



AGENDA

MEETING:	Schools Program Alliance Board of Directors Meeting	A Action I Information
DATE/TIME:	March 31, 2025 at 10:00 AM PDT	1 Attached
TELECONFERENCE:	Toll Free (888) 475 4499 or (669) 900-6833 US Toll	2 Hand Out
	Meeting number (access code): 971 2313 5914	3 Separate Cover
	https://alliantinsurance.zoom.us/j/97123135914?pwd=cmarezZF2E8VCtNFgrm3dKRzRatmtL.1	4 Verbal

IMPORTANT NOTICES AND DISCLAIMERS:

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Michelle Minnick at Alliant Insurance at (916) 643-2715 twenty-four (24) hours in advance of the meeting. The Agenda packet will be posted at each member's site. Documents and material relating to an open session agenda item that are provided to the SPA members less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 460, Sacramento, CA 95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, SPA does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

This Meeting Agenda shall be posted at the address of the teleconference locations shown below with access for the public via phone/speaker phone.

1. Butte Schools Self-Funded Programs, 500 Cohasset Road, Suite 24, Chico, CA 95926
2. North Bay Schools Insurance Authority, 380 Chadbourne Rd, Fairfield, CA 94534
3. Redwood Empire Schools' Insurance Group, 5760 Skylane Blvd., Suite 100, Windsor, CA 95492
4. Schools Insurance Authority, 9800 Old Placerville Rd, Sacramento, CA 95827
5. Schools Insurance Group, 550 High Street, Ste. 201, Auburn, CA 95603
6. Central California Schools Authority, 7170 N. Financial Dr. #130, Fresno, CA 93720

<i>PAGE</i>	A. CALL TO ORDER, ROLL CALL, QUORUM	A 4
	B. APPROVAL OF AGENDA AS POSTED	A 4
	C. PUBLIC COMMENTS <i>The public is invited at this point to address the Board of Directors on issues of interest</i>	I 4
	D. CONSENT CALENDAR <i>The Board of Directors may take action on the items below as a group except a Board Member may request an item be withdrawn from the Consent Calendar for discussion and action.</i>	A 1
<i>Pg. 4</i>	<ol style="list-style-type: none"> 1. Minutes of SPA Board Teleconference Meeting March 10, 2025 2. Meeting date June 9th change start time to 8am 	
<i>Pg. 9</i>	E. MEMBER PROGRAM AND IDEA SHARING	
	F. LIABILITY PROGRAM	
<i>Pg. 10</i>	1. Renewal Update <i>Jim Wilkey will provide the Board with an update as it relates to the renewal of the Liability Program.</i>	A 1



G. GENERAL ADMINISTRATION AND FINANCIAL REPORTS

- Pg. 11 **1. Standing Committee and Task Group Updates** **I 1**
 a) Cost Allocation Task Force
 b) Liability Claims Task Force
 c) Property Program Loss Control - Ad Hoc Committee
- Pg. 12 **2. Strategic Planning Objectives** **I 1**
 The Board will receive an update regarding progress in completing Objectives from the August Strategic Planning session.
- Pg. 14 **3. Draft Governing Documents for Entity JPA** **A 1**
 Dan Howell will provide a memo regarding the revised governing documents for discussion and approval or direction.
 a. Joint Exercise of Powers Agreement
 b. Bylaws
 c. Participation Agreement – Property
 d. Participation Agreement - Liability
- Pg. 38 **4. Alliant Deadly Weapons Response Program Update** **I 1**
 Dennis Mulqueeney will provide the Board with an update regarding the FY 25/26 period including coverage enhancements.

H. PROPERTY PROGRAM

- Pg. 42 **1. 2025 Property (And APD) Renewal Update** **I 4**
 Dan Madej will provide the status of the upcoming Property, APD and ADWRP renewal for FY 25/26.
- Pg. 43 **2. Student Accident Program Update** **A 1**
 The Board will receive rates and may consider joining

I. INFORMATION ITEMS AND DISCUSSION **I 4**
This is an opportunity for a Board Member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure the Member is experiencing.

J. ADJOURNMENT **A 4**

Upcoming Teleconference Meeting Dates:
May 12, 2025
June 9, 2025



Item D.

CONSENT CALENDAR

ACTION ITEM

ISSUE: Items on the Consent Calendar are to be reviewed. If any item requires clarification, discussion, or amendment by any member of the Board, such item(s) may be pulled from Consent Calendar and placed on the agenda for separate discussion.

Items pulled from the Consent Calendar will be placed on the agenda in an order determined by the President.

RECOMMENDATION: Adoption of items presented on the Consent Calendar after review by the Board.

FISCAL IMPACT: As indicated on any item included.

BACKGROUND: Items of importance that may not require discussion are included on the Consent Calendar for adoption.

PUBLICATION: None.

ATTACHMENTS:

1. Minutes of SPA Board Teleconference Meeting March 10, 2025
2. Meeting date June 9th change start time to 8am

SCHOOLS PROGRAM ALLIANCE

March 10, 2025 Board Of Directors Teleconference Meeting Minutes

Members Present:

Butte Schools Self-Funded Programs (BSSP)	Christy Patterson
Butte Schools Self-Funded Programs (BSSP)	Nicole Strauch
North Bay Schools Insurance Authority (NBSIA)	Andrew Obando
North Bay Schools Insurance Authority (NBSIA)	Jan DeGracia
Redwood Empire Schools Insurance Group (RESIG)	Cindy Wilkerson
Redwood Empire Schools Insurance Group (RESIG)	Sandy Manzoni
Schools Insurance Authority (SIA)	Brooks Rice
Schools Insurance Authority (SIA)	Debrah Sherrington
Schools Insurance Authority (SIA)	Phil Brown
Schools Insurance Authority (SIA)	Amy Russell
Schools Insurance Authority (SIA)	Josh Arnold
Schools Insurance Authority (SIA)	Olivia Nelson
Schools Insurance Group (SIG)	Kelli Hanson
Schools Insurance Group (SIG)	Gabbi Daniel
Central California Schools Authority (CCSA)	Alan Caeton
Central California Schools Authority (CCSA)	Jeff Pierce

Consultants & Guests

Dan Madej, Alliant Insurance Services	Jim Wilkey, Newfront
Dan Howell, Alliant Insurance Services	Eileen Massa, Newfront
Marcus Beverly, Alliant Insurance Services	Ryan Telford, AmWins
Michelle Minnick, Alliant Insurance Services	
Jenna Wirkner, Alliant Insurance Services	

A. CALL TO ORDER, ROLL CALL, QUORUM

Ms. Cindy Wilkerson called the meeting to order at 10:02 a.m. and welcomed the board. The above-mentioned members were present constituting a quorum.

B. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Alan Caeton

SECOND: Kelly Hanson

**MOTION CARRIED
UNANIMOUSLY**

C. PUBLIC COMMENT

There were no public comments.

D. CONSENT CALENDAR

1. Minutes of SPA Board Teleconference Meeting February 10, 2025

A motion was made to approve the Consent Calendar.

MOTION: Alan Caeton

SECOND: Kelli Hanson

**MOTION CARRIED
UNANIMOUSLY**

E. MEMBER PROGRAM AND IDEA SHARING

Alan Caeton – thanks to Cindy for sending out the HR packet. Good to see Brooks that he’s healthy NBSIA – excited to say they have hired a P&L Claims Risk Manager and won’t start until April 28th. Additionally, they will interview on Wednesday for Executive Director and hopefully will have a decision at the next upcoming meeting. Cindy Wilkerson provided an update as it relates to the School and College Legal Resources – RESIG is seeking to expand services only to the SPA JPA and not any other groups at this time.

F. GENERAL ADMINISTRATION AND FINANCIAL REPORTS

F.1.A. STANDING COMMITTEE AND TASK GROUP UPDATES – PROPERTY CLAIMS TASK FORCE

Marcus Beverly provided a review of the Property Claims Task Force and noted that we have Josh Arnold provided additional comments as it relates to open claims. The members expressed gratitude to Josh and his efforts on the open claims.

F.1.B. STANDING COMMITTEE AND TASK GROUP UPDATES – LIABILITY CLAIMS TASK FORCE

Olivia Nelson noted the first meeting will take place on March 24, 2025 and most were able to meet up during PARMA to discuss it’s purpose and how to engage in dialogue. More to come after the meeting.

F.1.C. STANDING COMMITTEE AND TASK GROUP UPDATES– COST ALLOCATION WORK GROUP

Dan Madej indicated that they aimed to have this ready for this meeting but after three meetings the group did not want to rush to get this in front of the Board until it was finalized. He provided a detailed update and noted the progress that has been made with the intent to have this finalized by the March 31, 2025 meeting.

F.1.D. STANDING COMMITTEE AND TASK GROUP UPDATES – PROPERTY APPRAISAL TASK FORCE

Debrah Sherrington noted that we have not meet officially as a group and discussions have started as to when we were last appraised, to develop a plan to ask four different vendors for pricing and once we get a response we can redefine the criteria if we need to drop the price. Marcus Beverly

provided that the last time we completed the appraisal it was noted that AIG provided an appraisal for 18 high schools so these may need to be included in the appraisal moving forward if AIG is unwilling to perform the appraisal for those sites. Ryan Telford noted that he will reach out to the AIG team to determine their opinion.

Members of this task force: Michelle, Marcus, Sandy, Debrah

F.1.E. STANDING COMMITTEE AND TASK GROUP UPDATES – PROPERTY PROGRAM LOSS CONTROL AD HOC COMMITTEE

Sandy Manzoni noted that the group hasn't met in a while but a meeting is set for later this week. Additionally, it was noted that the group is working to getting a reduction in the pricing with Mike Crandall from California Safety Training. Lastly, the group has added a new member, Denise Shiner from NBSIA.

F.2. STRATEGIC PLANNING OBJECTIVES

Marcus Beverly provided a short review of the Strategic Action Plan and noted that we have the JPA documents on the agenda with the hope to have approved at this meeting to transition to an Entity JPA.

F.3. DRAFT GOVERNING DOCUMENTS FOR ENTITY JPA

- 1. Joint Exercise of Powers Agreement**
- 2. Bylaws**
- 3. Participation Agreement – Property**
- 4. Participation Agreement - Liability**

Marcus Beverly noted that SPA was initially formed as a Partnership JPA and there has been discussion and the group has decided to transition to an Entity JPA. He reviewed the changes presented and it was noted an additional item on page 21 of 67 section 11(b) needed to update the wording from “President” to “Chair”. Additionally, another correction was noted on page 23 iii processed under “THE” internal controls. Lastly, a question was posed if the JPA Document should name Schools Risk Insurance Management Group (SRIMG) as SIG’s official name.

Program Administration was tasked with accepting changes and distribute a clean version which the members are asked to review for final acceptance at the 3/31/25 Board Meeting.

F.4. MANAGING MEMBER FINANCIAL UPDATE

Phil Brown provided a review of the 12/31/24 financials – he noted claims liabilities have increased since last year. Additionally, it was noted that the Audit has been pushed to April 2025.

A motion was made to accept the Managing Member Financial Report.

MOTION: Alan Caeton

SECOND: Kelli Hanson

**MOTION CARRIED
UNANIMOUSLY**

G.1. PROPERTY PROGRAM – 2025 PROPERTY (AND APD) RENEWAL UPDATE

Dan Madej provided that we are still in the process of preparing the property data for submission to the market but we are in a good position at this time. Ryan Telford noted that there have been reductions for renewals that have no loss activity related to wildfires. There was a discussion about appraisal values being provided by firms based both inside and outside of California. Alan Caeton indicated interest in potentially joining the SPA Property placement and requested information on how to that would be facilitated – it was noted a loss run and a property schedule would need to be supplied.

G.2. STUDENT ACCIDENT PROGRAM UPDATE

Table to next meeting and share with members individually so they can look at it in anticipation of the meeting on 3/31/25.

There was additionally a discussion regarding MR OCIP and it was noted that we are reviewing the language in the MOC as it relates to Builders Risk and Course of Construction.

G.3. POLLUTION

Dan Howell provided the Board with a review of the Pollution application information that would be needed if the SPA group decided to begin a pollution program for members. After a discussion which noted that coverage will exclude prior known conditions it was agreed that members will be sent an application which will need to be completed by each underlying JPA.

