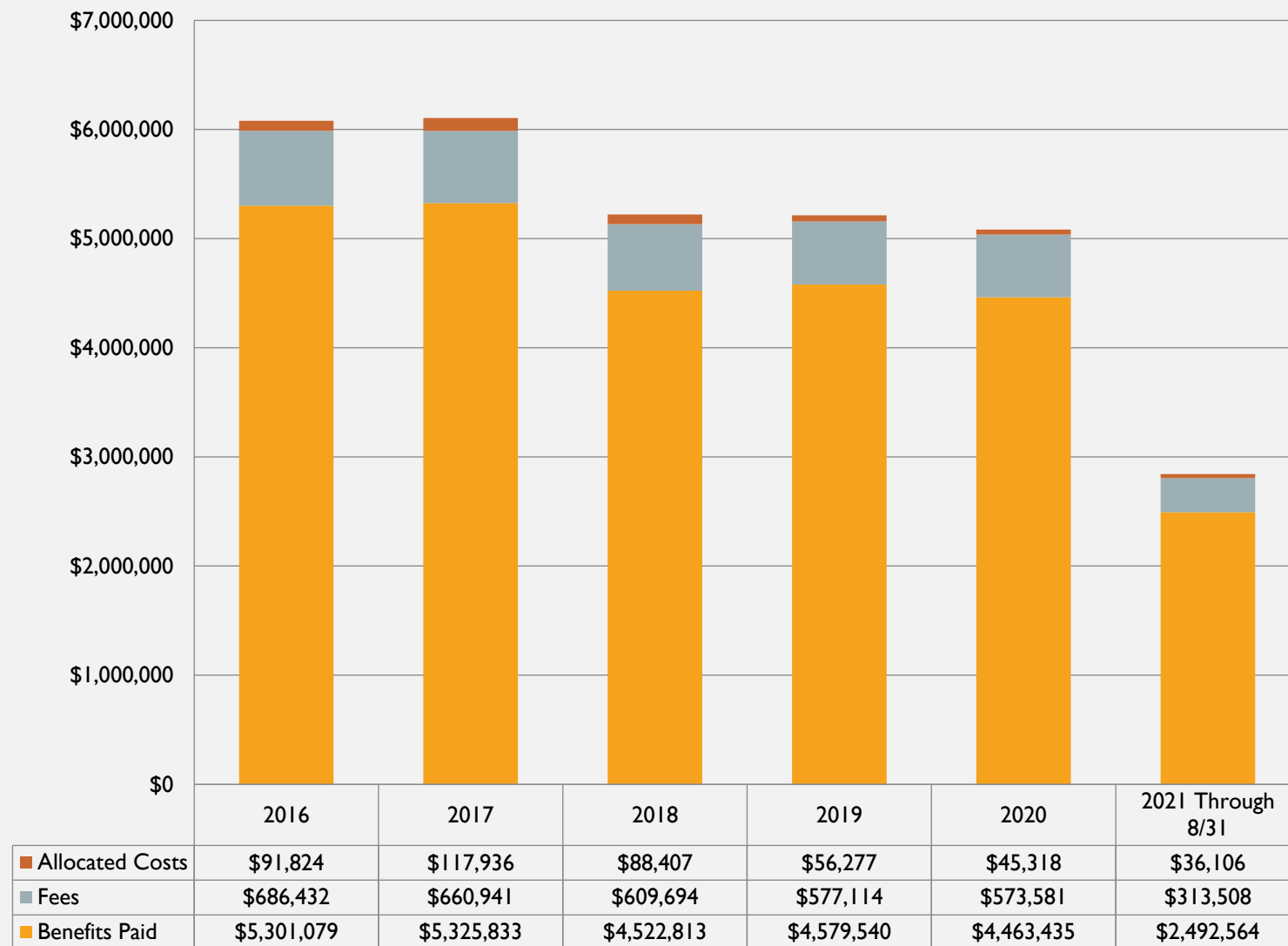
Carrie Manor

# NEW, OPEN AND CLOSED CLAIMS



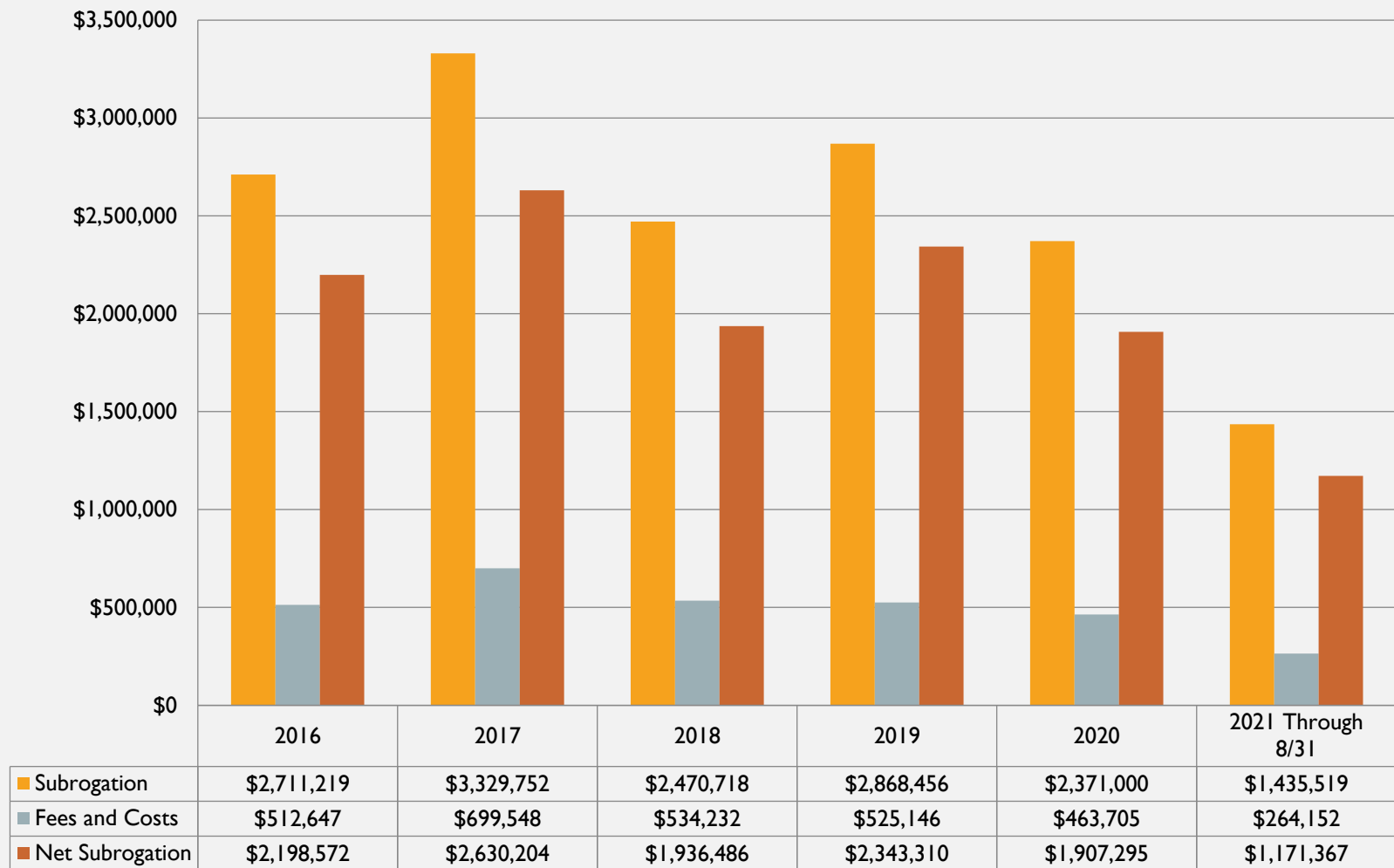


# PAID CLAIMS AND EXPENSES



# SUBROGATION

## Subrogation



# NET PAID CLAIMS

## Net Paid



# FINANCIAL REPORT & 2021 BUDGET

Mark Hillis

# FINANCIAL REPORT

**Republic Bank Balance: \$4,439,533**

- **Checking Account: \$1,148,737**
- **Collateralized Sweep Account: \$3,290,796**

