

"They took care of me like I was family." — Harley Bowers



Ken Ross
President and Chief Executive
Officer of Pinnacol Assurance

As CEO of Colorado's leading workers' compensation insurance company, I receive the most revealing feedback when I'm traveling around Colorado, at charitable events or out to dinner with my family. Sometimes I'm taken aback by how far people go out of their way to share something nice. Often it's an injured worker or family who feel compelled to let me know how well a Pinnacol employee took care of them.

In those moments, I'm proud to lead not just any workers' compensation insurer, but Pinnacol Assurance. Our vision is to be the best workers' compensation insurance company in the nation, and that goes well beyond writing benefit checks.

Being the best means delivering top-notch service, keeping rates stable and affordable, and genuinely caring about the people our business serves.

A Culture of Compassion

In this day and age, "compassionate insurer" sounds like an oxymoron. But that's what injured workers Tom Young, Jandale Carter and Harley Bowers (see "Profiles" section) will tell you about Pinnacol. And they are not alone.

In a recent survey, fully 80 percent of injured-worker respondents were satisfied with Pinnacol's overall handling of their claims. Within that category, injured workers reserved their highest marks for "being treated with respect and courtesy."

The capacity to care, to get involved and to want to make a difference — these are traits of the people we hire. We keep that spirit alive through a corporate culture that rewards teamwork and service. Operationally, we maintain an unusually high ratio of one nurse for every two claims representatives, so we can deliver personal, attentive service to injured workers and their families. With manageable caseloads, our nurses can spend more time with each worker and proactively troubleshoot problems.

One thing that surprises injured workers is the frequency of our phone calls — to learn how the latest doctor's appointment went, to find out how that new medication is being tolerated or just to ask how they're getting along. At the same time, we keep our sights set on the day an injured worker can return to the job in some capacity. The opportunity to feel productive again has been proven to help workers physically, mentally and financially.

We thrive on making a difference. So I suppose it's natural that we look for ways to help in the larger community too. Pinnacol employees readily volunteer their time and talent in the neighborhoods where they live and work. In 2009, 93 percent of our employees spent time volunteering.

The Pinnacol Foundation makes a big impact, too, by providing college scholarships to the children of Colorado workers seriously injured or killed on the job — *regardless of which carrier handled the parent's claim*. In 2009, the Foundation surpassed the \$1 million mark in scholarships to help students realize their dreams of college education.



Ross teaching high school students through Junior Achievement.

Improving the Pinnacol Experience

Being the best means you never stop reaching; there's always room for improvement. In 2009, we developed the underlying structure for two important initiatives aimed at enhancing our stakeholders' experience with Pinnacol:

Our **Health Risk Management (HRM) Study** is groundbreaking, and seeks to prove a link between wellness programs and lower workers' compensation costs. Enrolled policyholders will participate in wellness programs that guide employees in making lifestyle choices that help them become healthier, happier and

more productive. Pinnacol believes HRM will someday be as fundamental to managing risk as safety is today. Our goal is to enroll 30,000 Colorado employees in our HRM program over the next five years.

The **Clinic Performance Initiative** will begin measuring Pinnacol-contracted medical clinics in areas crucial to the injured-worker experience. These measurements will help make sure that injured workers are being treated at clean, organized clinics by friendly, competent professionals who provide good care, schedule appointments in a timely manner and file the right paperwork. This information will also help policyholders select a designated provider; show agents which clinics run efficient, responsive operations; and give medical providers insights into how they can improve their own practices.

In 2010, we launched these initiatives externally, educating stakeholders and enrolling participants. HRM training began in May, and the first complete version of clinic performance data will be available in August.

Also in 2010, we distributed another general dividend and reduced rates. We also welcomed four new members to the Pinnacol Board, including a doctor, an insurance agent, a management expert and a union official, whose perspectives will nicely round out our existing board.

Through the Eyes of Injured Workers and Their Families

The rest of this report offers an intensely personal glimpse into the lives of three Coloradans who were affected by workplace injuries and counted on Pinnacol in the days, months and years that followed.

In some cases, we've become a permanent part of injured workers' lives — providing lifelong financial and medical benefits, helping send their kids to college through the Pinnacol Foundation, and going that extra mile to support and respect them as individuals.

We will continue to strive to be the best workers' compensation company in the nation. What gives us peace is knowing that the people who know Pinnacol best — the Colorado employers we serve and the workers with serious injuries or permanent disabilities, as well as the surviving family members of workers killed on the job — are those who value us most.

A Partner on the Journey to Recovery

I have a deep respect for the fortitude of these injured workers and, equally so, for the individual Pinnacol team members who have journeyed with them on the road to recovery. Thanks, all of you, for sharing your stories with us.



Ken Ross

President and Chief Executive Officer