



**Risk and
Insurance
Management
Society, Inc.**

L.A. RIMS NEWS

Los Angeles Chapter

The Newsletter for Risk and Insurance Management Professionals May 2003

PRESIDENT'S MESSAGE

When was the last time you attended the RIMS National Conference and it snowed? Yes, it was quite cold for this year's event and still there was a great turnout. Mr. Maurice R. Greenberg, Chairman and CEO of AIG was the opening speaker. He enlightened the audience on his perspective of the issues facing Risk Managers today and advised that he is here to help us; all we have to do is ask. Another excellent speaker was Lance Ewing, the President for 2003 - 2004. He was humorous, to the point, thought provoking, and a professional. I believe he has a lot to offer RIMS.

All of our favorite brokers were there with exceptional displays. The exhibit hall not only provided warmth from the weather but also multitudes of services to consider...and giveaway gifts galore.

The conference gave me the chance to see old friends, make new ones, share information, commiserate on problems we are all experiencing, and discover new opportunities to make improvements. Hopefully you had the opportunity to enjoy the sessions and bring back information you can use in your workplace as well.

Next year's conference will be in San Diego, where we know it is warmer. Plus, it's close to home...two, of many, reasons why you should budget for it now.

See you at the May 21st meeting,

Kathy Merkovsky
President, RIMS L.A. Chapter

CHAPTER CLIPS

RIMS L.A. ANNUAL GOLF TOURNAMENT

Don't forget to register for the RIMS L.A. Annual Golf Tournament on Monday, June 2, 2003 at Brookside Golf Course, Pasadena, CA. For more information, please call the RIMS L.A. office at 818.842.6096 or by e-mail at: www.larims.org

RIMS WESTERN REGIONAL CONFERENCE

Mark your calendar for the 2003 RIMS Western Regional Conference on the beautiful Oregon Coast on September 14-17, 2003. Don't miss this opportunity even if you have to surf to get there. Start surfing now by checking out the following web- site:
<http://oregon.rims.org/ChapterWebsite/CWPreview.cfm?CWID=4649>

[WWW.LARIMS.ORG](http://www.larims.org)

When was the last time you visited our website? We are in the midst of making changes to it so that you can easily utilize the opportunities and services your chapter provides.

Would you like to register for the golf tournament or sponsor a hole? Registering and/or sponsoring holes for the golf tournament is easy and can be done through our website with a click of a button.

If you are seeking employment, be sure to click on Executive Referrals for the latest job openings. Also, you can post job openings at no cost.

We have also added a new page: Legislation. Since changes in legislation occur quite frequently, we want to keep you in the loop.

In light of our country's situation, we are updating our disaster preparedness page as well. You will find some truly helpful links.

CHAPTER CLIPS CONTINUED

Would you like to join one of our committees? Just click on Join A Committee and send an email to the committee chairperson noting your interest.

Take some time to look at our website. If there is anything you would like to see added, all suggestions are welcome.

SPENCER FOUNDATION

Did you know that the Spencer Foundation has a program to assist risk management professionals in obtaining their MBA? Selected recipients will receive awards of up to \$10,000. If your company will not reimburse you for your tuition, you can turn to the Spencer Foundation for assistance. Or if your company only partially pays your tuition, the Spencer Foundation is available to make up the difference. For more information, go to www.spencered.org. For any questions or additional information, please contact Angela Sabatino at 212.655.6223 or by email at asabatino@rims.org.

LEGISLATIVE UPDATES

Class Action Fairness Act (S.274) Update

"Under current law, an attorney can avoid federal court simply by making sure that at least one plaintiff is from the same state as at least one defendant. This allows for cases to be 'shopped' to whatever forum may have the most sympathetic juries, no matter where the case should truly be heard. The Grassley-Kohl bill, together with my amendment, would help put a stop to this."

*California Senator, Dianne Feinstein
April 3, 2003 Press Statement*

The Los Angeles RIMS Chapter is a coalition partner of California for Class Action Reform which supports federal legislation to move many class action suits filed in state court into federal court where the threshold for obtaining class action status is higher.

LEGISLATIVE UPDATES CONTINUED

California Senator, Dianne Feinstein is a member of the Judiciary Committee where the class action reform legislation is written. The California for Class Action Reform Members recently lobbied Ms. Feinstein for her support of the Class Action Fairness Act (S.274). We are pleased to report that Senator Feinstein and her staff worked closely with our group and was very receptive to compromise on this legislation. Senator Feinstein offered a compromise amendment to the Class Action Fairness Act which was cosponsored by Judiciary Committee Chairman, Senator Orrin Hatch (R UT). The amendment set forth a minimum \$5 million threshold for determining which class action lawsuits will go to federal courts versus state courts. Previously, it was set at a \$2 million threshold.

