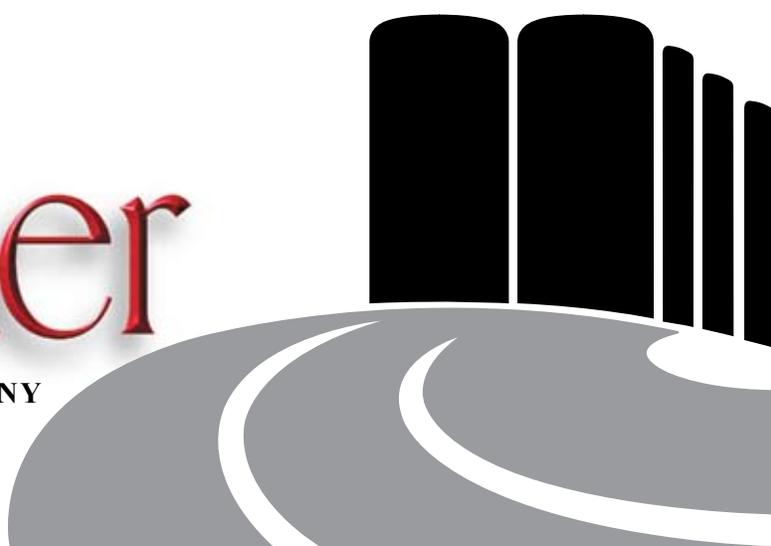


# THE Partner

COOPERATIVE MUTUAL INSURANCE COMPANY

Spring 2010 • www.coopmutual.com



## Handyman No More

### SAFETY PAYS

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It isn't easy to convince those who grew up depending on the handyman jack to give it up. After all, this tool has become a common fixture in many a pickup or off-road vehicle. However, throwing away that handyman is exactly what the safety committee at Hi-Line Co-op recently asked its employees to do.

Headquartered in the western Nebraska community of Elsie, Hi-Line is a six-location supply cooperative—providing agronomy and energy products. Last year, an agronomy employee repairing a tire underneath a portable NH3 tank used a handyman jack to lift a corner of the tank. As he pushed on the jack's lever to lift the heavy tank higher, a bolt on the jack broke, bringing the tank down. While it just missed hitting his head, the force jammed his wrist and badly bruised his arm.

The accident could have ended with much more serious injuries. It was enough, though,

for the cooperative to rethink use of the handyman. "As soon as I found out about the incident I talked to other employees on our safety committee," says Hi-Line's General Manager Roy Evans. "We decided using a handyman was just one risk we didn't need to take."

#### Weighing the risks

It wasn't just the incident at Hi-Line that prompted the ban on handyman's. "I think our employee's application of the handyman in this case was wrong—trying to lift something that might have been too heavy for the jack," explains Roy. "But everybody knows someone who's had a close call with a handyman jack. There have been a lot of near-misses, or people seriously hurt. As a result, we told employees to simply get rid of them."

**Continued on Page 2**



**COOPERATIVE MUTUAL INSURANCE COMPANY**

*Celebrating 75 years*

**After 75 years, Coop Mutual continues its legacy with a new partner...See page 8**

#### MISSION STATEMENT:

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

As in the Hi-Line case, near-misses are not always due to bolts breaking on the jack. Many times, he explains, injuries are caused by its incorrect use. The jack's base may not be secured, causing it to slip and its load to drop. Users can also neglect to secure the jack's operating handle when lifting a load, causing the handle to fly up and down, possibly injuring fingers, hands, or whatever other body part gets in its way.

Roy says that while the handyman used in the NH3 tank incident was not an old one, the tools are generally carried in the back of a pickup where they collect dirt or can get bent. Employees seldom take the time to make certain they're in good working order.

Even with the accident, Roy says convincing employees not to use the handyman has been a hard sell. The cooperative is currently looking for a smart alternative, a jack that's safer but light enough to carry in a pickup. Until then,

employees that need to hoist equipment or vehicles are asked to call for the cooperative's serviceman who has the right lifting equipment.