# BUDGET

## ○ 2021 Budget:

- 84% of budget as of 8/31
- Projected to come in under budget

## ○ 2022 Budget: (5a.copy in handout)

- \$353,923 2022 BUDGET
  - Health and Employee Benefits
  - Employee Allocation

# 2022 ASSESSMENT

Mark Hillis

# 2022 ASSESSMENT

2022 Assessment: **\$2,465,360**

(5b. copy in handout)

Includes 2022 Administrative Budget for KACP



# 2022 ASSESSMENT

## Summary Report and Recommended Assessment for Claims and Expenses (KACP and KIAA)

2014	2015	2016	2017	2018	2019	2020	2021 Through 8/31	2021 Est.	2022 Est.
\$4,203,752	\$5,421,339	\$5,301,079	\$5,325,833	\$4,522,813	\$4,579,540	\$4,463,435	\$2,492,564	\$3,738,846	\$5,234,384
\$558,602	\$718,254	\$686,432	\$660,941	\$609,694	\$577,114	\$573,581	\$313,508	\$470,262	\$658,367
\$82,828	\$104,302	\$91,824	\$117,936	\$88,407	\$56,277	\$45,318.0	\$36,106	\$54,160	\$75,824
\$4,845,182	\$6,243,895	\$6,079,335	\$6,104,710	\$5,220,914	\$5,212,931	\$5,082,334	\$2,842,178	\$4,263,268	\$5,968,575
\$3,260,329	\$2,562,909	\$2,711,219	\$3,329,752	\$2,470,718	\$2,868,456	\$2,371,000	\$1,435,519	\$2,153,278	\$2,153,278
\$602,950	\$532,834	\$512,647	\$699,548	\$534,232	\$525,146	\$463,705	\$264,152	\$396,228	\$515,096
\$2,657,379	\$2,030,075	\$2,198,572	\$2,630,204	\$1,936,486	\$2,343,310	\$1,907,295	\$1,171,367	\$1,757,050	\$1,692,342
\$2,187,803	\$4,213,820	\$3,880,763	\$3,474,506	\$3,284,428	\$2,869,621	\$3,175,039	\$1,670,812	\$2,506,217	\$4,276,233

### Reserve and Claims Status

2014	2015	2016	2017	2018	2019	2020	2021 Through 8/31	2021 Est.	2022 Est.
950	978	983	930	905	864	794	502	753	839
1,449	1,415	1,414	1320	1305	1218	1122	622	933	1169
878	842	713	854	920	946	965	931	881	882
\$4,788	\$6,439	\$7,435	\$6,236	\$4,916	\$4,841	\$4,625	\$2,677	\$4,243	\$5,938
864	811	798	730	758	684	659	720	753	739
and Basis *								\$4,224,873.03	\$3,675,221.58

