



Maryland:
When You
Need Us,
We Are There

Financial Highlights at a Glance

	2002	2001
Total Assets	\$ 949,185,073	\$ 897,711,068
Earned Premium	\$ 181,721,722	\$ 131,651,220
Loss/LAE Ratio	102.1%	114.6%
Expense Ratio	14.7%	14.2%
Combined Ratio	116.8%	128.8%
Investment Income	\$ 44,530,882	\$ 45,481,531
Claims Expense Net	\$ 169,828,847	\$ 135,288,156



Since 1897, the Snow Hill Fire Department has been there for its community — since 1914, IWIF has been there for Maryland.

Snow Hill Volunteer Firefighter Scott Cylc, pictured on the front cover, was one of 13 courageous firefighters injured in a gas explosion last year. IWIF is proud to tell their story in our 2002 Annual Report.

When disaster strikes, IWIF responds with compassion and caring.



When a gas explosion injured 13 members of the Snow Hill Volunteer Fire Department last Labor Day weekend, IWIF was there. Within days, we had mobilized our Catastrophic Response Team to make sure those injured, especially those who had suffered burns in the accident, received the best medical care, and their families received support both financially and emotionally.





The IWIF team responsible for helping the injured Snow Hill Firefighters, l-r: Lorraine Magee, Nurse; Pam Reed, Claims Adjuster; Karen Lowrey, Claims Supervisor.

It was Labor Day weekend, 2002, and the volunteer firefighters of Snow Hill, Maryland, were enjoying a hot, lazy Sunday afternoon in this small eastern shore town 35 miles south of Ocean City. Most were off-duty and spending the day playing cards with friends, barbecuing with relatives, or just chatting with neighbors when the call came in.

The call said, “odor of gas,” and directed firefighters to check the home of an elderly widow who lived on Bay Street, a few blocks from the station. Even though they considered the call to be routine, the firefighters responded immediately. Several firefighters, William “Billy” Heiser, Jr. and Warren Bevard, lived right on Bay Street; one, Howard Stephens, lived right next door. They were the first ones on the scene.

On this day, their quick response to the needs of their neighbor and friend would almost cost them dearly. No sooner had they and their fellow firefighters arrived, coaxed the woman out of her house, and sent in two masked, fully geared men to search the basement, than BOOM! the house exploded in a fireball of flames.

The explosion unfortunately took the life of one utility worker and injured all 13

“I attribute this success to the prompt response from both Pam and Lorraine to the injured firemen and their families.”

Karen Lowrey, IWIF Claims Supervisor, Catastrophic Injury Team

firefighters and first responders. Within minutes, 10 other fire and police companies had arrived to assist the injured firemen “in the great spirit of cooperation” which characterizes small Maryland towns, according to one local newspaper editor.

All 13 were initially taken to Peninsula Regional Medical Center, in nearby Salisbury. But those most severely injured — Howard Stephens, Warren Bevard, Billy Heiser, Jr., Jim Phillips, Ray Wooten, and Jack Moyer — were transported to Johns Hopkins Bayview Burn Center, in Baltimore, nearly three hours away. There, heavily gauzed and bandaged, they spent the next several months recuperating from their injuries, with their families by their sides.

And throughout their recovery, IWIF was there.

“I was concerned about getting these people paid. They were all volunteers, and, being injured, many of them couldn’t go back to work right away. But IWIF’s response was excellent. The TT (temporary total) checks came in immediately.”

George Bradley, Worcester County Risk Manager

The Snow Hill firefighters were honored with Medals of Valor presented to them by the Maryland State Police. Here, Chief Larson (L) and State Police Commander David Mitchell present Jim Phillips with his medal.



In Baltimore, IWIF Claims Supervisor Karen Lowrey had already heard about the terrible accident on the news. She confirmed that Snow Hill was one of 11 fire departments insured by IWIF under a workers’ compensation policy for Worcester County, Maryland. Quickly, Karen mobilized IWIF’s Catastrophic Response (CAT) Team to respond to the accident victims. Pam Reed, Claims Adjuster, and Lorraine Magee, Nurse Case Manager, were dispatched to the Bayview Burn Center to meet with relatives of the injured firemen. Calls were also placed to those who had been released from Peninsula Regional. All paperwork was processed and, that same week, medical benefits and disability payments began.

