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MONTANA STATE FUND
OPERATIONAL EXCELLENCE COMMITTEE
December 7, 2023

The Montana State Fund (MSF) Operational Excellence Committee meeting was held December 7, 2023 in MSF's Board Room at 855 Front Street, Helena, Montana 59601 and via Zoom.

Committee Members Attending

Dexter Thiel, Chair, Sidney
Michael Marsh, Billings – via Zoom

Nancy Butler, Helena

Board Members Attending

Richard Miltenberger, Helena - via Zoom
Karen Fagg, Billings

John Maxness, Helena
Wylie Galt, Martinsdale – via Zoom

MSF Staff Attending

Holly O'Dell, President/CEO
Nick Mazanec, VP of Legal Services
David Jordan, Assistant VP
Ryan Sanders, Enterprise Solutions Engineer

Kathy Gowen, Corporate Paralegal
Verena Maeder, VP, Organizational Health
Will Anderson, Assistant VP

I. Meeting Preliminaries – Dexter Thiel

- A. *Call to Order*
The meeting was called to order at 9:12 a.m.
- B. *June 8, 2023 Operational Excellence Committee Meeting Minutes.*
The Committee took action to approve the minutes with one edit. Ms. Butler made the motion, Mr. Marsh seconded; the motion passed unanimously.

II. Scorecard – Ryan Sanders, Enterprise Solutions Engineer

Staff provided a review of the financial, customer, internal metrics and the learning and growth metrics monitored and depicted in the Scorecard Report.

Mr. Marsh requested more detail about MSF's Return to Work successes, based on the Scorecard Report, at a future meeting.

IV. Increased Call Volume – David Jordan, Assistant VP

Staff provided a report on the increased call volume MSF has been experiencing over the past year. A project team investigated the current state and the causes of the increased call volume. The key issues were related to payroll reporting, billing and cancellation. Solutions were identified and implemented and the outcome was a sustained decrease in call volume, an enhanced customer experience and improved ease of doing business for our customers.

III. Calendar Year 2024 Strategic Plan and Annual Business Plan

- A. Calendar Year 2024 Strategic Plan and Annual Business Plan – Verena Maeder, VP, Organizational Health, David Jordan and Will Anderson, Assistant VPs, and Hannah Osinga, Enterprise Strategist

Staff proposed a 2024 Strategic Plan and Annual Business Plan to the Board.

1. To ensure competitive pricing, MSF will optimize pricing tools and enhance the underwriting approach. After completing the first up initiatives, MSF will evaluate effectiveness of revised

pricing model and approaches to ensure competitive pricing and adequate risk coverage in the long term.

2. The strategy is to build relationship and add value by deeply understanding our employers, responding remarkably to concerns and build a customer centered way of thinking. MSF will apply our understanding of the employer perspectives to ensure our customers' interactions do not detract from the customer experience and to create a distinctively valued and positive employer experience.

3. Strengthen our agent relationships by better understanding of the agent perspective, making partnering with us easier and strategically aligning agent compensation and services. MSF will continue to strengthen our support of agents by developing agent resources, improving ease-of-doing-business, and help them market our value proposition.

4. Sharing our story – know where we are, partner with new employers, reimagine our brand and extend our efforts beyond Helena for a community presence across Montana. MSF will create an ongoing process for sharing our story and carry out our community presence strategy.

The Board took action to recommend the Board adopt the Calendar Year 2024 Strategic Plan and Annual Business Plan with modifications to add the policy count and the clarification for new business. Mr. Marsh made the motion, Ms. Butler seconded the motion. The Chair called for public input; there was none and the motion passed unanimously.

V. FELA/Jones/USL&H Coverages – Nick Mazanec, VP, Legal Services

Staff would like authority to offer Federal Employers Liability Act (FELA), the Merchant Marine Act (Jones Act) and Longshore and Harbor Workers' Compensation Act (USL&H) coverages.

The Committee took action to recommend the Board authorize Montana State Fund to offer Federal Employers Liability Act, Jones Act and Federal Longshore and Harbor Workers' Compensation Act coverage in accordance with the methodology, terms and conditions set forth by NCCI and MSF underwriting guidelines. Mr. Marsh made the motion, Ms. Butler seconded the motion. The Chair called for public input; there was none and the motion passed unanimously.

VI. 2023 Regulatory & Legislative Trends – NCCI Report – Nick Mazanec, VP, Legal Services

Staff provided a review of the NCCI Report which provides legislative trends that have occurred nationwide as well as statewide.

VII. Old Business/New Business

The Chair called for any Old or New Business.

VIII. Public Comment

The Chair called for any Old or New Business.

The meeting adjourned at 11:22 a.m. The next scheduled Operational Excellence Committee meeting will be held on Thursday, March 7, 2023 at Montana State Fund, 855 Front Street, Helena, Montana in the Board Room.

Respectfully submitted,

Verna Boucher

Special Assistant to the President/CEO