



Welcome

Kentucky Insurance Arbitration
Association Board Meeting

Kentucky Assigned Claims Plan
Governing Committee
Meeting

KENTUCKY INSURANCE ARBITRATION ASSOCIATION

Board Meeting
September 27, 2023



KENTUCKY INSURANCE ARBITRATION ASSOCIATION

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.

During voting we ask that you unmute your phone. We will ask for verbal affirmation as we do in our in-person meetings.

You may ask questions throughout the presentation by unmuting your phone or by typing in the chat box.

We ask those who make a motion and/or a second to identify themselves by name.

KIAA BOARD MEETING AGENDA

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

4a. Annual
Meeting
Minutes

4b. Board
Meeting
Minutes

Approval of Minutes

Arbitration

Status Report

– Becky Darst

Budget and

Financial Report

– Mark Hillis

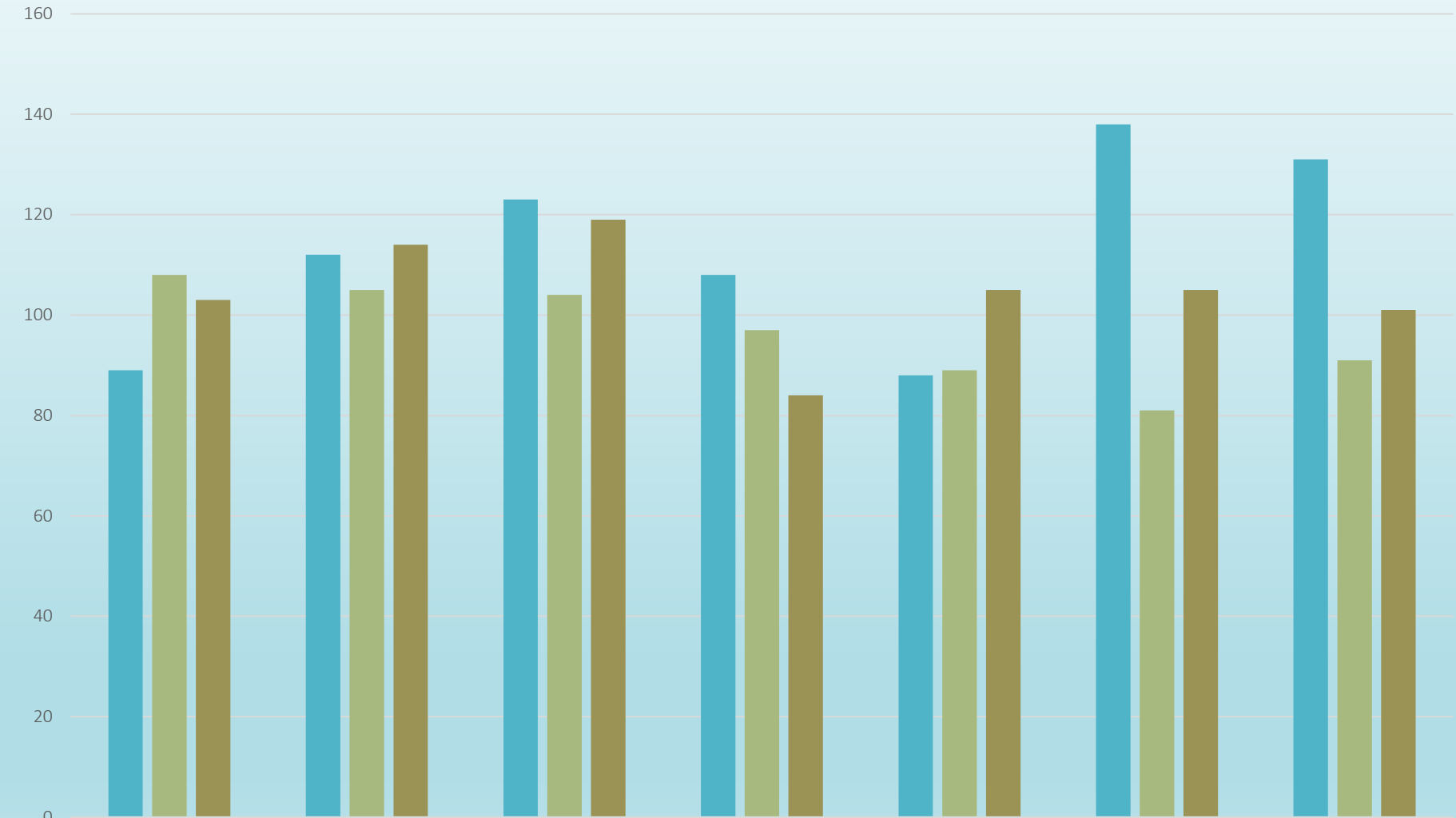
