



About NonProfits' United

NonProfits' United is California's oldest self-insurance alternative for nonprofit organizations. NPU was groundbreaking and original in its conception, and continues to pioneer insurance and risk management alternatives for nonprofits.

NPU today operates two self-insurance groups, a Vehicle Insurance Pool and Workers' Comp Group. Each is a member-owned and governed cooperative venture of nonprofit organizations committed to effective risk management and controlling their own insurance costs.

NPU was started in 1988 as a vehicle insurance pool and was originally conceived solely as a support for nonprofit specialized transit (paratransit) providers in California. As a result of the "hard" insurance market of the mid 1980's, many of the nonprofit transportation nonprofits were going out of business, causing a serious shortage of available paratransit services in California.

The California Association for Coordinated Transportation (CalACT), researched the feasibility of forming a self-insurance pool. Ultimately, in 1988 the Paratransit Insurance Corporation (our original name) was formed with 73 members. All were nonprofits and a majority were focused on transportation.

Through the years the vehicle pool's membership widened to include virtually every sector of the nonprofit community. To reflect this diversity, in 1998 we changed our name to NonProfits' United Vehicle Insurance Pool.

In 2002, the worsening Workers' Compensation insurance situation prompted the NonProfits' United Board of Directors to explore the feasibility of starting a Workers' Compensation self-insurance group on the same model as the Vehicle insurance pool, to offer an alternative to nonprofits struggling under the burden of punishing Workers' Comp rates.

In December 2004, the NonProfits' United Workers' Comp Group began with 3 core members. A year later, the NPU-WCG had over 40 members and has continued to grow with over 130 members as of July, 2011. The group serves members using the NPU mission as a guide – by empowering them and educating them as to the advantages and responsibilities of self-insuring. As with the Vehicle Pool, the success of the group hinges on individualized loss control assistance and recognition of the particular challenges of nonprofits in maintaining healthy and safe organizations.

Our mission is to help nonprofits control risk management cost, and save their resources for their programs. We accomplish this by providing stable affordable rates, and focused, relevant risk management services.

"NonProfits' United is a member-governed and funded alternative to traditional commercial insurance.

The mission of NonProfits' United is to provide quality and cost-effective pooled risk coverage for private nonprofit organizations. We are committed to providing services that are responsive to our members' needs and that contribute to the professionalism of nonprofit services."

The NPU mission was written by our Board of Directors in 1988 and has remained relevant not only to the Vehicle Pool but also to the new Workers' Comp Group. Many of the individuals who originally founded the VIP in 1988 still serve today on both the VIP and WCG Board.

Our Board is committed to the mission of NPU and to the stewardship of the funds of both pools for the furtherance of NPU's mission to support its members.

Risk Management for Self-Insured Groups

The success of any self-insured entity depends on member-owners understanding and accepting their responsibility in controlling loss (e.g., it's not "someone else's money").

Therefore, we prioritize educating members as to:

- What their loss control responsibilities are,
- What services exist to help them, and
- How best to access these services.

Our methods have been developed and fine-tuned since the Vehicle Pool has been in existence prior to the formation of the Workers' Comp Group. We find these principles apply equally well to both pools.

NEW MEMBER ORIENTATION

Upon joining either group, new members and NPU sign a Member Agreement outlining the mutual responsibilities of the member and the group. The Agreements specifically reference adherence to Risk Management Standards, timely payment of premium, and full cooperation with claims adjusters to control costs.

Additionally, every new member to each pool receives:

1. A "welcome" contact and materials, explaining the self-insured nature of the program and their responsibility as members to avoid loss and mitigate losses that occur. Included is a complete contact sheet for any questions they may have.
2. Personal hands-on orientation to the claims adjusting process, to emphasize the importance of timely reporting and cooperating with adjusters in the investigation of claims to minimize the chance of fraudulent or inflated claims.
3. A complete description of Risk Management services each pool offers along with a brief questionnaire about their operations, safety interests and needs.