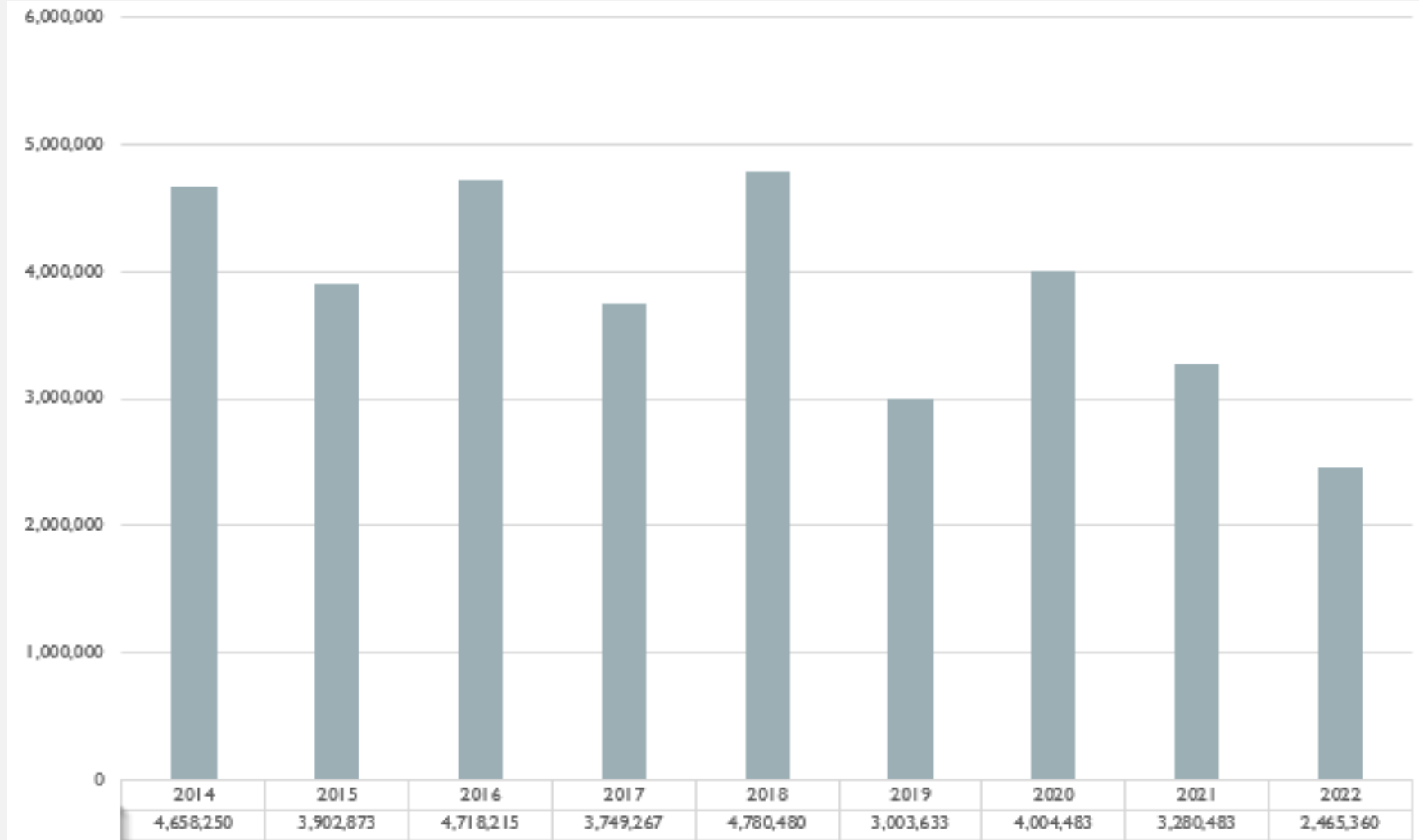
### Bank Balance and Year end Estimate

Reconciled Bank balance as of 8/31/21									\$5,188,847
Claims payments less recovery for remainder of year									\$1,757,050
Operating expenses remainder of year (KIAA and KACP)									\$210,782
Estimated cash on hand balance at end of year									\$3,221,014

### Recommended Assessment for 2021 (For Year 2022)

KACP		KIAA							Totals
\$353,923		\$0							\$353,923
Budget for new claims less subrogation									\$4,276,233
Reserve fund (25% of Reserve for open claims)									\$1,056,218
Rate for Claims, Reserve and Administrative Budget									\$5,686,374
Less Cash Balance Estimate as of 12/31/21									\$3,221,014
Recommended Assessment for 2021(line u - v)									\$2,465,360

# ASSESSMENT HISTORY



# SYSTEMS UPDATE

KACP system went live March 1, 2021.