“I was very pleased with the way IWIF handled everything,” said George Bradley, Worcester County Risk Manager. “IWIF did an excellent job, especially considering the size of the accident and nature of the injuries. I was concerned about getting these people paid. They were all volunteers, and, being injured, many of them couldn’t go

back to work right away. But IWIF’s response was excellent. The TT (temporary total) checks came in immediately.”

Bradley added: “The overall treatment and immediate response times were great.” He said that the firemen and their families especially appreciated the CAT Team’s personal visits to them while they were in the hospital.

“I attribute this success to the prompt response from both Pam and Lorraine to the injured firemen and their families,” said IWIF’s Karen Lowrey. “Pam and Lorraine also proactively addressed the firemen’s medical needs, making this ordeal as easy as possible for everyone involved. I really appreciate their efforts; this was a very serious accident.”

Except for Howard Stephens and Warren Bevard, who are still undergoing extensive rehabilitation for their injuries, all the other Snow Hill firefighters injured in the Labor Day 2002 blast have since returned to work. However, many are still undergoing some type of physical or medical therapy as well.

Not long after the accident, the firefighters of the Snow Hill Fire Department were rightfully honored in a heroes’ ceremony. In a special service, Maryland State Police gave the injured firefighters Medals of Valor, the highest honor that can be bestowed by state officials.

For the people of Snow Hill, Maryland, last year’s September 1st tragedy came all too soon after the terrible incidents of September 11th a year earlier. “It had a devastating impact on this close-knit community,” said one Snow Hill resident. Said another: “With the anniversary of September 11th approaching, we’re all reminded [of] how privileged we are to have heroes we can lean upon during our personal time of need.” And another: “Real life heroes do live among us.”



Snow Hill Fire Chief Alfred "Sonny" Larson



Volunteer Firefighter John Sullivan



Volunteer Firefighter and EMT Lisa Willing



Volunteer Firefighter Joe Serman

“After the explosion, some of the guys doubted they would ever come back — but they all did.”

Chief Larson

A Year of Partnering for

2002 Operations Highlights

What continues to differentiate IWIF from its competitors are our value-added services — our in-house Underwriting, Premium Audit, and Loss Prevention services, our in-house Legal and Subrogation departments, as well as our Special Investigations Unit. Additionally, every employee in our organization is highly trained in his or her area of expertise. And our local focus makes us especially attractive in an age where friendly, personal service is almost a thing of the past. IWIF is — and will continue to be — Marylanders working for Maryland.

New partnerships built on trust and confidence

Thanks in large part to the faith and trust of our agent partners, in 2002 IWIF wrote a record \$58 million in new business over the course of the calendar year. We insured a record payroll of \$6.45 billion, which was 15% higher than our previous record. Over 4,000 new businesses — a record number — chose to insure with IWIF, bringing our total policyholder count to 28,000. Written premium generated for 2002 was \$218.8 million, 80% of which was agency-driven.

Maryland's top 100 independent insurance agents gave IWIF a 90% approval rating for 2002.

Maryland's top 100 independent insurance agents gave IWIF a 90% approval rating for 2002.

Maryland's top 100 independent insurance agents gave IWIF a 90% approval rating for 2002.

Partnering for world-class customer service

For 2002, one of the most important goals of the company was to create a customer-centric environment where all initiatives center around our customers' needs. To help direct our goal to become a world-class customer service culture, IWIF brought in an outside insurance consultant to lead employees through group training exercises entitled, "Partnering for Success." This series was designed to hone our customer service skills.

IWIF also reached out to our Spanish-speaking claimants and policyholders by assembling a group of bilingual claims adjusters and hiring a bilingual fraud investigator.

Partners in the Information Age

Today, a myriad of business information and transactions are available for agents and policyholders via IWIF's Web site, www.iwif.com. For example, IWIF e-services now include:

- rate information
- First Report of Injury (FROI) online (2,429 filed online in 2002)
- electronic funds transfer (EFT) to create cost savings and efficiencies
- e-renewals, in which IWIF "appointed" agents can submit profiles electronically for renewal consideration
- e-quoting, a program which allows agents to upload or download information and automatically issues a quote for new or renewal business
- direct deposit of agents' commissions

Workplace safety partners

SAFETY SAVES *With* IWIF

IWIF's Loss Control Department implemented a large account servicing process as well as medium- and small-account service methods, both of which expanded our ability to impact more accounts. IWIF also implemented a "critical recommendations" process to identify and correct severe and life-threatening hazards for our policyholders, and implemented a formal follow-up process to help ensure policyholders act on our safety recommendations.