### Building the safety culture

The cooperative's new policy on handyman jacks is just one part of a concerted effort by Hi-Line's board and management to focus even more intently on safety. "Of course we try to serve our customers, make money, and do all the things a cooperative needs to do," says Roy. "But we've elevated safety to a number one concern." That concentration on safety comes, he says, from the desire to have a safe work place for employees. It's also motivated by economics. "We simply can't afford not to be safe," says Roy, pointing to possible fines and lost work time. "Cooperatives today simply have to do a better job of promoting a safety climate." ■



*One co-op banned use of handyman jacks after a near-miss.*

## Growth Stage a Better Bet



BY TEAGUE LOTTMAN, Senior Agronomist/Adjuster, [tlottman@coopmutual.com](mailto:tlottman@coopmutual.com)

If one thing became apparent from last year's challenging weather year, it's dangerous to push the limit of the label. The wet spring narrowed the window for application, and other issues like wind speed, weeds, and crop height led many a cooperative

to say 'yes' to a customer's request when the answer should have been 'no'—especially with applications of glyphosate on corn.

Unfortunately, it showed. While many cooperatives may have gotten away with spraying glyphosate on corn late with little or no injury in the past, the 2009 season was not so forgiving. In checking fields with crop injury, several had been sprayed at the label limit requirements: 24"-height without drop nozzles or 48"-height with drop nozzles. The damage to the development of the ears was worse than I have ever seen since glyphosate has been labeled for post-spray on corn.

While cooler-than-normal weather certainly could have been a factor in the damaged ears, it's more important to consider something else. Rather than deciding when or when not to spray based on crop height, I believe it is

more accurate to make that decision based on a crop's growth stage.

An example: the glyphosate label says you can spray corn with drop nozzles on corn up to 48" tall or V12 growth stage. Many times those two measurements do not match up. I believe the growth stage is the most accurate and the one on which we should rely.

In most problem fields, the scenario was the same. By the time producers came to the cooperatives with their application requests, their fields were already a weedy mess. In a jam, they talked the agronomy staff into spraying the fields—and then seemed to forget about their late requests once crop damage became evident. The same scene plays over and over again each year, but was magnified in 2009.

To prevent your cooperative from becoming a victim again of the late-application trap, make a commitment to first check a crop's growth stage before spraying, and to say 'no' when you're pushing those limits to an uncomfortable zone. It's not always easy, but explaining to a customer that by spraying you could be doing even more damage to the crop may save you from a larger headache later in the season. ■

# Workers' Comp Injury Trends



BY KURT SCHAECHER, Director of Claims, [kschaecher@coopmutual.com](mailto:kschaecher@coopmutual.com)

At Cooperative Mutual, we believe information is a critical tool you can use to reduce your risks. That was the goal in researching our claims' data files. Allowing you to review the trends we see at CMIC can give you a head's up in better preparing your safety program to avoid costly accidents and workers' compensation claims.

How can information about claims we receive from other businesses impact your risk management? First, sharing common claims and their costs with your employees at safety meetings helps them identify risks. Second, your cooperative can then take specific actions to help prevent the same types of claims at your facilities.

## Lower backs, shoulders, and knees

First, the most common workers compensation claims submitted to CMIC last year involved lower back (57 claims), shoulder (48 claims), and knee (44 claims). To help you better understand the costs of these types of claims, and since some of the 2009 claims are still open, I researched a five-year history (2004-2008), pulling up lower back, shoulder, and knee claims that are either closed or accurately reserved. Averages from this period can provide an estimate of expected costs when an employee's injury involves one of these body parts.

### WORK COMP CLAIM COSTS 2004-2008

Lower Back: \$9,845 average per claim; highest priced claim: \$601,682  
Shoulder: \$16,767 average per claim; highest priced claim: \$182,851  
Knee: \$11,624 average per claim; highest priced claim: \$175,765

## Cause of accidents 2004-2008

Knowing what caused the most common employee injuries is also important. Here is a listing of each type of injury and what incident led to the claim being filed:

**Lower Back injuries:** Lifting sweep auger, lifting fuel tank, slipped on ice and fell, slipped on wet floor and fell, loading/unloading tires, lifting feed bags, lifting NH3 bar, fell to the ground from ladder.