- All new claims in new system
- Finys, same as Kentucky FAIR Plan
- Positive feedback from users
- Ongoing internal improvements
- Reporting

# 2022 BUDGET AND ASSESSMENT

Pure assessment - \$2,465,360

Needs Governing Committee Approval

# OTHER BUSINESS

- Insurance Department Comments
- Next Meetings:
  - May 12, 2022 (Remote)
  - September 29, 2022
- Adjournment
- Break

# KENTUCKY INSURANCE ARBITRATION ASSOCIATION

Board Meeting  
September 30, 2021

# KENTUCKY INSURANCE ARBITRATION ASSOCIATION

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# KIAA BOARD MEETING

## AGENDA

- Call to Order
- Roll Call
- Anti-Trust Preamble
- Approval of Minutes
- Panel Secretary Report
- Other Business
- Adjournment



# APPROVAL OF MINUTES

- 4a. Annual Meeting Minutes
- 4b. Board Meeting Minutes

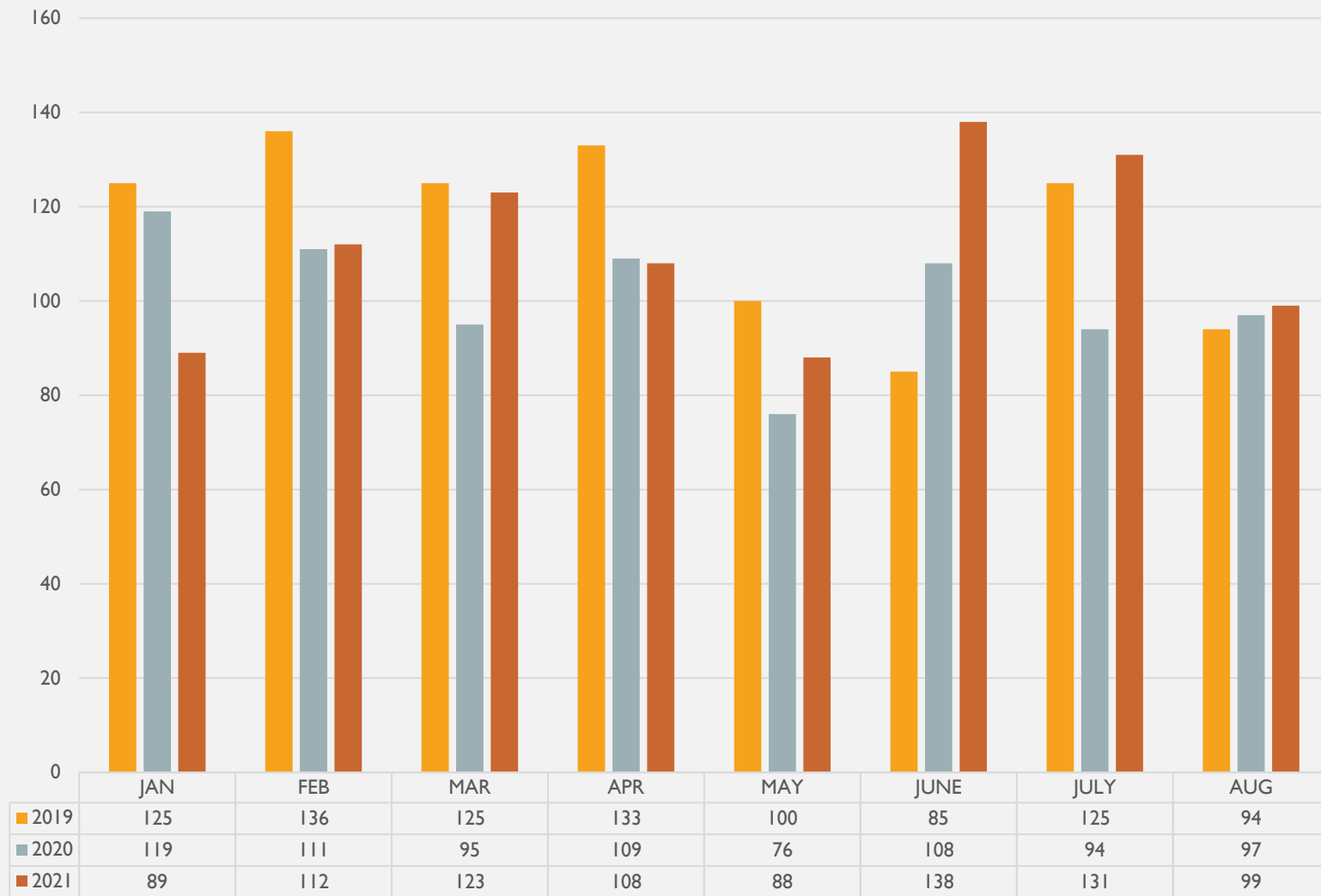
# PANEL SECRETARY'S REPORT

Arbitration Status Report – Becky Darst

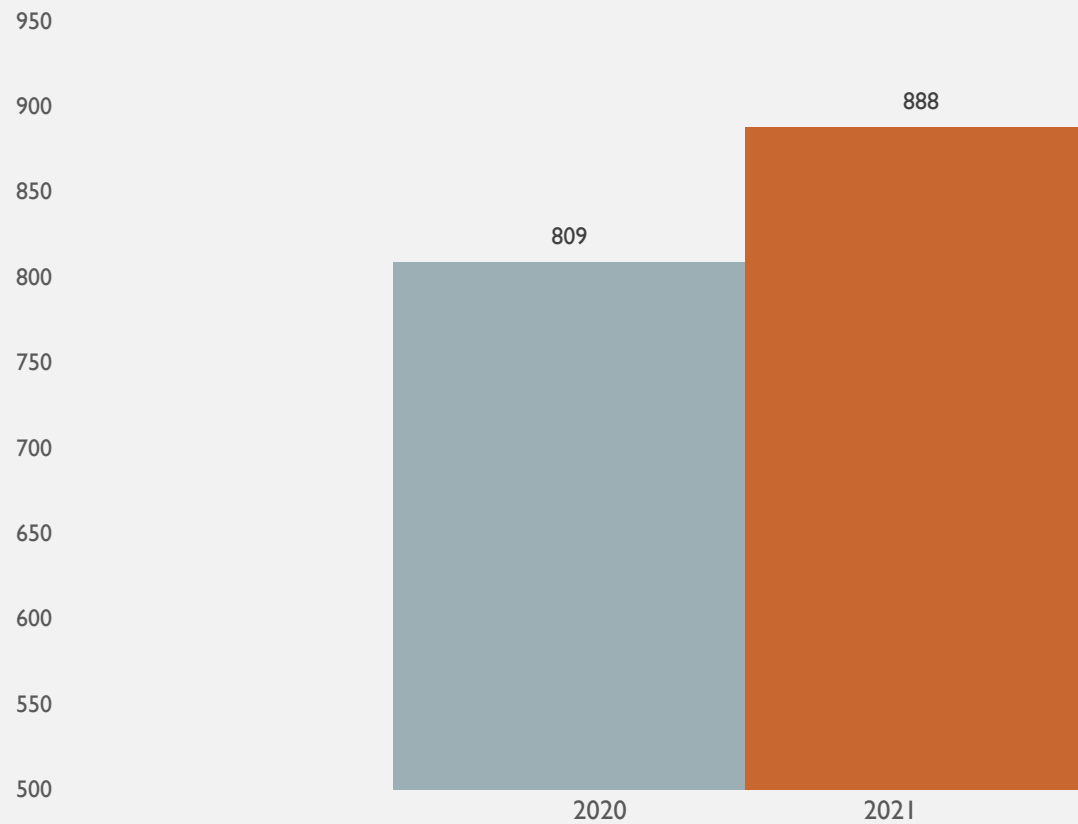
Budget and Financial Report – Mark Hillis

