

December 16, 2002

**TO:** AGENCY HEADS  
RISK COORDINATORS  
SAFETY ADVISORS

**FROM:** David Hartwig, Administrator  
Risk Management Division  
Phone: (503) 378-5526  
Fax: (503) 373-7337

**SUBJ:** Annual Vehicle Incident Report - FY 02

Attached is the latest vehicle incident report. It reports crashes, collisions and claim costs for FY 01-02. The good news is that the state has seen decreases in all categories of incident frequency. If not for a single tragic loss, costs would have dramatically decreased. In 2001 we reported a 69% jump in the collision cost per 12,000 miles. This year the growth is 156%. This is due to that catastrophic loss. Statistically, we should take out the loss. It skews the data. Even though the loss is an outlier, the importance of this event remains. It reminds us why we need to pay so much attention to vehicle use.

Two police officers, an Oregon State Police Senior Trooper and a City of Albany officer, were killed while aiding a stranded motorist. Another Oregon State Trooper was grievously injured. The dollar cost is only a small indication of the human tragedy that unfolded that night. We ask you to remember, it is an awesome responsibility to step behind the wheel of a vehicle. You accept responsibility, not only for your own safety, but the safety of your passengers and others outside your car.

Risk Management has been working with state agencies since 1998 on a Vehicle Incident Prevention Project (VIPP). The purpose of VIPP was to focus resources and attention on vehicles losses. Our actuaries told us these losses were the key factor driving the increase to the Self-Insurance Fund. VIPP has been successful as current analysis indicates those costs have stabilized. So, we discounted this statewide initiative. We turned our attention to other issues that are pushing up current risk charges. However, vehicle use and driving are still significant state risks. It is essential your agencies continue to aggressively manage that risk. Build on existing foundations. Driving is the single most dangerous activity done by state employees on a routine basis. The harm to our police officers last year, due to an error by another driver, is a poignant reminder.

The data in this year's report is unaffected by the property deductible increase that took effect on 7/1/2002. Next year will be different. How we count vehicle incidents will change. The report will no longer contain vehicle losses within the new deductible level. Plan for this impact if you use this report to analyze your vehicle trends.

Your continued efforts to manage driving risks and reduce incident frequency is essential. There are solid programs and resources for agencies interested in managing it. Check out the VIPP Toolkit at <http://risk.das.state.or.us/vipptool.htm>. If you have questions about this report or need help with vehicle incidents, call us at (503) 373-RISK.

Attachments

H/Riskdata/ Vehincid.FY02.CoverLtr02