G.4. COURSE OF CONSTRUCTION COVERAGE

Dan Howell noted that we had agreed in the underwriting guidelines that new construction projects valued over \$5M should be placed as a standalone Course of Construction (aka Builders Risk) policy. This was because SPA didn't want the property program to be used for wood frame construction. It was noted that we do have \$25M sublimit for remodels, but when we have new construction, those projects have been asked to seek a standalone placement. After a discussion regarding the language of the MOC it was noted that this should be discussed with legal to determine how we are going to incorporate language into the MOC and bring back to a future meeting to finalize.

H.1. LIABILITY PROGRAM – RENEWAL UPDATE

Jim Wilkey thanked those who were able to meet at PARMA with the SPA Underwriters as it was a productive day and the meetings throughout the day with the markets were generally positive. Jim provided a review of their current marketing efforts and went on to note that more updates will come during the April and he will have more of an update at the May 12, 2025 meeting.

I. INFORMATION ITEMS

Cindy Wilkerson thanked the group for the article regarding Social Inflation and noted there was another in the Chronicle about abuse situations. Additionally, it was noted there was another Deadly Weapons claim submitted and reminded members of the reporting procedures for that program to avoid any issues with reporting. It was also requested to receive an update regarding the ADWRP and any enhancements for the renewal.

It was noted there was a conflict with the June 9th SPA Board meeting and the Board generally agreed to move the meeting start time to 8:00 am. It was noted this would be brought back at the next meeting to ratify the change.

J. ADJOURNMENT

The meeting was adjourned at 11:38 A.M.

NEXT MEETING DATE: March 31, 2025 via Teleconference

Respectfully Submitted,

Cindy Wilkerson, Secretary

Date

DRAFT



Schools Program Alliance

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

Board of Directors Teleconference Meeting

March 31, 2025

Item E.

MEMBER PROGRAM AND IDEA SHARING

INFORMATION ITEM



Item F.1.

LIABILITY PROGRAM

RENEWAL UPDATE

INFORMATION ITEM

ISSUE: The Board will receive information regarding the Excess Liability Program.

RECOMMENDATION: None.

FISCAL IMPACT: No fiscal impact is expected from action at today's meeting.

BACKGROUND: Newfront is currently exploring options to purchase additional supplemental (or sideways) aggregate to shore up existing aggregate limits quoted and will provide a verbal update of marketing efforts to date.

ATTACHMENTS: None.



Schools Program Alliance

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

Board of Directors Teleconference Meeting

March 31, 2025

Item G.1.

GENERAL ADMINISTRATION AND FINANCIAL REPORTS

STANDING COMMITTEE AND TASK GROUP UPDATES

INFORMATION ITEM

- a) Cost Allocation Task Force**
- b) Liability Claims Task Force**
- c) Property Program Loss Control - Ad Hoc Committee**



Item G.2.

STRATEGIC PLANNING OBJECTIVES

INFORMATION ITEM

ISSUE: The Board regularly reviews the Strategic Planning Objectives for the latest updates and provides direction as needed.

A total of ten goals were identified, ranging from establishing a Liability Claims Committee to reviewing innovative programs and services. Five of the goals contain action items that are addressed later in the agenda for this meeting and are highlighted in the attached. Other items due or pending are noted in red in the Deadline column.

Two of the most significant goals are transition to an “Entity” JPA and development of a Property Program Rating and Allocation Plan for FY 25/26. Members are also asked to recommend a change in the property adjustment firm, and the Marketing Task Force has produced a draft SPA Introductory Guide and Infographic for review.

RECOMMENDATION: Review and provide feedback or direction as needed.

FISCAL IMPACT: None expected from this item.

BACKGROUND: SPA held its fourth long range planning meeting on August 20-21, 2024, and developed the attached Plan as a result. Key discussion points centered on SPA’s governing structure, claims management, cost allocation, and new programs and services.

ATTACHMENTS: SPA Strategic Planning Objectives as of 3.24.2025

FY 2024/25 SPA STRATEGIC PLANNING OBJECTIVES

GOAL	ACTION / TASK	STAFF	Assigned	DEADLINE	STATUS
LRP-1	Establish a Liability Claims Committee – this committee will be subject to the Brown Act *NOTE: later ammended to a Task Group				
	a. Staff to draft formation resolution for Board consideration & adoption	PA	MB	Oct	Done
	b. Liability Claims Committee to begin meetings and report out to Board	PA	JW	Mar	TBD
	c. Staff to work with Counsel to include establishment of Liability Claims Committee in Entity JPA Documents	PA	DH	Jan	N/A
LRP-2	Address counsel recommendations in JPA governing documents review				
	a. Amend Resolution 21-012 to incorporate terms and conditions of the Agreement by reference	PA	MB	Oct	Done
	b. Add to Annual Service Calendar the nomination and Board designation of the Managing Member for the upcoming fiscal year	PA	MM	Oct	Done
	c. Amend Property Program Memorandum of Coverage to define Coverage Provider	PA	DM	March	Prep by Submission to Market
	d. Establish basic contracting standards for SPA	MM	PB	TBD	
	e. Define "high risk" and "vacant" locations and submit for the Property Program Memorandum of Coverage for Board adoption	PA	DM	March	Prep by Submission to Market
	f. Establish core communications and distribution protocol for relevant documentation such as audits and policies & procedures, etc.	BOD	MB	Mar	
LRP-3	Consider transition to an Entity JPA - Have Counsel and Administrator develop entity joint powers documents for future consideration				
	a. Counsel and Program Administrator prepare draft entity joint powers agreement, bylaws, program participation agreements and supporting documents	PA, GC	DH/MB	Dec	Drafts On 12.9.24 Board Agenda
	b. Initial review and comments from SPA Board	BOD	DH/MB	Dec	Choose Counsel
	c. Revised draft entity JPA governing documents prepared by Counsel and Program Administrator for SPA Board review	PA, GC	DH/MB	Jan	Under Review/On Jan Agenda
	d. SPA Board takes action to move forward or shelve establishment of entity JPA	BOD		Feb	Counsel Drafts Presented on 2.10.25 and 3.10.25 and 3.31.25 Agendas
	e. SPA Members take action to approve participation in SPA as entity JPA going forward	BOD		Mar-Apr	
LRP-4	Property Loss Control – develop and execute a plan addressing the locations listed on the high risk/remote endorsement				
	a. Have Core Logic present on how their wildfire model works and whether SPA can impact that modeling via some risk control	PA	DM	Oct	Done
	b. Inventory previous loss control work at these locations to determine out what has been done and outstanding recommendations	PA	MB	Oct	Pending
	c. Property Program Loss Control Committee to recommend to SPA Board a loss control services plan for the scheduled locations			Mar	
	d. Execute plan as approved by SPA Board	PA	MB	Start Dec	
LRP-5	Property Claims Handling and Client Service Instructions				
	a. Develop resolution for October SPA meeting appointing SIA as SPA property claim adjuster	PA/MM	MB	Oct	Done
	b. Gather member comments on draft CSI's for SPA adjuster and finalize in October	PA/MM	MB	Oct	Done
	c. Meeting for SPA with Chris Stafford and McLarens about services	AIS	MB	Oct	Done
	d. Introduce other independent adjuster alternative firms	PA	DH	Sept-Feb	New TPA choice 2.10.25 Agenda
LRP-6	Property Program Cost Allocation Task Force – (Kelli Hanson as chair, Phil Brown, Christi Patterson and ?)				
	a. Program Administrator to lead review of Property Program rating and cost allocation current status and options	PA	DM	Sept-Dec	Done
	b. Task Force to review and recommend Property Program Rating and Allocation Plan for FY 2025/26 and beyond	PA		Mar	On 3.10.25 and 3.31.25 BOD Agendas
	c. SPA Board takes action to establish Property Program Rating and Allocation Plan for FY 2025/26	PA	BOD	Mar	Pending
	d. Program Administrator communicates Plan to SPA Member Boards	PA		April - June	
	e. Plan changes effective at July 1, 2025 if approved	PA	DM	Jul	
LRP-7	Identify potential SPA Coverage Counsel firms for Property and Liability				
	a. Gather names of potential coverage counsel, verify if property or liability focused, confirm whether conflicts with current members and reinsurers	PA	MB/DH	Sep-Dec	Done
	b. Review candidates with SPA Board or designees	PA	MB/DH	Dec	On 12.9.24 Board Agenda
	c. Conduct interviews as needed	PA	BOD	Jan-Feb	Completed - Deb Stermer Coverage
	d. Confirm appointment(s) by SPA Board action	PA	BOD	Mar	Byrne Conely for JPA Counsel
LRP-8	Task force for marketing information, videos etc. SIA, North Bay and RESIG				
	a. This item needs further development by SPA Board	BOD	BOD	Dec	Draft SPA Guide on 2.10.25 Agenda
LRP-9	Developing Program Specific Underwriting Policy & Procedures for Liability & Property				
	a. Establish separate working groups for Liability and Property Programs and inventory existing P&P	PA	NF/AIS	Dec	
	b. Working groups to prepare separate drafts for each program	PA	NF/AIS	Dec	
	c. Review of proposed separate Underwriting P&P and adoption by SPA Board	PA	BOD	Jan	
LRP-10	New Programs & Services				
	a. Look into MR OCIP partnership with PRISM	PA	AIS/KB	Dec	On Jan 13 agenda
	b. Student Accident Program exploration	PA	AIS/PD	Feb	On 3.10.25 and 3.31.25 BOD Agendas
	c. Pollution program evaluation	PA	AIS/DM	Mar	In Progress
	d. Look into a cyber program that is loss prevention and security based with option for cyber insurance paired	PA	MM/AIS/TJ	Mar	
	e. Solution for adds and deletes and pending transactions in property program	PA	MM	Mar	
	f. Long, Long range – how could a SPA sponsored captive benefit the members – possible multi state diversification	PA	MM/DH		

BOD: SPA Board of Directors
PA: SPA Program Administrator
MM: Managing Member

AIS: Alliant Ins. Svcs.(Property Program)
NF: Newfront Insurance (Liability Program)
GC: SPA General Counsel



Item G.3.

DRAFT GOVERNING DOCUMENTS FOR ENTITY JPA

ACTION ITEM

ISSUE: Attached please find the draft “entity” JPA governing documents for SPA as revised by legal counsel Byrne Conley. Most of the revisions are to the JPA Agreement and include more detail to the definition of “Member Agency” and specific references to the Labor, Education, and Governments codes. The Agreement also designates SIA as the applicable agency exercising the law, with other agencies available as alternatives.

Given the applicable documents are ready to be reviewed and approved, the question before the Board includes the decision to proceed to have the documents approved by the governing boards of each of the members.

On March 24, 2025, the Program Administrator received from NBSIA comments and edits from its general counsel regarding proposed edits to the agreement. As the edits were not provided in redline/strikeout, we are preparing a document comparison which will be distributed separately in advance of the meeting. Attached to this agenda cover is the email with comments from NBSIA’s counsel.

RECOMMENDATION: Review and approve the draft documents as presented, revised, or provide direction, including each member moving forward to approving by their governing boards.

FISCAL IMPACT: Estimated legal expense for review under \$5,000.

BACKGROUND: The attached *draft* Joint Exercise of Powers Agreement, Bylaws, Liability Program Participation Agreement and Property Program Participation Agreement are provided for Board review and feedback. The Agreement is designed to transition SPA from a “partnership” JPA to an “entity” JPA. These drafts have been prepared by the Program Administrator for initial discussion and subsequently reviewed and revised by counsel.

ATTACHMENTS:

1. Joint Exercise of Powers Agreement
2. Bylaws
3. Participation Agreement – Property
4. Participation Agreement – Liability
5. Email from NBSIA with comments from NBSIA Counsel

DRAFT

SPA

JOINT EXERCISE OF POWERS AGREEMENT

AS OF JULY 1, 2025

JOINT EXERCISE OF POWERS AGREEMENT FOR THE SCHOOLS PROGRAM ALLIANCE (SPA)

THIS AGREEMENT is made and entered by and between the local government entities who are presently parties to that certain "Schools Program Alliance Joint Powers Agreement," or who subsequently become signatories to this instrument (the "Agreement").