KIAA New System – Erin Lux

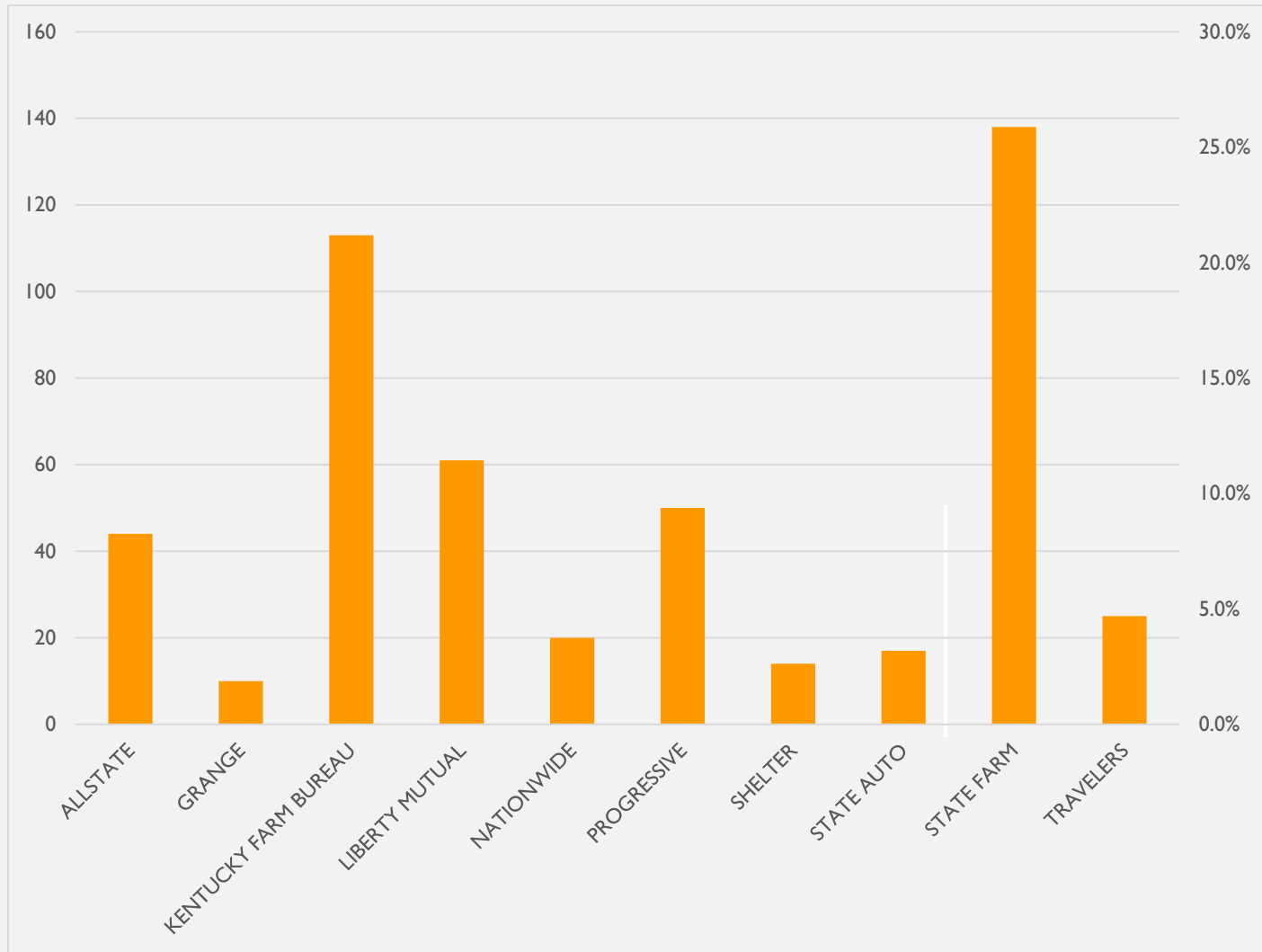
# NEW ARBITRATION FILINGS BY MONTH



# NEW ARBITRATION FILINGS 2020 V. 2021



# KIAA ASSIGNMENTS THROUGH 8/31/21



# BUDGET AND FINANCIAL REPORT

## Bank Balance: (as of 8/31/21)

- Republic Bank: \$749,313.65

## 2021 Budget:

- 89% of budget as of 8/31
- Projected to come in under budget

## 2022 Budget: (5a. copy in handout)

- \$376,693
  - Health and Employee Benefits
  - Employee Allocation
  - Motion to approve 2022 budget

# KIAA NEW ONLINE SYSTEM

- Current System Status:
  - Limited reporting capabilities
  - Double entry into KIP
  - Limited automation
- KIAA Focus Group
- KIAA Vendor Selection

## OTHER BUSINESS

- Insurance Department Comments
- Next meetings:
  - May 12, 2022 (Remote)
  - September 29, 2022
- Adjournment