



Los Angeles Risk and Insurance Management Society

Quarterly Newsletter

July 2014

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President's Message

From Scott Ritto



President's Message

Hello again. I hope this message and newsletter finds you well, and I hope you have had a prosperous and productive 2014 so far. The year has been a productive one for me personally, and for that of the LA RIMS Chapter and Board. It is hard to believe that we are halfway through 2014, and time certainly does not appear to be slowing down anytime soon.

The year has been packed with a number of events already; with several luncheons being held, the Annual RIMS Conference in Denver, and the LA RIMS Golf Tournament being held last month. Everything has been well attended and very successful. LA RIMS really appreciates the support that we receive throughout the year from everyone, and we hope that we are bringing interesting and relevant topics for the luncheons and educational

sessions. If there is something specific that you would like to see be presented as a topic at a luncheon, please do not hesitate to get a message to me or another Board member and we will do our best to find qualified individuals to present the topic.

The RIMS Society is very appreciative of the support that they receive, as the conference in Denver was well-attended. Attendees braved the dropping temperature and the wind that moved in, resulting in a very successful conference. I am sure that everyone is looking forward to the conference being held in New Orleans next year.

I want to say a big thank you to everyone that supported the LA RIMS Golf Tournament through sponsorships, volunteers, players, and the LA RIMS Board. The tournament was another huge success, and a fun time had by all that participated. The event continues to be an event that you do not want to miss, and we look forward to it every year. It continues to improve every year, and it could not be achieved without the time, energy and support of all of you out there reading this newsletter. It is the partnerships that have been developed over the years that allow LA RIMS to achieve everything that we have, and we will continue to work as hard as we can to ensure that everyone sees value in their interaction with the Chapter.

I look forward to seeing everyone at the upcoming luncheons, Education Day, and the Holiday Party in December. The LA RIMS Board is currently working on a mixer event that we would like to organize, if possible, this year as well, so stay tuned. We would like to have another fun event that can get everyone together for a night out with fun entertainment and valuable networking. I hope everyone is getting a great start to summer, with schools being out, vacations being taken, and traffic being a little lighter. Please be well, and have a very safe and sane celebration for the 4th of July.

Best Regards,

Scott Ritto

LA RIMS Chapter President

Meet Our 2014 Board Members

President

Scott Ritto - Kilroy Realty Corporation

Treasurer

Vincent Monastersky - Fox Entertainment Group

Secretary

Becky Smith - Fox Rent-a-Car, Inc.

Past President/Chapter Delegate

Kurt Leisure - The Cheesecake Factory, Inc.

Director of Membership

Maling Huang - Newegg, Inc.

Golf Chair/Communications

Chad Smith, CPCU, ARM - Macerich

Director of Special Events

Armando Beltran - Guess? Inc.

Director of Legislative Affairs

Dennis Healy - BBSI

Directors at Large

Manny Chavez - Princess Cruises

Sharon Drabeck - Trader Joe's Company

Jeff Stolle - Dole Food Co., Inc.

Rumana Yasmin - Neovia Logistics

Upcoming Events!

Mark your calendars!

July 16, 2014

Monthly Luncheon - Beverly Garland Holiday Inn, Studio City, CA
Ask a Risk Manager Panel

August 20, 2014

Monthly Luncheon - Beverly Garland Holiday Inn, Studio City, CA
A Great Recession, An Awful Recovery

Damion Walker, MBA - Senior Vice President, Executive Liability Practice, HUB International
Dan North - Chief Economist, Euler Hermes North America

September 17, 2014

Monthly Luncheon - Beverly Garland Holiday Inn, Studio City, CA

September 22-25, 2014

RIMS WRC - Hyatt Regency Resort & Spa San Diego, CA
[Register at www.larims.org/wrc](http://www.larims.org/wrc)

October 15, 2014

Education Day
Beverly Garland Holiday Inn, Studio City, CA

November 19, 2014

Monthly Luncheon - Beverly Garland Holiday Inn, Studio City, CA
Determining Injury Causation: Biomechanics for the Risk Manager
Bradley W. Probst, M.S.B.M.E. - Senior Biomechanist -

ARCCA, Incorporated

December 4, 2014

Installation of Officers and Holiday Party
Woodland Hills Country Club, Woodland Hills, CA

Welcome

New RIMS Members

Kirk Chamberlin - Chamberlin, Keaster & Brockman

Uyen Hoang - Cal State University Fullerton

Lester Sussman - Resources Global Professionals

Mary Gensler - CU Cooperative Systems, Inc.

Mark Lopez - Petra Risk Solutions

Carolyn Wakefield - Aptus Risk Solution

Phil Bahng - International Rectifier

Cheryl Finigan - Kaiser on the Job

Gail Starks - Palace Entertainment

Gil Arde - CKE Restaurants, Inc.

Teri Fellman - Fellman & Associates



Golf Tournament June 4th

Tournament Sponsor



Hole Sponsors

ACE

AIG

American Technologies

AON

Beecher Carlson

Belfor Restoration

Corvel

Floyd, Skeren & Kelly

FM Global

Gallagher Bassett Services, Inc.

