



Expert view

*Q&A with Jody Moses, Managing Director,
Public Entities, Sedgwick*

The “Expert view” column presents a wide range of topics offering valuable insights and information for customers.

edge:

You joined the Sedgwick team as part of the recent York Risk Services acquisition. So first, welcome! We’re thrilled to have your experience and expertise to draw on. You’ve built much of your career – more than 20 years in the industry – in support of public entities. What inspires you most about this line of work?

Jody:

I think it’s important to understand that public entities affect and influence us all. When we help a public entity save a dollar, get their employees back to work, help replace a damaged piece of property or manage a third-party loss, it’s to the benefit of all of us. We all pay taxes and reap the benefits and services that our public entities provide. I love the uniqueness of this industry. Where else would you see “sheep wrangler” as an occupation on a loss run? Or address the risk management

challenge of how to land a hot air balloon in a high school stadium? There’s so much to the servicing of public entities that most people would never consider – many don’t realize that public entities include almost every occupation and are exposed to almost every associated risk, from food preparers to retail-type operations, that a private sector would. And then there are the occupations that are unique to the public sector, like firefighters and safety officers, that create risk exposures unique to the public sector.

edge:

What can you tell us about pooling and the benefits it provides for employers?

Jody:

Most public entities are small – school districts, cities – which means they often don’t have the breadth of resources needed to fully manage risk. By pooling, public entities can aggregate specialized expertise, creating an incredible network that provides full risk management. In addition to providing the coverage to cover the risks, pooling offers public entities an array of services they likely could not do on their own, such as risk control resources, risk control expertise, claims administration, contract evaluation for indemnification, and so on. It’s really like a customized “back office,” surrounding them with what they need to cover risk, prevent risk, and manage and mitigate exposures when they happen.

For Sedgwick, it’s imperative that we do more than provide quality, customized coverage for our pools’ members – we must also provide the expertise and resources similar to what a full-service risk management department would provide in a larger corporation. It’s so much more than just being there for the client during stressful times to walk them through the steps to handle their claims or accident; those are important, but we have to be able to identify emerging risks, provide specialized and tailored coverage, and make sure we can incorporate services like risk control. Our team also takes responsibility for the financial functions of pools, including accounting, investments, audits, and working with actuaries to ensure the pool is on target to meet their financial goals. We become a mini insurance company. We’re right there in it with our clients, from before a loss occurs through its successful resolution.

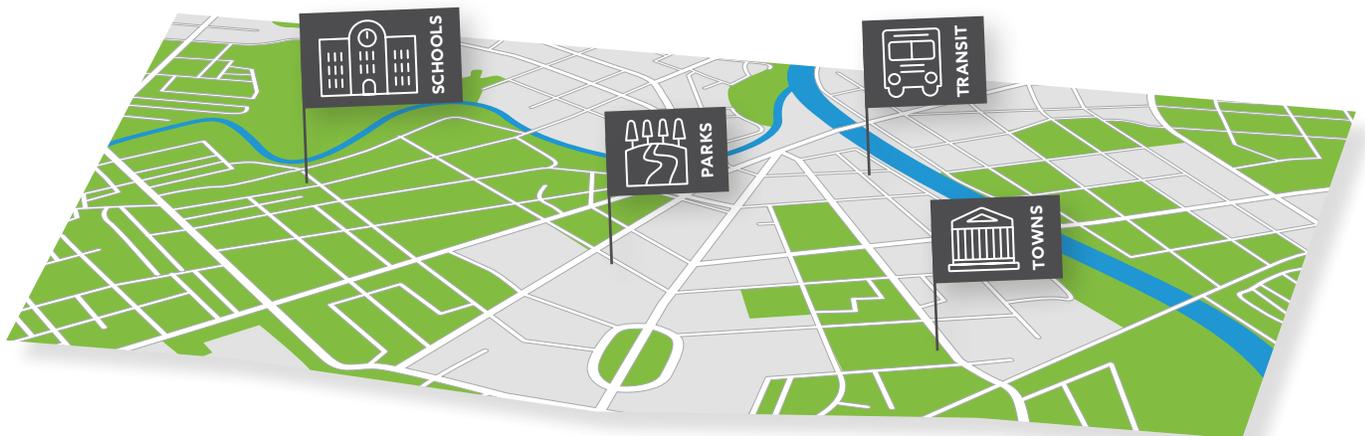
Of the 6,784 public entities Sedgwick now serves, more than 6,000 participate in a pool and Sedgwick serves as the pool administrator for 24 pools across the country.

edge:

What’s top of mind for public entities right now?

