



Habitat
for Humanity®

Top 5 Insurance Claims and How to Prevent Them with data from Lockton Affinity

Michigan AIM Conference



Hello!

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In partnership with:

Lockton Affinity



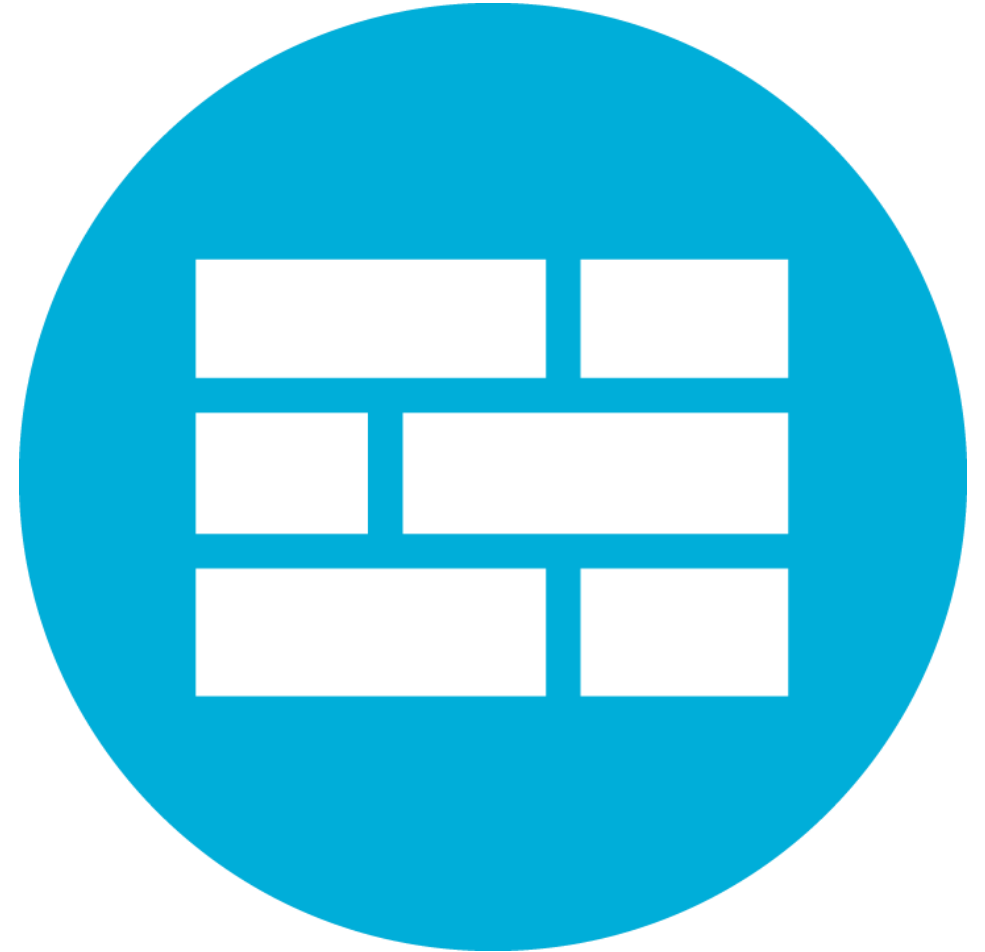


The Habitat for Humanity Affiliate Insurance Program, administered by Lockton Affinity, provides resources to make your Affiliate a safer place to work and volunteer.



Objectives

What are we talking about?



This session

The Habitat network's top insurance claims by claim cause and how to prevent them – with relatable data from Lockton Affinity

What we will cover:

1. Habitat's top 5 insurance claims
2. Prevention and mitigation strategies for claim causes
3. Honorable mentions
 - Employment Practice Liability

What we won't:

Policies, coverages, and exclusions

Please reach out to your insurance representative.

Lockton Affinity:

888-553-9002

hfhinsuranceservice@locktonaffinity.com

Your objectives

What do ***you*** want to gain from this session?

Questions to think about:

1. When does an incident become a claim?
2. What claims has your affiliate submitted in the past?
3. How has a past claim effected your operations?
4. Have you had any repeat claims?





**When does an
incident become
a claim?**

Any incident that results in a loss may result in an insurance claim.

Report incidents to your insurer immediately – especially if you are unsure.



Top 5 Insurance Claims

Broken down by claim cause

Habitat for Humanity logo and header information.

Claim Cause	Number of Claims	Amount
Water Damage	15	\$12,500
Wind Damage	12	\$10,000
Fire Damage	8	\$8,000
Other	5	\$5,000
Structural	3	\$3,000

First claim: Slips, trips, and falls

- Over **1,100** claims in the past 8 years
 - **+17%** of all claims in that period
 - Incurred losses over **\$22 million**
- Actual claim:
 - In 2016, a volunteer fell from a ladder
 - Final damages: Over **\$1 million**



It's not just construction...