**Shoulder injuries:** Pulling tarp on semi trailer, pushing auger, lifting rail car lid, pulling LP hose, slipped on ladder, strained shoulder holding onto rung, pulling vac hose, lifting truck tire.

**Knee injuries:** Stepping off truck, stepped in hole, fell on ice, climbing down off ladder, stepped on hose, ladder tipped over, kneeling down.

Reviewing that list, it becomes evident that many injuries could have been avoided through actions as simple as learning proper lifting techniques, or making it clear that employees should ask for assistance in lifting heavy items. Remind employees of proper techniques in climbing down from a truck or ladder, and stress the importance of keeping snow and ice cleared.

Be proactive! Studies show that employees are more careful and more productive when they know their employer cares about them and their job. We have witnessed dramatic decreases in a cooperative's mod rating when they changed the safety culture at their business. Buying into the safety environment—from the top management down—is the key to lowering the number of claims and staying productive as a workforce.

If you have any questions about the types of claims reported, or would like to see other reports that could assist you in your efforts to manage risks, contact me at 402-408-9048. If you have questions about implementing safety procedures contact your loss control representative. ■

# OSHA Rep Talks Safety

BY PHIL PELC, ACSDNE Communications Director

Lock-out/tag-out procedures were the focus of a presentation by Doug Fletcher with OSHA at the January 12 meeting of the Ag Cooperative Safety Directors of Nebraska (ACSDNE). During the quarterly meeting, Fletcher and members also talked about OSHA's requirement that no one be allowed in a bin while a sweep auger is running. Discussion

centered on ongoing efforts within the industry to come up with a solution that would protect workers so that they can be in the bin monitoring the sweep.

Fletcher also shared that OSHA has hired additional inspectors, telling members that they could expect increased facility inspections.

During the business meeting, members elected the following: Brad Bousquet, CVA—chairman, Don Underwood, Midwest Farmers Cooperative—vice chairman, and Roberta Christiancy, Frontier Cooperative—secretary/treasurer.

The next ACSDNE meeting will be April 14 at the Holiday Inn® Grand Island. ■



# Get Ready for SafeStat Changes

BY TERRY LIVELY, Senior Risk Consultant/Transportation Specialist, [tlively@coopmutual.com](mailto:tlively@coopmutual.com) • 402-679-5357



Motor carriers, get ready for major changes in how the U.S. Department of Transportation (DOT) will determine your safety rating. A new program called CSA 2010 (Comprehensive Safety Analysis), or Compass, will replace the current system that relies on the SafeStat and the traditional safety compliance reviews.

Why the change? The current system does not give a real-time picture of a carrier's safety status. Some carriers have a safety rating that is several years old. Others have never undergone a compliance review or been issued a safety rating. With CSA 2010, the DOT will be better able to focus on both carriers and drivers who present the greatest risk to the public.

Let's look at the differences. The current system has focused primarily on carriers, allowing drivers to elude safety programs by jumping from carrier to carrier. It also relies heavily on carriers to be accountable for individual driver safety problems.

In comparison, CSA 2010 will hold both the motor carrier and the drivers responsible for safety and performance. The program will directly monitor the safety and performance of individual drivers, connecting inspections directly to each driver. That information, or profile, will be traceable from one employer to another for any given three-year period. This driver enforcement process will help the DOT identify high-profile drivers with overall poor safety histories. It will allow the DOT to investigate and take possible enforcement action against drivers. The new system also places responsibility on the carrier to ensure they have the best drivers and equipment on the highways.

## The 7 BASICS of CSA 2010

The CSA 2010 program evaluates carriers and drivers on what's called the 7 BASICS (Behavior Analysis Safety Improvement Categories). They are:

- 1. Unsafe driving** – dangerous or careless use of commercial motor vehicles (CMVs)
- 2. Fatigued driving** – driving CMVs when fatigued
- 3. Driver fitness** – operation of CMVs by drivers who are unfit due to lack of training, experience, or medical qualification
- 4. Controlled substances and alcohol** – operation of a CMV while impaired due to alcohol or controlled substances or lack of appropriate testing programs

- 5. Vehicle maintenance** – CMV failure due to improper or inadequate maintenance
- 6. Improper loading/cargo securement** – shifting loads, spilled or dropped cargo, and unsafe handling of hazardous materials
- 7. Crash/incident experience** – histories or patterns of high crash involvement, including frequency and severity

Using the BASICS will help the DOT identify safety problems in real time to better determine who to investigate and where to focus the investigation. This program also emphasizes more on-road safety performance by using all roadside inspections to identify pattern problems and problem drivers.

