

Risk Management ABC's - Dealing with Student Injuries

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Institutions which serve children in grade levels pre-school through grade 12 are challenged by unique loss exposures not routinely faced by other businesses. Markel Insurance Company has provided all lines of insurance coverage, including General Liability and Student Accident, to such institutions for nearly 60 years. Over that time period, we've been able to identify the most common causes of loss under these coverages. This article is intended to point out those causes and address the Risk Management options that schools have for dealing with them.

Challenge #1: What's at risk from student injuries?

A private school puts everything at risk when it opens its doors. The safety of the young children placed in its care is the school's most fundamental mission. Exceptional teachers and a superior curriculum are of little value if the physical plant, the institution's reputation or its financial stability is impaired. The appearance of an unsafe environment will hinder recruiting efforts and ultimately increase the likelihood of injuries to students who do attend your school. Your efforts to avoid these injuries and the way you deal with the ones that do occur will have a dramatic affect on attrition, future retention and recruiting. Being proactive and expedient in resolving injuries that occur on the premises or during school activities will enhance your image with parents and the local medical community. This effort can also have a positive impact on schools' finances by stabilizing both routine (like insurance costs) and contingency (like funding for retention and deductibles) lines in the budget. Effective loss control combined with appropriate insurance coverages allows the school to minimize both the direct and indirect consequences of student injuries and to focus on the educational mission. Therefore, student safety should be any school's top priority when it comes to Risk Management.

Challenge #2: Where and why do student injuries occur?

Having insured youth and recreation facilities for over 60 years, we have extensive information about where student injuries occur. In order to properly manage this risk, you must be familiar with where the exposure for injury is greatest. This should include an analysis of both the frequency and severity of injuries. In our experience, the most frequent causes of loss in youth and recreation facilities are as follows:

Rank	Cause of Loss
1	Slips/Trips and Falls
2	Playgrounds
3	Fighting and Horseplay
4	Organized Sports and Clubs
5	Vehicular
6	Animal Related (dog bites, bee stings, etc.)
7	Other (like burns, food poisoning, etc.)
8	Abuse and Neglect

The causes of loss ranked #1 and #2 above cause the majority of injuries. In fact, it should be noted that Slips/Trips and Falls are three times as likely as virtually all other causes of loss combined. Student Slips/Trips and Falls double for resident schools, as many of these injuries occur around the living quarters (including wet areas) that don't exist in day schools. The second most common place of injury is where food is served. All other areas including outdoor grounds account for the balance of injuries. Playground equipment, especially equipment with inadequate fall protection underneath, and miscellaneous playground injuries are the second most frequent cause for injury. Frequency of sports injuries grows materially when football is included.

In terms of severity (average size of loss), the ranking looks as follows:

Rank	Cause of Loss
1	Organized Sports and Clubs
2	Other (like burns, food poisoning, etc.)
3	Playgrounds
4	Slips/Trips and Falls
5	Fighting and Horseplay
6	Animal Related (dog bites, bee stings, etc.)
7	Vehicular
8	Abuse and Neglect

The average loss size for sports injuries is at least three times greater than for the "Other" category ranked number 2. Burns and lacerations to individuals from classroom work (wood/metal working, cooking, chemistry, etc.) and multiple cases of food poisoning from single occurrences drive the size of the "Other" category. All other causes are not materially different from one another with regards to severity and are insignificant relative to the first two.

Challenge #3: What are my risk management options?

Insurance is not the only, or always the best, way to deal with risks. Depending on the school's appetite for risk and its financial capability, some very small loss potentials can be ignored. Larger risks that can't be ignored should be managed through one or more of the following methods:

- **Avoidance** of risk by discontinuing the exposure or removing the hazard.
- **Reduction** of risk by implementing certain safety procedures or early warning systems.
- **Retention** of risk by funding and budgeting for potential losses not covered under insurance (retention and deductibles).
- **Transfer** of risk through insurance or other contracts like hold harmless agreements.
- **Sharing** of risk, which certain entities do through trade associations, or as an insurance company does with premiums collected from insureds within similar classes of business.

Larger private schools may be financially able to ignore or retain risk for a majority of low frequency and low severity causes of student injuries. Smaller schools may not have that luxury. However, transferring risk, whether through insurance or not, is always advantageous to avoid and reduce risk to minimize exposure and reduce insurance costs.

Summary

In this article, we've identified many causes of student injuries at private schools. Some of the obvious things that a school could do to avoid or reduce such risks are more clearly identified on the attached chart. We encourage you to review the chart and consider where you are with regards to safeguarding the children in your care. Stay diligent, assign someone on your staff to be responsible for safety and bring in experts on the topic from time to time to assess how you're doing and to keep safety in the forefront for faculty and staff. Remember that child safety is your first mission!