

# THE Partner

COOPERATIVE MUTUAL INSURANCE COMPANY  
Fall 2001



## New Organization Supports Safety Directors

BY RICK SMITHPETER  
Director of Loss Control

**I** believe that August 14 will prove to have been a red-letter day for cooperative safety in the state of Nebraska. On that day, staff members from **Cooperative Mutual Insurance Company** and cooperative safety professionals from across the state met in Grand Island to discuss the formation of a state organization of cooperative safety directors.

This has been a personal goal for some time. Nine years ago, when I got started in this business, cooperatives were smaller. Most didn't have full-time safety directors, if they had anyone in the position at all. The merger movement changed that, with more of the larger cooperatives hiring or promoting safety directors to full-time status. The time had come to establish an organization for these safety directors.

At the initial meeting, those in attendance identified a number of benefits that a state organization could provide:

- The opportunity to network with other co-op and agribusiness safety professionals.
- An avenue by which to promote the advancement of the safety professional.
- A way to foster growth and development of the skills, ethics, and competency of the members.
- Service to the co-op system by providing experienced technical and problem solving safety professionals.

Two things were clear from the outset: there was a definite need for an organization like this, and it was an organization that would be run by the safety directors for the benefit of the safety directors.



For our part, Cooperative Mutual Insurance Company will provide some initial and continuing funding to help launch the organization, along with ongoing clerical support and space in the newsletter for announcements. However, the organization is not a part of CMIC, is not run by CMIC, nor is the membership restricted to CMIC clients.

### Meeting a need

It was clear in talking to some of the safety professionals who attended the first

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### MISSION STATEMENT:

*To build an independent, profitable, policyholder-driven insurance company providing superior service and innovative products.*

# New Organization Supports Safety Directors



*Rick Smithpeter addresses co-op safety directors at the beginning of their initial meeting.*



*Phil Pelc*

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meeting that the organization was on target.

**Phil Pelc** is the safety and compliance director for United Farmers Cooperative headquartered in Shelby, Neb. He is enthusiastic about the help this organization can give him and other safety directors.

"I've just been full-time in this position since three cooperatives came together in March to form United Farmers," he explains. "I've found out that there is a lot to this job if you're committed to the safety of the employees and doing things the right way. There is value, I believe, in getting together with other people who do the same work I do."

**Don Eisenhouer**, safety and compliance director for



*Roberta Christiancy (L), Frontier Co-op, and Edna Wagner, Northeast Cooperative compare notes.*

Farmers Co-op Elevator of Plymouth, Neb., has been involved in co-op safety work for 12 years, the last four full-time. He agrees with Phil on the value of learning from other safety professionals. "We can exchange a lot of valuable information," he states. "This is a new and growing field, and while there is some training available out there, a lot of it you learn by the seat of your pants. Instead of everyone having to learn on his or her own, it makes sense to share information and speed up the learning process.

"For example, maybe we've dealt with a compliance issue that someone else is facing, or we've just had an inspection that another cooperative will be going through shortly," Don continues. "Let's help each other through it."



*Rick Smithpeter visits with meeting attendees (L to R) Rod Johnson, Jerry Cook, and Brian Travis.*

## A first step

The Grand Island meeting was just the first step in an ongoing process. It's possible that what comes out of the process in Nebraska might have value for other states. For now, we're taking one step at a time, and the next step is an organizational meeting scheduled for Wednesday, Nov. 7, at 11 a.m. in Grand Island. If you're interested in being a part of the action, call us at 800-642-8572. ■

## Welcome, Brian

**Brian Travis** joined the **Cooperative Mutual Insurance Company** in July as a loss control representative. A native of Princeton, Mo., Brian grew up on a cattle farm. He attended the University of Missouri, where he received a degree in ag economics.

It was during an internship with Premium Standard Farms, one of the largest producers of market hogs in the world, that he discovered an interest in safety issues. "I had planned to

work in the meat sales department, but the bottom dropped out of the market and that fell through," Brian recalls. "They needed someone in their safety department, and I found I had an interest in the work. I decided to head in that career direction."