Helmsman Management Systems

K2 Investigations

Mullen & Filippi

Old Republic Risk Management

Swiss Re

The Hartford

Zurich

Golf Tournament June 4th



Golf Tournament June 4th

Lunch Sponsor

Chubb Group of Insurance Companies

Beverage Sponsor

Sedgwick

Trader Joe's

Hole in One Sponsors

Adelson, Testan Brundo, Novell & Jimenez

Range Sponsor

Marsh

Bag Sponsor

Guess? Inc.

Golf Ball Sponsor

Coventry Workers' Comp. Services

Goodie Bag Sponsors

Beecher Carlson

Old Republic Risk Management

Aon Risk Solutions

Laughlin, Falbo, Levy & Moretti

Chronic Conditions and the Risk to Your Bottom Line

Cyndy Larsen

The cost of sick and injured workers is rising in California, and chronic conditions are frequently the root of this problem. In fact, chronic conditions are the single largest expense you face when it comes to health care — accounting for 85 percent of every health care dollar.¹ Since nearly 9 out of 10 of employees have at least one condition or are overweight,² these rising costs can threaten productivity, affordability of health care, and quality of life.

Employees battling chronic conditions are also more likely to be injured, slower to heal, and off the job longer, making their workers' compensation claims drastically higher than those of healthy employees. And it's a growing problem. From 2004 to 2012, the average cost per workplace injury claim increased from \$56,000 to \$86,000.³



Because of this profound impact on workers' compensation, chronic conditions are one of the most substantial — and often overlooked — risks facing your organization. That's why it's important to have a partner that works to decrease these costs and helps keep your company's employees healthy and productive, so you can protect both your workforce and your bottom line.

How chronic conditions affect costs

Not all chronic conditions are created equal, and they can each affect the health of your workforce differently. But regardless of which condition an employee has, there's no denying its impact on workers' compensation costs.

Smoking — Smokers are 40 percent more likely to have a work injury.⁴ And while the average retail price of a pack of cigarettes is \$5.17 in California, the medical costs and productivity losses per pack are an estimated \$27.07.⁵

Diabetes — On average, diabetics cost employers \$4,413 more a year than nondiabetic employees,⁶ and are five times more likely to have higher workers' compensation costs when injured.⁷



Obesity — Obese workers are twice as likely to have a work injury, have seven times higher workers' compensation costs, and miss 13 times more days of work than non-obese workers.⁸ Their medical expenses are 42 percent higher,⁹ and affect the total cost per claim (\$68,000 vs. \$35,000), missed workdays (35 weeks vs. 19 weeks), and permanent disability and attorney involvement (both 68 percent vs. 15 percent).¹⁰

Choose a partner that gets results

To combat these rising workers' compensation costs, you need a trusted partner who understands the importance of workforce health and can help you create a safer workplace — like Kaiser-On-the-Job®. Our specialized occupational health services provide all employees treatment for work-related injuries and illnesses — even those who aren't Kaiser Permanente members.

(continued)

To learn more about Kaiser On-the-Job or request information on our occupational health services, call us at 888-565-9675 (888-KOJ-WORK).

Chronic Conditions and the Risk to Your Bottom Line

Cyndy Larsen

Many of our dedicated occupational health centers are located on Kaiser Permanente hospital campuses; so it's easy for employees to take care of all their health needs in one trip. Our centers provide:

- specialized care for work-related injuries
- urgent and after-hours care available 24 hours a day, every day of the year at many locations
- clinic staff available by phone for employers and employees
- coordinated clinical services, including physical therapy, radiology, specialty care, and pharmacy

Kaiser On-the-Job also uses symptom profiles and disease registries to identify and test employees before chronic conditions get worse. Then employees are automatically enrolled in chronic condition programs — no sign-up required — so they're less likely to slip through the cracks. And a 10-year study released in 2007 showed that we're more effective than other providers at delivering results:¹¹

- 32% lower medical treatment costs
- 25% lower disability costs
- 30% lower attorney involvement rate
- 24% lower average total costs

As soon as an employee is examined and receives a treatment recommendation, all appropriate paperwork is sent to you and the employer. Throughout treatment, your company's employees receive timely, accurate reports on work status. This integrated, total management approach helps control health care costs, boost productivity, and protect long-term employee health.

To learn more about Kaiser On-the-Job or request information on our occupational health services, call us at 888-565-9675 (888-KOJ-WORK).

[footnotes]

1 Chronic Care: Making the Case for Ongoing Care, Robert Wood Johnson Foundation, 2010.

2 Dan Witters and Sangeeta Agrawal, "Unhealthy U.S. Workers' Absenteeism Costs \$153 Billion," Gallup-Healthways Well-Being Index, January 2–October 2, 2011, gallup.com/poll/150026/unhealthy-workers-absenteeism-costs-153-billion.aspx.