Recitals

- A. On June 22, 2020, the Schools Program Alliance was formed by a group of California School Joint Powers Authorities who executed a certain "Schools Program Alliance Joint Powers Agreement" (the "JPA"). Other public entities have subsequently become signatories to the JPA and members of the Schools Program Alliance (SPA) and at the present time there are six members of SPA who are parties to the JPA.
- B. In the interval since SPA was founded, SPA has developed and is presently operating risk management and loss prevention programs related to public liability, auto liability, public officials' errors and omissions, crisis management, and property risks in which SPA's local government entity members may and do participate.
- C. With the increase in membership in SPA and the development and operation of multiple programs, the conduct of SPA's business has become significantly more complex, resulting in the need for a restructuring of certain elements of the SPA organization.
- D. In order to implement the required restructuring, make other needed amendments to the provisions of the JPA and incorporate all changes in a single instrument, the parties desire to restate the JPA in the form of this Agreement.
- E. In order to make the agreement easier to read and understand, all previous endorsements and adjustments have been incorporated into a single instrument.

Terms and Conditions

In consideration of the foregoing Recitals and the mutual promises of the parties as set forth in the following Terms and Conditions, it is mutually agreed by all of the parties to this Agreement as follows:

SECTION 1: Definitions

The following definitions shall apply to the provisions of this Agreement:

- (a) "Agreement" shall mean this restated Joint Exercise of Powers Agreement.
- (b) "Authority" shall mean the Schools Program Alliance (sometimes also referred to in this Agreement as "SPA") created by and existing under this Agreement.

- (c) "Board of Directors" shall mean the principal governing body of the Authority sometimes also referred to in this Agreement as "Board").
- (d) "Bylaws" shall mean the adopted Bylaws of the Authority as amended and/or restated in their latest approved form.
- (e) "Insurance" shall mean any program of the Authority providing coverage against losses to Member Agencies who are participants in the program whether the coverage is based upon purchased insurance, reinsurance, self-insurance, pooled self-insurance funding or any other similar mechanism, instrument or facility.
- (f) "Member Agency" shall mean an entity of local government, dedicated primarily to educational purposes such as a school district, county office of education, charter school, community college district or joint powers authority comprised of such entities, which is a party to this Agreement.
- (g) "Program Administrator" shall mean the individual, Member JPA, or firm retained by the Board of Directors to administer the Authority.
- (h) "Managing Member" shall mean the individual, Member JPA, or firm retained by the Board of Directors to provide financial management services for the Authority.

SECTION 2: Legal Authority For Agreement

- (a) This Agreement is entered into pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (beginning with Section 6500) which authorizes two or more local public entities, such as the Member Agencies who are parties to this Agreement, to exercise any power which is common to each of them.
- (b) This Agreement is also based upon applicable provisions of law which empower local public entities, such as the Member Agencies who are parties to this Agreement, to engage in risk pooling, risk management and loss prevention activities. The following state laws, among others, authorize the member entities to enter into this agreement: Labor Code section 3700(b) allowing a local public entity to fund its own workers' compensation claims; Government Code sections 989 and 990, and Education Code sections 17565-17567, 35208, 35214, 72506 and 81601-81603, permitting a local public entity to insure itself against property, liability and other losses; Government Code section 990.4 permitting a local public entity to provide insurance and self-insurance in any desired combination; and Government Code section 990.8 permitting two or more local public entities to enter into an agreement to jointly fund such expenditures under the authority of Government Code sections 6500 – 6515.

SECTION 3: Purposes

The purposes of this Agreement are to:

- (a) Provide for the continuation and effective governance of the Authority.

- (b) Continue effective operation of cooperative programs of risk management and loss prevention so as to reduce or eliminate losses and loss exposures, decrease the expenses of claims and claims administration, and improve procedures to manage risks commonly experienced by the parties to this Agreement.
- (c) Continue effective operation of existing Insurance programs in the areas of public liability, environmental impairment, auto liability, public officials' errors and omissions, workers compensation and property losses.
- (d) Implement new Insurance and other programs related to the foregoing purposes and including any Insurance related to property, casualty, accident, health, life and other insurable perils which the Authority deems necessary, advisable, and beneficial to the parties to this Agreement.
- (e) Pool the self-insurance claims of two or more local public entities as referred to in California Government Code sections 990.8 and 6512.2.

SECTION 4: Parties to the Agreement

- (a) Only local public entities of California government which are empowered by law and actually engaged in activities described in Section 1(f) may be considered for membership in the Authority.
- (b) The parties to this Agreement are all local public entities which are, as of the effective date of this Agreement, Member Agencies of the Authority or which are subsequently admitted as Member Agencies in accordance with Section 20 of this Agreement.

SECTION 5: Term of Agreement

Subject to the power to terminate any Member Agency's membership in the Authority, as provided for in this Agreement, this Agreement shall continue indefinitely, and it shall not be terminated so long as two or more Member Agencies agree that the Agreement, and the Authority, be continued.

SECTION 6: Existence of Authority As Separate Public Entity With Sole Responsibility For Its Obligations

Pursuant to California Government Code Sections 6500 et seq., a public entity of the State of California known as the Schools Program Alliance has been created and does now exist. The Authority exists separately and apart from the Member Agencies. Pursuant to California Government Code Section 6508.1 the debts, liabilities and obligations of the Authority shall be solely its own and they shall not constitute debts, liabilities or obligations of its officers, directors, employees, agents, Board of Directors, Program Director or of any Member Agency.

SECTION 7: Powers of Authority

- (a) The Authority shall have all of the powers common to the parties to this Agreement and all additional powers afforded under California law to public entities such as Authority, formed for the purpose of jointly exercising powers common to their members. The

Authority is also authorized by this Agreement to do all acts necessary for the exercise of its powers. The Authority's powers include, but are not limited to, the following:

- i. To make and enter into contracts.
- ii. To incur debts, liabilities, and obligations.
- iii. To acquire, hold, or dispose of property, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.
- iv. To sue and be sued in its own name, and to settle any claim against it.
- v. To receive and use contributions and advances from Member Agencies as provided in California Government Code Section 6505 et seq., including contributions or advances of personnel, equipment or property.
- vi. To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5.
- vii. To carry out all provisions of this Agreement.

Pursuant to California Government Code Section 6509 the Authority's powers shall be exercised in the manner and according to Procedures provided in the laws applicable to the Schools Insurance Authority; or if that entity should cease to be a Member Agency, then in the alternative the Butte Schools Self-Funded Programs; or the North Bay Schools Insurance Authority; or the Redwood Empire Schools Insurance Group; or the Schools Insurance Group.

SECTION 8: Board of Directors

The Authority shall be governed by a Board of Directors which shall be composed of representatives of those Member Agencies who have exercised their right to participate on the Board of Directors. Each Member Agency shall be entitled at any given time to appoint one member and one or more alternate member(s) of the Board of Directors, each of whom shall be an officer, director, or employee of the appointing Member Agency- Appointments shall be made as specified in the Bylaws. At any meeting of the Board of Directors, each duly appointed member, or in the member's absence, one of the alternate members as determined by the Member Agency, shall have one vote on behalf of his or her Member Agency.

SECTION 9: Powers of the Board of Directors

- (a) The Member Agencies, acting through the Board of Directors, shall retain overall responsibility for governance of the Authority, including the right to exercise all powers of the Authority not reserved to the Member Agencies of the Authority.
- (b) The Board of Directors shall have the following express powers, duties and responsibilities:

SPA Joint Exercise of Powers Agreement Draft 3.10.25

- i. Election of certain Authority officers , except that vacancies occurring in those offices during their term shall be filled pursuant to Section 11(f).
- ii. Approval of the annual budget of the Authority.
- iii. Approval of amendments to this Agreement and the Bylaws.
- iv. Approval of new Insurance programs of the Authority.
- v. Determination of contributions and, if necessary, assessments.
- vi. The exercise of powers of the Authority, including promulgation of policies, procedures, and rules, with respect to all matters reserved to the Board of Directors by this Agreement, the Bylaws or otherwise.

SECTION 10: Meetings of the Board of Directors

- (a) The Bylaws of the Authority shall make provision for calling and holding meetings of the Board of Directors which shall include, in any event, at least one regular meeting annually.
- (b) Meetings of the Board of Directors shall be conducted in accordance with this Section, the Bylaws and applicable provisions of law governing the meetings of legislative bodies and governing boards of local public entities of the State of California including the provisions of the Ralph M. Brown Act (California Government Code Section 54950 et seq.).
- (c) The presence in person (or by telephone in the case of a noticed telephonic meeting) of a majority of the then duly appointed members (including alternate(s) in the case of absence of the member) of the Board of Directors shall constitute a quorum for the conduct of business of the Board except as otherwise provided by this Agreement, the Bylaws or other applicable provisions of law.

SECTION 11: Officers of the Authority

- (a) The officers of the Authority shall be a Chair, Vice-Chair, Secretary and Treasurer-Auditor whose duties shall be as set forth in this Agreement, the Bylaws or as prescribed by applicable provisions of law.
- (b) The Chair and Vice-Chair shall be elected by the Board of Directors and shall serve two-year terms. Neither officer shall serve for more than two complete consecutive terms in his or her respective office, although these term limits may be extended by action of the Board. The terms of each office will ordinarily commence on July 1 of each odd-numbered fiscal year except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held.
- (c) Unless the Board of Directors determines otherwise, the Secretary shall be an individual who is the designated senior representative of the Program Administrator. The Secretary shall serve at the pleasure of the Board. If the designated senior representative of the Program Director is unable to serve for any reason, including his or her removal from office

by the Board, the Board shall appoint a replacement who may be another senior representative of the Program Director, a senior staff member of the Authority, a member of the Board or an officer, or employee of a Member Agency.

- (d) Unless the Board of Directors determines otherwise, the Treasurer-Auditor shall be appointed by the Board and shall serve at the Board's pleasure. The Treasurer-Auditor shall be an officer or employee of a Member Agency.
- (e) The Authority may have such other officers as provided in the Bylaws.
- (f) If a vacancy occurs mid-term in the office of the Chair, the Vice Chair shall automatically succeed to the office of Chair to serve out the balance of the term of his/her predecessor. If a vacancy occurs mid-term in the office of Vice Chair, a successor shall be appointed by the Board to serve out the balance of the term.

SECTION 12: Committees

The Authority shall have standing and other committees as may be provided for in the Bylaws or which are created by the Board of Directors or the President. Committees of the Authority shall have powers, duties and responsibilities as provided in the Bylaws or as delegated and directed by the appointing person.

SECTION 13: Program Director and Other Staff

- (a) The Board of Directors shall appoint a Program Director who shall be responsible for the general administration of the business and activities of the Authority as directed by the Board.
- (b) The Board of Directors shall appoint an attorney at law who shall serve as general Legal Counsel to the Authority.
- (c) The Board of Directors shall provide for the appointment of such other staff of the Authority as may be necessary for the administration of the Authority.
- (d) As determined by the Board, staff functions may be performed by employees of the Authority, by officers, directors, and employees of Member Agencies and by agents, advisors and consultants retained under contract by Authority.
- (e) The Program Director and other staff of the Authority shall have such powers, duties and obligations as are established by this Agreement, the Bylaws, the policies, procedures and rules promulgated by the Authority and any contractual arrangements which may exist between the Authority and the respective entity or person.
- (f) Subject to any applicable contractual arrangements which may take precedence, the Program Director and Legal Counsel shall serve at the will and pleasure of the Board of Directors and all other staff shall serve at the will and pleasure of the Board.

SECTION 14: Insurance Coverage

The Authority shall maintain insurance coverage on its activities as determined by the Board of Directors to be necessary and adequate.

SECTION 15: Accounts and Records

- (a) Annual Budget. The Authority shall adopt an annual budget, which shall include a separate budget for each Insurance program under development or adopted and implemented by the Authority. The Board shall cause to be prepared, shall review and approve and shall recommend a proposed annual budget to the Board of Directors for its consideration. In the event a proposed budget is not approved, the Authority shall continue to operate using the budget figures from the previous fiscal year.
- (b) Funds and Accounts. As directed by the Board, the Treasurer-Auditor of the Authority shall establish and maintain such funds and accounts as may be required by law and good accounting practices. Separate accounts shall be established and maintained for each Insurance program under development or adopted and implemented by the Authority. Books and records of the Authority in the hands of the Treasurer-Auditor shall be open to inspection at all reasonable times by authorized representatives of Member Agencies. A quarterly unaudited financial statement will be produced and distributed to all Member Agencies. The Authority shall adhere to the standard of strict accountability for funds set forth in Government Code Section 6505.
- (c) Treasurer-Auditor's Report. The Treasurer-Auditor, within one hundred and twenty (120) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board and to each Member Agency .
- (d) Annual Audit. Pursuant to Government Code Section 6505, the Authority shall contract with an independent certified public accountant to make an annual fiscal year audit of all accounts and financial statements of the Authority, conforming in all respects with the requirements of that section. A report of the audit shall be filed as a public record with the County Auditor of each Member Agency within six months of the end of the fiscal year under examination. Costs of the audit shall be considered a general expense of the Authority.