IWIF continued and enhanced the general policyholder seminars we host throughout the state of Maryland, and added several Fall Protection seminars as well. More than 1,000 policyholders attended our popular seminars in 2002, showing a keen interest in learning about how IWIF can help them better protect their workers and save money on workers' compensation insurance at the same time.

In 2002, IWIF recognized several of our most safety-conscious policyholders based on their commitment to workplace safety by awarding them the "Safety Saves With IWIF" Premier

[iwif.com](http://www.iwif.com)

Success

Partnership Award. They included:

- Brothers Roofing, of Hampstead
- Genesis Steel, of Baltimore
- Bridges Drywall, of Frederick
- City of Bowie, Maryland
- William Hill Manor, of Easton
- University of Maryland
- Potomac Home Health Care, of Rockville

Our team also reinvented the State Employees' Risk Management Administration (SERMA) and helped to structure a new Governor's Executive Order in an effort to raise the level of awareness of safety and risk management at our state agency business partners. Again, our goal is to help these organizations prevent injuries and save them money at the same time.

Fraud convictions and claim recoveries

Tremendous results have stemmed from our fraud-fighting efforts in 2002 to positively impact IWIF's bottom line which benefit both IWIF and our policyholders by keeping rates affordable. Our Special Investigation Unit (SIU) collected over \$2 million in avoided premium and another \$209,740 in improper claim and medical payments. We also were successful in referring 31 individuals for prosecution involving both premium and claimant fraud.

Also in 2002, the IWIF Subrogation Unit, an autonomous unit of Claims, recovered more than \$9 million in hard and soft recoveries, a departmental record. This was accomplished by this unit's successful pursuit of negligent third parties involved in IWIF claims.

Stronger Claims Management Partnership

Our Claims Department earned an 89% overall satisfaction rating for claims customer service, as reported in the IWIF Customer Service Survey, conducted by an independent marketing firm. In 2002, our Claims teams personally visited more than 500 policyholders.

IWIF's Claims and Legal departments joined forces in securing agreements for settlement and approval by the Workers' Compensation Commission, resulting in a take down of reserves totalling \$8 million. In addition, our Claims and Legal teams provided training for



each other in order to forge alliances and streamline workflows to gain greater efficiencies between the two departments. In 2002, the Claims team closed nearly 19,000 claim files and serviced an additional 17,000 new claims. The Claims department also completed the transition to judgemental claims case reserving.

IWIF's Customer Call Center fielded a record number of calls and, in response to ever-evolving customer needs, has put in place a new Interactive Voice Response (IVR) system designed to enhance the quality and speed with which calls are answered and service requests are filled. With the installation of this new software last year, IWIF has been able to track call patterns to analyze trends and make adjustments to better meet the needs of our customers.

IWIF was proud to continue its "Safety Saves With IWIF" premier partnership awards program for 2002. Pictured above, Genesis Steel, from Baltimore, was honored for its strong commitment to workplace safety. L-R: Tom Bromwell presents Roland Peed, President of Genesis Steel, and their insurance agent Fred Pung, HRH Insurance, with the award.

Your partner in the community

IWIF formed partnerships with Mergenthaler Vocational Technical High School (MERVO) and Eastern Technical High School, both in the Baltimore area, to teach the importance of safety to future Maryland workers. These partnerships also gave us the opportunity to make financial and other contributions to these schools and helped them acquire much-needed safety equipment for their students.

IWIF employees were responsible for many contributions to charity and civic programs for the benefit of our neighbors throughout the state. IWIF and its employees also gave more than \$81,448 to the Maryland Charities Campaign in 2002. Additionally, IWIF and its employees made contributions to the tornado victims in Calvert and Charles Counties last spring.



As part of IWIF's partnership with MERVO High School, Mario Melfa, IWIF Loss Control Consultant, conducted safety training workshops for more than 100 high school students.