Data from roadside inspections will also enable the DOT to perform focused carrier inspections, which may not always be onsite visits. Action could consist of a letter sent to the carrier explaining the problem and requesting a plan of action and proof of correction. For example, if the DOT spots a trend of your vehicles' brakes being out of adjustment, they may send a notice of violations and ask for a copy of your company's maintenance policy and certification documentation for any mechanics and/or training. If the carrier is able to show documentations and remedial actions the DOT may just monitor the carrier's performance. Carriers showing inadequate concern and action could receive an onsite visit focused on a specific area, or its safety rating could be downgraded and operating authority pulled due to an improper safety attitude.

CSA 2010's safety evaluation process is based on early intervention that can prevent bad behavior from becoming worse and help identify potential problems. That's a benefit to carriers—especially when drivers hide unfavorable inspections. Carriers will be able to log on to the DOT Comprehensive Safety Information system with an assigned password and view the information on their drivers/vehicles, along with their safety score.

The new system will change the way a carrier's safety rating will be assigned and evaluated. The current system relies on information obtained through an onsite compliance review, issuing an 'unsatisfactory,' 'marginal,' or 'satisfactory' rating. Under the new system, carriers will be evaluated on a rolling basis and the DOT can utilize off-site investigations (roadside inspections), onsite focused investigations, onsite comprehensive

investigations, and follow-up on corrective actions using these new tools.

### When does CSA 2010 take effect?

CSA 2010 is already in place in the test states of Colorado, Missouri, New Jersey, Montana, Minnesota, Kansas, Maryland, and Delaware. Remaining states are to begin joining the program around July 1, 2010, dependent upon the training of enforcement personnel, scheduled to be complete by year-end.

Access to information on the DOT Web site is supposed to be available this summer, but could be delayed. Until the new information is accessible, you can continue to

access your company's SafeStat, inspection, and score data online.

As the DOT transitions to the new system, make certain your transportation-related safety policies and programs are up-to-date and being followed. A good source for sample programs and policies is CMIC's Transportation Safety Program. Also have your MCS-150 form (Carrier Profile) up-to-date and accurate. And don't forget to let your drivers know that their actions on the road will affect not only the company, but their own future as a driver, as well. ■

## Hearing Tests: Valuable Tool

BY KENT VOIGT, Senior Risk Consultant, [kvoigt@coopmutual.com](mailto:kvoigt@coopmutual.com) • 402-690-9089



Hearing loss can happen at any time during a person's life—or be caused by cumulative noise over the years. Unfortunately, unless your cooperative utilizes a baseline hearing test at the time of employment, you can be liable for an employee's hearing loss even if there's plenty of evidence that the

damage occurred before he or she stepped foot on your facility.

Let's face it. There are plenty of cooperative employees who share my childhood experience. I spent hours behind the steering wheel of an 806 Farmall with my head turned to look back at the plow and my left ear with direct exposure to the noise coming from the straight stack. I know I sustained considerable hearing loss in that ear. However, if an employer doesn't measure my hearing within six months of employment, and I later claim hearing loss due to my current job—or the job I had prior to retirement—how can the employer prove otherwise?

That is exactly what is happening in some cases today. A friend tells a recently retired cooperative employee, who finds he needs a hearing aid, that all he has to do is to file a workers' comp claim against his last employer. In spite of evidence that the hearing loss could easily have occurred due to earlier employment and/or other activities, there is no employer baseline hearing test to disprove his claim—and the judge rules in his favor. The result? Your cooperative is liable for the

cost of \$6,000+ hearing aids and several thousand more to compensate for 'work-related' loss of hearing.

It's reason enough to seriously consider implementing an active hearing conservation program at your business. Ensure new employees receive a baseline audiogram with a doctor or certified audiologist within six months of hiring, and then conduct annual audio testing for employees. In addition, provide and require the use of hearing protection. Implementing these practices can help your employees, and help reduce exposure to you from frivolous sky-is-the-limit worker compensation claims in the future.