SECTION 16: Responsibilities for Funds and Property

- (a) The Treasurer-Auditor shall have custody of and disburse the Authority's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board of Directors to perform that function, subject to the requirements of (b) below.
- (b) Pursuant to Government Code Section 6505.5, the Treasurer-Auditor shall:
 - i. Receive and acknowledge receipt for all funds of the Authority and place them in the treasury of the Treasurer-Auditor to the credit of the Authority.

**BYLAWS
of the
SCHOOLS PROGRAM ALLIANCE**

PREAMBLE

These Bylaws are adopted effective July 1, 2025, pursuant to the "Joint Exercise of Powers Agreement for the Schools Program Alliance (SPA)" (the "Agreement").

ARTICLE I - THE AUTHORITY

SECTION 1.1. Name of Authority. The name of the Authority created by the Agreement shall be the Schools Program Alliance (the "Authority").

SECTION 2.1. Office of Authority. The principal office of the Authority shall be at the address listed in Attachment A to these Bylaws, or at such other location as the Board of Directors may designate by resolution.

SECTION 3.1. Fiscal Year. The fiscal year for the Authority shall commence July 1 of each calendar year and end June 30 of the following calendar year.

ARTICLE II - BOARD OF DIRECTORS

SECTION 2.1. Membership. The Authority shall be governed by a Board of Directors. Each of the parties to the Agreement as set forth in Sections 4 and 20 of the Agreement (the "Member Agencies") shall be entitled to participate and be represented by a representative on the Board of Directors. If a Member Agency elects to exercise its right to representation on the Board of Directors, it shall promptly notify the Authority in writing of the names of the Board member and alternates who have been selected to represent the Member Agency, and subsequently of any successors to them. The Member Agency shall also comply with any other procedures which may be established by resolution of the Board of Directors to identify Member Agencies who have chosen to participate and be represented on the Board of Directors and to authenticate Member Agencies' representatives. All designated Board members and alternates shall comply with the provisions of California law which require certain public officials to file Statements of Economic Interests. Any Member Agency which is not then exercising its right to participate on the Board of Directors may change its status at any time by written notice to the Authority of that decision, by designation of its representative Board member and alternates and by compliance with any other procedures established by the Board of Directors.

SECTION 2.2. Powers. The powers of the Board shall be as set forth in Section 9 of the Agreement.

SECTION 2.3. Meetings.

(a) Regular Meetings. Regular meetings of the Board shall be held at least once a year at a time and place to be set by the Board. Except as otherwise provided in Section 25 of the Agreement, the agenda for each regular meeting of the Board shall be posted at the principal office of the Authority and delivered to each Member Agency in accordance with the Ralph M. Brown Act (California Government Code Section 54950 et seq.).

(b) Special Meetings. Special meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956.

(c) Public Meeting. All meetings of the Board shall be open to the public, except as provided by law.

(d) Quorum. The presence of a majority of the members of the Board shall constitute a quorum for the transaction of business. Except as otherwise provided in the Agreement, the Bylaws or by law, no action may be taken by the Board except by affirmative vote of not less than a majority of those members of the Board present. A smaller number may adjourn a meeting.

(e) Order of Business. At the regular meetings of the Board, the following shall be the order of business:

- i. Roll Call.
- ii. Approval of Minutes of the previous meeting.
- iii. Agenda Items.
- iv. Adjournment

(f) Manner of Voting. With respect to matters of business affecting only a particular insurance program, voting on such matters shall be restricted to those Board members whose Member Agencies are participants in that particular program, and the votes of other Board members shall not be counted.

(g) Action by the Board. All resolutions of the Board shall be in writing, signed by the President and attested to by the Secretary. All other actions of the Board shall be by motion recorded in written minutes.

(h) Rule of Order. All rules of order not otherwise provided for shall be determined, to the extent practicable, in accordance with "Robert's Rules of Order;" provided, however, that no action of the Board shall be invalidated, or its legality otherwise affected, by the failure or omission to observe or follow "Robert's Rules of Order."

ARTICLE III - OFFICERS

SECTION 3.1. Principal Officers.

The principal officers of the Authority are the Chair, Vice-Chair, Secretary and Treasurer-Auditor, as provided in Section 11 of the Agreement.

SECTION 3.2. Other Officers.

The Board of Directors may create such other offices and appoint such other officers as it deems necessary and advisable. Officers so appointed shall serve at the pleasure of the Board and shall exercise such powers, perform such duties and assume such responsibilities as set forth in a resolution duly adopted by the Board for that purpose.

ARTICLE IV - COMMITTEES

SECTION 4.1. Establishment of Committees.

Pursuant to Section 12 of the Agreement, the Authority shall have the standing committees specified in this Article and such other committees as may be appointed from time-to-time by the Board of Directors or the Chair.

SECTION 4.2: Property Program Committee.

(a) The Authority may create a "Property Program Committee". This Committee may be a standing committee of the Authority. Upon establishment, members of the committee shall be: (1) affiliated with Member Agencies who are participants in the Authority's Property Program; (2) knowledgeable about the operation of the program; and (3) selected by the Board Chair. Committee members other than the Committee Chair shall serve two, two-year terms with the terms of two or three members beginning in even-numbered calendar years and the other members' terms beginning in odd-numbered calendar years. The term of the Chair shall be indefinite and at the pleasure of the Board Chair.

(b) The purpose of the Property Program Committee shall be to advise the Board of Directors of all operational aspects of the Property Program and to execute and implement the directions of the Board with regard to matters within the committee's powers, duties and responsibilities, which shall be as follows:

(c) Underwriting

i. Solicit information necessary to evaluate membership applications. Determine adequacy of information provided by prospective members.

ii. Advise and report to the Board on matters relating to prospective new members to the program.

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(d) Coverage Issues

i. Review coverage issues as they arise and make a recommendation to the Board.

(e) Claims Administration

i. Advise and report to the Board of Directors as to the status of the Program.

ii. Solicit proposals, select, and recommend to the Board qualified candidates to serve as the program's Claims Administrator.

iii. Administer the contract for claims services and review invoices.

iv. Provide supervision and direction to the Authority's claims administrator.

v. Review procedures for claim processing and recommend changes if appropriate.

vi. Review claims frequency and severity reported by participants.

vii. Oversee the preparation of a quarterly claims report to all participants.

viii. Identify needs of participants and recommend training.

ix. Review disputed claims and settle claims within authority granted by the Board pursuant to the Property Claims Management Policy & Procedure.

(f) Loss Control

i. Develop programs, policies and resources that will enable participants to reduce property losses.

ii. Provide for inspections of participants' facilities to assist in reducing losses and improving safety.

iii. Administer contract for loss control services and recommend approval of payments.

iv. Provide supervision and direction to the Authority's loss control consultant.

v. Prepare and coordinate an annual safety program.

vi. Coordinate safety program with the Liability Program Committee.

(g) Budget

i. Recommend Program budget.

(h) Delegation of Duties

i. – Delegate any of these duties and responsibilities as it deems appropriate.

SECTION 4.3. Liability Program Committee.

(a) The Authority may create a "Liability Program Committee". This Committee may be a standing committee of the Authority. Upon establishment, members of the committee shall be: (1) affiliated with Member Agencies who are participants in the Authority's Liability Program; (2) knowledgeable about the operation of the program; and (3) selected by the Board Chair. Committee members other than the Committee Chair shall serve two, two-year terms with the terms of two or three members beginning in even-numbered calendar years and the other two members' terms beginning in odd-numbered calendar years. The term of the Chair shall be indefinite and at the pleasure of the Board Chair.

(b) The purpose of the Liability Program Committee shall be to advise the Board of Directors of all operational aspects of the Liability Program and to execute and implement the directions of the Board with regard to matters within the committee's powers, duties and responsibilities, which shall be as follows:

(c) Underwriting

i. Advise and report to the Board on matters relating to prospective new members to the Program.

ii. Solicit information necessary to evaluate membership applications.

iii. Determine adequacy of information provided by prospective members.

(d) Coverage Issues

i. Review and advise on Memorandum of Coverage matters.

ii. Make recommendations to the Board concerning coverage issues.

(e) Claims Administration

i. Advise and report to the Board as to the nature and extent of claims adjusting and legal defense services necessary to protect the funds of the Authority, and as to the settlement of those claims which involved liability of the Authority.

ii. Recommend policies and procedures for claim processing.

iii. Review all claims reported by Member Agencies.

iv. Approve settlement of claims within a range of authority as determined by the Claims Management Policy & Procedure.

v. Make recommendations on settlement of claims greater than the limit of authority established in the Claims Management Policy & Procedure.

vi. Oversee the preparation of a quarterly claims report to all members.

vii. Administer contract for claims services and recommend approval of payments.

viii. Make recommendation on the selection of a claims administrator.

(f) Loss Control

i. Develop programs, policies and resources that will enable Member Agencies to reduce liability and property damage losses.

ii. Provide for inspections of facilities to assist members in reducing losses and improving safety and to determine compliance with SPA standards.

iii. Administer contract for loss control services and recommend approval of payments.

iv. Provide supervision and direction to the Authority's loss control consultation service provider.

v. Prepare an annual loss control program and budget.

vi. Coordinate safety programming with the Property Program Committee.

vii. Make recommendation on the selection of a Loss Control service provider.

(g) General

- i. Advise on structure and funding of the Pool layer.
- ii. Develop budget recommendation.
- iii. Oversee projects of consultants.
- iv. Report annually on the program and on the performance of contractors.

(h) Delegation of Duties

- i. – Delegate any of these duties and responsibilities as it deems appropriate.

SECTION 4.4. Meetings of Standing Committees. Standing committees shall meet on the call of their respective committee chairs. Minutes of committee meetings shall be recorded and upon approval shall be distributed to the Board of Directors. Meetings of committees shall be conducted in accordance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.) including, as applicable, the provisions of sections 54952.2 and 54952.3.

ARTICLE V - PROGRAM DIRECTOR

SECTION 5.1. Appointment. The Board shall appoint a Program Director in accordance with Section 13 of the Agreement.

SECTION 5.2. Powers. In accordance with Section 13 of the Agreement, the Program Director shall administer the organizational and administrative business and activities of the Authority. The Program Director shall have such powers, duties and responsibilities as set forth in the Agreement, these Bylaws and as may be provided by agreement between the Program Director and the Authority or as otherwise delegated to the Program Director by the Board of Directors.

ARTICLE VI - REIMBURSEMENT FOR TRAVEL EXPENSES

SPA may reimburse a Board of Directors Member, Committee Member, or other appointed employee or representative of their Member Agency, as approved by the SPA Board, any reasonable and necessary travel expenses incurred for the member to attend a SPA meeting.

Reasonable and Necessary is defined as those expenses which the member would not have incurred in performing the normal business of its agency.

Article VII - TERMINATION OF A MEMBER AGENCY MEMBERSHIP

A Member Agency may be terminated from membership in the Authority or from participation in a program of the Authority, in accordance with Section 23 of the Agreement. The procedures for terminating a Member Agency are as follows:

SECTION 7.1. Initiation. Proceedings for termination of a Member Agency as a participant in a program of the Authority or as a member of the Authority may be initiated by the Program Director, by any officer, director, or standing committee of the Authority or by any Member Agency. The person initiating termination proceedings shall do so by a written report and recommendation to the Board of Directors, setting forth in detail the grounds upon which the recommendation is made.

SECTION 7.2. Hearing and Determination of the Board of Directors. The Board of Directors shall hold a hearing on the recommendation at its next meeting, which may be a regular or a special meeting; provided, however, that the affected Member Agency shall have received a copy of the recommendation and such notice of the meeting as is given to all Board members. At the hearing the affected Member Agency shall have the right to offer written and oral testimony. At the close of the hearing, the Board of Directors shall decide whether or not to terminate the Member Agency. If the Board votes to terminate the Member Agency, the reasons for such decision shall be given in writing to the Member Agency. Termination shall be effective as specified in the notice, but not less than sixty (60) days after the date of mailing of such written reasons to the Member Agency.