ONGOING EDUCATION AND INFORMATION – THE RISK MANAGEMENT "PRESENCE"

Each month every member of NPU electronically receives Safety Focus Bulletins regarding both Vehicle and Workers' Comp safety issues. We use this media as a pledge to our membership to assist and complement the loss control programs of our members.

PERSONALIZED RISK MANAGEMENT PROGRAMS & SERVICES

Every member of both NPU pools has a commonality, their identity as nonprofit organizations, but NPU's membership is extremely diverse with regard to specific activities undertaken and performed, and consequent risks faced. We make every effort to work closely with each member from the time they join to understand their operations and assist them to identify areas in which they may be at risk.

Risk Management for Self-Insured Groups, cont'd

PERSONAL RESPONSIBILITY AND ACCOUNTABILITY - CORE CONCEPT OF POOLING

In addition to addressing specific, immediate, safety needs that members may identify, we also want to help bring overall safety awareness (“culture of safety”) to each organization.

Just as members are accountable to the group for their loss control, so are employees accountable to employers for their safe performance. We strive to assist members to proactively promote safety to generate a behavior that puts ‘safety first’. Members work with us to fine-tune and develop hiring, training and supervising practices that support and reinforce safety as a measurable performance standard.

The end result is individual and organizational accountability for loss prevention, pride in accomplishment, and ownership of safety success.

LOSS CONTROL THROUGH COST CONTROL: CLAIMS MANAGEMENT

At NPU, loss control does not hinge only on preventing accidents, but also on effective claims management, to minimize the effect and cost of the inevitable accidents. We are partners in the claims management process with our members and with our TPA's. Our TPA is considered part of our team and their services are tailored to further carry out our mission of providing relevant, responsive service. Our claims adjusters:

1. Focus on personalized and prompt contact and follow-up with each member and claimant to settle claims quickly, amicably and with the least disruption to member services.
2. Works with pool staff to safeguard pool resources through such tools as aggressive subrogation and collection, ongoing tracking of injury, disability, and other drawn-out claims, and;
3. Actively formulate and monitor litigation strategies to ultimately keep settlement costs as low as possible.

Vehicle Insurance Pool...at-a-glance

The Pool

- Date inception**7/1/1988**
- Members in NPU-VIP as of 7/1/11.....205
- Vehicles in NPU-VIP as of 7/1/11.....1,400+

Requirements for membership:

- California organization with federal tax-exempt 501(c)(3) status
- Own or lease at least one vehicle

Basic (Minimum) Auto Liability Coverage

- \$1 million liability:
 - First \$500,000 **Pooled self-insurance**
 - \$500,000 - \$1 million.....**Reinsured through Munich Reinsurance America, Inc.**
 - \$1 million - \$10 million.....**Reinsured through Munich Reinsurance America, Inc.**
- Basic liability coverage includes:
 - Liability Deductibles of \$1,000, \$2,500, \$5,000 and \$10,000
 - Uninsured and Underinsured Motorist Bodily Injury
 - Non-Owned and Hired Liability Coverage, rental reimbursement

Optional Other Coverages:

- Higher limit Rental Reimbursement
- Physical Damage coverage
 - Full comp and collision with \$500, \$750 and \$1,000 deductibles available
 - Optional Uninsured Motorist Physical Damage coverage for \$20/year per vehicle

Member Benefits and Risk Management Services:

- ***Our knowledgeable and responsive staff and claims adjusters***
- ***Free*** On-site vehicle safety consultation and trainings
- ***Free*** Monthly Safety Focus bulletin
- ***Free*** Video lending library
- ***Free*** Online "roundtable" safety discussion group
- ***Free*** 4-day Instructor Training Course for Ops/Supervisor level personnel

To apply for membership in NPU-VIP:

