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| **Executive Decision** | 1. **Whether to purchase Insurance for the KCRHA:**   Based on a review by the City and County risk teams, it is recommended that the RHA review the need for the following insurance policies: Commercial General Liability, Automobile Liability, Workers Compensation, Umbrella and/or Excess liability, Directors & Officers Liability, Fiduciary Liability, Crime, Technology Errors & Omissions and Network Security insurance, and Property Insurance.  It is recommended that the RHA prioritize the directors & officer’s liability insurance, the commercial general liability insurance, and its workers’ compensation coverage.  Purchase insurance via a broker or through a public risk pool. |

Background & Context

**The need for insurance is stipulated in the KCRHA Inter-local Agreement (ILA)**

Per Article VI, Section 1.d.iv of the ILA, the “Authority is authorized and empowered to:…Purchase insurance to protect and hold personally harmless any current or former Implementation Board Members, Governing Committee Members or employee….The purchase of such insurance and its policy limits shall be discretionary with the Implementation Board members…”  In addition, in Article VIII, Section 3,  “The Authority shall maintain in full force and effect public liability insurance in an amount sufficient to cover potential claims…”

**Overview of Insurance Types**

* **Commercial General Liability:**Provides coverage for injury to persons and damage to third-party property. General liability insurance is the base for most insurance programs.
* **Auto Liability:** Coverage for liability arising from the use of owned, hired, borrowed, and sometimes non-owned vehicles.
* **Workers’ Compensation:**Procured through the Department of Labor & Industries.  A statutory requirement for any business with employees.
* **Umbrella/Excess Liability:** Can provide additional limits that sit excess the commercial general liability, auto liability, or employer’s liability insurance policies.
* **Directors & Officers Liability / Public Official Errors & Omissions:** Insurance that protects the personal assets of the corporate directors and officers in addition to the company. Protects against claims made against them while serving on a board of directors and/or as an officer.
* **Fiduciary Liability:** Coverage for the negligent acts, errors or omissions that result in actual or alleged breach of fiduciary duties (as imposed by ERISA) in the administration of employee benefit programs.
* **Crime Insurance:** A first-party policy that provides coverage for employee theft, forgery, theft of money, computer fraud, funds transfer fraud, impersonation fraud.
* **Cyber Liability/Technology Errors & Omissions/Network Security Insurance:** Covers losses that result from data breaches and other cyber related events, offering both first and third party coverage.
* **Property Insurance:** Insurance for damaged property, including office building, tenant improvements, equipment and furniture. May also include business interruption coverage.

**Insurance Brokers:**

There are many great insurance brokers that can assist the RHA in procuring insurance and advising on what limits it should carry.  The RHA will need to determine whether they need to go through a formal RFP process to award this work to an insurance broker.  The City of Seattle uses Marsh USA as their sole broker and King County uses Alliant (casualty program) and Marsh (property and marine).  Both Alliant and Marsh may suit the needs of the RHA.  The following are the County and the City’s contacts for each of the brokers:

**Alliant:** Deborah Bovee, Senior Vice President; [dbovee@alliant.com](mailto:dbovee@alliant.com); 206-204-9173 (office); 206-276-7418 (cell)

**Marsh USA (City of Seattle and King County Contact):** Jason Hamilton, Senior Vice President; [Jason.hamilton@marsh.com](mailto:Jason.hamilton@marsh.com); 206-214-3040 (office); 206-214-8438 (cell)

**Insurance Pools:**

Per King County legal counsel, insurance pools are authorized by statute and so would not need to go through a procurement process. The insurance pools will require an application to be submitted prior to providing a quote for the insurance coverage.  These pools do provide insurance coverage, claims services, and various loss control functions.  They may or may not be able to satisfy all of RHA’s insurance needs.  The following insurance pools would be a great place to start:  Enduris, WCIA, CIAW, or RMSA.  We would recommend you visit their websites to learn more.