SECTION 7.3. Withdrawal. A Member may withdraw from the Authority or a program by providing notice as required in Section 22 of the Agreement. A notice of withdrawal may not be rescinded, except upon Member request and subsequent approval by the Board, for good cause shown and upon a finding by the Board in its sole discretion that rescission of the notice of withdrawal will not prejudice the Authority or other Members.

ARTICLE VIII - AMENDMENT

These Bylaws may be amended from time to time by resolution of the Board of Directors duly adopted upon a two-thirds vote of the entire Board of Directors at a regular or special meeting of the Board; provided, however, that no such amendment shall be adopted unless at least thirty (30) days written notice thereof has previously been given to all Member Agencies and members of the Board of Directors. Such notice shall identify the section or sections of the Bylaws proposed to be amended.

ARTICLE IX - COVERAGE DOCUMENTS

Each Member Agency participating in a program of the Authority shall be provided with either a memorandum of coverage or an insurance policy, as the case may be, which shall describe in detail the nature of the applicable coverage, including dollar amounts, together with any deductibles, exclusions, limitations, or other provisions of the coverage.

ARTICLE X - RECORDS RETENTION

All records and documents of the Authority shall be retained in accordance with a records retention policy and procedure adopted by the Board of Directors.

ARTICLE XI - LIABILITY AND INDEMNIFICATION

SECTION 11.1 - INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES - The Authority shall defend and indemnify its directors, officers and employees to the same extent as any public agency of the State of California is obliged to defend and indemnify its public employees pursuant to California Government Code Section 825 et seq. or other applicable provisions of law.

SECTION 11.2 - INSURANCE - The Authority may insure itself to the extent deemed necessary by the Board of Directors against loss, liability and claims arising out of or connected to the conduct of the Authority's activities.

SECTION 11.3 - INDEMNIFICATION BY MEMBER AGENCIES - To the extent any Member Agency's negligent or wrongful act or omission is the cause of an injury for which other Member Agencies may be, or are sought to be, held liable pursuant to California Government Code e 895 et seq., the Member Agency which is legally responsible for the injury shall, at its own expenses, defend, indemnify and hold harmless all of such other Member Agencies from any and all legal consequences of the negligent or wrongful conduct or omission. Nothing in this Section shall be deemed to preclude a Member Agency having the duty to defend, indemnify and hold harmless, from resorting to any insurance or other form of coverage for losses available to the Member Agency, including insurance or coverage for losses procured through the Authority.

SCHOOLS PROGRAM ALLIANCE (SPA)

PARTICIPATION AGREEMENT FOR THE PROPERTY PROGRAM

We, _____, signatory to the Schools Program Alliance(SPA) Joint Exercise of Powers Agreement, have agreed by action of our Board of Directors on _____, 20____, to participate in the SPA Property Program, hereinafter referred to as "Property Program." As evidenced by the authorized signatures on page 3 of this document, we agree to become a participant in the Property Program and be referred to as a "Program Participant."

It is understood that this Participation Agreement pertains only to the Property Program and not to any other program operated by SPA.

We understand that provided the following requirements are met, Property Program coverage shall begin on _____ :

- 1) We have paid the Property Program Fee;
- 2) We have executed this Property Program Participation Agreement; and
- 3) We are a member of the Joint Powers Authority. This means we:
 - a) have been approved for Joint Powers Authority membership by the SPA Board;
 - b) have executed the Joint Exercise of Powers Agreement;
 - c) have executed a "Resolution to Join" in accordance with the Joint Exercise of Powers Agreement; and
 - d) have paid the initial membership fee.

MINIMUM PARTICIPATION PERIOD:

It is understood that the SPA Property Program requires an initial full program year commitment in order to participate in the program. Withdrawal from the Property Program cannot occur until a full year of participation has occurred, that is, from the coverage inception date until the end of the first full program year in which the entity has participated, and only then if a six-month prior notice is provided.

Our initial commitment to the Property Program will expire on July 1, 20____, unless the program anniversary date is modified by the Property Program Participants. After the initial participation commitment has been met, withdrawal can occur at the end of a program year provided a six-month prior notice of intent to withdraw is provided the Authority, as noted above.

RESPONSIBILITIES OF PROGRAM PARTICIPANTS:

It is understood that as a Program Participant, we are obliged to do the following:

- Take such action, including providing the Property Program staff with such statistical and loss experience data and other information, as is necessary to carry out the SPA Property Program as required by the SPA Joint Exercise of Powers Agreement, Bylaws and the policies established by the Board of Directors;
- Pay the Property Program when due any and all Premiums for each Program Year. Withdrawal does not relieve a Program Participant from liability for owed premiums;
- Fully cooperate with the Property Program staff and/or representatives in determining the cause of losses and in the investigation, adjudication, and settlement of claims; and.
- Comply with JPA Agreement Section 18, "Responsibilities of Member Agencies."

RESPONSIBILITY FOR PROPERTY PROGRAM EXPENSES:

It is understood that Property Program Participants are responsible for their share of all Property Program expenses. A Program Participant's share of the program costs shall be reflected, as accurately as possible, within its Program Fee, which is based upon the Property Program's budgetary needs, and any other expenses deemed necessary by the Board of Directors.

It is also understood that Property Program Participants are responsible for their share of all Property Program expenses, including:

projected losses; margin for contingency; claims adjusting and legal fees, loss control services, general administration, excess or reinsurance premium cost, and costs for any other services as identified by the Board of Directors per authority vested by the SPA Joint Exercise of Powers Agreement and/or Bylaws;

A Program Participant's share of the program costs shall be reflected, as accurately as possible, within its Deposit Premium which is based upon the Property Program's budgetary needs, prior claims experience, actuarial projections for future years' losses and any other expenses deemed necessary by the Board of Directors. The cost allocation formula may be subject to change by the Board of Directors.

The withdrawal or termination of any Program Participant from the Property Program shall not terminate the responsibility to continue to contribute to its share of assessment on prior Program Years or other financial obligations incurred by reason of its previous participation.

* * * * *

We acknowledge and agree that this Participation Agreement shall automatically conform to any amendments made to the SPA Joint Exercise of Powers Agreement or Bylaws, which affect the

conditions of participation in the Property Program. Any other amendments to this Participation Agreement shall require a two-thirds vote of the Property Program Participants.

In recognition of the above, this Participation Agreement is executed on _____, 20 ____.

Program Participant

Signed

Name

Title

ATTEST:

Signed

Name

Title

SCHOOLS PROGRAM ALLIANCE (SPA)
PARTICIPATION AGREEMENT
FOR THE
LIABILITY PROGRAM

We, _____, signatory to the Schools Program Alliance(SPA) Joint Exercise of Powers Agreement, have agreed by action of our Board of Directors on _____, 20____, to participate in the SPA Liability Program, hereinafter referred to as "Liability Program." As evidenced by the authorized signatures on page 3 of this document, we agree to become a participant in the Liability Program and be referred to as a "Program Participant."

It is understood that this Participation Agreement pertains only to the Liability Program and not to any other program operated by SPA.

We understand that provided the following requirements are met, Liability Program coverage shall begin on _____ :

- 1) We have paid the Liability Program Fee;
- 2) We have executed this Liability Program Participation Agreement; and
- 3) We are a member of the Joint Powers Authority. This means we:
 - a) have been approved for Joint Powers Authority membership by the SPA Board;
 - b) have executed the Joint Exercise of Powers Agreement;
 - c) have executed a "Resolution to Join" in accordance with the Joint Exercise of Powers Agreement; and
 - d) have paid the initial membership fee.

MINIMUM PARTICIPATION PERIOD:

It is understood that the SPA Liability Program requires an initial full program year commitment in order to participate in the program. Withdrawal from the Liability Program cannot occur until a full year of participation has occurred, that is, from the coverage inception date until the end of the first full program year in which the entity has participated, and only then if a six-month prior notice is provided.

Our initial commitment to the Liability Program will expire on July 1, 20____, unless the program anniversary date is modified by the Liability Program Participants. After the initial participation commitment has been met, withdrawal can occur at the end of a program year provided a six-month prior notice of intent to withdraw is provided the Authority, as noted above.

RESPONSIBILITIES OF PROGRAM PARTICIPANTS:

It is understood that as a Program Participant, we are obliged to do the following:

- Take such action, including providing the Liability Program staff with such statistical and loss experience data and other information, as is necessary to carry out the SPA Liability Program as required by the SPA Joint Exercise of Powers Agreement, Bylaws and the policies established by the Board of Directors;
- Pay the Liability Program when due any and all Premiums for each Program Year. Withdrawal does not relieve a Program Participant from liability for owed premiums;
- Fully cooperate with the Liability Program staff and/or representatives in determining the cause of losses and in the investigation, adjudication, and settlement of claims; and
- Comply with JPA Agreement Section 18, "Responsibilities of Member Agencies."

RESPONSIBILITY FOR LIABILITY PROGRAM EXPENSES:

It is understood that Liability Program Participants are responsible for their share of all Liability Program expenses. A Program Participant's share of the program costs shall be reflected, as accurately as possible, within its Program Fee, which is based upon the Liability Program's budgetary needs, and any other expenses deemed necessary by the Board of Directors.

It is also understood that Liability Program Participants are responsible for their share of all Liability Program expenses, including:

projected losses; margin for contingency; claims adjusting and legal fees, loss control services, general administration, excess or reinsurance premium cost, and costs for any other services as identified by the Board of Directors per authority vested by the SPA Joint Exercise of Powers Agreement and/or Bylaws;

A Program Participant's share of the program costs shall be reflected, as accurately as possible, within its Deposit Premium which is based upon the Liability Program's budgetary needs, prior claims experience, actuarial projections for future years' losses and any other expenses deemed necessary by the Board of Directors. The cost allocation formula may be subject to change by the Board of Directors.

The withdrawal or termination of any Program Participant from the Liability Program shall not terminate the responsibility to continue to contribute to its share of assessment on prior Program Years or other financial obligations incurred by reason of its previous participation.

* * * * *

We acknowledge and agree that this Participation Agreement shall automatically conform to any amendments made to the SPA Joint Exercise of Powers Agreement or Bylaws, which affect the

conditions of participation in the Liability Program. Any other amendments to this Participation Agreement shall require a two-thirds vote of the Liability Program Participants.

In recognition of the above, this Participation Agreement is executed on _____, 20 ____.

Program Participant

Signed

Name

Title

ATTEST:

Signed

Name

Title

From: [Jan DeGracia](#)
To: [Marcus Beverly](#)
Cc: [Brooks Rice](#); [Phil Brown](#)
Subject: FW: SPA JPA Docs - Clean Drafts
Date: Monday, March 24, 2025 8:52:28 AM
Attachments: [image001.png](#)
[SPA Agreement.docx](#)

This message has originated externally from organization.

Marcus,

Please see Rob's comments below regarding the proposed SPA JPA Agreement.

Jan DeGracia
707-428-1830 x141

From: Robert Cutbirth <robc@cutbirthlaw.com>
Sent: Sunday, March 23, 2025 4:12 PM
To: Jan DeGracia <jand@nbsia.org>
Subject: Re: SPA JPA Docs - Clean Drafts

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So, I got through the JPA Agreement. Could not do redline.

1. There was nothing in here dealing with Legacy Spa or what happens, while it also seemed to inaccurately treat Legacy Spa as if it was an entity. So, the right type of provisions were added.
2. There were a lot of inconsistencies in language/terms, so proper definitions were added and used throughout.
3. Rights/duties/management was all clarified and put in a legally appropriate way. There is also flexibility incorporated, recognizing that the Bylaws create some additional flexibility in how they can be put together.
4. There were no dispute resolution or other provisions, so those were added.
5. Proper execution and amendment provisions were added.

Very different, but this version should be readable and adoptable, which allows SPA to move forward. Bylaws and program documents will need to be materially amended as well, but I don't have the time right now to do that, but that can all come together before July 1. Bylaws would be next, getting those in shape, and then the Program documents (which have to be substantially revamped, particularly in light of risk sharing/risk pooling). I could probably get into those and get them back in about 3 weeks, because it takes time (reviewing and coming back with fresh eyes) to get those in order.