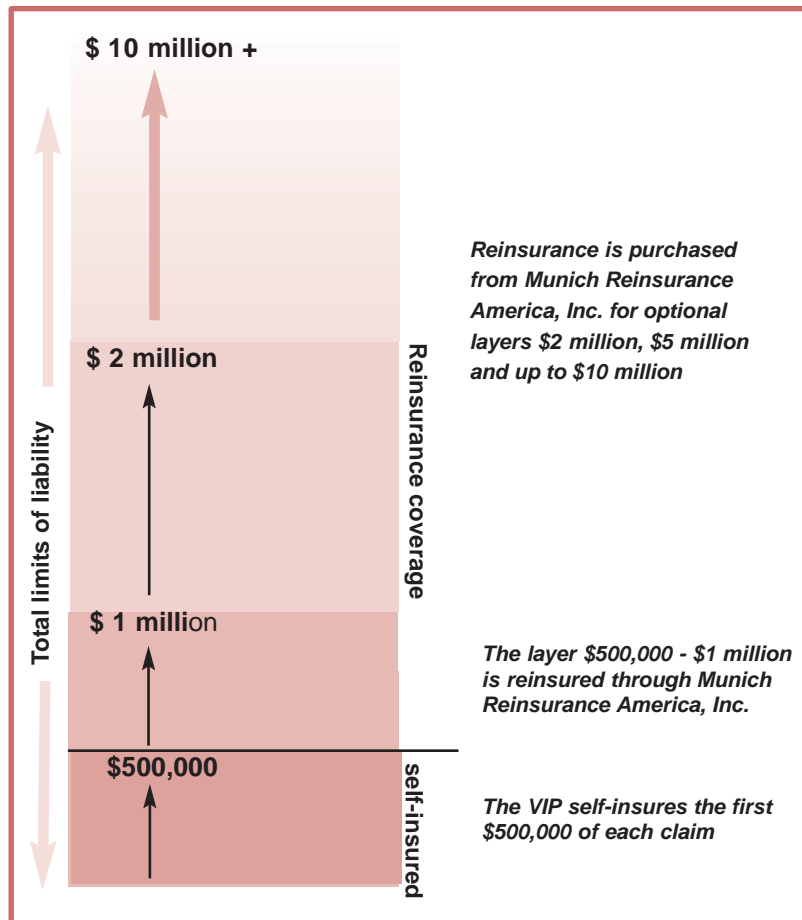
- Completed NPU or Acord app, with three years' loss runs

Vehicle Insurance Pool Coverage

A diagram of the pool's "layered" coverage is below. The bottom layer is self-insured up to \$500,000. Most accidents fall under this limit.

We group purchase additional layers ("excess" coverage) which sit on top of the self-insured layer. Members have the option to purchase additional coverage of \$1 million, \$2 million, or more.

Over the years we've steadily raised the self-insured level from \$100,000 in 2000-2001 to its present level of \$500,000. This decreases the amount of excess insurance needed, and can be a cost savings in a hard market.



Description of VIP Coverages

MOTOR VEHICLE LIABILITY COVERAGE

This coverage is mandatory for all members. Member organizations must be 501(c) 3 nonprofits and own or lease at least one vehicle. Covered vehicles must be registered to organization..

- \$1,000,000 minimum coverage per occurrence with higher limits available. First \$500,000 self-insured; re-insurance to \$1,000, 000. Coverage excess of \$1 million purchased from Best-rated firms.
- Deductibles of \$0 - \$10,000
- Coverage Includes:
 - **Bodily Injury and Property Damage Coverage** - for damages resulting from an occurrence involving the ownership, maintenance or use of a covered vehicle.
 - **Non-Owned and Hired Auto Coverage** - for vehicles that are leased, rented, borrowed or hired for your agency's use, and for employee-owned personal autos used by your agency. Coverage is in excess of the registered owner's limits, up to your policy limits.
 - **Uninsured and Underinsured Motorists Bodily Injury Coverage** – \$1 million coverage for damages you are legally entitled to recover when injured in an accident caused by the owner or driver of an uninsured or underinsured motor vehicle.
 - **Motor Vehicle Medical Payments Coverage** - \$5,000 coverage per person with a maximum of \$35,000 per occurrence. Covers reasonable immediate expenses incurred for necessary medical and funeral services to or for anyone occupying a covered vehicle.