Brian went back to school, earning a master's degree in occupational safety and health. His next stop was CMIC.

"I really enjoy my job," Brian notes.

"It was important for me to stay in the ag field." He enjoys sports, both as a participant and an observer, in his free time.

"Norm Stewart (former University of Missouri basketball coach) is a relative, so I have to be a fan, anyway," Brian says. "I'm brainwashed." ■



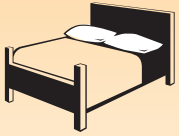
# Don't Overlook Safety During Harvest Rush

BY BRIAN TRAVIS

Loss Control Representative

The approach of fall reminds us that the harvest season is right around the corner. During harvest season, good weather and daylight hours always seem to be at a premium, which often leads to safety being overlooked. This year, preventing accidents should be one of the key elements that determine a successful harvest season. Safe completion of any task depends on three factors: knowledge, alertness, and hazard awareness.

## Get rest



Fatigue, drowsiness, and illness can lead to mishaps on the job. Do not rely on stimulants to keep you going or depressants to calm your nerves. Take periodic breaks while on the job to recuperate. Listen to your body when it tells you it's tired—take a break and get some rest.



## Provide training

Be sure to teach employees, especially ones new to the job, proper techniques and safety precautions. New and seasonal employees may

not be familiar with the operation of a grain elevator. Taking time to explain things to them could prevent an accident. At times, seasonal employees might be working by themselves. When there is nobody to watch over them, the guidance they received before they started the job could prevent an accident with a corresponding disruption in operations.

## Keep it clean



Keeping up with maintenance and housekeeping during the harvest season is a must to ensure that a grain elevator runs safely during the harvest. One pound of grain dust equals one stick of dynamite, and at any given time a grain elevator could have up to two tons of grain dust inside the facility. Reducing the amount of grain dust inside the elevator will reduce the probability of a grain explosion. Keeping up with maintenance will help ensure that all equipment will operate properly and safely.

The harvest season is a busy time of the year, but make time for safety. By preventing fatigue, properly training new and seasonal employees, and keeping up with maintenance and housekeeping, you'll reduce the chances of an accident marring your harvest season. ■

## Inspect the Uninspected

BY MARK ROBAK

President, R&S Track Maintenance, Inc.

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It's hard to believe fall is here (the Cubs are still in the pennant race), but when you come upon a school bus filled with future farmers, doctors, and executives, you realize that autumn is indeed upon us.

The end of summer means it's time to start thinking about the condition of your rail siding before you head into winter. It's an issue that you may not have given a great deal of consideration to in years past. But the industry is changing and so is the condition of many cooperatives' sidings.

With consolidation, many cooperatives are handling more grain than they have in the past. The railroads, of course, have provided incentives to encourage on-rail locations to handle longer trains of heav-

ier cars. The result can be additional wear and tear on sidings.

If a car goes on the ground, the responsibility for rerailling the car (or cars), as well as any repair costs, most often winds up with the cooperative. Factor in lost time, and it's easy to see why a schedule of periodic track inspection and maintenance makes economic sense.

I estimate that two inspections annually will meet the needs of 90 percent of the cooperatives in Nebraska. The first inspection should be conducted in the spring after the ground has thawed completely. If necessary, a second should be scheduled for fall to solidify your siding before winter hits.

The other 10 percent of sidings will require a different inspection schedule. Some sidings are never used, so an inspection may not be necessary. If your siding was recently installed and was built to a very high

standard, an annual inspection may be all that is necessary. Finally, if your track is in poor condition or it endures heavy use, quarterly or even monthly inspections may be required.

Whatever your annual frequency, the next couple of months will be the perfect time to have this service performed. Don't neglect to inspect! ■



Heavier, longer trains are putting more strain on many cooperative sidings.