KIAA New

System

– Melissa Chlon

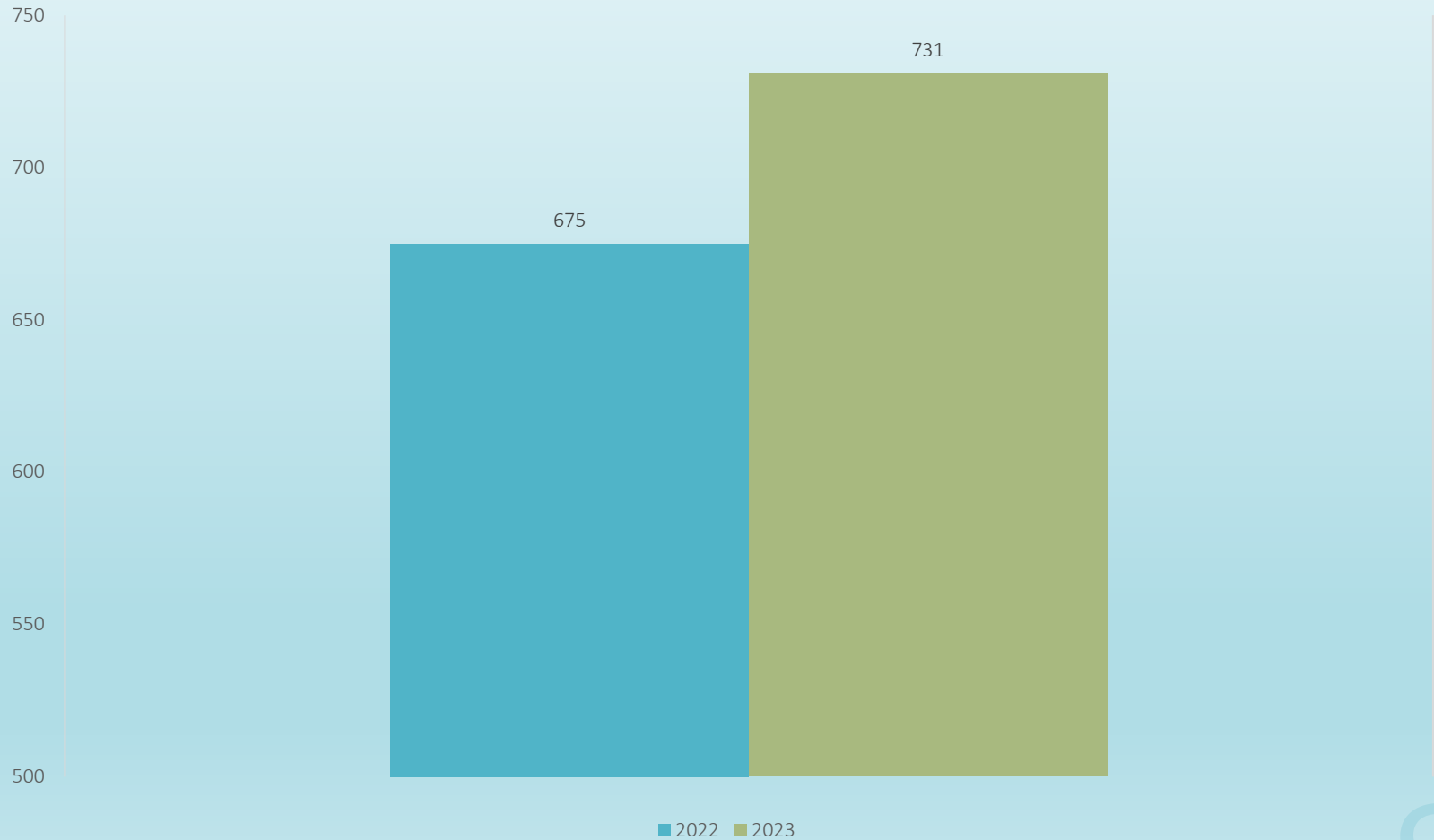
Panel Secretary Report

New Arbitration Filings by Month

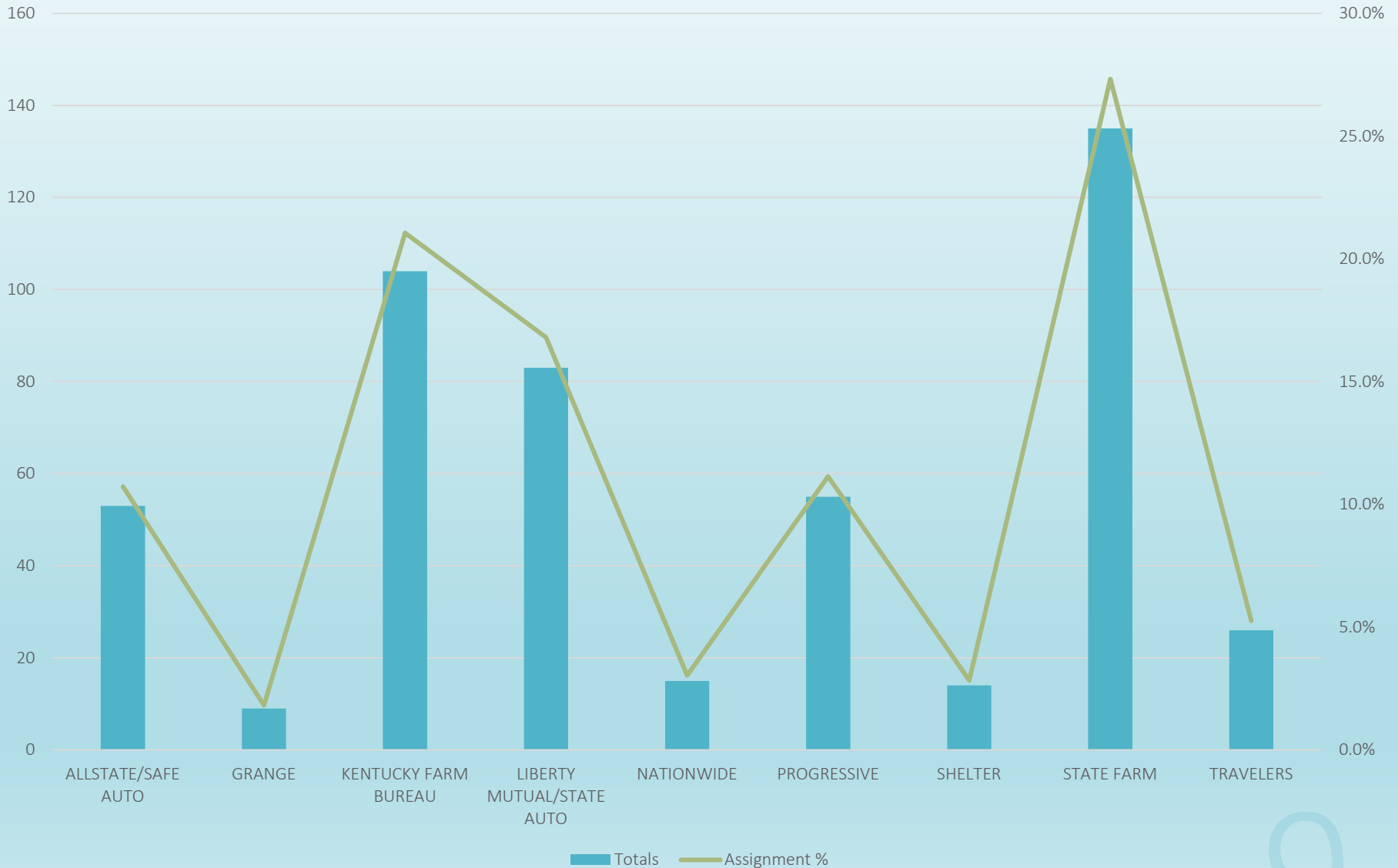


	JAN	FEB	MAR	APR	MAY	JUNE	JULY
2021	89	112	123	108	88	138	131
2022	108	105	104	97	89	81	91
2023	103	114	119	84	105	105	101

New Arbitration Filings 2022 v. 2023



KIAA ASSIGNMENTS THROUGH 7/31/23



Budget and Financial Report

Bank Balance: (as of 7/31/23)