The likely most controversial position would be the forfeiture of assets on termination/withdrawal. JPAs cannot have members withdraw and take equity, or try and take equity, as they create a cash crunch, so this has been moved into a forfeiture provision. It can be softened, but this is a strong recommendation for the benefit of the entity, and thus the remaining members.

Robert A. Cutbirth, Esq.

Law Offices of Robert A. Cutbirth

301 N. Palm Canyon Dr, Suite 103 – 1118, Palm Springs, CA 92262-5672

RobC@CutbirthLaw.com /925-699-1113/www.CutbirthLaw.com

From: Jan DeGracia <jand@nbsia.org>
Sent: Tuesday, March 11, 2025 8:57 AM
To: Robert Cutbirth <robc@cutbirthlaw.com>
Subject: FW: SPA JPA Docs - Clean Drafts

Rob,

Here are the latest version of the SPA governance agreements for your review. We meet again on 3/31 so hopefully that gives you enough time to comment.

Thanks (again),

j

From: Marcus Beverly <Marcus.Beverly@alliant.com>
Sent: Monday, March 10, 2025 2:28 PM
To: Michelle Minnick <Michelle.Minnick@alliant.com>; cpatters@bsspjpa.org; nstrauch@bsspjpa.org; smanzoni@resig.org; cwilkerson@resig.org; Brice@sia-jpa.org; Dsherrington@sia-jpa.org; khanson@sigauburn.com; nancym@sigauburn.com; acaeton@crma-jpa.org; PBrown@sia-jpa.org; arusell@sia-jpa.org; ONelson@sia-jpa.org; sreed@resig.org; mlopez@resig.org; afranco@sia-jpa.org; chris.tambo@amwins.com; ryan.telford@amwins.com; james.wilkey@newfront.com; mark.stokes@newfront.com; eileen.massa@newfront.com; Mike.Kielty@georgehills.com; Daniel Howell <dhowell@alliant.com>; Dan Madej <Dan.Madej@alliant.com>; Jenna Wirkner <Jenna.Wirkner@alliant.com>; Gabbi Daniel <gabbid@sigauburn.com>; jpierce@crma-jpa.org; Andrew Obando <AndrewO@nbsia.org>; Karen Antunes <KarenA@nbsia.org>; Christopher Nahas <cnahas@astrusins.com>; A. Byrne Conley <abcjr@gibbons-conley.com>; Jan DeGracia <jand@nbsia.org>
Cc: Christy Patterson <cpatterson@bsspjpa.org>; Joshua Arnold <JArnold@sia-jpa.org>
Subject: SPA JPA Docs - Clean Drafts

CAUTION: This email originated from outside of NBSIA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Greetings SPA Members – as a follow up to our meeting today attached, please find corrected and clean versions of the governing docs we reviewed, complete with a Section 12 for the JPA agreement, with references to the old numbers changed and the updates we discussed.

These are good for your or your counsel's further review pending what we hope will be final approval at the Marc 31 meeting.

Thanks for the feedback and your keen eyesight.

Regards,

Marcus

Marcus Beverly, CPCU, AIC, ARM-P
FVP
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Alliant Insurance Services, Inc.
CA License No. 0C36861

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C: 916.660.2725



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Item G.4.

ALLIANT DEADLY WEAPONS RESPONSE PROGRAM UPDATE

INFORMATION ITEM

ISSUE: Effective 3/15/2025, Alliant has added a coverage enhancement to the program at no additional cost. All members of the property program are covered by the Deadly Weapon program. CrisisRisk Services for “all risks” (i.e., not limited to a specific deadly weapons event). A sublimit of \$10,000 each eligible person will apply, subject to limit of \$50,000 each and every crisis event, along with \$200,000 annual aggregate limit, subject to a retention of \$2,500 each and every claim.

Any “Business Unusual” event that creates a crisis situation for the insured. “Business Unusual” events typically involve interactions with the press and their constituents, where people have anger, blame is being cast, or there is concern about harm in the future. The event need not be catastrophic in nature, trigger any insurance coverage or coverages, or lead to demands for compensation or litigation. In fact, you can trigger services under this program for a circumstance – a situation you reasonably believe may evolve into a crisis. The program’s crisis responder, CrisisRisk, will offer guidance on how to prevent a perceived crisis from occurring, or assist in mitigating impacts if a “business unusual” event has occurred.

A list of example crisis-type events that would now trigger coverage under the program could include the following:

- Accident at a Public Facility - Drowning in a Municipal Pool
- Significant Property Loss – Fire at a Court wherein Valuable Papers Destroyed or Museum where Art/Artifacts Lost
- Accident involving mass injuries/casualties – such as a School Bus accident
- Heated Exchange about a Controversial Topic at a Council/Board Meeting
- Protests – Political and/or the Result of an Alleged Wrongful Act by Employee (i.e. Police)

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: Deadly Weapons Coverage was offered to members for the first time in FY 20/21. This type of insurance, often labeled “Active Shooter” Coverage, is the result of the need for specific crisis management services and coverage in the aftermath of a covered event or attack. The coverage provides a \$500,000 per claim limit with a \$2,500,000 pool aggregate and sublimits for property damage and business interruption, crisis management services, funeral services and counseling services, per the attached summary. The deductible is \$10,000 Each Event including Claims Expenses. The event must occur at a location on a member’s Schedule of Values.

ATTACHMENTS: ADWRP Crisis Advisory Services Endorsement 11 – Final effect 3/15/2025
all members

ENDORSEMENT NO. 11

ATTACHING TO AND FORMING PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED
PJ2400050	15 th March 2025	Alliant Deadly Weapon Response Program

Section I – Crisis Advisory Services Endorsement

In return for **you** paying the premium, and in reliance on the information provided to **us**, **we** will provide the cover described in this Section of the Policy.

Words written in **bold** are defined terms in the Policy, so please refer to the General Policy Definitions section and the Definitions heading of this Section to see the meaning of these terms.

Coverage:

We will pay on **your** behalf for the reasonable and necessary expense, as determined by the **event responder**, in connection with a **crisis event** or **crisis circumstance**, incurred in the provision of **crisis advisory services** to **you** directly after such **crisis event** or **crisis circumstance**. The **crisis advisory services** will be available to **you** for up to a maximum of ninety (90) days immediately after a **crisis event** or **crisis circumstance** has occurred.

We will pay on **your** behalf for reasonable and necessary expense, as determined by the **event responder**, in the provision of **counselling services** to any **eligible person** and their **immediate family member(s)** in connection with a **crisis event** that occurs during the **period of insurance** and has a direct nexus to **you** or **your** member insured, as stated in the attached schedule of Named Insureds. The **counselling services**, if provided, will be available to **you** for up to a maximum of ninety (90) days immediately after a **crisis event**.

The **event responder** is the sole coordinator of **crisis advisory services** and **counselling services** under this Section and will arrange the respective **counselling services** in conjunction with **you**.

Important Notice:

The insurance provided by this Section will not, however, apply to the extent that the provision of such coverage is prohibited by any law or statute of any applicable jurisdiction.

The services available to **you** under this Section are **crisis advisory services** and **counselling services**, when needed.

The **event responder** as stated within the **declarations** is the sole provider of **crisis advisory services** under this Section of the Policy.

In consideration of the premium **you** have paid, you have the right to access **crisis advisory services crisis management tools**. These tools were designed by the **event responder** to help an insured prepare for, prevent, and respond to a **crisis event**.

This Section will not apply if you have other insurance carried by or available to **you** that provides **crisis advisory services** for a **crisis event** that occurs and will not respond in the event that **you** are otherwise insured incidentally for any loss, damage, liability, cost or expense which is indemnifiable under another Policy.

Definitions (applicable to this Section):

1. **Crisis event** means an occurrence which creates a loss of control and/or extensive negative stakeholder reaction toward **you or your** member insured (as stated in the attached schedule of Named Insureds).
2. **Crisis circumstance** means a situation, action, event, behaviour, or information received, which indicates that a **crisis event** is reasonably likely to occur.
3. **Crisis advisory services** mean the following services: 24/7/365 advice and decision support on the management of a **crisis event** or **crisis circumstance**, crisis communications and media management strategies, and coordination of **counselling services** and victim support to **you** when needed.
4. **Counselling services** means the utilisation of individuals trained in psychological first aid, social workers, psychologists and/or counsellors following a **crisis event**.
5. **Crisis advisory services crisis management tools** means a set of tools and resources created by the **event responder** to help **you** prepare for, prevent, and respond to **crisis circumstances** and **crisis events**. Available resources include access to the **event responder** for advice related to the use of these tools. Tool description and access information is in the crisis advisory services guide and will be provided to **you**.

Retention of Services

Access to the **event responder** in the event of a **crisis event** or **crisis circumstance** will be via a 24-hour/7-day phone number. **You** will call Beazley's dedicated Telephone Number shown on the face page of this Policy. The **event responder** will determine the reasonable and appropriate response and will advise **you** accordingly.

Limit of Insurance:

We shall not be liable under this Section for more than **20 hours** of **crisis advisory services** for each **crisis event** or **crisis circumstance** and for **counselling services** to an amount not more than **USD 50,000** each and every **crisis event** and/or **crisis circumstance** and **USD 200,000** in the annual policy aggregate. Such expense is additionally sub-limited to an amount of **USD 10,000**

for each **eligible person** and each of their **immediate family member(s)**. The limit of insurance for this Section is part of and not in addition to the Policy Limit of Liability and Policy **Aggregate** Limit stated in the **declarations**.

At **our** sole and entire discretion, in the process of responding to the **crisis event** or **crisis circumstance** we will consider other expense costs not listed above up to a maximum amount of **USD 10,000** each and every **crisis event** and/or **crisis circumstance** and **USD 50,000** in the annual policy **aggregate**.

Event responder fees incurred are in addition to the Policy Limit of Liability and Policy **Aggregate** Limit stated in the **declarations**.

Retention:

Counselling services is subject to a **USD 2,500** retention. In exchange for this extension of cover, **you** agree to be bound by the recommendations of the **event responder** which may result in **you** incurring claims expenses that fall within the **retention** amount stated in the **declarations**.

All **crisis advisory services** expense incurred in connection with each **crisis event** shall be adjusted separately, and from the amount of each adjusted **loss** occurrence shall be paid directly by **you** to the crisis management service providers, or their designee, until the **Retention** amount shown in the **declarations** has been satisfied. However, there is no **Retention** applicable to **event responder fees** incurred under this Section.

All **counselling services** expense incurred in connection with each **loss occurrence** caused by a **crisis event** shall be adjusted separately, and from the amount of each adjusted **loss** occurrence shall be paid directly by **you** to the crisis management service providers, or their designee, until the **Retention** amount shown in the **declarations** has been satisfied.



Item H.1.

PROPERTY PROGRAM

2025 PROPERTY (AND APD) RENEWAL UPDATE

INFORMATION ITEM

ISSUE: We will continue discussing data collection and renewal topics for the 2025 Property, APD, and Deadly Weapons renewal process, including any updates to the proposed timeline, if any.

RECOMMENDATION: No action required.

FISCAL IMPACT: None.

BACKGROUND: We continuously review renewal topics with the SPA Board beginning at the data collection phase (December) through the binding phase (June). These discussions are meant to share updates on data collection, submission construction/release, modeling outputs/insights, market discussions/indications/quotes updates and any other program knowledge during the program placement phase starting in December 2024. This, of course, will include any topics expected to impact the renewal.

We are currently in the data collection/submission construction phase and will provide an update as respects these items.

ATTACHMENTS: None.



Item H.2.

PROPERTY PROGRAM

STUDENT ACCIDENT PROGRAM UPDATE

ACTION ITEM

ISSUE: Members will receive an overview of student accident insurance coverage and benefits for review and discussion.

RECOMMENDATION: Provide feedback and direction as needed – information only.

FISCAL IMPACT: No fiscal impact expected from this item.

BACKGROUND: Members have requested presentation of a number of coverage and service options as part of the most recent strategic plan, including MROCIP, Student Accident Insurance, and pollution coverage.

ATTACHMENTS:

1. Rising Liability Costs
2. Why MST
3. Claim Filing Instructions

Rising Liability Costs: Is There a Solution?

In addition to adding considerable value to school districts and the families they serve; a well-structured student accident insurance program can help mitigate rising liability cases and premiums.

