



Adopted: June 3, 1988
Last Amended: July 1, 2019

GENERAL LIABILITY 1 & 2 PROGRAM REPORTING/SETTLEMENT/REIMBURSEMENT PROCEDURES

The following Liability procedures shall be complied with and reported to the Authority:

I. REPORTING

Reporting of new claims/suits, status reports, defense litigation reports, trial reports, and reserve changes shall comply with the Addendum B Claims Administration Standards.

Although the Member's third party administrator may be performing all reporting, it is the ultimate responsibility of the Member to report to the Authority.

In cooperation with the Member, the Authority may become actively involved in the day-to-day handling of any claim.

II. SETTLEMENT

Before a Member or its representative begins settlement negotiations, the Authority shall be notified. If any portion of the settlement is going to involve Authority funds, the Member or its representative must obtain written authorization from the Authority before the settlement can be presented to the plaintiff. Keep in mind, outside defense costs (for GL1) and in-house/outside defense costs (for GL2), are applied to the S.I.R and must be considered during settlement negotiations.

The Authority shall be included in settlement negotiations on cases involving or having potential to involve the Authority's funds, to protect the Pool's interests.

III. REIMBURSEMENT PROCEDURES

1. Once prior written authorization is given to settle an excess case, or a Judgment puts it into the excess, the Member or its administrator must submit:
 - A) Copies of all settlement documents, including releases, annuity forms (if structured), and properly filed dismissals.
 - B) Copies of all itemized bills from defense attorneys, claims

administrators, expert witnesses and any other cost bills.

- C) Copies of valid evidence of payment properly matched to the bills and settlement documents. Valid evidence of payment can take the form of check copies, data processing runs, Member warrant registers, department payment records, TPA claim payment screen printout, identifying the following:
 - a. Check or warrant number
 - b. Issue date
 - c. Payee
 - d. Paid amount
- 2. A cover letter requesting reimbursement of the net amount after deducting the S.I.R, must be submitted with the above documentation.
- 3. Once the figures are reconciled, a check request will be made to reimburse the Member in the appropriate amount. When issued this check will be mailed to the Member contact person, with a copy to the claims administrator (if applicable).

Following is the history of amendments to this document:

Adopted: June 3, 1988
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