Republic Bank: \$839,999.01

2023 Budget:

53% of budget as of 7/31

Projected to come in under budget

2024 Budget: (5a. copy in handout)

\$454,785

Health and Employee Benefits

Employee Allocation

Motion to approve 2024 budget

NEW KIAA
SYSTEM

finys

Other Business

Insurance Department Comments

Next meetings:

May 22, 2024 (Remote)

September 25, 2024

Adjournment

Kentucky Assigned Claims Plan

Governing Committee Meeting
September 27, 2023

KENTUCKY ASSIGNED CLAIMS PLAN

Keys to a successful meeting

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

KACP BOARD MEETING AGENDA

4a. Annual
Meeting
Minutes

4b. Governing
Committee
Meeting
Minutes

Approval of Minutes

Claims Summary-
Carrie Manor

Budget and
Financial Report –
Mark Hillis

2024 Assessment-
Mark Hillis

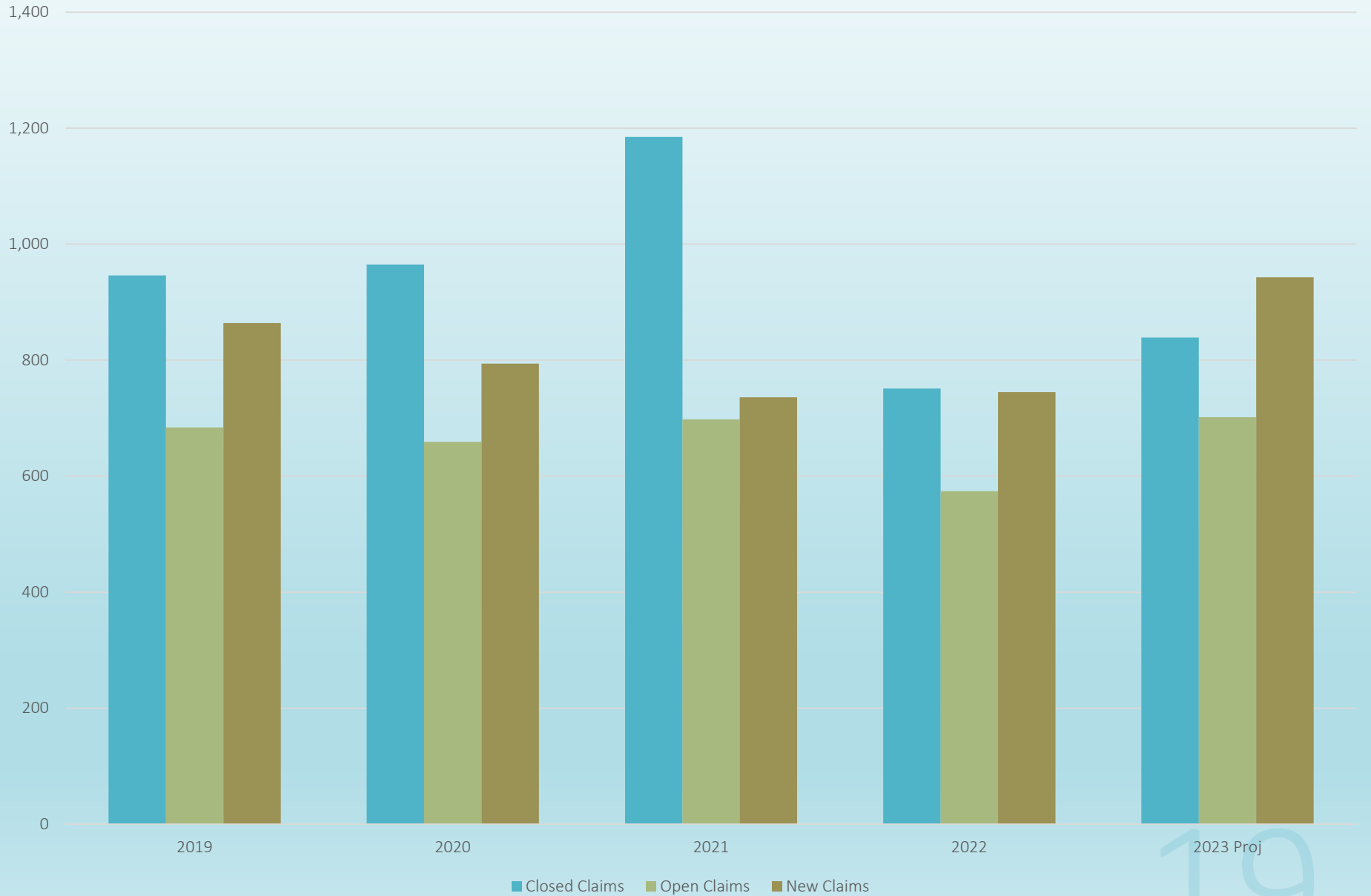
Systems Update –
Melissa Chlon

Secretary Treasurer's Report