# MANAGED CARE ORGANIZATION— INITIAL EXPERIENCES POSITIVE



BY JOLYNN CURBEAM  
*Senior Claims Examiner*

At the 2001 **Cooperative Mutual** annual meeting, the CorVel Managed Care Organization (MCO) program was introduced as a proactive way of managing medical care and the costs associated with workers' compensation claims. As of August 15, 2001, 41 of our policyholders have chosen to participate in the MCO plan.

From my perspective, the greatest positive impacts from the MCO program are the prompt notification, evaluation, and treatment recommendations I receive from the MCO-assigned nurse. Within 24 hours of the injury being reported to CorVel, an MCO nurse has contacted the injured worker, as well as the treating physician, and notified Cooperative Mutual of the status. Many times the initial MCO nurse's report is submitted before Cooperative Mutual has received the Nebraska first report of injury from the employer.

The good news with this last situation is that regardless of the status of the report, the injured worker is getting medical direction from the onset of the injury. The bad news is that without prompt submittal of the Nebraska first report of injury by the employer to Cooperative Mutual, our investigation and handling of the claim is hampered. My best advice to MCO participants is this: when an employee is injured on the job, two things must be done ASAP:

1. The employer, preferably, or employee calls CorVel at 800-711-4478. He or she will be put in touch with one of the MCO nurses and will be guided through the reporting process.
2. The employer needs to immediately fax or send in a Nebraska workers' compensation first report of injury form to Cooperative Mutual.

Completing one of the steps above without the other reduces the overall benefit that can be attained by the cooperation of the MCO nurse and Cooperative Mutual Claims examiner in managing the workers' compensation claim.

## **Another advantage**

Another important opportunity we can take advantage of is CorVel's PPO network of hospitals, clinics, and physicians. With the PPO network, we are able to realize additional medical cost savings over and

above the normal Nebraska workers' compensation fee schedule bill reductions. The most dramatic example I have, from this past month, is a PPO savings of \$450,000 in medical costs on one workers' compensation claim.

Participation in the MCO is not mandatory but rather on a voluntary basis. In my day-to-day claims handling process, the MCO has thus far proven beneficial to all parties involved. For more information or to join the MCO, employers need to call CorVel at 800-711-4478. ■

## **WHEN AN EMPLOYEE IS INJURED ON THE JOB, TWO THINGS MUST BE DONE ASAP:**

1. The employer, preferably, or employee calls CorVel at 800-711-4478. They will be put in touch with one of the MCO nurses and will be guided through the reporting process.
2. The employer needs to immediately fax or send in a Nebraska workers' compensation first report of injury form to Cooperative Mutual.

# MCO Advantages to the Employer/Employee:

- Employees have immediate professional contact with nurses to help manage medical care.
- Prompt and appropriate care at the onset of the injury.
- Medical professionals who are knowledgeable of the workers' compensation system.
- Reduction of workers' compensation medical costs while ensuring quality, cost-effective care.
- Employee is streamlined to the appropriate provider(s).
- Expedient release to return to work.
- The right care at the right time, at the right cost, by the right provider is ensured.
- FREE of charge to employees and employers.



## MCO VS NON-MCO CASE MANAGEMENT

### MCO

Insurers and/or Employers may take discounts below the Nebraska Fee Schedule (NWCC rule 53.m).

Inpatient hospitalizations, non-emergency diagnostic procedures, non-emergency surgery, PT, chiropractic, work hardening, FCEs, and other specific treatments require pre-certification (NWCC rule 59.a/b).

Choice of Physician—RULE 50 applies. However, if the selected physician does not agree to comply with all rules, terms, and conditions of the plan, the employee can be redirected to another physician within the network (NWCC rule 56.A5).

Employees must receive initial evaluation within 24 hours of the employee's request for treatment following an injury (NWCC rule 53e1).

MCO must include a system of peer review and utilization review to prevent inappropriate, excessive, or not-medically-necessary treatment and to improve quality of patient care and cost effectiveness of treatment (NWCC rule 59 a/b).

### NON-MCO

Insurers and/or Employers may not take discounts below the Nebraska Fee Schedule.