If you want to discuss how to begin the process, contact your CMIC risk consultant for more information. ■



*Employees can be protected from hearing loss with ear protection. Employers can be protected from frivolous hearing loss claims by implementing baseline hearing tests.*

# A Case for Cylinder Safety



BY BRIAN TRAVIS, Senior Risk Consultant/Propane Specialist, [btravis@coopmutual.com](mailto:btravis@coopmutual.com) • 402-658-1831

In the propane industry, close calls can be a sit-up-and-take-notice moment. That was the case a few years ago at a bottle-fill plant in Nebraska. As we near the season for propane cylinder use in summer grilling and recreational vehicles, the lessons learned illustrate the need for effective safety training for employees filling cylinders at your facility.

At the outset, the incident in question seemed primed for problems. First, the employee involved had been given no formal safety training. He was filling a cylinder for a customer who was standing close by. Not only was the customer smoking, but he also had his vehicle parked and running just 10 feet away from the plant. During filling, a leak occurred where the dispensing hose connects to the cylinder. Either the running vehicle or the customer's cigarette ignited the leaking propane, causing a flash fire. Since the plant was not equipped

with any thermal or manual shutoff valves, the fire department was called to extinguish the fire.

Fortunately, no one was seriously hurt or killed. Both men escaped with only minor burns. However, the outcome could have been much worse. It's a prime example of how some marketers take safety for granted at the cylinder-fill plant. Instead, focus on safety training and reviewing the following checklist with employees.

## Bottle-fill plant safety checklist

- All employees should have documented training on dispenser filling, with retraining every three years according to NFPA 58.
- Each time before filling a cylinder, its surface should be visually inspected for excessive rust, dents, gouges, or cuts. Tip it on its side to look for corrosion or any other evidence that the structural integrity of the cylinder might be compromised. If there are signs that the cylinder has been subject to excessive heat (scorching or burned-off paint) it should be taken out of service immediately. Inspect valve fittings for anhydrous ammonia contamination evident by a bluish/green color on brass fittings. Refuse to fill any cylinder found to be unsafe, and check to make sure the cylinder is correctly labeled, including information on the potential hazards of propane gas.
  - Verify a current qualification date on the cylinder, which is stamped either on the cylinder collar or the upper part of the bottle. Cylinders must be re-qualified 12 years after the date of manufacture, and then every five years by



**An easy way to train/retrain employees is with PERC'S Dispensing Propane Safely program. Purchase the program at [www.propanecatalog.com](http://www.propanecatalog.com), or check it out at no charge from CMIC's video library found at [www.coopmutual.com](http://www.coopmutual.com).**

performing the visual recertification, or every 10 years by hydrostatic testing. When performing the visual inspection, employees must follow the requirements in Compressed Gas Association (CGA) Pamphlet C-6, Standards for Visual Inspection of Steel Compressed Gas Cylinders. Cylinders due for a re-qualification should not be filled under any circumstance until they are re-qualified in order to protect your company from enormous liability should an accident happen.

- Review with employees the requirements for transporting cylinders. Cylinders must be stored and transported in a position where the relief valve is in communication with the vapor space. This means that most cylinders must be transported and stored in the upright position. Cylinders should be secured so that they cannot turn over while in transit. NFPA 58 states that a maximum of 90 lbs. of propane and with no cylinder larger than 45 lbs. can be transported in the passenger and cargo areas of a closed-body vehicle. In other words, larger cylinders cannot be transported inside vehicles. Refuse to fill cylinders larger than 45 lbs. for customers wanting to place it inside their vehicle. If a customer is transporting a cylinder inside a vehicle remind them to take the cylinders home immediately, removing them from the vehicle as soon

as possible so that propane vapor will not be relieved from the cylinder into the enclosed vehicle. Last year, a South Dakota woman transporting a cylinder in her minivan stopped to run an errand on her way home—allowing the temperature inside the car to rise. Once she was on the road again, the cylinder tipped over. The vehicle’s warmer temperature caused the cylinder to vent off some propane. However, since the cylinder had tipped over it vented off liquid propane instead of propane vapor. The woman, smelling propane, stopped the car and removed the cylinder before a fire or explosion occurred. While doing so she received burns on her arms from the liquid propane.

