

September 30, 2021

Agenda Items 5.A.

CONSENT CALENDAR

SUBJECT: Consent Calendar

BACKGROUND AND HISTORY:

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and require no discussion. If a Committee member would like to discuss any item listed, it may be pulled from the Consent Calendar.

STAFF RECOMMENDATION:

Staff recommends the Committee approve the Consent Calendar.

REFERENCE MATERIALS ATTACHED:

A. Minutes from the August 26, 2021, Claims Committee Meeting

**POOLED LIABILITY ASSURANCE NETWORK JOINT
POWERS AUTHORITY
(PLAN JPA)**

**MINUTES OF THE CLAIMS COMMITTEE
MEETING OF AUGUST 26, 2021**

A regular meeting of the Claims Committee was held on August 26, 2021, via videoconference.

MEMBERS PRESENT: Donald Larkin, Chair, Morgan Hill
Michael Guina, Burlingame
Marc Zafferano, San Bruno
Rebecca Mendenhall, San Carlos

MEMBERS ABSENT: Ann Ritzma, Hillsborough
Robert Schultz, Los Gatos

OTHERS PRESENT: Katie Sullivan, PLAN JPA Assistant General Manager
Susan DeNardo, PLAN JPA Litigation Manager
Karla Lopez, PLAN JPA Administrative Assistant
Greg Rubens, Board Counsel
Danielle Davis, Sedgwick

1. CALL TO ORDER:

The Regular Meeting of the PLAN JPA Claims Committee meeting was called to order at 1:29 p.m.

2. INTRODUCTIONS:

A roll call was taken and it was determined there was a quorum present.

3. APPROVAL OF THE AGENDA AS POSTED (OR AMENDED):

Susan DeNardo, PLAN JPA Litigation Manager, informed the Committee she would not discuss Moore, Kathleen v. City of Suisun City under Closed Session.

Rebecca Mendenhall moved to approve the agenda as amended. Michael Guina seconded the motion. A roll call vote was taken and the motion passed unanimously by Donald Larkin, Michael Guina, Marc Zafferano, and Rebecca Mendenhall.

4. **PUBLIC COMMENTS:**

None.

5. **CONSENT CALENDAR:**

Marc Zafferano moved to approve the following items: A) Minutes from the July 29, 2021, Claims Committee Meeting. Rebecca Mendenhall seconded the motion. A roll call vote was taken, and the motion passed unanimously by Donald Larkin, Michael Guina, Marc Zafferano, and Rebecca Mendenhall.

6. **CLAIMS MATTERS**

A. Sedgwick Third Party Administrator Management of Restitution and Small Claims Court Representation

Sedgwick's Third Party Administrator (TPA) has contracted to provide claims administration services for PLAN JPA. This includes the adjustment, management, and oversight of claims arising out of PLAN JPA's self-insured general liability, automobile, and property programs.

Ms. DeNardo reviewed with the Committee the required tasks, identified in Exhibit A of the Agreement for General Liability/Automotive Liability/Property Liability Claims Administration Services, include, but are not limited to, "[p]reserving subrogation rights and overseeing subrogation recovery as required." Sedgwick TPA is requesting further definition as to the scope of their work with respect to members seeking restitution.

Discussion ensued around member knowledge of availability of this service, how many members are utilizing this service, and how it relates to the member's self-insured retention (SIR). Ms. DeNardo informed the Committee she would reach out to the TPA for answers and bring this matter to the PLAN Board of Directors at their meeting in December 2021.

B. Consideration of Settlement Authority for Property Claims

PLAN JPA's 2021/22 Property Coverage includes all buildings, structures, vehicles, personal property, data processing equipment, etc. The limits of liability are \$1 billion per occurrence and subject to policy exclusion. Deductibles include \$5,000 for members for all property and vehicles, and \$500,000 for PLAN JPA.

The Master Program Document (MPD) for the Property Program does not identify settlement authority for Litigation Management and Sedgwick's Third Party Adjusters. Ms.

DeNardo requested the Litigation Managers be authorized to settle claims up to \$200,000 and adjusters be authorized to settle claims for \$50,000 over a member's deductible.

Ms. DeNardo advised very few property claims reach her level of authority or above and if any did arise, they would be brought to the Claims Committee for review and authorization.

Marc Zafferano moved to approve settlement authority for property claims as follows: Litigation Management - \$200,000 and Sedgwick Third Party Adjusters - \$50,000 in excess of PLAN JPA member's deductible. Donald Larkin seconded the motion. A roll call vote was taken, and the motion passed unanimously by Donald Larkin, Michael Guina, Marc Zafferano, and Rebecca Mendenhall.

C. Consideration of Sedgwick Liability Case Nurse Consultation Program

PLAN JPA utilizes experts to defend and evaluate claimant's alleged injuries with respect to its general liability claims. The Liability Case Nurse Consultation (LCN) Program is another resource for utilization to help reduce costs of experts and provide insight to claims.

Ms. DeNardo explained the LCN handles claims referred to them by examiners. Services can be engaged for questions of causation, unclear and unverified diagnoses, pre-existing conditions, and/or comorbidities, medical elements, etc. Upon referral, the Sedgwick nurse consultant will provide a report to the examiner via secure delivery system.

Ms. DeNardo informed the Committee there is a fee of \$115 per hour, with a "cost to be determined" for the Dedicated Nurse Cost Plus Option. She advised use of the LCN Program would be tested for 90 days to ensure member satisfaction. After the 90 day trial, the subject would be brought to the Board of Directors for review.

Donald Larkin moved to authorize use of the Sedgwick Liability Case Nurse Consultation Program on a trial basis for up to 90 days beginning on September 1, 2021. Michael Guina seconded the motion. A roll call vote was taken, and the motion passed unanimously by Donald Larkin, Michael Guina, Marc Zafferano, and Rebecca Mendenhall.

7. CLOSED SESSION:

A. The Committee convened to closed session, pursuant to Government Code section 54956.95(a) at 2:06 p.m. to discuss the following claims:

- Garcia, John and Mary v. Town of Atherton

B. Pursuant to Government Code Section 54957.1, the Committee reconvened to open session at 2:12 p.m. The following actions were taken under closed session:

No reportable action was taken during closed session.

8. CLOSING COMMENTS:

A. Claims Committee


The Claims Committee agreed to reschedule the September 23, 2021, Claims Committee Meeting to September 30, 2021, due to scheduling conflicts for League of Cities.

B. Staff

None.

9. ADJOURNMENT

The Regular Meeting of the PLAN JPA Claims Committee was adjourned at 2:14 p.m.



Katie Sullivan, Assistant General Manager