



**MeM** MISSOURI  
EMPLOYERS  
MUTUAL

# 2022 Annual Report



# MEM MISSOURI EMPLOYERS MUTUAL

## EXECUTIVE TEAM



**James C. (Jim) Owen**  
President and CEO



**Jennifer Barth**  
VP, Chief Legal Officer



**Rene Tettleton Eslinger**  
VP, Chief Sales Officer



**Jennifer Langan**  
VP, Chief Claims Officer



**Kevin Miller**  
VP, Chief Operating Officer



**Jennifer Peck**  
VP, Chief Strategy & Customer Officer



**Andy Ribaud**  
VP, Chief Financial Officer



**Roger Walleck**  
VP, Chief Underwriting Officer

## BOARD OF DIRECTORS



**Charles A. Caisley**  
Chair, Kansas City



**W. Thomas Reeves**  
Vice Chair, St. Louis



**James J. Jura**  
Kansas City



**Joe L. Moseley**  
Columbia



**Herman A. Styles**  
Poplar Bluff



## Delivering Value and Paving the Path for Growth

Dear MEM Partners:

Each year in business brings challenges, but within them, we find opportunities. For us, 2022 allowed us to get back to basics and strengthen our position for future growth.

MEM ended the year with \$17.9 million in net income, boosting policyholders' equity to a historic high of \$276 million and preserving the company's financial strength for our mutual policyholders.

Work comp continues to be a highly competitive line of business that is increasingly dominated by national players offering multiple lines. As work comp rates continued to decline, our premium growth slowed in 2022. Our focus on profitability and efficiencies helped balance our overall performance and continues to position us for stable long-term growth.

Our results are moving in the same direction as the market. As a result, we remain financially strong and in a positive position with AM Best as an A- rated carrier. Our combined ratio continued to improve year over year, allowing us to reinvest profit for the benefit of our policyholders.

In 2022, we retired our Safety Dividends program to allow for a more competitive upfront price. Workplace safety remains a top priority for MEM, as we continue to invest in more effective ways to drive safety, including upgrades to our Safety Grant program, our unparalleled training, and our peerless risk consultants.

But not all performance measures can be seen on the balance sheet. We also measure our success by the number of employees we keep safe, and I'm proud to report 86 percent of our policyholders were injury-free in 2022. Our ultimate goal is to save more lives and we improved our ability to do that by:

- Reducing the cost to manage claims.
- Building our customer base with improved focus, pricing and offerings.
- Increasing efficiency and effectiveness by modernizing our operations.

From providing the right coverage to getting people safely back to work, behind every policy is a team of employees that bring decades of experience to the table. This results in responsive partnerships for

independent agents, safer workplaces for businesses and improved medical outcomes and benefits for injured workers.

As we look to the future, we are excited about the road ahead. Missouri lawmakers approved for MEM to take steps to privatize on Jan. 1, 2025. Our transition to a private mutual insurance company will provide the best path forward for our company, customers, community, employees, and the state. We have built a successful business by protecting businesses and their employees, and that will never waver.

We remain grateful for our partners who have confidence in us and believe in our promise to help people get home safely from work.

James C. (Jim) Owen  
*President and CEO*

# OUR VALUE:

## Bringing More to Work Comp Coverage

For more than 25 years we've had the same promise: To provide businesses with the services and resources they need to help every employee go home safe at the end of the day. We keep this promise by investing in products and programs with demonstrable value to help policyholders achieve workplace safety goals.

"I believe Safety & Risk Services, Claims, Customer Care and every department here sets us apart," said Phillip Markt, Senior Customer Care Advocate. "Whether you are a policyholder or injured worker, you can always speak or chat with a live person for guidance and support."



### OUR SERVICE

At MEM, you're not just a number. You're a valued customer who deserves personalized attention and service. You don't have to navigate through automated phone systems and long wait times. We have real people answering the phone to give you peace of mind and confidence in your insurance coverage.

"MEM is a great company to work with. They have friendly and professional customer service, and claims are quickly taken care of. I was recently given another quote for workers comp and I wasn't interested in moving because of the service MEM provides," said Steph Moad, manager of M & W Hauling Inc.

**IN 2022, CUSTOMER CARE ADVOCATES ADDRESSED 67,659 CALLS AND 45,839 EMAILS.**

*"My favorite thing about working at MEM is knowing that what we do makes a difference to our customers' lives. By making safety our mission, we give them the tools and knowledge to bring more employees home safe each day."*

— Robert Rahmier, Senior Customer Care Advocate, MEM



### OUR SAFETY OUTREACH

In 2022, we impacted more than 10,800 employees with safety training and awarded 52 businesses \$380,000 from our Safety Grants program. Our work comp and safety experts become part of the team, helping create a safety culture that reduces premiums not just once, but for good.

**SINCE 2016, MEM HAS AWARDED \$2.36 MILLION IN TOTAL SAFETY GRANTS IMPACTING 10,000 EMPLOYEES.**

*"The Safety Grants program is a major deciding factor in our decision to remain with MEM for our workers comp coverage."*

— Joshua A. Krull, EMS Chief, Osage Ambulance District



## OUR PARTNERS

We value our relationships with our network of more than 780 independent agents and consider them trusted business partners, tapping our Agents' Advisory Council for guidance several times a year. Often the first line to our policyholders, we work to keep them informed and increase the ease of doing business with us.

