

Good Life. Great Service.

DEPT. OF ADMINISTRATIVE SERVICES



Jim Pillen, Governor

January 11, 2023

Clerk of the Nebraska State Legislature Attn: Brandon Metzler State Capitol, Room 2018 PO BOX 94604 Lincoln, NE 68509-4604

VIA: Electronic Submission

RE: Annual Legislative Reports

Dear Mr. Metzler:

The Department of Administrative Services–Risk Management Division ("Risk Management") takes great pleasure in fulfilling its statutory mission to serve the citizens of the State of Nebraska by identifying and minimizing risk exposures to the State. In service of this mission, Risk Management oversees the State Insurance Program, the State Claims Program, the State's Self-Insured Workers Compensation Program, and the Statewide Safety Program.

Risk Management works closely with the Nebraska Attorney General's Office, the State's insurance broker (Aon), the third-party administrator of the State Insurance Program (the Nebraska Intergovernmental Risk Management Association), and the third-party administrator of the State's Self-Insured Worker Compensation Program (Gallagher Bassett) to determine whether legal obligations exist that require payments to third parties. When legal obligations do exist, Risk Management makes every effort to make payment as expeditiously as possible.

Concerning the State's insurance portfolio, Risk Management works diligently to minimize insurance costs and maximize benefits to the State. Over the last few years, insurance premium costs have risen precipitously industry wide. Risk Management is pleased to report that despite steeply increasing insurance premium costs, the State was able to reduce total state insurance payments by increasing the State's

amount of self-insurance, which reduced the State's total premiums paid by about \$2 million from the previous fiscal year.

Although there was an increased number of claims made to the State Insurance Program, Self-Insured Workers Compensation Program, State Claims Programs (to include tort, miscellaneous, contract, and Line of Duty Compensation Act claims), Risk Management succeeded in evaluating risks and impacts of those rising claims. Under Neb. Rev. Stat. §§ 11-203, 48-1,104, 81-8,226, 81-8,239.02, 81-8,239.05, and 81-8,300, Risk Management needs to electronically file reports of all payments made under these programs to the Clerk of the Legislature and, in certain cases, to the chairperson of the Business and Labor Committee. I am pleased to provide these reports to you with this letter.

Feel free to contact me if you have any questions related to these reports or Risk Management programs.

Sincerely,

Adam W. Kauffman, Risk Manager Department of Administrative Services

Jason Jackson, Director

Department of Administrative Services

Cc: Senator Merv Riepe, Chairperson of the Business and Labor Committee

Enclosure(s): (1) Annual Report of Bonded Officers and Employees under Neb. Rev. Stat. § 11-203; (2) Indemnification Claim Payments for Calendar Year 2023 under Neb. Rev. Stat. § 81-8,239.05; (3) Miscellaneous Claim Payments for Calendar Year 2023 under Neb. Rev. Stat. § 81-8,300; (4) Overview of All Claims Paid for Calendar Year 2023; (5) State Insurance Fund Claim Payments for Calendar Year 2023 under Neb. Rev. Stat. § 81-8,239.02; (6) Tort Claim Payments for Calendar Year 2023 under Neb. Rev. Stat. § 81-8,226; (7) Workers Compensation Claim Payments for Calendar Year 2023 under Neb. Rev. Stat. § 48-1,104.

State of Nebraska

Department of Administrative Services: Risk Management Division Indemnification Claim Payments for Calendar Year 2023 Pursuant to Neb. Rev. Stat. § 81-8,239.05

Date of Payment	Claimant	Invoice/Claim Number	Amount Paid	<u>Agency</u>
	DORNAN, TROIA, HOWARD, BREITKR	4:20CV3108 PAEZ		
5/4/2023			30,000.00	State Patrol
8/22/2023	NOVOTNY LAW LLC	4:23-CV-03013 CAS V DAS	5,000.00	DAS
11/1/2023	REHM MOORE & REHM PC LLO	CI20-918 SETTLEMENT	50,000.00	Agriculture
12/27/2023	FIEDLER LAW FIRM PLC	CI 20-4645	30,000.00	State of Nebraska
	SHIFFERMILLER LAW OFFICER PC LL	CI 21-3850 KOIENIG LB282		
6/7/2023			49,500.00	State Patrol
	KEATING, O'GARA, NEDVED AND PETER,	4:11-CV3229, CI 13-1607, CI		
		13-1608, CI 16-1609, CI 13-		
		1611, CI 13-1612, CI 13-		
6/16/2023	PC, LLO TRUST	1616, CI 13-1617	18,750,000.00	State Patrol