About Montana Association of Counties (MACo)

Formed in 1909 for the purposes of providing advocacy at the State Legislature on behalf of its members. In 1973, the Association was reorganized as the 'Montana Association of Counties.'

Three distinct trusts comprise its insurance program: Workers Compensation (added in 1985), Property & Casualty (P&C) (added in 1986) and Health Care (added in 2005).

MACo counts 42 member counties in its Workers' Compensation pool and 49 member counties and 300 special districts in its P&C pool.

Headquarters: Helena, MT

Number of employees: 38

Number of Independent Agents: 78

Amount of property insured under plan: $2B

Portals Help Position MACo for Growth

Connections' portals help deliver value to MACo's individual members, drive efficiencies throughout organization.

Risk-sharing pools have surpassed commercial insurance for public entities – cities, counties, schools, and others, notes the Association of Governmental Risk Pools, because they demonstrate effective government collaboration, and the collaborative work undertaken by pool members reduces all members' risks and associated costs.

Organizations classified and operating as public entity risk-sharing pools and/or joint power authorities experience a number of advantages, and a few disadvantages, when it comes to being able to scale, underwrite with accuracy and respond rapidly to members' varied requirements.

The public entity risk-sharing pool that operates under the auspices of the **Montana Association of Counties (MACo)** has leveraged many of the advantages common to their more than 87,000 government-entity peers in the United States, seeing steady growth of both their workers' compensation and property and casualty (P&C) trusts. The P&C Trust insures $2B worth of property, including all government buildings, employees, vehicles, etc., while the Workers' Compensation Trust manages the participating counties' policies, loss control, return-to-work, and claims functions.

The trusts, in place since the mid-1980s, have also presented their fair share of disadvantages common to a rapidly growing JPA service organization: IT infrastructure that cannot keep pace with growth or other technologies, increasingly complex and evolving risk profiles of its member counties, and competing priorities against a relatively fixed budget.

Under the leadership of Shannon Shanholtzer, Trust Administrator, and Bonnie Knoff, MACo's Database Administrator, it became obvious that the technology disadvantages were overshadowing any of the organization's advantages in servicing their members.

Prior to 2014, MACo didn't have a formal policy management system, notes Shanholtzer, and everything, including payroll reporting and property schedules, was done on spreadsheets, much using long-hand math.

"You can imagine this presented some real challenges," she says. "We knew we needed to purchase a system to create efficiencies in underwriting, less of a margin of error in math, and one that could keep all of our property schedules in good order."

The ability to keep costs down while effectively managing the risk management, loss control and policy management aspects of a public risk sharing pool is actually a historic challenge, notes Jim Leftwich, Founder and CEO of CHSI Technologies. "From their very first establishment, public entity pools and JPAs have derived especially powerful benefits from sharing risk through a pool, but they are often underserved when it comes to the technology to help them keep pace with their growth."

Knoff acknowledges that the organization's business functions and workflow had not changed since 1986, when MACo counted 30 or so insured county members. "When you go from 30 to approximately 350 on just the P&C side, it's very difficult to manage," she says. The effects of this growth, even spread over several years, was felt throughout the enterprise, namely to their 78 independent agents and insured county members sprinkled throughout the state.

"We needed to give agents and counties access to critical information, but in Montana, where it takes 10 hours to drive across the state, visiting in person was cost- and time-prohibitive," says Knoff. This lead to acknowledging that MACo would benefit from affordable technology that supports internal staff and external portal users in all of their endeavors.

So, when MACo engaged CHSI Technologies in 2013, it was, according to Shanholtzer, "to help bring the organization into the 21st Century." By early 2014, the organization was in production with CHSI's Connections™ suite of cloud-based policy management modules for both Workers' Compensation and P&C, to manage policy, billing, claims integration, CRM, portals, renewals, and loss control.

On the P&C side, MACo experienced immediate benefits in managing property schedules. "We self-insure up to $100K, and have an excess carrier in place," notes Shanholtzer. "But if it's not on the schedule, it's not covered, so we had thousands of vehicles, buildings and changes to manage, which, before Connections, equated to a high margin for error. Now we offer just one schedule form. It's the same schedule we use internally for underwriting, and through the Connections' portal, the same schedule that agents and even claims adjusters use – one version of the truth. Because it's user configurable, we can restrict viewing of certain information on the schedule based on who is working on it."

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On the Workers' Compensation side, manual processes that used to require weeks are now streamlined. For example, MACo prepares its payroll reports based on the prior three months, calculating the rate through the mod factor. "Now the payroll clerks just log in, take their summary total from the payroll report, and input the number of employees per class code – the gross dollar amount, that mass calculation –takes into consideration all the math that goes on in the background," says Shanholtzer.

The organization also uses the portal to post employee and instructional training videos, webinars, and updates to safety programs and other loss control initiatives.

One of the most important benefits of the new system, notes Knoff, is in the portal's ability to push back information to the members, keeping them informed as to where they fall within the overall pool, and allowing MACo to monitor trends that may require more education. "One member may think they are the only ones experiencing high frequency and severity losses in the sheriff's department, but they find though our portal that it's a problematic issue across the pool."

So far, feedback from both the counties and agents on Connections has been positive, says Knoff. "Agents especially like the renewal app, which was designed as a fairly simple document for regular counties, and for special counties with less exposure changes, we can streamline with an auto-renew option. This really helps agents who might be responsible for up to 15 special districts."

Shanholtzer credits the ease of online form completion to CHSI's customer service team. "When we want something, CHSI says they can help us configure it that way, which helps us think of other ways to improve our processes and grow."

"We are pleased to work with organizations like MACo that are changing public risk-sharing history--forward thinkers, innovators and early adopters of new ideas," notes Leftwich.