- In 2014, a customer slipped and fell on a wet spot in a Habitat ReStore
 - Final damages: \$1.14 million
- Slip, trip, and fall hazards in Habitat ReStores:
 - Potholes and uneven pavement in parking lot
 - Extension cords, pallets, and boxes in aisleways
 - Poor lighting at entries, exits, aisleways, and parking lots
 - Ice, rain, oils or spills of any type
 - Ladders
 - Loading docks



Second claim: Struck by

- **996** claims in the past 8 years
 - **+15%** of all claims in that period
 - Incurred losses over **\$14 million**
- Actual Claims:
 - In 2014, a door fell on a customer in a Habitat ReStore drop off area
 - Final damages: **\$335 thousand**
 - In 2019, merchandise falls and strikes claimants foot
 - Final damages: Over **\$1 million**



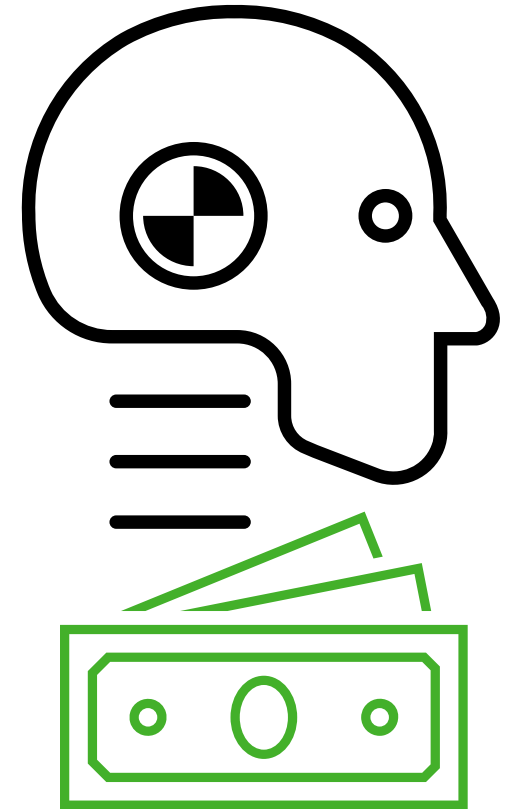
Third claim: Overexertion

- Over **750** claims in the past 8 years
 - **+11%** of all claims in that period
 - Incurred losses over **\$8 million**
- A number of these claims come from strains and sprains from lifting
 - These are volunteer and Workers' Compensation claims
 - A recent claim ending up occurring **\$263 thousand** in damages



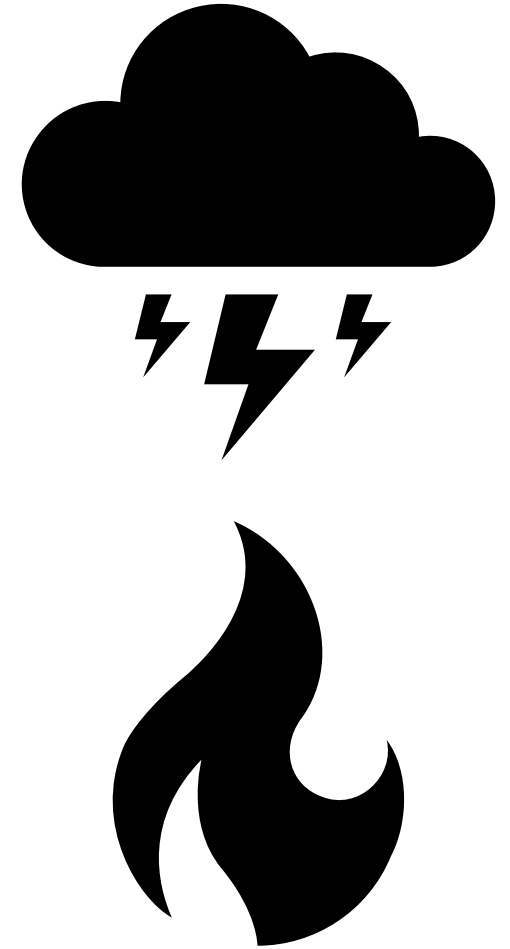
Fourth claim: Auto accidents

- Over **1,700** claims in the past 8 years
 - **27%** of all claims in that period
 - Incurred losses over **\$11 million**
- Recent claims
 - One over **\$1 million** in damages
 - One over **\$800 thousand** in damages
- Even minor accidents can result in large losses
 - A recent rear end collision resulted in a **\$250 thousand** loss



