

2024 Annual Business Plan

Montana State Fund

January 1 to December 31, 2024

[Montanastatefund.com](https://montanastatefund.com)



From the President

Montana State Fund's mission is to *partner with employers and their employees to care for those injured on the job and we champion a culture of workplace safety for our fellow Montanans*. With a significant percentage of the state's employees insured by MSF, we have an important role in creating a stable workers' compensation system which delivers strong outcomes for both injured employees and their employers.

In 2023, MSF completed strategic initiatives to streamline our work, empower our employees, and improve our decision making. We carried out a Business Process Improvement evaluation which resulted in thousands of fewer calls from MSF while improving the customer experience. We eliminated dozens of MSF-internal forms and processes which were slowing work without adding value. We also developed scores of new metrics with associated targets and a data champion cadre to improve our ability to use data in decisions. One of the key objectives of this work was to improve employee engagement. The results are encouraging with MSF advancing from the 36th percentile of companies in Gallup's engagement survey to the 56th percentile. Increased engagement results in improved morale, productivity, and business performance.

Part of the 2023 work was to develop a balanced approach to organizational work. This approach encompasses four critical perspectives which will continue to be an operational focus in 2024. Our operational goal is to:

- **Financial:** Ensure long-term financial well-being by ensuring that our earned premium, budget expenditures, loss ratio, and policyholder equity are stable.
- **Customer:** Maintain and improve on our customer experience with a focus on timely compensability decision-making, improved employer safety resulting in decreased frequency, and improved return-to-work and other claims outcomes.
- **Internal Process:** Maintain proper caseloads for employees, focus on insurance's largest threat – cyber security, support agents with responsive quoting processes.
- **Learning and Growth:** MSF's employees are our most valuable asset. We will continue our efforts to build engagement, strengthen our recruiting process, and expand our Foundations program which provides newer employees with an overview of the entire organization.

In 2024, MSF will focus on carrying out our strategic vision of *Expanding our mission by becoming Montana's favorite workers' compensation carrier*. This multi-year effort includes developing underwriting models and approaches which improve our pricing approach, strengthening our understanding of our employers and building a stronger customer experience, helping our agents to help employers, and creating an authentic brand which focuses on our story as a mission and vision driven organization.

Our story is one of partnership. Real people depend upon our work and we are dedicated to providing the best workers' compensation insurance services in Montana. We are excited about the opportunities that the coming year presents.

Sincerely,

Holly O'Dell






Mission

We partner with employers and their employees to care for those injured on the job and we champion a culture of workplace safety for our fellow Montanans.

Vision

To be an indispensable partner in achieving a safer, healthier and more prosperous Montana.

Guiding Values

	<p><i>Do what's right</i></p> <p>We operate with the highest levels of professionalism and integrity in all of our dealings with colleagues, customers and stakeholders.</p>		<p><i>Deliver with heart</i></p> <p>It isn't only what we do, but how we do it. We are empathetic and compassionate about the needs and circumstances of every individual with whom we interact.</p>
	<p><i>Focus on what matters</i></p> <p>We make sure our work delivers an exceptional customer experience, adds value for all stakeholders and raises awareness of workplace safety.</p>		<p><i>Succeed together</i></p> <p>As a team, we work collaboratively and take all MSF departments and roles into account. We are responsible for delivering a consistent and exceptional customer experience together.</p>
	<p><i>Find a better way</i></p> <p>We innovate and improve our services to create better experiences and outcomes for our customers, colleagues and fellow Montanans. We are adept at both leading and adapting to change.</p>		<p><i>Take the long view</i></p> <p>We are all in it for the long haul. Our financial strength and the stability of Montana's workers' compensation insurance market is critical for our state and its people.</p>



Montana State Fund Board of Directors

To help achieve our values, we are guided by our Board of Directors. Our Board consists of seven members appointed by the Governor of Montana.

[Richard Miltenberger](#)

Chair

Clancy

Term: March 31, 2025

[Holly O'Dell](#)

Ex-Officio

Helena

[Dexter Thiel](#)

Sidney

Term: March 31, 2027

[John Maxness](#)

Helena

Term: March 31, 2025

[Karen Fagg](#)

Billings

Term: March 31, 2025

[Michael Marsh](#)

Billings / Helena

Term: March 31, 2025

[Nancy Butler](#)

Helena

Term: March 31, 2027

[Wylie Galt](#)

Martinsdale

Term: March 31, 2027

Organizational Profile

The Mission and Vision of Montana State Fund describes what we are, but there is so much involved in how we bring our mission and vision to life.

Employers

We provide a quality worker's compensation option for Montana employers. Our product is affordable and attainable for any Montana business that needs it, and we provide excellent customer service for those that choose us as a partner. We are a self-sustaining, not for profit workers' compensation insurance carrier in a competitive marketplace, and also fulfill our critical role as the guaranteed workers' compensation market for all Montana employers.

Injured Employees

When an injury occurs on the job, we have resources to assist with appointments and understand medical issues and treatment processes, and we work with provider offices to ensure ease of documentation. We are committed to delivering on our promise with compassionate care and fair treatment for injured employees.

Financial Strength and Stability

The financial strength and stability of Montana's workers' compensation insurance market is critical for our state. Through responsible management, operational improvements, and positive investment outcomes we have distributed dividends to Montana businesses 24 years in a row. This fiscal responsibility helps ensure MSF can weather uncertainty and remain a stable partner with Montana businesses and their employees.

Partnering to build a strong safety culture

Montana State Fund is committed to making a positive impact on Montana's workplace safety culture. We believe workers deserve a safe and healthy workplace so they can safely return home to their families at the end of each day. Therefore, we work diligently with Montana employers to develop accident prevention programs help support building a strong safety culture.

Our People

Our Mission and Vision would not be possible without the amazing team of people who work for Montana State Fund. We are committed to building and maintaining a culture that supports learning and growth, empowerment, and engagement amongst our team members.

2024 Key Measures and Goals*

In 2024, MSF will continue to evaluate operational control using a balanced scorecard approach. The following objectives align with the MSF Enterprise Scorecard and financial approach.

- 1) **Financial**
 - a. Premium to policyholder equity does not exceed 27.4%
 - b. Operational expenditures managed to Board approved budget.
- 2) **Customer**
 - a. Claim frequency less than 1.25 (yearly count of claims per million in payroll)
 - b. Premium retention rate greater than 89.8%
 - c. Yearly change in policy count higher than -2%
- 3) **Internal**
 - a. Meet or exceed new premium sales goal of \$13.1M for the year.
- 4) **Learning and growth**
 - a. Voluntary employee turnover less than 11%.