Jody:

While the top priority of our public entities’ risk management programs is ensuring the safety of their citizens and employees, the security of the data that citizens entrust to public entities is top of mind. Public entities maintain so much personal data, but many struggle with weak infrastructures. As a result, this makes them vulnerable, and they need to ensure they’re taking the proper measures to mitigate the risk, protecting their citizens’ identities.



Another major issue public entities are facing now is the expansion of the statute of limitations for sexual abuse and molestation claims. As the statute of limitations expands to as much as 50 years in some instances — and goes retroactive in several states — public entities are working hard to mitigate these risks.

Public entities are also being challenged with how to underwrite and cover risks with longer tails. Since state immunity protections are not applicable for federal civil rights cases, public entities are faced with more expensive judgments and rising litigation expenses. Public entities are beginning to wonder if the insurance market will be able to extend coverage. This is another great case for pooling. Pools emerged when public entities were forced to self-insure because the insurance market couldn't cover them; pooling was the best solution for budget certainty. Risks were so different 30 years ago when pools first came to be, but the scenario is still much the same today.

edge:
What are some of the risks public entities are dealing with today that we could not have predicted 30 years ago?

Jody:
There are risks we're helping our clients prepare for today we couldn't have envisioned 30 years ago — or even a decade ago. Active shooters, terrorism incidents, and sexual misconduct cases — these weren't the norm 30 years ago.

Other examples we couldn't have seen coming 30 years ago include the threat of cyber risk and the effects of technology — many front-line adjusters and risk managers didn't even have computers back then! I'm sure we never saw "distracted walking" coming, but today you've have walkers looking at their phones instead of the street, drivers with earbuds in who can't hear sirens. It's liability exposure for the 21st century, to be sure. In another 30 years, the risks will be different — we can't even imagine. We didn't know we'd have to worry about drones. So who knows what's next.

edge:
What does the future look like for public entities and their risk management decisions?

Jody:
Risks will change. What's emerging now will be solved, and something new will develop. We must continue to evolve in order to meet the public sector's needs and next-generation expectations. Good partnerships will mean we can face whatever may arise. Sedgwick is privileged to work with some of the brightest and most forward-thinking experts from the Insurance Marketplace, including carriers, reinsurers, public entities and corporations — and that collective experience and knowledge ensures we are well-equipped to assist public entities with a wide range of risks. We'll continue to anticipate risk for our public entity clients; when it comes, we want them to be confident that we're already busy developing solutions to help them transfer, manage and mitigate those risks.

With Sedgwick's recent acquisition of York, we have a truly unmatched depth of combined capability and experience, and a presence in virtually every jurisdiction. I'm excited about the investments we're making to develop the next generation of talent, and to support and sustain our communities — that investment brings our **caring counts**[®] philosophy to life for me.

Our people know your business inside and out; we are now able to be even more responsive to future needs, and to leverage and harness data public entities will need in order to make the best decisions. The collective aggregation of mindshare, of influence, of knowledge flooding in from not just Sedgwick, but from our extended network of clients and partners, is a huge responsibility. However, what an opportunity — to scale that and make it meaningful for all public entities, from states to small local agencies like a school district, a parish, a village, or a park district.

edge:

What are some other areas of opportunity you see for public entities in the future?

Jody:

Public entities, for the most part, don't outsource disability like the private sector does. The line between occupational and non-occupational leave is blurring, and employers are looking more holistically at their employees. This is something for us to explore and determine whether the services that the private sector outsource could drive the same results enjoyed by the private sector.



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- JODY MOSES