Shirlbee Ackwood
 Barry Adams
 Joan Adelman
 Jose Adia
 Prabha Agarwal
 Sharon Almanza
 Rose Ambrose
 Robert Ammons
 Dorothy Anderson
 Julia Andrews
 Afia Badu
 Gwendolyn Bailey
 Shelley Baker
 Geraldine Balducci
 Richard Balducci
 Jacqueline Baroody
 John Barry
 Margaret Barton
 Louis Beach
 Paige Beck
 Barbara Becker
 Darlene Bell-Gross
 Evelyn Boggs
 Pamela Bonsuk
 Andrew Boozer
 Cheryle Bowser
 Angela Boxley
 Thomas Bromwell, Sr.
 Elaine Brooks
 Marguerite Brooks
 Rosalind Brooks
 Stacy Brooks
 Angela Brown
 Keith Brown
 Lisa Bryant
 Adolph Bucci
 Michael Burke
 Sandra Butler
 Tamblын Butler
 Vickey Butts
 Lisa Byrd
 Virgil Cain
 Deborah Campitelli
 Dennis Carroll
 Zachary Christopher
 Claudia Ciolfi
 Holly Clark
 Linda Clark
 Thomas Cleary
 Patrick Clisham
 Karen Clothier
 Joseph Coale
 Lisa Cole
 Jenny Conlon
 Annemarie Coughlin
 Von Ceil Crenshaw
 Carmine D'Alessandro
 Rada Davinic
 Murali Dega
 David Delp
 Kimberly Dennison
 Helena Diggs
 Elizabeth Dorney
 Joanne Dreher
 Robert Drouin
 Barbara Dudnanski
 Linda Dye
 Sarah Egan
 Sandra Elder
 Robert Ellis

Katherine Emanuel
 Lawrence Engel
 Peter Engel
 Lewis Epps
 Richard Ferguson
 Rona Finkelstein
 Sharon Fitzpatrick
 Cynthia Flournoy
 Dianna Fornaro
 Cheryl Fowler
 Deborah Frank
 Aixa Fraser
 David Fried
 Gigi Friedman
 Brian Furr
 Gregg Gallagher
 Ruth Gangi
 Martha Garland
 Amy Gates
 Cathy Gay-Peters
 Kim Gentry
 Edgar Gerke
 Linda Gieseking
 Joseph Gillian
 Jennifer Gilliard
 Susan Gordes
 Cynthia Gordon
 Kalandra Graff
 Kathy Grafton
 Michele Granruth
 Aaron Gray
 Montreal Green
 Lester Groff
 Joan Guilarte
 Dean Gunby
 Carolyn Gutermonth
 Bernard Hackett, Jr
 Dwayne Hall
 James Hall
 Danielle Hamilton
 Jeffrey Hamilton
 Janet Hardy
 Tondilea Harper
 Nancy Harple
 Sharon Harris
 Alicia Harroll
 Rovena Harvey
 Sandra Hassell
 Susan Hatley
 Beverly Haynes
 James Haynes
 Martha Helton
 Larry Hennick
 David Hinks
 Robert Hoeckel
 Phyllis Hoffman
 Beth Hollenbeck
 Frank Hollenbeck
 Sharon Hornberger
 Donna Howard
 Michael Howard
 Darlene Hurtig
 Robin Iachini
 Twila Jackson
 Cynthia Jacobson
 Diane Jasper
 Mary Jaymont
 James Johns
 Archie Johnson
 George Johnson

Ivory Johnson-Bey
 Donna Jolley
 Shavonne Jones
 Sonya Jones Brandon
 Janet Jones-Alford
 Peter Karceski
 Edward Kasemeyer
 Randolf Kauffman
 Nancy Kellar
 Charmaine Kelley
 Gail Kelly
 Wanda Kelly
 Roxanne Kern
 John Keskula
 Brandi Kilmartin
 Florence Kirk
 Carol Kirkwood
 Kristin Klein Opulencia

Karen Lowrey
 Robin Luber
 Roberta Lucas
 Erica Lucy
 Melinda Mack
 Patrick Mackie
 Delores Maddox
 Ellen Magee
 Christopher Maith
 William Mannion
 Kimberly Marcantoni
 Angela Marrow
 Donna Marshall
 Robert Marshall
 Veronica Marshall
 Mark Marszal
 Charlotte Martin
 Randall Martin