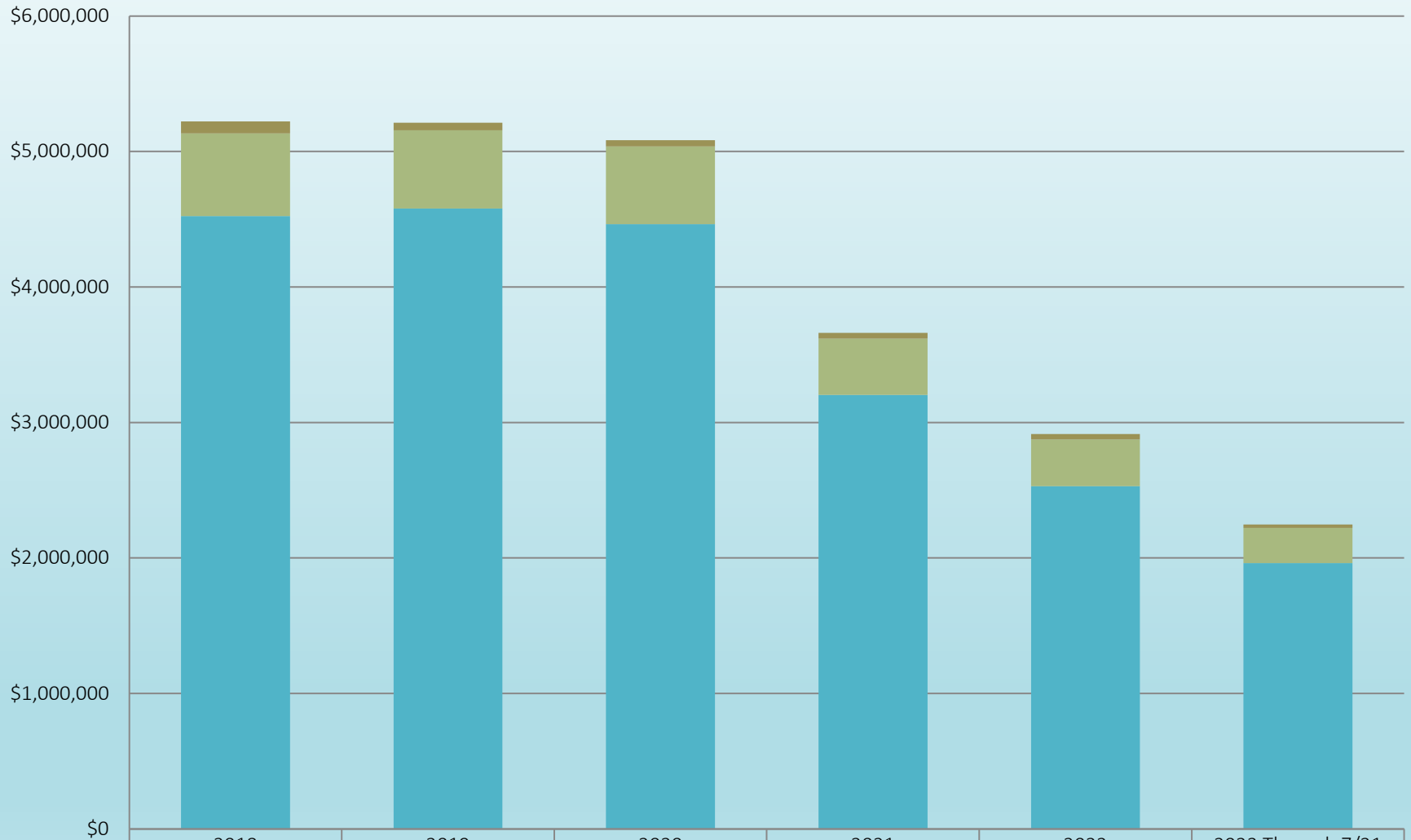
Carrie Manor

Claims Summary

New, Open and Closed Claims

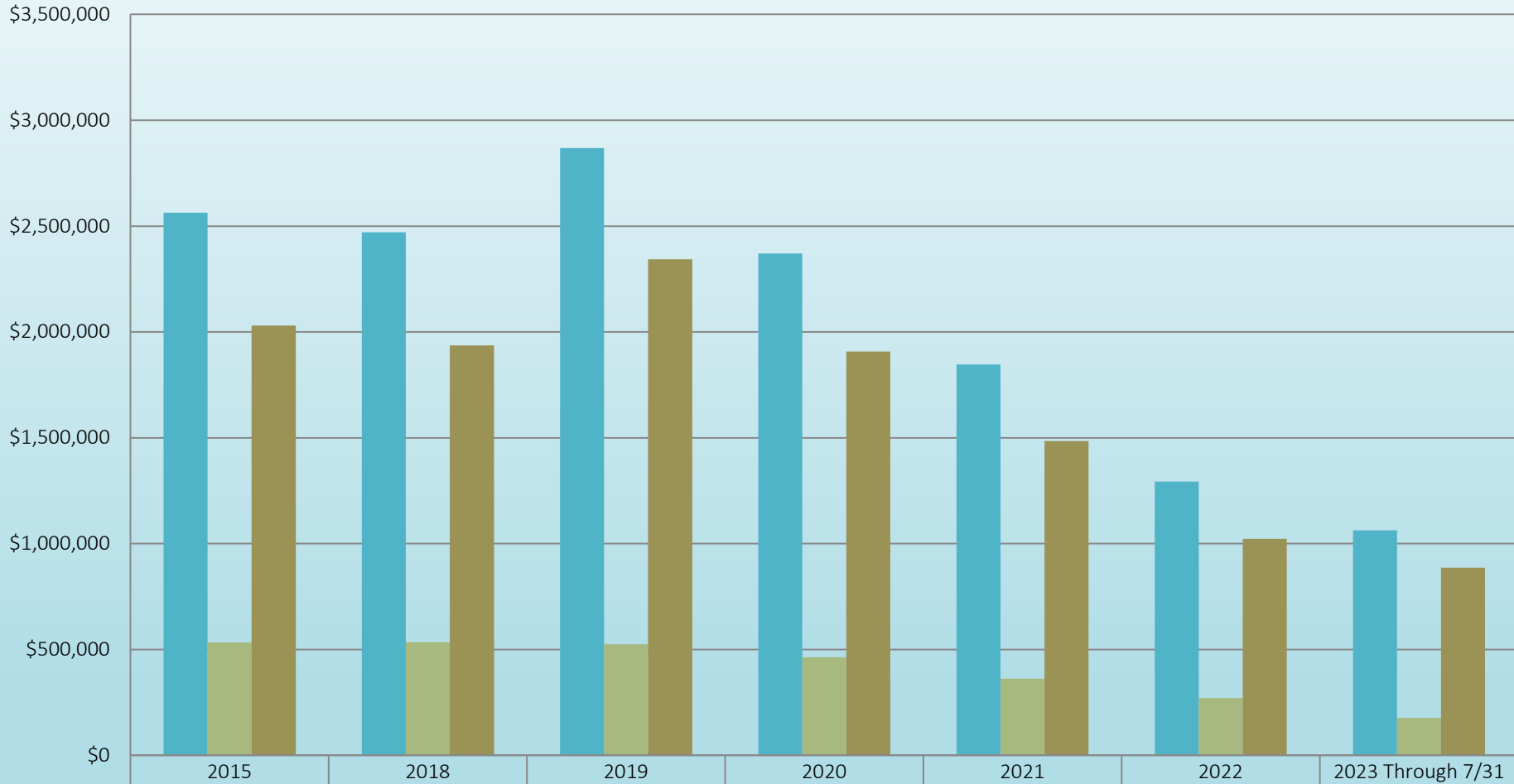


Paid Claims and Expenses



	2018	2019	2020	2021	2022	2023 Through 7/31
Allocated Costs	\$88,407	\$56,277	\$45,318	\$42,737	\$41,137	\$25,848
Fees	\$609,694	\$577,114	\$573,581	\$414,601	\$344,384	\$259,681
Benefits Paid	\$4,522,813	\$4,579,540	\$4,463,435	\$3,204,102	\$2,529,878	\$1,961,601