On Friday, April 11, the bill was approved by the Judiciary Committee (12-7), with Senator Feinstein and Herb Kohl, (D-Wis.), voting with the Republican committee members. We are encouraged by Senator Feinstein's vote and her support of the bill, and hope that she can persuade other Democratic Senators to support it as well.

The key features of the Class Action Fairness Act are:

- If more than two thirds of the plaintiffs are from the same state as the primary defendant, the case automatically stays in state court.
- If fewer than one third of the plaintiffs are from the same state as the primary defendant, the case may be automatically removed to federal court.
- If between one third and two thirds of plaintiffs are from the same state as the primary defendant, a federal judge has discretion to accept removal or remand the case back to state court based on a number of factors.
- Sets forth a structure for determining which class action lawsuit goes to state courts versus federal court. Five million minimum for moving cases to federal court.

WELCOME NEW MEMBERS

PamCody, Health Net, Inc.

Alexander Lampone, Alexander R. Lampone, M.D., J.D.

Kevin Lappi, CKE Restaurants, Inc.

Lisa Marshall, CKE Restaurants, Inc.

Karen Nash, Big 5 Corporation

LEGISLATIVE UPDATES CONTINUED

UNPROVEN MEDICAL THEORY FOILS WORKER'S INJURY CLAIM

To encourage injured workers to use medical providers you trust, consider keeping a brief file for each of your preferred providers. Include testimonials from workers they've treated as well as facts about the doctors' area of expertise.

What happened: An employee claiming her work duties caused her to develop chemical poisoning, quit her job and filed for comp.

Company reaction: The company denied the claim. It argued her claim was based on unorthodox medical testing and that traditional testing methods didn't support the diagnosis.

Decision: The company won. The court ruled the method of testing the worker used to support her claim was experimental and unproven. Also, traditional methods for proving a chemical injury - such as blood tests - had come up negative.

Cite: *Myhre v. North Dakota Workers' Compensation Bureau, North Dakota Supreme Court No. 20020083, 12/4/02.*

JOB OPPURTUNITIES

Senior Risk Management Analyst

(Job Code 1109)

Risk Management Analyst

(Job Code 1147)

The Aerospace Corporation (www.aero.org), an independent nonprofit company that provides objective technical analyses and assessments for national-security space programs and selected civil and commercial space programs in the national interests - is seeking a Senior Risk Management Analyst and a Risk Management Analyst.

DUTIES

These positions report to the Director of Risk Management and will be responsible for various administrative risk management functions and support, including the administration and coordination of property, casualty, workers' compensation and group insurance programs and ad-hoc projects, cost allocation, review of leases, insurance policies and new business proposals. Participate in the handling of property and casualty claims. Assist in the preparation of the corporate insurance forecast. (The Risk Management Analyst - Job Code 1147, will also support the insurance payments and reconciliation process, including development and maintenance of demographics and utilization reports).

JOB OPPURTUNITIES CONTINUED

QUALIFICATIONS

Typically, a Bachelor's degree, preferably concentrating on Business Administration, or a combination of education and relevant experience in commercial property and casualty insurance underwriting, either at an insurance company or agency, or in risk management. Candidate must be PC literate, proficient in financial analysis, detail oriented, and have good communication skills and the ability to complete assignments within necessary deadlines and to work well in a team environment in multiple concurrent tasks; a customer-focused approach is essential.

For Job Code 1109 - Six to eight years of progressively more responsible experience in insurance/risk required. One or more professional insurance designations (ARM, CRM, CPCU, CLU, CEBS) desirable.

For Job Code 1147 - Three to five years of experience desired, preferably in insurance and/or risk management. Course work in insurance and risk management desirable.

Interested parties may e-mail their resume and salary history to: Martha G. Callaghan, Director Risk Mgmt.

Phone: 310.336.5497, FAX: 310.336.5790

Email: martha.g.callaghan@aero.org

CALENDAR OF EVENTS

*All monthly meetings are held at the New Otani Hotel,
unless otherwise noted*

May 21, 2003

Monthly Luncheon

Don't Get Caught With Your Back Turned...An Overview of D&O

June 2, 2003

RIMS L.A. Annual Golf Tournament
Brookside Golf Course, Pasadena, CA

July 16, 2003

Monthly Luncheon

August 20, 2003

Monthly Luncheon

September 14-17, 2003

RIMS Western Regional Conference
Oregon

L.A. RIMS NEWS



L.A. RIMS is published monthly. Please send address corrections or articles and photos to

LA RIMS office at:

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News articles must be received by the 15th of each month.