Nathaniel Oaks
 Agnes Odle
 Jane O'Neill
 Marlene Oney
 Angela Onokala
 Juan Ortega
 Candace Osunsade
 Gary Pahr
 Michael Pajerowski
 Louis Panos
 Kathleen Parsley
 Robin Patrick
 James Peterson
 Melinda Petit
 Christine Phelan
 Thomas Phelan
 Frances Phillips
 Diane Pie
 Deborah Pierce
 Katherine Piunti
 Robert Powell
 Brian Primus
 Linda Pueschel
 Daniel Pugh
 Wanda Purdy
 Diane Quick
 Rosa Ramos
 Jacqueline Rawl
 Stephanie Redd
 Beverley Reed
 Pamela Reed
 Gale Reikenis
 Josefina Retoma
 Jessie Reuben
 Alverta Richard
 Nicole Richardson
 Lawrence Rives
 Carl Roberts
 Robert Robideau
 Sarah Robinson
 Charles Robison
 Angela Roos
 Jules Rosenberg
 Sharon Rowell
 Jill Rudich
 John Ruyter
 Karen Ryan
 Cindy Sachse
 Evelyn Saunders
 Lydia Scenna
 Carol Schafer
 Barbara Scheinin
 Paul Schlining
 Lisa Schuscha
 Adrienne Sessions
 Vincent Sevilla
 Relinda Sexton
 Joanne Shanahan
 Freda Sharpe
 Anne Shaw
 Debra Shaw-Wesley
 Jeffrey Shelton
 Brian Sherrod
 Teresa Shifflett
 Cindy Siejack
 Betty Siggers
 Rial Simons
 Tanya Simpson
 Wendy Slutzky
 Michael Small

Barbara Smith
 Hester Smith
 James Smith
 Mary Smith
 Shawn Smith
 Marva Snyder
 Grace Sobrio
 Joanne Sonntag
 Brian Stephens
 Sandra Stevens
 Nancy Stewart
 Robert Stewart
 Lynda Streckfus
 Mitch Strong
 Paula Sullivan
 Hazel Sumpter
 Madeline Swetz
 Carol Szlachetka
 James Taylor
 Veronica Taylor
 Barbara Tedder
 Kathy Terrell
 Mark Thackston
 Bonnie Thomas
 Lorie Timmons
 Lesley Tompkins
 Stephen Trageser
 Scott Trickett
 Jeannine Trisler
 Robert Trzeciak
 Marilyn Tucker
 Rhonda Tucker
 Claudette Tyler
 Dawn Unglesbee
 William Vanhoy
 Kimberly Vantassel
 Mario Velez
 Edwin Vogel
 Karen Vonbank
 Mitesh Vyas
 Tracy Wade
 Alicia Walker
 Robert Warzala
 James Webb
 Lucile Webster
 Michelle White
 Dianne Wiegand
 Anna Williams
 Marilyn Williams
 Tanya Williams
 Terri Williams
 Janice Williamson
 Karen Williamson
 Sharon Williamson
 Donna Wilson
 Nancy Wilson
 Sharon Witherspoon
 William J Wolf Jr.
 Jaime Wolfe
 Michelle Woods
 Jody Woodward
 Mary Louise Wozny
 Terry Wright
 Patricia Wroe
 Daniel Zaneski
 Catherine Zannino
 Catherine Zdradzinski

Our Mission

IWIF, a talented team of workers' compensation professionals, protects more Maryland workers than our competitors by providing high quality services at a fair market price. We champion workplace safety to protect all Maryland workers. And by providing insurance to the largest share of businesses, we support the State of Maryland and its economy.

Phyllis Knapik
 David Knauff
 Alice Kneavel
 Kama Kolbe
 William Konstas
 Connie Kowalski
 Lisa Kruska
 John Kuemmel
 Satheshchand Kuppalli
 Jerry Landsman
 Natalie Langrock
 Eric Lashley
 Tracey Lawrence
 Edward Layfield
 George Layfield
 Pamela Leidner
 Dawn Lemaster
 Deborah Le Mon
 Mark Letersky-Bykowski
 Monica Levandosky
 Ronald Levasseur
 Jennifer Lewis
 Karen Lewis
 Frank Linardi
 Alease Logan
 Robert Loh
 Nancy Lohr
 Rita Loney
 Deborah Ann Long
 Lorraine Long
 Michael Lowenstein
 Thomas Lowery

Griselda Massie
 George Matthews
 Stephanie Matthews
 Warren Matthews
 Quiana Mays
 Patricia McCarthy
 Wanda McClary
 Sharon McCormick
 Theresa McCue
 Nancy McDermott
 Diane McFarland
 Elizabeth McGhee
 Patricia McGurrin
 Joseph McLaren
 Janeen McLean
 Nancy Mecler
 Mario Melfa
 Robert Merritt
 Adam Metz
 Michele Metzdorf
 Thomas Michels
 Timothy Michels
 Lynn Middleton
 Juanette Miller
 Maureen Montague
 Courtney Moody
 Gilbert Moore
 Bud Moore
 Jane Moshier
 Donaleigh Mrozinski
 Leo Murley
 Stephen Nagrabski