Subrogation



Subrogation	\$2,562,909	\$2,470,718	\$2,868,456	\$2,371,000	\$1,846,245	\$1,292,556	\$1,062,273
Fees and Costs	\$532,834	\$534,232	\$525,146	\$463,705	\$361,447	\$270,300	\$176,408
Net Subrogation	\$2,030,075	\$1,936,486	\$2,343,310	\$1,907,295	\$1,484,798	\$1,022,256	\$885,865

Net Paid Claims



Budget and Financial Report

Bank Balance: (as of 7/31/23)

Republic Bank: \$3,279,803.50

Checking Account: \$971,628.77

Collateralized Sweep Account: \$2,308,174.73

2023 Budget:

53% of budget as of 7/31

Projected to come in under budget

2024 Budget: (5a.copy in handout)

\$391,451 – 2024 Budget

- *Health and Employee Benefits*
- *Employee Allocation*

Mark
Hillis

2024 Assessment

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2024 Assessment

2024 Assessment: \$3,344,615

(5b. copy in handout)

Includes 2024 Administrative Budget
for KACP and KIAA

2024 Assessment

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Through 7/31	2023 Est.	2024 Est.
Benefits Paid	\$4,203,752	\$5,421,339	\$5,301,079	\$5,325,833	\$4,522,813	\$4,579,540	\$4,463,435	\$3,204,102	\$2,529,878	\$1,961,601	\$3,362,745	\$4,707,843
Fees	\$558,602	\$718,254	\$686,432	\$660,941	\$609,694	\$577,114	\$573,581	\$414,601	\$344,384	\$259,681	\$445,167	\$623,234
Allocated Costs	\$82,828	\$104,302	\$91,824	\$117,936	\$88,407	\$56,277	\$45,318.0	\$42,736.9	\$41,137.5	\$25,848	\$44,310	\$62,035
Total Paid	\$4,845,182	\$6,243,895	\$6,079,335	\$6,104,710	\$5,220,914	\$5,212,931	\$5,082,334	\$3,661,441	\$2,915,400	\$2,247,130	\$3,852,223	\$5,393,112
Subrogation	\$3,260,329	\$2,562,909	\$2,711,219	\$3,329,752	\$2,470,718	\$2,868,456	\$2,371,000	\$1,846,245	\$1,292,556	\$1,062,273	\$1,821,039	\$1,821,039
Fees and Costs	\$602,950	\$532,834	\$512,647	\$699,548	\$534,232	\$525,146	\$463,705	\$361,447	\$270,300	\$176,408	\$302,413	\$393,137
Net	\$2,657,379	\$2,030,075	\$2,198,572	\$2,630,204	\$1,936,486	\$2,343,310	\$1,907,295	\$1,484,798	\$1,022,256	\$885,865	\$1,518,626	\$1,427,902
Net Paid	\$2,187,803	\$4,213,820	\$3,880,763	\$3,474,506	\$3,284,428	\$2,869,621	\$3,175,039	\$2,176,643	\$1,893,144	\$1,361,265	\$2,333,597	\$3,965,210

Reserve and Claims Status

Item	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Through 7/31	2023 Est.	2024 Est.
Claims Received	950	978	983	930	905	864	794	736	745	550	943	843
Claimaints Assigned	1,449	1,415	1,414	1320	1305	1218	1122	923	801	635	1089	1124
Closed Claims	878	842	713	854	920	946	965	1185	751	337	839	835
Average Paid Claim	\$4,788	\$6,439	\$7,435	\$6,236	\$4,916	\$4,841	\$4,625	\$2,704	\$3,369	\$5,821	\$4,008	\$5,637
Open Claims	864	811	798	730	758	684	659	698	574	441	702	685
Reserve Fund Basis *											\$3,273,093.16	\$2,804,249.10