No requirement to pre-authorize treatment.

Choice of physician—RULE 50 applies.

In the state of Nebraska, the claimant has the right to choose his or her own physician. Cannot be redirected into the network.

No time period defined in the law for a medical provider to see an injured worker for the initial evaluation.

No provision under the law for a system of peer review and utilization review to prevent inappropriate, excessive, or not-medically-necessary treatment or to improve the quality of patient care and cost-effectiveness of treatment

# Clearing the Confusion in Iowa



BY KYLE  
BROESDER  
Loss Control  
Representative

Whew! What is going on with protecting the anhydrous

ammonia storage tanks? In my travels in Iowa the last couple of months, there seems to be mass confusion concerning what level of vehicle protection is necessary for storage tanks. I have had several different people approach me with their take on, and even the Ag Products Inspectors' interpretation of, this so-called vehicle protection requirement.

I contacted Chief John R. Whipple of the Commercial Feed & Fertilizer Bureau. I asked him to help clear up the confusion in Iowa regarding what

is actually required to protect our ammonia plants from accidental vehicle damage. Chief Whipple showed me the memo that he had sent to his Ag Products Inspectors, which read as follows:

“ANSI K61.1-1989 (6.7.1) states in part: Containers and appurtenances shall be located or protected by suitable barriers so as to avoid damage by trucks or other vehicles.

“I have been getting several calls about the vehicle protection requirements at NH<sub>3</sub> sites. It appears that dealers are not questioning the need, but are confused by

the recommendations from different inspectors. This is particularly apparent when the same company has more

than one inspector for their locations. To assist in resolving this problem, I am recommending the following, based on a settlement agreement that one company reached with OSHA:

- o Eight inch pipe
- o Four feet below ground
- o Four feet above ground
- o Filled with concrete
- o Spaced six feet apart

“Other materials or

methods may be used if they offer equivalent protection. Protection must be placed at all locations around the tank that could be damaged by vehicle traffic.”

Since the law sets no standards, that is about as specific as Chief Whipple could be. One thing you don't need to be concerned about: he noted that nurse tanks are not addressed by the standard.

If you have questions give me a call at 402-690-9089 or send an e-mail to [kbrosder@coopmutual.com](mailto:kbrosder@coopmutual.com). ■



*It may not be this bad, but Iowans are wondering how much protection is enough.*

# Agricultural Dust Explosions in 2000

Dust explosions in 2000 were up only slightly from the previous year, according to Robert W. Schoeff, professor emeritus, Kansas State University, and Mavis Rogers, FGIS-USDA. Eight dust explosions were recorded in the U.S. in 2000, compared to seven in 1999 and a 10-year average of 12.1.

Explosions in 2000 caused one fatality and 12 injuries.

Breaking down the cause of the incidents, the primary explosion occurred in the bucket elevator in three cases and in a dryer, a grinding room, and the scale system in three other cases.

Fire caused the other two incidents, with the probable ignition source in one of them being welding or cutting. A variety of fuel sources were identified, including corn, wheat, sugar, food ingredients, bakery by-products, and wood cellulose.

Dust explosions in 2000 occurred in seven states: Iowa, Minnesota, New York, New Mexico, Oklahoma, Tennessee, and Texas.

Schoeff and Rogers based their report on a variety of news sources and the voluntary cooperation of management as they sought to identify that agricultural dust explosions had occurred and determine what the causes might have been. They compile their data as a service to the grain storage and processing industry as well as allied industries, trade associations, insurance companies, and government agencies.

