

The Florida Municipal Insurance Trust - Celebrating 40 years of service to Florida cities

In the tough insurance market of the late 1970s, Florida cities were having trouble securing workers' compensation insurance. Insurers could be very selective; coverage was limited and expensive. Many cities couldn't secure coverage at all.

The Florida League of Cities helped municipalities secure insurance coverage when asked — usually during the League's annual conferences. The League and then-Executive Director Ray Sittig decided to take that assistance a step further and, in 1977, established a pooled workers' compensation program for Florida cities. Liability and health insurance soon followed, all managed by a third party.

The Trust is Born

The opening of the Public Risk Services Office in Orlando in 1987 provided significant cost savings, as the League moved administration of the three early trusts in-house. The workers' compensation, liability, health and property (added in 1989) trusts would formally be consolidated under the Florida Municipal Insurance Trust (FMIT) in 1992.

In 40 years, what began as a program to provide workers' compensation coverage has grown to offer property, auto, liability, workers' compensation, health and additional coverage, as well as risk management and other in-house services to help municipalities save money and reduce claims.

"The creation of the insurance offerings by the Florida League of Cities was critical for small to mid-sized cities that could not afford to self-insure," said Jeannie Garner, deputy executive director of the League. "Bringing cities together created economies of scale and provided for efficiencies in pricing and service delivery."

As a non-assessable, nonprofit, tax-exempt risk-sharing pool, the FMIT provides insurance services for approximately 600 public entities in Florida, of which more than 250 are municipalities.

Because the FMIT is governed by city officials, and because the FLC administers every facet of its operation, the trust provides unparalleled customer service and claims-paying ability. The FMIT is not for profit, and its members are its owners. This has enabled the FMIT to return \$74 million in property premiums to members since 2007.

Forward-Thinking Programs

With the establishment of the **Special Investigations Unit** in 1998, the FMIT began building its market-differentiating group of risk management and preventative services. As of 2016, fraud investigations through the unit have resulted in more than \$7.3 million in cost savings for FMIT members.

Members carrying property coverage benefit from crisis planning, disaster response and loss recovery services through program partner **SynergyNDS**. The FMIT and SynergyNDS are a member's boots on the ground immediately after a disaster. SynergyNDS also offers asset surveys and inspections through the **Asset ID** program, member-direct repairs through **TurnKey Recovery** and important communications tools through **FMIT Alert**.

The **Hometown Health** workplace wellness program gives health plan participants tools to make healthier lifestyle choices. Employee health screenings detect conditions and risk factors early, making them easier and less expensive to treat. Benefits to employees include free online health assessments, onsite biometric screenings, telephonic health coaching and more. Hometown Health provides the resources for FMIT members to reach their health goals.

Resources to Reduce Claims

The **Matching Safety Grant Fund** helps FMIT members obtain safety and health equipment, as well as continuing education classes, immunizations and more. Since this program was started, the FMIT has awarded 937 safety grants totaling \$1.9 million. Annually, the FMIT dedicates \$300,000 for the grants program.

In 2016, more than 350 health and safety training classes were held across the state through **Shield Academy**, the FMIT's training arm. Shield Academy also offers online training on approximately 320 topics ranging from active shooter and cyber bullying to respirator use and workplace harassment. For members, there is no cost for online training, and onsite training is available at no cost or for a nominal fee.

Members have free access to a health and safety video library with an inventory of thousands, as well as to free onsite human resources and risk management seminars offered throughout the year.

To assist FMIT members in human resources and employment practices, the trust has partnered with the Littler Mendelson law firm to offer no-cost, live and online access to Littler's legal experts. The firm concentrates exclusively on employment and labor law.

Superior Stability

The FMIT maintains superior financial stability, presently highlighted by \$475 million in assets and \$195 million in surplus, and it insures approximately \$9 billion in total insured value. Sixty-seven percent of cities now purchase at least one line of coverage through the trust.

This year, the League celebrates the 40th year of the FMIT's role as a resource, advocate and partner to its members.

"The FMIT is here to stay, with a focus on partnering with our members to provide high-quality risk management services and staying financially strong to be there when our members need us the most," Garner said.