- On recreational vehicles, propane systems should be inspected each time before filling. If a system is not in good condition or it cannot be filled safely, remind your employees to refuse to fill the system. Make sure all passengers have exited the RV prior to and during filling. Also make sure all ignition sources within 25 feet of the dispenser are extinguished, including all pilot lights inside the RV, and that pilot lights cannot restart during filling.

Reminding your employees of all of these safety issues will ensure that your cooperative and your customers will be safe while handling cylinders this summer. ■

## Electrical Safety 101

By JACKIE LARSEN, ACS DIA Communications Director

Electricity was the focus during the January 22 meeting of the Ag Cooperative Safety Directors of Iowa (ACSDIA). Both ACSDIA members and some cooperative employees gathered for a hands-on presentation by Kyle Finley, owner of Live Line Demo, Inc. Finley educates people on how to work safely around power lines.

Iowa State University researcher Andrew Becker reported on a study underway testing the integrity of NH<sub>3</sub> tanks. Researchers are looking for cracks that develop in the steel, attempting to establish patterns, causes, and similarities that may help reduce accidents connected to aging tanks. Becker will provide study results at the July ACSDIA meeting.

Terry Jensen, Feed and Fertilizer Bureau Chief, provided budget plans for the upcoming fiscal

year. Kevin Klommaus, with the Iowa Department of Agriculture’s Consumer Protection and Industry Service, discussed the growing issue of large farmers hauling in their own fertilizer—sometimes selling or bartering it to neighbors, as well. That practice, he explained, technically makes them a dealer, placing them under a different set of rules and regulations. Both Jensen and Klommaus addressed the possibility of requiring farmers to obtain a certification for handling and transporting NH<sub>3</sub>, similar to what is now required for pesticides and manure in order to address safety concerns.

The next ACSDIA meetings will be March 17, July 21, and September 8 at the New Holland Ag Information Center in Nevada, IA. To read the minutes and notes from the ACSDIA meeting, go to [www.acsdia.org](http://www.acsdia.org). ■





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# INSIDE:

## CARRIERS: GET READY FOR CSA 2010

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## CMIC Joins the Austin Group

Cooperative Mutual Insurance Company (CMIC) reached two milestones in 2010: celebrating 75 years of business and partnering with Austin Mutual Insurance Company, a regional property casualty insurer with premium writings in excess of \$75 million.

"Our affiliation with Austin is essential for Cooperative Mutual to continue its long-standing mission of providing superior service and innovative products," says CMIC Chairman Doug Derscheid of Central Valley Ag. "In addition, this will allow us to expand our territories and enhance our products to better serve our policyholders."

Austin Mutual Insurance Company, headquartered in Maple Grove, MN, currently operates in 33 states throughout the country. Under the terms of the agreement, Austin Mutual will provide capital support to Cooperative Mutual. In addition, Austin Mutual will assume governance and management authority of CMIC subject to regulatory and policyholder approval.

"We are excited to add such a quality company to the Austin Group," said Jeffrey Kusch, Chairman, President and CEO of Austin Mutual. "I am confident that the similar, service-oriented cultures within each company will allow for an easy transition. Cooperative Mutual will add



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*Celebrating 75 years*

diversification and resources that will serve to further strengthen the Austin Group."

CMIC was founded in Nebraska in 1935 by agricultural cooperatives for agricultural cooperatives. We will continue to provide solutions for the agribusiness community across 12 Midwestern states through comprehensive commercial insurance coverage and superior loss control services. ■

### NO MORE TRUCK TEXTING

The U.S. Department of Transportation is prohibiting truck and bus drivers from sending text messages on hand-held devices while operating commercial vehicles. The prohibition, which applies to drivers of interstate buses and trucks over 10,000 pounds, became effective on January 26, 2010. Truck and bus drivers who text while driving commercial vehicles may be subject to civil or criminal penalties of up to \$2,750. For sample Cell Phone Usage Policy - Texting, contact your Loss Control Risk Consultant. ■

