

	<p align="center">County Insurance Program</p> <p align="right"><i>Adopted on: 12/29/1976</i></p>
<p align="center">Last Revision Date: 12/07/2022</p>	<p align="center">Policy No. 2.500</p>
<p align="center">Last Enabling Resolution: 191-2022/913-2022</p>	<p align="center">Developer/Reviewer: Risk Management</p>

1. Purpose

Risk Management is responsible for developing and implementing a holistic insurance program, utilizing self-insurance, purchased policies, and prevention and mitigation strategies to protect the County from accidental loss.

2. Scope

All employees and elected officials have an obligation to prevent, control, and reduce the effects of accidental loss of all County assets (physical, personnel, and otherwise).

3. Policy Statement

Risk is a natural part of doing business and it is the County’s mission to provide critical community services while also being mindful of the risks associated which such activities. The County cannot mitigate all risks and as such must strike a balance between self-insurance and purchased policies to allow for the uninterrupted delivery of County services.

4. Definitions

- A. **Risk of loss** – Responsibility to cover the peril/damage/loss.
- B. **Risk appetite** – Amount of risk that the County is willing to accept to achieve our objectives.
- C. **Risk tolerance** – Amount of loss the County is willing to assume within the Self-Insured program; this is not the same as Risk Capacity or Risk appetite.
- D. **Risk capacity** – The financial ability of the County to take on risk.
- E. **Risk transfer** – Shifting liability to another party, commonly through purchasing of insurance policies.
- F. **Deductible/self-insured retention** – Fixed amount of money which the County must pay before an insurance policy will pay on the claim.
- G. **Risk assessment** – Process to identify hazards and risk factors, analysis the risk, and determine appropriate ways to eliminate or control the hazard.

5. Procedures

A. Insurance Portfolio

1. Policy types:
 - a. Self-insurance shall be the primary method to manage the risk of loss when it is financially prudent to do so.
 - b. Insurance policies shall be purchased when the risk of loss exceeds the County's tolerance for self-insurance. Purchased policies may be subject to a deductible or self-insured retention.
 - c. Risk Management shall work with an insurance broker to review the County's risk appetite and risk capacity across established and emerging policy lines. Risk Management shall present to the Board of County Commissioners any new policy lines, which exceed the County's risk tolerance for self-insurance.
2. Risk Management shall work with Finance staff and the Board of County Commissioners to ensure adequate budget authority to cover the costs of the insurance program.
3. Risk Management reserves the right to determine if the costs of any aspect of the Insurance program should be part of internal service fees allocated to departments annually through the budgetary process (i.e. the Workers Compensation rate).

B. Prevention and Mitigation Strategies

1. Occupational Health and Safety Program (policy 2.502) shall serve as a primary avenue for the controlling of risks, which arise from physical, chemical, and other workplace hazards to ensure employees are able to work in a safe and healthy environment, and to reduce the occurrence of workplace injuries.
2. Risk Management shall work with departments to establish processes for the implementation of Risk Assessments to help understand and eliminate or mitigate risks across the County's varied activities and served populations. Where identified that a risk cannot be eliminated or adequately mitigated, Risk management shall determine if an additional insurance policy needs to be purchased to protect the County's operations.

C. Settlement of Claims

1. Workers Compensation Claims (litigated and non-litigated)
 - a. The Risk Management Coordinator shall have claim authority to settle claims in an amount less than \$30,000.00
 - b. The County Counselor shall have claim authority to settle claims in an amount of at least \$30,000.00 but less than \$100,000.00
 - c. The Board of County Commissioners shall have claim authority to settle claims in an amount of \$100,000.00 or more.
 - d. Workers' Compensation claims arising from KSA 44-501b, "Compensation where death results from injury", etc., shall be handled by the Risk Management Coordinator to ensure timely payment of all benefits to the employee's heirs. The Risk Management Coordinator will keep the County Counselor and the Board of County Commissioners apprised of payments made in accordance with KSA 44-501b.
 - i. Where KSA 44-501b allows for a discount if the benefit is paid in whole instead of over time, the County shall not pursue such discount

- ii. Where KSA 44-501b sets a \$10,000 limit for funeral expenses, the County shall pay for all appropriate expenses beyond that amount.
 - iii. Where KSA 44-501b sets a \$2,500 limit for a Court-appointed conservator, the County shall pay for appropriate expenses beyond that amount.
 - 2. Property damage, vehicle damage, and public liability claims (litigated and non-litigated, including County initiated claims)
 - a. Claims made against a purchased policy:
 - i. Risk Management will work with the insurance company to file any claim in a timely manner and shall be responsible for the management of the claim for the County.
 - A. Risk Management shall be responsible for ensuring the deductible or self-insured retention is met.
 - B. Risk Management shall be responsible for following the County's purchasing charter to determine the selection of vendors to make repairs.
 - b. Claims made against the County's self-insured program:
 - i. Risk Management shall carefully review all claims submitted by Departments to determine if a request falls within the scope of the County's self-insured program. Typically, property or technology that was damaged, lost, or stolen while in the possession of or under the control of an employee is not covered. The County's self-insured program covers damage caused by clients or the public against County-owned assets, or damage caused by weather events which fail to meet the deductible of the purchased policy.
 - ii. The Risk Management Coordinator shall have claim authority to settle claims in an amount less than \$30,000.00
 - iii. The County Counselor shall have claim authority to settle claims in an amount of at least \$30,000.00 but less than \$100,000.00
 - iv. The Board of County Commissioners shall have claim authority to settle claims in an amount of \$100,000.00 or more.
 - 3. Professional liability/ employment practice liability/ civil rights claims/ sexual harassment claims
 - a. When appropriate, Risk Management will notify the appropriate professional liability carrier of any claim made against the County and provide all necessary documents in coordination with the County Counselor's Office and the Department.
 - b. The County Counselor shall have claim authority to settle claims in an amount less than \$100,000.00
 - c. The Board of County Commissioners shall have claim authority to settle claims in an amount of \$100,000.00 or more.
 - 4. Notification of settlement to the Commission
 - a. Risk Management and the County Counselor shall report jointly monthly to the Board of County Commissioners the claims settled by the County during the previous 30 days.

5. No settlement agreement containing a requirement that the terms and conditions of the settlement be made confidential shall be approved by the Board of County Commissioners, the County Counselor, or the Risk Management Coordinator.