There is no question that liability occurrences are on the rise. In the following sourced links, we find trends pointing to an increase of school district litigation frequencies due to many recent factors surrounding [civil rights](#), [privacy](#), [teacher speech](#), and [sexual abuse](#). Many of these outcomes reduce crucial funds reserved for other educational programs and injuries that might arise from participation in them. Regarding the latter, the following recently sourced trends illustrate particular concern:

- ❖ [60% of Americans are unable to pay for an unexpected \\$1,000 expense...](#)
- ❖ [Yet the average broken bone costs 10X that amount...](#)
- ❖ [Which likely explains why the #1 cause of Ch.7 bankruptcy stems from medical debt](#)

Clearly, the less able a family is to cover an unexpected cost, the higher likelihood of them being forced into dire financial environments that entail surrendering crucial obligations, or borrowing more than can be supported, with these circumstances leading to the aforementioned bankruptcy.

It also increases the likelihood of them looking for someone else to pay for it, in some cases through borrowing, but in many others through litigation. When the latter comes to fruition from a student accident, the district (and its perceived “deep pockets”) becomes a frequent target since the accident occurred either:

- *On campus*
- *During a school-sponsored event (athletics, field trips, etc.)*
- *While traveling to and from school and school-sponsored events*

Regardless of fault all parties must then retain legal defense in both lengthy and costly litigation processes that can result in settlements far exceeding the medical bills tied to the initial accident. In reviewing numerous liability loss run reports we find that average monetary requests stemming from these lawsuits come out to 3X the cost of the initial medical bills. In most cases, settlements land at around half of the initial request, resulting in an average settlement at 150% of the medical costs behind the initial accident- which makes sense after legal fees and other related expenses are accounted for.

Blanket Student Accident Insurance is designed to avoid this scenario by indemnifying families before they are put in desperate financial circumstances. Our partners at Myers-Stevens & Toohey are utilizing this strategy by corresponding directly with the district’s liability carrier to get notified of any potential medical claims. They then contact the school immediately to initiate the student accident claim process with parents and get out in front of possible tort claims. By paying these covered injury claims through an insurance policy, regardless of fault, costs are controlled through network discounts and repricing on the front end, while reducing litigation costs on the back end.

This is why we are seeing general liability premiums stabilize in the early years of the program, with the possibility of reductions to these premiums as the student accident program matures. When the student accident insurance program is used correctly, liability claims can see a significant drop after

several years, which puts us in a favorable position to renegotiate premium by demonstrating causation behind this correlation to our liability underwriters.

Myers-Stevens & Toohey recently provided us with loss data for legal fees paid and incurred for student injuries in New Mexico (where they insure over 70% of the state’s school districts) which, we believe, supports a positive correlation between the existence of student accident coverage and a reduction in liability related expense. Those figures are summarized below:

Fiscal Year	Total Claims	Total Paid	Legal Paid	Outstanding Reserves
2018-2019	129	\$2,858,210	\$731,077	\$1,221,976
2019-2020	99	\$2,098,498	\$462,971	\$305,928
2020-2021	20	\$162,182	\$95,321	\$194,768
2021-2022	88	\$813,578	\$451,872	\$1,520,636
2022-2023	100	\$260,348	\$156,578	\$3,548,789
2023-2024	57	\$109,244	\$4,252	\$768,812

The data provided has been updated through 6/16/2024, which almost encompasses the entire claim fiscal period which ends on 6/30/2024.

- ✓ **2022-2023** marks the start of some districts utilizing blanket school-time or school activity catastrophic class II coverage. Legal paid for 2022-2023 dropped to just \$156,578 with total claims paid of \$260,348.
- ✓ **The current numbers for 2023-2024 tell the real story:** this reporting period had the largest participation in blanket student accident programs and what this has meant for these districts is a reduction in legal paid to just \$4,252 and total paid on claims at only \$109,244.
- ✓ It is well worth noting that the numbers, aside from showing a drastic reduction in legal for this current reporting year, are still better than the figures paid in 2020-2021, the COVID pandemic year *where students were barely in school*.

This process of shifting student injury claims to an insurance policy alleviates pressure on retentions funds and litigation reserves, and we find that many districts can fund the student accident insurance program through monies initially earmarked for these funds. **This, in turn, puts the district in a position to having a student accident insurance policy essentially pay for itself.** Correct use can also control utilization and build claim equity that can be later used to absorb occasional shock losses that typically lead to rate hikes.

The content below is meant to better explain the many not-so-obvious elements of our programs and approaches that further benefit your families and schools. While rates and benefits, exclusions and limitations are all very important, over the last 50 years we've found that it's the behind-the-scenes details that often make the difference with difficult claims.

Our main goals have always been to maximize assistance to affected families as quickly and efficiently as possible while maintaining long-term rate stability. The following are some of the ways we do that:

Usual, Customary and Reasonable (UCR) charges -

Many student insurance programs, including our own, will often define benefits as some percentage of "Usual, Customary and Reasonable" (UCR) charges. Loosely defined, UCR means an average charge for a given service or supply in a given geographic area that equals or exceeds what *most* providers will charge for that same or similar service or supply. The questions are where that data comes from and what "most" means.

We generally use prevailing charge data valued at the **90th percentile** as provided by FAIR Health, Inc. www.fairhealth.org, a large, not-for-profit corporation that annually adds over one billion claims to a data base exceeding 50 billion claims. We believe that the data we use is statistically valid and transparent. It also results in "UCR allowables" that very often help us cover in full the charges coming from higher billing, out-of-network specialists... often the doctors that parents seek out for the most serious of injuries and illnesses.

Contracted Provider Discounts (PPO) –

While we don't require parents to seek care from providers who are contracted through our business partner *First Health, Inc.*, www.firsthealth.org, if they do it will often result in further reduction of out-of-pocket costs. Our initial analysis of the strength of their contracts using our own claim data showed an overall savings of 46% off of billed charges. Further, a high percentage of the *Best Hospitals in America* are contracted with *First Health*. We are also able to discount eligible charges through the *TRPN* network www.trpnppo.com.

Disappearing Deductibles, Co-Pays and Coinsurance -

When a student has other, primary insurance, many if not most other student insurance plans in the country will apply any cost sharing features in their plans (e.g. a deductible or 20% coinsurance obligation) to the balance of bills left unpaid by the primary plan. We don't and it can make a huge difference to parents.

Illustrative hypothetical claim example –

- 1) Billy is a high school basketball player. He injures his knee in a game.
- 2) Parents carry traditional health insurance through a well-known national insurer but want to seek care from an out-of-network specialist who bills \$10,000 for the procedure.
- 3) Their primary plan covers “out-of-network” provider charges at 60% of what they deem to be UCR. The billed charge exceeds their UCR allowable of, say \$7,000 (not uncommon) and they pay 60% of \$7,000 (or \$4200), leaving a \$5,800 balance due.
- 4) The student also has coverage through another student insurance provider (not MST) with a plan that covers 80% of UCR...similar to one of our preferred plan designs. Let's say they consider that \$10,000 charge to *just* meet their own maximum UCR allowable. Typically, they would then look at the \$5,800 balance and pay 80% of that number or \$4,640, leaving the parents with an \$1,160 out-of-pocket.

With us, we start with the original billed charge of \$10,000. Ignoring possible PPO discounts to keep the math more straight forward, we run those charges through our system to first determine our UCR value. It's a generous assumption but let's say the other student insurance company also used 90th percentile prevailing charge data and their \$10,000 UCR allowable was the same as ours.

We would simply apply our 80% benefit to that \$10,000 bill and that would give us a maximum allowable of \$8,000. We'd then look at the \$5,800 balance remaining from the primary plan payments and we'd pay that balance in full...zero out-of-pocket to parents.

What if the outlier provider bills higher than the UCR allowable?

Keeping all the variables above the same but assuming that the provider bills \$13,000 for his services rather than \$10,000, the typical student insurance provider would look at what is now an \$8,800 balance and would start by taking 80% of that number. That would get them to an additional payment of \$7,040. HOWEVER, most other plans out there will limit their benefits, when combined with primary plan benefits to their own maximum UCR allowable. Again, as before, that's \$10,000. So, in most cases, that typical student insurance plan administrator would subtract from their UCR allowable of \$10,000 the same \$4,200 paid by the primary and they would pay \$5,800, leaving parents with a \$3,000 balance.

As before, we would simply take our maximum allowable benefit of \$8,000 and would apply it to the \$8,800 balance left by the primary. Parents would have an \$800 balance to deal with rather than \$3,000.

Optional 24/7 Plans for Students and Staff –

When schools provide blanket “School-Time” coverage for their students, we make our *Full-Time 24/7 Accident plan* available to parents (and staff) at an annual rate far lower than we do under our standard, voluntary purchase programs offered to public school districts. The *Dental Accident* plan is discounted as well.

When we receive any claim for a school related injury, we first check to see if the student is enrolled in any of our 24/7 plans. If he/she is, we first process the bills under the optional plan. If any balances remain, we then apply “School-Time” benefits to those balances. The combination does the following:

- 1) Greatly reduces if not eliminates out-of-pocket costs to parents;
- 2) Shifts claim dollars from blanket (school or parish paid) plans to voluntary purchased, pooled plans which helps stabilize blanket plan rates.

Use of the optional plans can also expand parent’s choice of providers. In that same example above involving the out-of-network provider who billed \$13,000, if Billy was insured under our Full-Time 24/7 plan (pays 100% of UCR to \$100,000) we would process that bill first under the Full-Time plan. Under that, we’d pay \$10,000 leaving a \$3,000 balance. We’d then apply that max benefit under the School-Time plan of \$8,000 to that \$3,000 balance and parents would be left with no out-of-pocket costs. The impact on the blanket plan would also be reduced from the previous example of \$8,000 down to \$3,000. In the aggregate and over time, that helps keep rates low.

Proactive, Hands-On Claims Administration –

Claims involving alleged school-related injuries to students can be messy. Sometimes parents don’t understand the process and can be angry at the school. Injury narratives can be vague and incomplete. Sometimes we see schools report injuries that happened 3 days after the first day of treatment. And it’s not uncommon for medical providers (medical groups and hospitals) to not release the itemized bills needed to pay them because of misplaced concerns regarding “third party liability”.

We learned long ago that to simply rely on written instructions to process claims would not work in many, many cases.

It's for these reasons that for decades, our Claims team and other support staff have routinely reached out over the phone, through emails and text and the traditional mail system to gather what we need to help our insureds and the providers who treat them. Again, a secondary goal is always to help mitigate issues for our school clients. Our people know relevant people at your schools on a first name basis and that often helps us sort out the occasional challenge!

Personal Identification –

This is pretty nuanced, but if you happen to have a collection of our student accident & sickness insurance claim forms from over the last 20 years or so, you will not see any requests for Social Security Numbers for students or for their parents. This is because a significant percentage of the families we serve come from the Immigrant Community and requiring that information on claim forms can have a chilling effect on claim submissions. SSNs aren't needed in any case to determine eligibility or track claims.

Illustrative Actual Claim Example –

We recently completed the processing of a claim that illustrates several of the program features and claims processes described above.

The claim involved a student from one of our school clients who was attending a school-sponsored, multi-day event held at a facility owned by another client. While there, the student sustained a serious injury which resulted in an emergency air ambulance transport followed by surgery and hospitalization.

The student had primary health coverage through a well-known national health insurer and was also covered on a secondary basis through MST.

The primary plan covered the majority of the hospital and surgical expenses and our claims people were in regular contact with the student's mom, helping her with what we needed to pay the balances. The process went smoothly until we received both a bill from the ambulance company and a copy of a related explanation of benefits (EOB) from the primary health plan sent to mom.

The bill was for \$67,000. The EOB indicated a payment of approximately \$25,000 had been made to the provider and that the student's parents had a zero balance due. We then received a bill from the provider for a balance due of approximately \$41,000. We then contacted mom, the primary plan and the ambulance company and found that that EOB's indication that the parents had no remaining responsibility had been issued prematurely. The primary plan had requested that the ambulance company write off that

\$41,000 balance but could not compel them to do because they were out of network. The ambulance company declined.

We contacted the primary plan again requesting either a reconsideration of their benefit or a denial of any additional benefits so that we might take action as the secondary payer. They then issued a denial to mom, explaining that she had chosen to seek care from an out-of-network provider, also offering her the right to appeal.