They note that their report is subject to revision as additional information is received. ■

## REPORTED DUST EXPLOSIONS IN U.S. – 2000

NO.	DATE	COMPANY	LOCATION	FACILITY	DAMAGE	KILLED	INJURED
1	Jan 22	Gore Brothers, Inc.	Clovis, NM	Feed Warehouse	Moderate	0	3
2	Jan 24	Wheeler Brothers	Grain Company	Greenfield, OK Grain Elevator	Moderate	0	0
3	Mar 22	Refined Sugar, Inc.	Yonkers, NY	Sugar Processing	Minor	0	1
4	Mar 23	First Fiber, Inc.	Surgoinsville, TN	Fiber Processing Plant	Moderate	0	1
5	May 1	Mississippi River Terminal, Inc.	Clayton, IA	Grain Elevator	Minor	0	0
6	May 4	Cain Food Processing	Dallas, TX	Food Ingredient	Moderate	0	3
7	May 15	Endres Processing	Rosemont, MN	Feed Ingredient	Severe	1	4
8	Sept 14	Denison Seed Co.	Denison, IA	Feed Mill	Moderate	0	0

## U.S. GRAIN DUST EXPLOSIONS LEADING STATES – 1958 TO DATE

State	1958-1990	'91	'92	'93	'94	'95	'96	'97	'98	'99	'00	10-Year Total
Iowa	51	4	2	1	4	2	3	3	1	1	2	23
Nebraska	59	1	0	3	1	1	1	5	1	0	0	13
Kansas	34	1	0	0	3	0	0	0	6	1	0	11
Illinois	53	0	1	0	1	3	1	1	1	1	0	9
Minnesota	39	0	0	1	1	0	2	1	1	2	1	9
Ohio	22	1	0	2	0	1	0	1	1	0	0	6
Indiana	19	1	0	1	1	0	0	0	1	0	0	4
Texas	40	0	1	0	0	1	0	0	1	0	1	4
South Dakota	7	0	1	0	0	0	1	1	1	0	0	4
Washington	5	1	0	0	0	1	0	0	0	0	0	2
Louisiana	15	0	0	2	0	0	0	0	0	0	0	2
Missouri	27	0	0	0	0	0	0	0	1	0	0	1

# Summer Claims Fall Into Three Categories

BY TEAGUE LOTTMAN  
Staff Agronomist/Adjuster



An old standby, a relatively new issue, plus a third problem that crops up when conditions are right led the pack in terms of spraying claims this summer. Normal problems were compounded by poor weather conditions early this spring and the resulting shorter application window.

## Don't repackage

Once again, re-jugging bulk product into unmarked jugs continues to cause claims. First off, this is an illegal practice—the law states that you cannot re-jug a product from a bulk tank and resell it in an unmarked jug.

The second point: If you have unmarked jugs in your plant, I guarantee that some will end up in the wrong load and you will have an application claim. If you have unmarked jugs in your plant, I would strongly suggest that you dispose of them in the proper fashion and discontinue this practice.

## Watch the mixing

The second problem starts at the agronomy plant. I've observed that a lot of co-ops are not mixing loads at the field anymore, but rather mixing at the plant and sending them out in the tender trucks. When

loads were mixed in the field and a mistake was made, only what the applicator could cover with one load—40 acres or less—was damaged.

When the load mixed at the plant is wrong, the damage could easily cover 400 acres. You can see how important it is to have a qualified person mixing the loads. Many co-ops have one qualified person but no backup. When that person is absent is when we see the mixing mistakes. That is why I feel it is so important everyone in the agronomy department understands the chemicals and their labels and knows how to mix and apply them properly.

## Cupped beans

Finally, I have looked at so many cupped soybeans this season I have almost forgotten what a normal soybean plant looks like. The reason—Dicamba and hot, humid weather. We all know these two don't mix. With a big shift of acres from corn to soybeans, we have to learn how to better manage spraying products containing Dicamba.

In my experience, the best approach is to spray these products early before the sensitive crops are up. Once it becomes hot and humid, it's time to stop spraying Dicamba. Also, it is so hard to get Dicamba rinsed out of the tank. If you can designate one machine for corn and one for soybeans it will solve a lot of your rinsing headaches.

As always, I encourage you to share any of your procedures on preventing claims with us, so we may pass them on to other co-ops. ■



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**INSIDE:**  
**MCO IMPACT**  
**POSITIVE**  
**PAGES 4-5**