**MEM IS SERVED BY A 17-MEMBER AGENTS' ADVISORY COUNCIL COMPRISED OF PRODUCERS, PRINCIPALS, AND STAFF WHO BRING ISSUES TO THE TABLE ON PRODUCERS' BEHALF. ALL AGENTS SERVE FOUR-YEAR TERMS ON THE COUNCIL.**

*"Our 600+ captive Shelter agents love working with MEM and Previsor. Our agents appreciate how easy it is to do business with you."*

*— Lance Kauffman, Director & General Manager, Daniel Boone Agency, LLC*



## OUR SUPPORT

At MEM, we are proud to be more than just your insurer — we're your partner. Since 1995, we've been proving our commitment to safe workplaces and stronger communities with an outstanding team of engaged employees.

"Agents have a comfort level with us knowing that if they come to us, we are going to give them the correct information and if we don't have the answer right away, we will get back to them with it," Senior Underwriter Becky Duello said. She appreciates being able to provide personal service and expertise to her accounts, and how the underwriter can often serve as a 'one stop shop' for information.

**15 YEARS: THE AVERAGE YEARS OF EXPERIENCE OF AN UNDERWRITER AT MEM.**

*"Our agents KNOW who their underwriter is, no matter the account size. They know they will get a person on the phone to answer their questions. It gives them a level of comfort that we are all working together on the same goal: to write business and retain it."*

*— Becky Duello, Senior Underwriter, MEM*



## OUR IMPACT

MEM employees gave more than 3,200 hours to the community in 2022, impacting more than 125 organizations. In fact, 72 percent of MEM employees chose to volunteer their time last year. Immeasurable is the value our nonprofit partners gave to us as we learned more about their missions and community impacts.

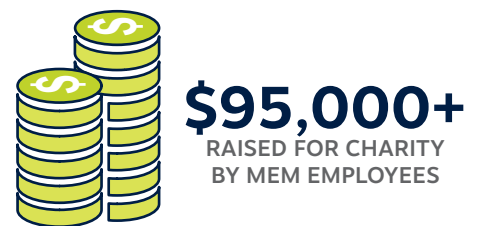
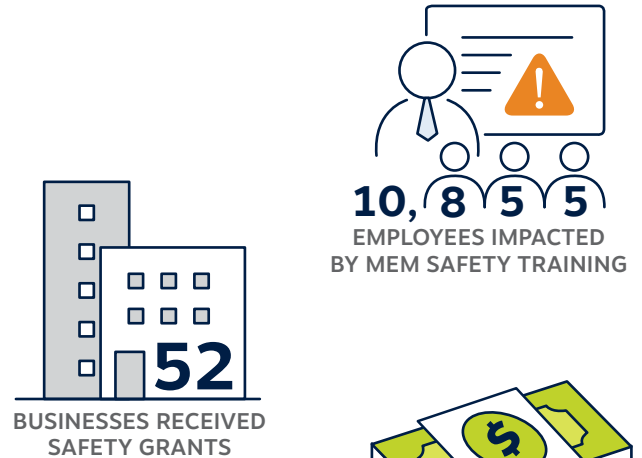
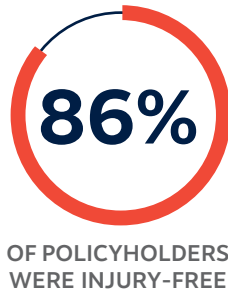
**<< SCAN TO LEARN MORE ABOUT OUR CORPORATE IMPACT.**

*"One of the biggest reasons why I love MEM is our giving back to the community. I love that they give us volunteer time off and provide us a healthy work-life balance."*

*— Missy Hatfield, Customer Care Advocate II*

# 2022 By The Numbers

## Missouri Employers Mutual





# Financial Statement

A- (EXCELLENT) FINANCIAL RATING FROM A.M. BEST

<b>FINANCIAL HIGHLIGHTS</b> (DOLLARS IN MILLIONS)	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>UNDERWRITING OPERATIONS</b>			
Net Premium Revenue	\$226.9	\$229.7	\$231.6
Net Losses and Loss Adjustment Expense	\$156.3	\$160.9	\$167.5
Net Income (Loss)	\$17.9	\$12.1	\$19.9
<b>INVESTMENT OPERATIONS</b>			
Net Investment Revenue	\$19.9	\$17.8	\$18.7
Realized Investment Gains (Losses)	\$2.0	\$7.5	\$16.0
Cash and Invested Assets	\$731.2	\$719.5	\$668.5
<b>FINANCIAL POSITION</b>			
Total Assets	\$815.6	\$808.0	\$759.7
Unpaid Losses (Reserves)	\$408.2	\$391.3	\$363.5
Policyholders' Equity	\$276.0	\$273.6	\$252.6
<b>RATIOS</b>			
Loss Ratio	68.9%	70.1%	72.3%
Expense Ratio	34.2%	33.9%	32.4%
Combined Ratio	103.1%	104.0%	104.8%
<b>DIVIDENDS</b>			
	\$0.8	\$7.1	\$5.2

Find our complete 2022 annual statement at [mem-ins.com/about/financial-strength/](https://www.mem-ins.com/about/financial-strength/).



***MeM*** MISSOURI  
EMPLOYERS  
MUTUAL