We helped her with that appeal by first observing that it was her child's initial attending physician who had ordered the emergency air transport, not her. We also suggested that she get an explanation from the primary plan as to how they determined that payment of \$25,000 and shared with her that we'd run the ambulance bills through our own system which resulted in a UCR allowable of \$47,000...nearly double that of her primary plan.

She sent her appeal and we, in the meantime, reached out to the ambulance company advising them of an appeal in progress. They were told that once the primary plan responded, we'd be able to offer additional assistance. They agreed to hold collection efforts.

Eventually, the primary plan reaffirmed its denial. We immediately contacted the ambulance company, offering additional payment exceeding what the primary plan had paid in return for their agreement to accept that payment as payment in full. They agreed.

The parents were happy and, better yet, the student fully recovered.

We kept our school clients informed throughout the process including that final, positive resolution.

Student Accident & Sickness Insurance CLAIM FILING INSTRUCTIONS

FOR PARENTS/LEGAL GUARDIANS (or students of legal age)



Coverage terms and conditions

Prior to an injury or sickness occurring or as soon as possible thereafter, please familiarize yourself with the terms and conditions of coverage including: what activities are covered; benefits; exclusions; requirements and limitations; important deadlines, etc. Coverage summaries may be obtained from school/parish authorities, printed brochures used to secure coverage, online, or by contacting us directly at (800) 827-4695.



Claim form and reporting

Report school/parish related injuries immediately to school officials, providing as much detail as possible.

Request a Student Accident & Sickness Insurance claim form from the school/parish and ask an authorized school/parish official to **completely and clearly** fill out Part A of the form. If the reported injury is not school/parish-related, you may fill out Part A yourself. Only one claim form is required per injury or condition.

Completely and clearly fill out Part B (missing fields will cause delays) provide signatures where requested, date and return to our office along with your itemized bills and Explanations of Benefits (EOBs) from any other applicable insurance or health plan.



Finding a health provider

You are free to take your child to any properly licensed health provider but out-of-pocket costs may be reduced if you seek care from providers who are contracted under the *First Health Network* or *First Choice Health Network* (WA only). Contracted providers may be found at www.myfirsthealth.com (800) 226-5116 or (in the State of Washington only) www.fchn.com (800) 231-6935. If your child also has coverage through an HMO, please know that benefits under many of our school/parish-paid blanket plans may be reduced if you seek out-of-network services that are not preauthorized by your HMO. This potential benefit limitation does not apply to any of our individually purchased plans and does not apply to emergency care.



When treatment is sought

- Give the provider's billing/admissions department your primary insurance/health plan information (if applicable).
- If you purchased one of our individual plans for your child, present your student insurance ID Card. If your child is covered under a blanket plan that is paid for by the school/parish, let the billing department know that and identify the district, Diocese or other school system involved and the specific school/parish. In either case, explain that your child has medical expense insurance that provides benefits on an excess or secondary basis and that it is NOT what is sometimes referred to as "third party" insurance. The student is the insured.
- Request the billing department to add Myers-Stevens & Toohey into their system as a payor and to either send us the itemized bills described above directly (preferred!) or to send you those same bills to be forwarded to us. Letting the provider know that you are assigning benefits to them may help smooth the process. If you have difficulty, please contact us and we'll be happy to help.



If your child has other insurance or health coverage

File a claim with that primary plan (except Medicaid) and send us copies of their "Explanation of Benefits" or "EOBs" once processed.



What we need from the providers who see your child*

In order to evaluate your claim and provide benefits, we will need fully itemized bills from any providers seen. These are known as HCFA 1500 or CMS 1500 forms from providers such as doctors and as a UB04 form from facilities such as hospitals and surgery centers. They contain the following required information:

- Date(s) of Service
- Billed Charges
- Diagnostic Codes - these tell us what is wrong with your child
- Procedural or Revenue Codes - these tell us what was done to evaluate/treat the problem
- Provider Tax ID Number - needed to issue W-9s when benefits are assigned to providers
- National Provider Identifier (NPI) - needed to comply with Federal regulations

NOTE— we are not able to use "statements" from providers, primary health plan EOBs or a receipt of payment in lieu of the required itemized billings as described above.

**If you have Kaiser, request "courtesy statements" from Kaiser Member Services that include the information listed above. Please make sure the documentation submitted indicates what portion of the charges, if any, you are obligated to pay out of your own pocket.*



Final Steps

Send: 1) Completed claim form; 2) Itemized bills; 3) Other insurance/health plan EOBs (when applicable) to:

MYERS-STEVENS & TOOHEY
Attn: Claims Department
26101 Marguerite Parkway
Mission Viejo, CA 92692

OR

Fax: (949) 348-9350

OR

Email: claimsinfo@myers-stevens.com

STUDENT ACCIDENT & SICKNESS INSURANCE CLAIM FORM

PART A SCHOOL/PARISH STATEMENT (Parent or legal guardian may complete Part A if injury is not school/parish-related)

NAME OF CLAIMANT		FIRST	MI	LAST	AGE	GRADE	<input type="checkbox"/> FEMALE <input type="checkbox"/> MALE	DATE OF BIRTH		
								MO	DAY	YR
ADDRESS OF CLAIMANT			CITY			STATE		ZIP CODE		
IS THE CLAIMANT A:						ID # FROM ID CARD (if applicable)				
<input type="checkbox"/> STUDENT <input type="checkbox"/> STAFF <input type="checkbox"/> VOLUNTEER <input type="checkbox"/> OTHER _____										
NAME OF SCHOOL/PARISH						NAME OF DISTRICT, DIOCESE OR OTHER SCHOOL SYSTEM				
SCHOOL/PARISH MAILING ADDRESS			CITY		STATE		ZIP CODE		SCHOOL CONTACT EMAIL ADDRESS	
DURING WHAT ACTIVITY DID THE INJURY OCCUR? <input type="checkbox"/> INTERSCHOLASTIC PRACTICE <input type="checkbox"/> INTERSCHOLASTIC GAME <input type="checkbox"/> P.E. <input type="checkbox"/> CLASSROOM <input type="checkbox"/> PLAYGROUND <input type="checkbox"/> TRAVEL <input type="checkbox"/> AT HOME <input type="checkbox"/> FIELD TRIP <input type="checkbox"/> RELIGIOUS EDUCATION <input type="checkbox"/> CONFIRMATION <input type="checkbox"/> YOUTH MINISTRY <input type="checkbox"/> YOUNG ADULT MINISTRY <input type="checkbox"/> CYO <input type="checkbox"/> PAL <input type="checkbox"/> OTHER _____										
WAS THE CLAIMANT PARTICIPATING IN A SPORT NOT SCHOOL/PARISH-SPONSORED AND SUPERVISED? <input type="checkbox"/> YES <input type="checkbox"/> NO IF YES, LIST NAME OF SPORTS ORGANIZATION: _____				TYPE OF SPORT: _____			DOES THE SCHOOL/PARISH HAVE ANY RECORD OF ANY HEALTH COVERAGE FOR THE CLAIMANT? <input type="checkbox"/> YES <input type="checkbox"/> NO IF YES, name of plan: _____			
DATE OF INJURY/SICKNESS		TIME OF INJURY		WHAT PART AND/OR AREA OF THE BODY WAS INJURED?			HAS THE CLAIMANT SUFFERED FROM SAME OR SIMILAR CONDITION BEFORE? <input type="checkbox"/> YES <input type="checkbox"/> NO IF YES, WHEN?			
		A.M. / P.M. (Circle One)		<input type="checkbox"/> RIGHT _____ <input type="checkbox"/> LEFT _____						
PROVIDE DETAILS ON HOW AND WHERE THE INJURY OR ILLNESS OCCURRED. PLEASE BE SPECIFIC _____ _____ _____										
NAME AND TITLE OF SUPERVISING OFFICIAL AT TIME OF INJURY			WAS HE/SHE A WITNESS TO THE ACCIDENT? <input type="checkbox"/> YES <input type="checkbox"/> NO			DATE SCHOOL/PARISH WAS NOTIFIED				
NAME AND TITLE OF OFFICIAL COMPLETING FORM			SIGNATURE		DATE SIGNED		SCHOOL/PARISH TELEPHONE NUMBER			
			X							

PART B PARENT OR LEGAL GUARDIAN INFORMATION

NAME OF CLAIMANT'S PRIMARY PHYSICIAN		ADDRESS			PHONE NUMBER	
IS THE CLAIMANT COVERED, DIRECTLY AND/OR AS A DEPENDENT UNDER ANY OTHER INSURANCE OR HEALTH PLAN(S)? <input type="checkbox"/> YES <input type="checkbox"/> NO IF YES, NAME OF PLAN(S) _____				POLICY NUMBER(S)		IS THE CLAIMANT A MEDICARE BENEFICIARY? <input type="checkbox"/> YES <input type="checkbox"/> NO
NAME OF CLAIMANT'S EMPLOYER (if applicable)		ADDRESS			PHONE NUMBER	
NAME OF FATHER OR LEGAL MALE GUARDIAN		EMAIL ADDRESS		MOBILE TELEPHONE NO.		HOME TELEPHONE NO.
ADDRESS		CITY		STATE		ZIP CODE
NAME OF EMPLOYER <input type="checkbox"/> Self Employed <input type="checkbox"/> Part Time <input type="checkbox"/> Unemployed				WORK TELEPHONE		
ADDRESS OF EMPLOYER		CITY		STATE		ZIP CODE
NAME OF MOTHER OR LEGAL FEMALE GUARDIAN		EMAIL ADDRESS		MOBILE TELEPHONE NO.		HOME TELEPHONE NO.
ADDRESS		CITY		STATE		ZIP CODE
NAME OF EMPLOYER <input type="checkbox"/> Self Employed <input type="checkbox"/> Part Time <input type="checkbox"/> Unemployed				WORK TELEPHONE		
ADDRESS OF EMPLOYER		CITY		STATE		ZIP CODE

AUTHORIZATION: I hereby authorize any School, Participating Organization, Policyholder, trust, employer, insurance company, health plan, medical/dental provider or other person or entity to release any information/documentation needed to process this claim to Myers-Stevens & Toohey Co., Inc. (MST) or its insuring company when requested by them to do so. This may include but is not limited to: details of the reported loss; identification of witnesses and supervisors; verification of other insurance or health coverage; coverage terms; explanations of benefits; complete health records including those involving mental/emotional disorders and substance abuse; prescription drug history and fully itemized bills in the form of CMS/HCFR 1500s and UB04s. If the claim is reportedly the result of participating in a School, Participating Organization or Policyholder activity, I authorize MST to share information concerning this claim as necessary with representatives of the School, Participating Organization or Policyholder as applicable. I understand that the authorization to release claim-related information/documentation to MST will terminate two years from the date of signature unless terminated in writing on an earlier date by me. A photo static/digital copy of this authorization shall be considered as valid and effective as the original.

NAME _____ RELATIONSHIP TO CLAIMANT _____ SIGNATURE X _____ DATE _____

ASSIGNMENT OF BENEFITS: I authorize the payment of benefits directly to the provider(s) of services and/or supplies associated with this claim.

NAME _____ RELATIONSHIP TO CLAIMANT _____ SIGNATURE X _____ DATE _____

FRAUD WARNING: Any person who knowingly and with intent to defraud any insurance company or other persons, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and/or civil penalties. I have read and acknowledge the General Fraud Warning above and the specific version for my state on the reverse side.

NAME _____ RELATIONSHIP TO CLAIMANT _____ SIGNATURE X _____ DATE _____

STATE-SPECIFIC FRAUD WARNINGS

Alabama: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.

Alaska: A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete or misleading information may be prosecuted under state law.

Arizona: For your protection Arizona law requires the following statement to appear on this form: Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

Arkansas, Louisiana, Rhode Island, West Virginia: Any person who knowingly presents a false or fraudulent claim for payment for a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

California: For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

Delaware: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

District of Columbia: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Florida: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Hawaii: For your protection, Hawaii law requires you be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

Idaho: Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement containing any false, incomplete, or misleading information is guilty of a felony.

Indiana: Any person who knowingly, and with intent to defraud an insurer, files a statement of claim containing false, incomplete or misleading information commits a felony.

Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Maine, Tennessee, Virginia, Washington: it is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Maryland: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Minnesota: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

New Hampshire: Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud as provided in R.S.A. 638.20.

New Jersey: Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

New Mexico: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

New York: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each violation.

Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Texas: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.



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