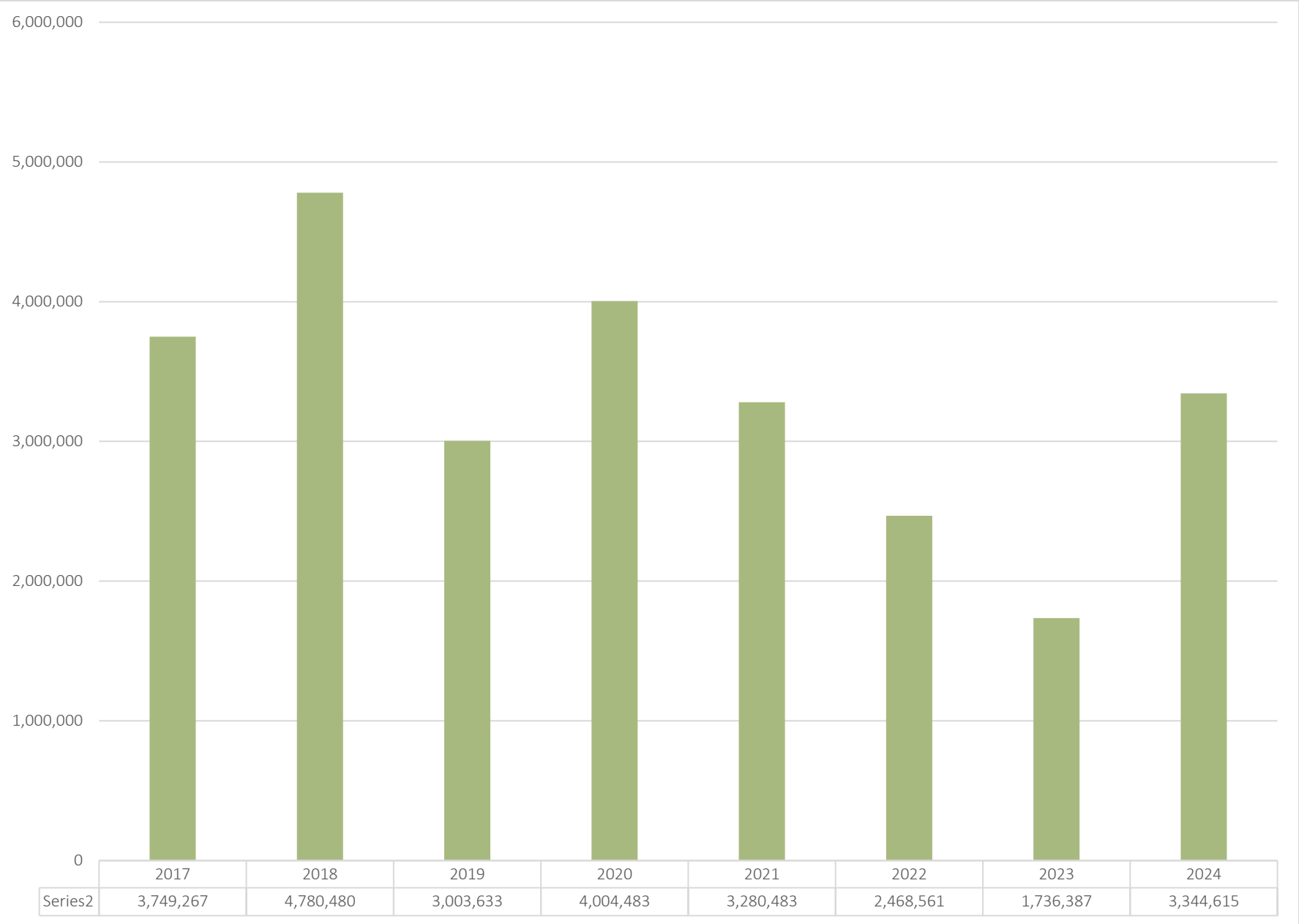
Bank Balance and Year end Estimate

Reconciled Bank balance as of 7/31/23												\$4,119,803
Estimated claims payments less recovery for remainder of year												\$1,518,626
Estimated operating expenses remainder of year (KIAA and KACP)												\$316,073
Estimated cash on hand balance at end of year												\$2,285,104

Recommended Assessment for 2023 (For Year 2024)

	KACP		KIAA								Totals
Administrative Budget: KIAA	\$391,451		\$454,785								\$846,236
Budget for new claims less subrogation											\$3,965,210
Reserve fund (25% of Reserve for open claims)											\$818,273
2023 Estimate for Claims, Reserve and Administrative Budget											\$5,629,719
Less Cash Balance Estimate as of 12/31/23											\$2,285,104
Recommended Assessment for 2024(line u - v)											\$3,344,615

Assessment History



2024 Budget & Assessment

Pure assessment -
\$3,344,615.00

**Needs Governing
Committee
Approval**

Other Business

Insurance Department Comments

Next Meetings:

May 22, 2024 (Remote)

September 25, 2024

Adjournment