Fifth claim: Property – direct damage

- Over **240** claims from 2013-2020
 - These claims related to fire, explosion, or inclement weather
 - **+3%** of all claims in that period
 - Incurred losses over **\$9 million**
- Actual Claim:
 - In 2019, a fire at a Habitat ReStore caused a loss of over \$2 million



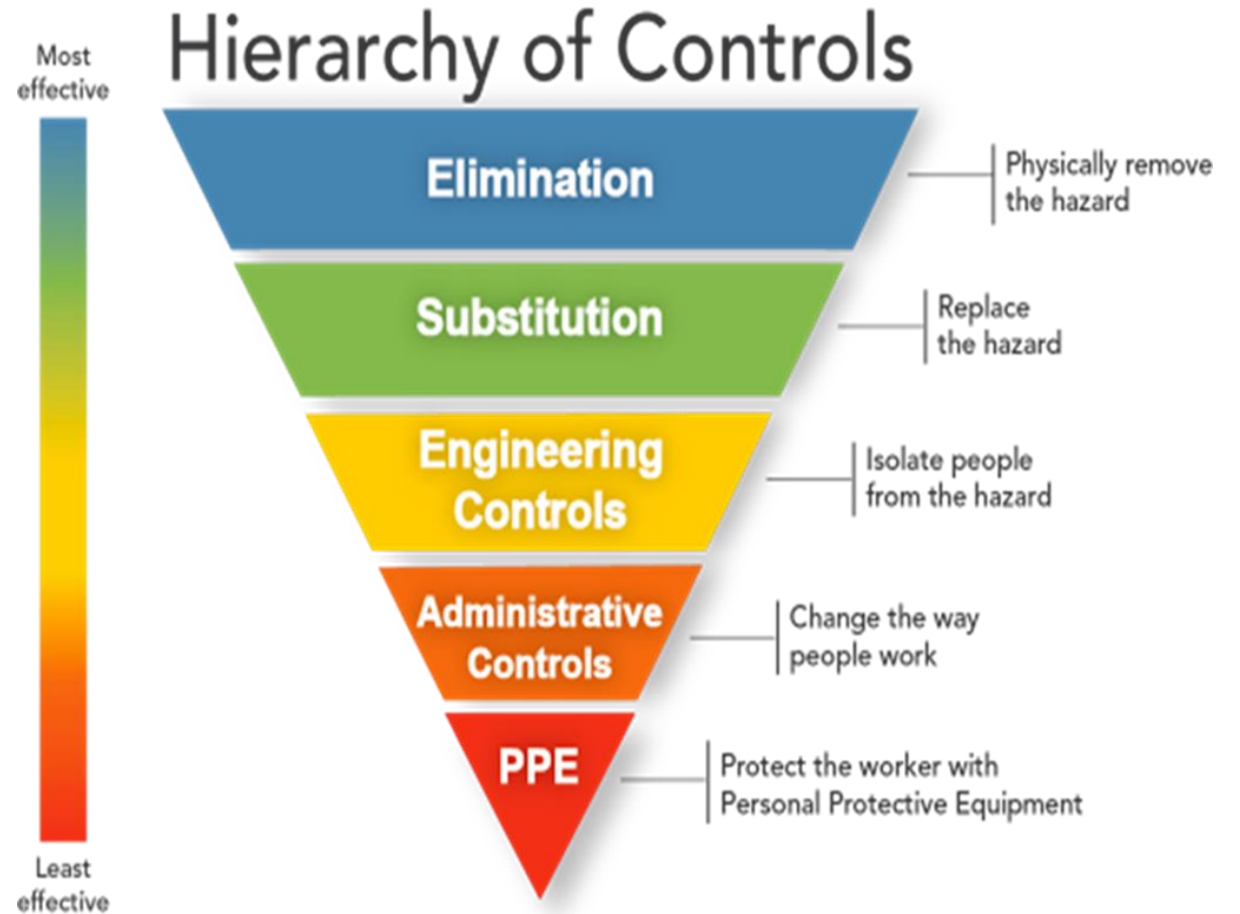
Questions?





**How do we
prevent these
claims?**

How do we prevent any incident?



Preventing slips, trips, and falls

- Slips
 - Housekeeping
 - Report or clean up spills immediately
 - Put up caution signs on cleaned, polished floors
 - Treat ice and other environmental hazards immediately
- Trips
 - Do not carry loads that block vision
 - Keep walking and working surfaces clean and well lit
 - Keep extension cords out of walkways
 - Ensure walkways have no unmarked changes in elevation (settling cracks, potholes, etc.)

