



TEXAS DEPARTMENT OF INSURANCE

Regulatory Policy Division - Loss Control Program (104-LC)

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OUTLINE OF A MINIMUM PLAN FOR A LOSS CONTROL PROGRAM

Utilize this document to create internal loss control policies and procedures. For loss control inspections, include responses for all sections below to ensure a complete submission.

A. MANAGEMENT STATEMENT

Include a management statement regarding its commitment to providing loss control information and services to insureds. This statement should be directive.

B. GENERAL REQUIREMENTS

1. Large Insurance Companies

- a) Describe loss control's functional position in the organizational structure.
- b) Describe loss control's connection between home office and regional offices (if applicable).
- c) Describe the support the corporate loss control staff provides to regional offices, branch offices, or field representatives. Examples include providing technical bulletins, loss control brochures, loss control posters, training videos, and analytical support.

2. Small Insurance Companies

There may not be a home-office loss control element with the depth and capabilities outlined above; however, provide the name and title of the person responsible for managing the Texas loss control program. Describe his or her loss control duties.

3. Procedures

- a) Document the procedure for notifying insureds of the availability of loss control information and services.
- b) Document the procedure for providing loss control information and services at the insured's request.
- c) Document the procedure for determining the need for loss control. Define how the company provides appropriate loss control information and services to its insureds.
- d) Document the factors the company considers when determining loss control need. Considerations should include risks, exposures, loss experience, and other considerations as defined in Texas Administrative Code, Title 28 or other factors, such as Best's Loss Control Engineering Manual, results of underwriting surveys, or premium thresholds.
- e) Describe the procedure for providing appropriate loss control information and services (onsite and remote services).
- f) Document the process for maintaining records of the loss control information and services that it provides to its Texas insureds.

C. LOSS CONTROL CONSULTANTS/FIELD REPRESENTATIVES

1. Describe the loss control representatives (LCR) qualification process and any company-specific requirements. Describe the LCR training process. Describe any continuing education or professional development that the company offers.
2. Does the company use fee service companies? If so, what contractor does the company use and how does it verify the contractor's LCR qualifications?
3. Describe the contracted LCR's responsibilities. Describe the nature and scope of the company's expectations.
4. List the quality control measures used to verify the quality of service that staff LCR provides and documents
5. List the quality control measures used to verify the quality of service the contractor LCR provides and documents.
6. Will the LCR use the company's survey forms or its own?

D. LOSS CONTROL SURVEYS/CONSULTATIONS

1. Describe the criteria for an initial onsite survey or consultation. Does it involve the nature of the business, exposures, prior loss experience, Best's hazard index, premium amount, or other factors?
2. Describe the criteria for a follow-up survey or consultation. Does the company consider the same factors for a follow up survey or consultation that it considers for an initial survey or consultation, or does it use other criteria?
3. Describe the criteria for placing an account on regular or scheduled service.
4. List the information the LCR reviews prior to the survey or consultation.
5. Include the name or title of representative with the insured that the LCR will conduct the survey or consultation with.
6. List the information that the survey or consultation may include, such as:
 - a) loss control program development or status;
 - b) safety committees and meetings;
 - c) loss control training;
 - d) loss control or risk management self-inspections;
 - e) management controls in place and their effectiveness;
 - f) accident analysis, accountability, and responsibility;
 - g) specific hazard exposures and unsafe procedures;
 - h) Hazard Communications Act;
 - i) compliance with DOT, EPA, or other federal agency requirements; and
 - j) other loss control services the company provides.

E. RECOMMENDATIONS

1. Describe the process for presenting recommendations and other loss control information to the insured. (Verbally during the out briefing, in writing in a confirmation letter following the visit, or both)
2. Does the LCR review any recommendations prior to providing them to the insured?
3. Does the company direct recommendations at management controls that will positively affect major areas of concern for loss prevention, not just the correction of physical hazards?
4. Describe the follow-up system for tracking recommendations for compliance.
5. Describe the procedures for an insured's noncompliance with recommendations.

F. LOSS CONTROL TRAINING

1. Describe the types of loss control informational and training materials or equipment available to insureds.
2. Describe the company's policy on providing training. For example, train the trainer, provide training materials, or conduct training.
3. List dates or situations when the company offers training materials or provides training.
4. Describe the procedure for documenting training.

G. ACCIDENT/CLAIMS ANALYSIS

1. Describe the criteria for initiating analysis of losses, including any specific triggers the company uses.
2. Explain the loss data source and how often the company reviews the loss data.
3. Explain how the company presents analysis data to the insured. Does underwriting, claims, and company management also view the analysis data?
4. Describe the information available for analysis. For example, frequency, severity, accident type, body part injured, or injury cause.
5. Explain how analysis results in recommendations. Describe the process for providing these recommendations to the insured.