MOTOR VEHICLE PHYSICAL DAMAGE COVERAGE - (OPTIONAL)

- Limit of up to Actual Cash Value of owned, scheduled vehicles.
- Deductible - \$500
- Coverage includes:
 - Comprehensive loss (fire, theft, vandalism) and/or collision loss (colliding with another object).
 - Includes deductible waiver for fire, theft, or vandalism.
 - Includes Uninsured Motorist deductible waiver.

RENTAL REIMBURSEMENT COVERAGE - (OPTIONAL)

- Covers the cost of renting a replacement vehicle for up to 30 days when your covered vehicle is damaged in a covered occurrence.

UNINSURED MOTORISTS PROPERTY DAMAGE COVERAGE (UMPD) - (OPTIONAL)

- Recommended for vehicles for which you choose not to purchase Physical Damage coverage. UMPD covers up to \$3,500 damage to those scheduled vehicles, when damage results from a collision with an uninsured or underinsured motorist.

VIP Risk Management Services

GENERAL INFORMATION AND EDUCATION SERVICES

- Subscription to our monthly safety bulletin, the Safety Focus
- Video lending library of tapes on a variety of safe driving topics
- Free TargetSafety online training courses

DIRECT CONSULTATION, TRAINING AND SUPPORT

- **Full-day site assessment:** Our Risk Management Director will review administrative, training and operations function at your site, tailored to individual organization needs. Assessments include driver ride-alongs, planning meetings with management and supervisory/dispatch staff, and follow-up in-service trainings.
- **On-site Classroom trainings**
 1. Defensive Driving class: This class focuses on universal safety principles and specific hazards faced on the road today. This class includes handouts and an expanded workbook version of the class for supervisors who wish to incorporate the training elements into their safety curriculum. This class also addresses the concept of the “Near Miss” and teaches students to analyze close calls they had on the road to see if they violated safe driving principles and put themselves in harm’s way. This class helps dispel the myth that the “not-at-fault” party in an accident couldn’t prevent the collision.
 2. What to do in emergencies. This class teaches drivers how they can control losses by staying in control of their vehicle, their passengers and themselves at accident scenes. The class addresses the emotional and physical stresses on people who have just been involved in a vehicle collision, the need for the driver to remain calm, assume a leadership role and act quickly and decisively to ensure their passengers’ safety, and to know what to say and what not to say to others at the scene.
- **On-site hands-on training** – our Risk Management staff has hands-on experience in passenger and cargo transportation and can address everything from backing a trailer to safely tying down wheelchairs.
- **Instructor Training Course** – We offer a unique 3 day course for supervisors and trainers dealing with the issues they face in keeping their transportation operation going day in and day out. The course addresses techniques for reaching and motivating trainees, hands-on teaching demonstrations, and has a disability transportation and passenger handling component. Also, the course features a guided assessment of each individual organizations’ risks and hazards so supervisors can actively work to address their special problems through the design and implementation of their driver training programs.

Vehicle Insurance Pool . . . NPU Partners

York Insurance Services
Claims Adjusting



With market-specific focus, nationwide operations, and a reputation for expert adjusters, superior technology and outstanding customer service, York is one of the premier third party administrators in the country. York's adjusters are not only technically proficient, they also display expertise in negotiation, customer service and communications.



With such a diverse group of members, NPU has partnered with TargetSafety to enhance the day-to-day operations of the NPU membership. The online training tool, PreventionLink, features a comprehensive catalog of web-based training courses focused on OSHA and compliance, human resources, basic first aid, general safety, employment practices and motor vehicle safety. All of these courses are designed to reduce workplace accidents and keep employees safe.