* Enduris:  [https://www.enduris.us/](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fprotect2.fireeye.com%2Fv1%2Furl%3Fk%3Dfcbce748-a20c7a6d-fcbccff8-86c89b3c9da5-bd2b59e6550b4052%26q%3D1%26e%3D4f521e76-9b25-49a5-95ea-f79518615cfd%26u%3Dhttps%253A%252F%252Fgcc01.safelinks.protection.outlook.com%252F%253Furl%253Dhttps%25253A%25252F%25252Fprotect2.fireeye.com%25252Fv1%25252Furl%25253Fk%25253D9b12df9f-c5a242ba-9b12f72f-86c89b3c9da5-23ffb52abee30d27%252526q%25253D1%252526e%25253D1ff1d940-0513-4a4c-9d25-84189d497f5c%252526u%25253Dhttps%2525253A%2525252F%2525252Fwww.enduris.us%2525252F%2526data%253D02%25257C01%25257CAllison.Frey%252540kingcounty.gov%25257Ca138a3aba3fc44611fd308d816e4dd52%25257Cbae5059a76f049d7999672dfe95d69c7%25257C0%25257C0%25257C637284519513320443%2526sdata%253DagothXL5V%25252BfJANVhK45sFvSIZzArPRLKX1moL4rBr%25252BI%25253D%2526reserved%253D0&data=02%7C01%7CJeannie.Macnab%40kingcounty.gov%7Ccabc13714d744a53c1d208d82e8d7b43%7Cbae5059a76f049d7999672dfe95d69c7%7C0%7C0%7C637310532510392380&sdata=ryukub%2FDdWlDVGNmdqXuP6oTeb1dq0NWhgLkbQh1ftU%3D&reserved=0)
* WCIA:  [https://www.wciapool.org/](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fprotect2.fireeye.com%2Fv1%2Furl%3Fk%3D4c328d2d-12821008-4c32a59d-86c89b3c9da5-331341ba317d0bc6%26q%3D1%26e%3D4f521e76-9b25-49a5-95ea-f79518615cfd%26u%3Dhttps%253A%252F%252Fgcc01.safelinks.protection.outlook.com%252F%253Furl%253Dhttps%25253A%25252F%25252Fprotect2.fireeye.com%25252Fv1%25252Furl%25253Fk%25253D3701b1bd-69b12c98-3701990d-86c89b3c9da5-996a0a423d34e0b0%252526q%25253D1%252526e%25253D1ff1d940-0513-4a4c-9d25-84189d497f5c%252526u%25253Dhttps%2525253A%2525252F%2525252Fwww.wciapool.org%2525252F%2526data%253D02%25257C01%25257CAllison.Frey%252540kingcounty.gov%25257Ca138a3aba3fc44611fd308d816e4dd52%25257Cbae5059a76f049d7999672dfe95d69c7%25257C0%25257C0%25257C637284519513330443%2526sdata%253D8koe%25252F9xms8x8aa9m8bTkugnxY9v%25252BZEFQeIzg2X5PQzc%25253D%2526reserved%253D0&data=02%7C01%7CJeannie.Macnab%40kingcounty.gov%7Ccabc13714d744a53c1d208d82e8d7b43%7Cbae5059a76f049d7999672dfe95d69c7%7C0%7C0%7C637310532510402338&sdata=TYDj0pCSKLILqCEePoNBwEtYEUourmQk%2BYiN1roJQRA%3D&reserved=0)
* CIAW:  [http://ciaw.us/](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fprotect2.fireeye.com%2Fv1%2Furl%3Fk%3D6b05db18-35b5463d-6b05f3a8-86c89b3c9da5-dbe2dae40a1d526f%26q%3D1%26e%3D4f521e76-9b25-49a5-95ea-f79518615cfd%26u%3Dhttp%253A%252F%252Fciaw.us%252F&data=02%7C01%7CJeannie.Macnab%40kingcounty.gov%7Ccabc13714d744a53c1d208d82e8d7b43%7Cbae5059a76f049d7999672dfe95d69c7%7C0%7C0%7C637310532510402338&sdata=0BPZdu366Uo2%2Bpyxs%2FQrvYIPx8q3RTvxw1j%2FD5xbAsE%3D&reserved=0)
* RMSA:  [https://wacities.org/services/risk-management-service-agency](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fprotect2.fireeye.com%2Fv1%2Furl%3Fk%3D73f8d83b-2d48451e-73f8f08b-86c89b3c9da5-1cb7667cf22bfb6f%26q%3D1%26e%3D4f521e76-9b25-49a5-95ea-f79518615cfd%26u%3Dhttps%253A%252F%252Fgcc01.safelinks.protection.outlook.com%252F%253Furl%253Dhttps%25253A%25252F%25252Fprotect2.fireeye.com%25252Fv1%25252Furl%25253Fk%25253D402ed85e-1e9e457b-402ef0ee-86c89b3c9da5-e160770d373bbbf2%252526q%25253D1%252526e%25253D1ff1d940-0513-4a4c-9d25-84189d497f5c%252526u%25253Dhttps%2525253A%2525252F%2525252Fwacities.org%2525252Fservices%2525252Frisk-management-service-agency%2526data%253D02%25257C01%25257CAllison.Frey%252540kingcounty.gov%25257Ca138a3aba3fc44611fd308d816e4dd52%25257Cbae5059a76f049d7999672dfe95d69c7%25257C0%25257C0%25257C637284519513330443%2526sdata%253DW0tPR38QlT%25252BlCyjBLIDkW91osHEYbyBGCK1xSSvqkIk%25253D%2526reserved%253D0&data=02%7C01%7CJeannie.Macnab%40kingcounty.gov%7Ccabc13714d744a53c1d208d82e8d7b43%7Cbae5059a76f049d7999672dfe95d69c7%7C0%7C0%7C637310532510402338&sdata=Bi68m3wZZs91Hu35faDr3gtKVS3vHqyonzKjUeKNpBo%3D&reserved=0)