3 "WCIRB Report on September 30, 2013: Insurer Experience," Workers' Compensation Insurance Rating Bureau of California, December 12, 2013.

4 "San Francisco Launches Citywide 'Make Today the Day' Quit Smoking Campaign," American Lung Association press release, January 5, 2010.

5 Jill S. Rumberger et al., "Potential Costs and Benefits of Smoking Cessation for California," Pennsylvania State University, April 30, 2010.

6 Diabetes: Costs and Opportunities, NBCH Action Brief, National Business Coalition on Health, February 2012.

7 "The Impact of Comorbid Conditions on Workers Compensation Costs," Coventry Workers' Comp Services, 2010.

8 "Obesity Increases Workers' Compensation Costs," Duke University Medical Center, April 23, 2007.

9 "New Community Recommendations Show Ways to Reduce Burden," Centers for Disease Control and Prevention, July 26, 2009.

10 Bob Young and Alex Swedlow, "Obesity as a Medical Disease: Potential Implications for Workers' Compensation," California Workers' Compensation Institute, August 7, 2013.

11 "State Fund–Kaiser Permanente Alliance Saves More Than \$395 Million in Workers' Compensation Costs for California Employers in Its 10 Year History," State Compensation Insurance Fund, June 11, 2007. Results based on a comprehensive 10-year study by the State Compensation Insurance Fund (SCIF), a source of at-cost workers' compensation insurance for California employers. From 1996 to 2006, SCIF compared the care provided by Kaiser On-the-Job health centers and physicians with the care offered by other respected occupational health programs, finding that our care was more cost-effective.

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LOS ANGELES RISK AND INSURANCE MANAGEMENT SOCIETY

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Scott Ritto
President

President's Message

I would like to start this message to everyone by stating how happy I am to be taking over as President of the LA RIMS Chapter for 2014. I continue to truly enjoy the work with the chapter and my fellow Board Members, as it is a rewarding experience. As we start another year, I think it is prudent to look back over 2013 and reflect on some of the great things that occurred with the Los Angeles Chapter of RIMS.

The chapter continues to look for exciting and relevant topics for monthly luncheons, and I think this was evident with the speakers that were arranged in 2013. We had wonderful attendance for the luncheons, so thank you for that and I look for that to continue. The National Conference in Los Angeles was also a success, and it was nice to not have to get on a plane. As the host chapter, we were able to be involved in a number of things, and it was a great opportunity to interact with the Society Board Members and RIMS staff. We also held another super successful Golf Tournament at Brookside Country Club, a very educational Education Day in October, and rounded out the year with another festive Holiday Party at the Woodland Hills Country Club. Not a bad year, and I would like to thank Kurt Leisure for stepping up to the plate and bringing his guidance and leadership to the chapter as President.

[read more >>](#)



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2013 Holiday Party



Next Meeting:
February 19th, 2014
"ERM: Beyond Theory to Practice"
Chris Mendel, SVP Strategic Solutions, Sedgwick, Inc.
(former CRO for USAA)



NOW AVAILABLE !
RIMS Polo Shirts
\$20 (includes shipping and handling)
to order on our site go to
<http://www.larims.org/store.php>

Landmark Medical Management Indictment

Below for your information are recent indictments involving Landmark Medical Management and various doctors.

1. Kareem Ahmed the owner of Landmark:

11 Counts filed - including one count of involuntary manslaughter
Released on \$900,000 bail

2. Bruce Curnick - disbarred attorney who set up contracts for Landmark
1 Count filed
Released on \$100,000 bail

3. Dr. Curtis Hague - Pharmacists of Cut's Pharmacy
5 Counts filed
Appears to still be in custody

4. Dr. Andrew Jarminski
10 Counts filed - including one count of involuntary manslaughter
Appears to still be in custody

5. Dr. Michael Rudolph
8 Counts filed - including one count of involuntary manslaughter
Released on \$500,000 bail

6. Dr. Randy Rosen
9 Counts filed
Released on \$300,000 bail

7. Dr. Rayhil Khan
9 Counts filed
Released on \$600,000 bail

8. Dr. Robert Julian Villapania
9 Counts filed
Released on \$500,000 bail

10. Dr. Michael Barri
9 Counts filed
Released on \$400,000 bail

11. Dr. Evette Ann Charbonnet
34 Counts filed
Released on \$500,000 bail

12. Dr. Eduardo Anguizola
9 Counts filed
Appears to still be in custody

13. Dr. David Evans
9 Counts filed
Appears to still be in custody

14. Dr. Daniel Capen
9 Counts filed
Released on \$1 million bail

15. Dr. Arsalan Pourteymour
7 Counts filed
Released on \$250,000 bail

Arraignment Hearing is set for August 8, 2014 in Orange County.

According to sources, the involuntary manslaughter charge is related to a mother using the compound drug cream on her hand and mixing her baby's formula. The baby ingested the cream and died as a result. The creams are not just a Ben Gay Plus kind of cream. According to some sources these drugs should not be mixed together. Also, according to sources the formula for the compound drugs was not created by a physician.