Preventing slips, trips, and falls

- Falls
 - Design roofs to be low-slope (<4:12)
 - Use guardrail systems
 - Guard wall openings
 - Control access to heights
 - Stay off elevated surfaces when they are slippery
 - Secure portable ladders and use them correctly
 - Use personal fall arrest systems

**Should the
risk be
transferred?**

Preventing struck by incidents

Habitat ReStores

- Control access to drop off areas
- Secure fixtures to prevent tip overs
- Display and secure merchandise to prevent tip overs or falls
- Secure donations inside the ReStore truck
- Load shelves evenly with heavier items lower to prevent tip overs or collapse
- Post “Ask for assistance” signs

Build Sites

- Control access to areas below elevated work
- Use toe boards
- Team carry long materials
- Wear steel-toed boots, safety glasses, and hard hats

Preventing overexertion

...specifically strains and sprains from lifting

- Establish a safe lifting policy
 - What are the limits?
- Train workers on proper lifting technique
- Rotate workers through repetitive lifting tasks to prevent continual exertion
- Provide periodic breaks between scheduled breaks

**WHEN LIFTING...
KNOW THE LIMITS**

up to 50 lbs.
Bend Your Knees & Keep Your Back Straight

50 to 80 lbs.
Make it a Team Lift

80 lbs. or more
It's a Mechanical Chore—Use a Dolly!

LOCKYON AFFINITY AFFILIATE INSURANCE PROGRAM **ReStore**

Preventing auto accidents

- Establish a safety routine
 - Check the vehicle and surroundings
- Maintain a safe following distance
- Move away from pedestrians and cyclists
- Most deadly accidents occur at intersections. Take extra care and time. Be prepared to stop and look both ways - even if you have a green light. Do not change lanes in the intersection.
- Backing accidents are the most common. When possible, do not back up your vehicle.
- **SLOW DOWN!** Speeding reduces the time available to react.

Preventing auto accidents

- Establish a distraction-free driving policy
 - Employees should not use cell phones while driving – even in hands-free modes
 - Enable the “Do Not Disturb” cell phone settings to forward calls to voicemails and silence texts and emails
 - Employees should not eat while driving
 - Program navigation systems before driving and enable audible directions features.

“It Was Just...”

It was just a quick call

It was just a short trip

It was just one drink

It was just a picture

It was just an email

It was just a glance

It was just a text

It was just a bite

**“Just” is all
it takes**

**GET YOUR FREE MATERIALS AT:
nsc.org/justdrive**

Distracted driving is an epidemic.
Be part of the solution.



DISTRACTED DRIVING AWARENESS MONTH 2019

Preventing property damage

Fire

- Establish a fire prevention plan
- Ensure fire extinguishers are inspected regularly and accessible
- Train workers on proper fire extinguisher use
- Inspect temporary power distribution for overloading and damaged electrical cords
- Establish a no-smoking policy

Water

- Inspect sites pre-event to ensure there are no unsecured or uncovered openings that could allow water to enter
- Keep drains clear from debris or material
- Find and show workers water shutoff valves
- In a flood zone? Install permanent or temporary flood gates

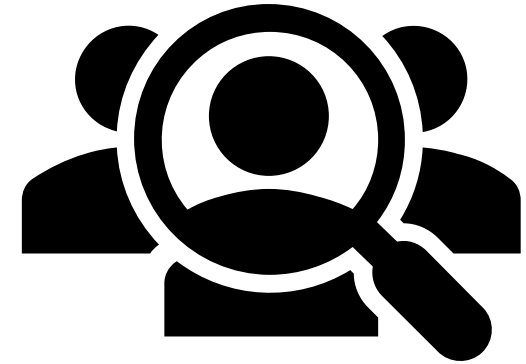
Preventing incidents

Training is key!

Even with extensive controls in place, workers can and will still be injured without proper training

Honorable mention: Employment Practice Claims

- Employment practice claims have increased in recent years
 - Discrimination and wrongful termination of former, current or potential employees represent **over 50% of the number of claims** and **over 60% of the claim dollars**
- Recent claim:
 - Wrongful termination claim resulting in damages of **\$170 thousand**



**Do not hesitate to
report these incidents!**

Affiliates with Lockton Affinity
also have access to EPL Assist.

- www.EPLAssist.com
- 1-888-244-3844

Safety culture

Work SAFE, Build SAFE, Shop SAFE

Staying Accident Free Every Day

1. Empower everyone
2. Build trust
3. Acknowledge the risk
4. Repeat, review, and improve
5. Celebrate success



Work SAFE

Build SAFE

Shop SAFE

Work SAFE – Staying Accident-Free Every Day

safety@habitat.org

A person wearing a white hard hat and a plaid shirt is kneeling on a lawn. They are looking at a large patch of dark brown soil that has been dug up, contrasting with the surrounding green grass. The person is positioned on the right side of the frame, with their back to the camera. The overall scene suggests a construction or landscaping project.

Questions?

Contact U.S. Safety or Lockton Affinity directly:
safety@habitat.org | hfhinsuranceservice@locktonaffinity.com



Thank you!

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