

**CSAC EXCESS INSURANCE AUTHORITY**  
**GENERAL LIABILITY 2 COMMITTEE**

**MEETING SUMMARY**

---

CSAC Excess Insurance Authority  
75 Iron Point Circle, Suite 200  
Folsom, California 95630  
916-850-7300

---

Wednesday, September 5, 2018  
9:00 a.m.  
Seventh Meeting – 2018

**Members Present**

Karen Caoile, Alameda County  
Sharon Hymes-Offord, Contra Costa Co.  
Robert Schroeder, El Dorado County  
Michael Bowers, Riverside County  
Patrick Flaherty, City of Sacramento  
Paul Hight, Sacramento County  
LeAnna Williams, San Bernardino County  
Claudia Castillo del Muro, City of San Diego  
Tanya Moreno, San Joaquin County  
Lance Sposito, Santa Clara County  
Enrique Sahagun, Santa Cruz County  
Susan Cox, Tulare County

**Members Absent**

Donald White, ERMAC  
Angela Kraetsch, City of Santa Clara  
Greg Elliott, City of Oakland

**General Business**

- The Committee had a long discussion regarding the most recent renewal, specifically about some of the larger issues and challenges identified by staff and Alliant along with questions and concerns the reinsurers have raised about the Program. The first topic of discussion was the claims handling process, including: obtaining and/or timely reporting of claims by the members, receiving claim updates from the members and/or their TPA, late retention of experts, lack of information, late disclosure or failure to provide key information as it relates to certain claims, and reserving philosophies. The second area discussed was the loss data collection process, specifically: asking members to move to monthly reporting, the benefits of monthly reporting for members and the Program overall, and the challenges that come from those members who report their data annually (as opposed to monthly).

The Committee identified eight possible solutions to address the claims handling challenges and four possible solutions to deal with the loss data issues. The Committee members are taking these solutions back to their respective agencies, will review them with key staff, and the Committee will reconvene in a

month or so to discuss solutions, identify the best ones, and begin to implement the determined solutions.

- Staff led the Committee through a review and discussion of the Committee's risk retention philosophy. The Committee last evaluated their Risk Retention Philosophy five years ago and at that time, identified its risk tolerance to be on the low end of the threshold – which is a bias towards transfer of risk. After much discussion, the Committee decided not to make a change at this time, but to bring the item back next year for further discussion when the Committee can assess how changes being made in other areas have impacted the Program and its renewal.
- Staff gave an update on the GL2 MOC proposed revisions that have been sent out to the GL2 members for review and comment. To date, staff has not received any feedback from the members expressing concern regarding the proposed language changes. Alliant shared that the carriers have expressed some concerns over the proposed language as it is scheduled for inception as a mid-year revision (October 1, 2018) and reinsurers did not have the opportunity to price the reinsurance taking into account the possible inclusion of claims that previously would have fallen under the Medical Malpractice MOC. Staff and Alliant continue to work with the carriers to determine if a October 1, 2018 effective date is acceptable; if not, the effective date will likely be July 1, 2019.

### **Closed Session**

The Committee discussed two claims in closed session.

### **Next Meeting**

The next meeting will be held at the call of the chair.