

All trainers,

Tasracing has recently been approached by a number of trainers regarding the significant changes to Workers Compensation costs over the last 12 months.

This has been discussed with a number of trainers and the ATA along with a number of Insurance Brokers and Underwriters.

As a result of these discussions we have a potential scheme that could result in significant savings to trainers' workers compensation costs.

Essentially the scheme revolves around the aggregation or grouping of all trainers' workers compensation into a policy that would cover all trainers. This would then allow the placement of a significant premium base and create buying power rather than the current piecemeal approach. It will also allow the smoothing of claims and costs over years. Every trainer would still have their own policy but under an aggregated banner.

The second part is that having a single scheme will allow the brokers to provide a dedicated resource to manage claims. This is the largest single impact on policy costs that can be controlled (outside of global insurance market forces which we can do little about). A dedicated claims manager will be focussed on reviewing claims before they are lodged and then appropriately managing them so that they do not become excessive.

Lastly, aggregating the policies with one insurer will mean we should be able to negotiate on deductibles to further manage the premiums.

A scheme of this type will need all trainers to come on board to be beneficial. Without critical mass in trainer numbers we won't be able to negotiate with the brokers and insurance companies.

Yes, there are still a number of issues to sort out.

- We need to determine how the premium will be allocated across the trainers.
- We need to determine how that premium will be impacted by claims going forward.
- We need to determine how we manage standards so that all trainers recognise a minimum that must be achieved to ensure no one trainer drags others down.
- We need to determine how to manage those trainers that are on different renewal dates so that we can align the policy to a single renewal date.

Either way this looks like the best option at present that the Industry has to get premiums back under some form of control.

Tasracing would like to understand your view on this and your intention to participate (or otherwise).

If the scheme proceeds the brokers will need the following information from each trainer.

- Current Insurer
- Employee Numbers
- Wages
- Current Premium

- Break down of activities
- Claims Experience

The information regarding claims experience should be able to be requested from your current insurer.

We would appreciate if you could respond to this email to indicate your intention to participate in the scheme (or otherwise) by **7th August 2020**. If you wish to participate, please provide the requested information to us as quickly as possible prior to **14th August 2020**.

For those trainers who have renewals falling at this time and wish to investigate this opportunity, we recommend that you approach your current workers compensation insurer and ask for a month extension.