



President
Ms. Rachel Ancheta
City of Dixon

Vice President
Mr. Spencer Morrison
City of Yuba City

Treasurer
Ms. Jen Lee
City of Rio Vista

Secretary
Ms. Jennifer Styczynski
City of Marysville

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND CLAIMS COMMITTEE MEETING AGENDA

DATE / TIME: Thursday, March 28, 2024, at 9:00 a.m.

A - Action
I - Information

LOCATION: Zoom Teleconference
Call-in Number: (669) 444-9171
Meeting ID: 999 3790 9924 Passcode: 074695

1 - Attached
2 - Hand Out
3 - Separate Cover
4 - Verbal

Zoom Link:

<https://alliantinsurance.zoom.us/j/99937909924?pwd=M0YyZERzT2tubUZyZnpjTFBZdlZ3QT09>

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. City of Dixon – 600 E A St. Dixon, CA 95620
2. City of Elk Grove – 8401 Laguna Palms Way, CA 95758
3. City of Folsom – 50 Natoma St. Folsom, CA 95630
4. City of Yuba City – 1201 Civic Center Boulevard Yuba City, CA 95993

MISSION STATEMENT

The Northern California Cities Self Insurance Fund, or NCCSIF, is an association of municipalities joined to protect member resources by stabilizing risk costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.

A. CALL TO ORDER

B. ROLL CALL

C. PUBLIC COMMENTS

This time is reserved for members of the public to address the Committee on matters pertaining to NCCSIF that are of interest to them.



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pg.4 **D. CONSENT CALENDAR** **A 1**
All matters listed under the consent calendar are considered routine with no separate discussion necessary. Any member of the public or the Committee may request any item to be considered separately.

- pg. 5 1. Claims Committee Meeting Minutes - September 21, 2023
- pg. 7 2. Claims Committee Special Meeting Minutes – December 6, 2023
- pg. 9 3. Claims Committee Special Meeting Minutes – January 11, 2024
- pg. 11 4. Claims Committee Special Meeting Minutes – February 8, 2024
- pg. 13 5. Claims Committee Special Meeting Minutes – March 4, 2024
- pg. 14 6. CJPRMA Claims Audit Report

E. COMMITTEE BUSINESS

1. CLAIMS POLICY AND PROCEDURE REVISIONS

- pg. 18 a. P&P C-7C Employment Practices Recommended Investigators
- pg. 22 b. P&P C-W1 Workers’ Compensation Claims Administration
 General Guidelines and Standards

pg. 29 **2. FY 23/24 LIABILITY PROGRAM CLAIM AUDIT AND
 SEDWICK RESPONSE**

The Committee will review the most recent Liability Program claims audit conducted by RMS in 20223 and the response from Sedgwick to accept and file.

pg. 35 **F. CLOSED SESSION TO DISCUSS PENDING CLAIMS** **A 2**
(Per Governmental Code Section 54956.95)

Liability:
Garcia v. City of Yuba City

Workers’ Compensation
2096610294 v. City of Placerville

G. REPORT FROM CLOSED SESSION **I 4**
The Committee will announce any reportable action taken in closed session



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pg. 36 **H. ROUND TABLE DISCUSSION**

I 4

This is an opportunity for Committee members to ask questions or raise issue on risk exposures common to the members.

I. ADJOURNMENT

UPCOMING MEETINGS

Risk Management Committee Meeting - April 18, 2024

Board of Directors Meeting - April 18, 2024

Police Risk Management Committee Meeting - May 2, 2024

Claims Committee Meeting - May 23, 2024

Executive Committee Meeting - May 23, 2024

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 Jenna Wirkner at Alliant Insurance Services at (916) 643-2741.

The Agenda packet will be posted on the NCCSIF website at www.nccsif.org. Documents and material relating to an open session agenda item that are provided to the NCCSIF Claims Committee 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, NCCSIF 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.



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Claims Committee Meeting
March 28, 2024**

Agenda Item D.

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Claims Committee reviews items on the Consent Calendar, and if any item requires clarification or discussion a Member should ask that it be removed for separate action. The Committee should then consider action to approve the Consent Calendar excluding those items removed. Any items removed from the Consent Calendar will be placed later on the agenda in an order determined by the Chair.

RECOMMENDATION: Adoption of the Consent Calendar after review by the Committee.

FISCAL IMPACT: None.

BACKGROUND: Routine items that generally do not require discussion are regularly placed on the Consent Calendar for approval.

ATTACHMENT(S):

1. Claims Committee Meeting Minutes - September 21, 2023
2. Claims Committee Special Meeting Minutes – December 6, 2023
3. Claims Committee Special Meeting Minutes – January 11, 2024
4. Claims Committee Special Meeting Minutes – February 8, 2024
5. Claims Committee Special Meeting Minutes – March 4, 2024
6. CJPRMA Claims Audit Report



**MINUTES OF THE
NCCSIF CLAIMS COMMITTEE MEETING
ZOOM TELECONFERENCE
SEPTEMBER 21, 2023**

COMMITTEE MEMBERS PRESENT

Rachel Ancheta, City of Dixon
Allison Garcia, City of Folsom
Stephanie VanSteyn, City of Galt
Elisa Arteaga, City of Gridley
Spencer Morrison, City of Yuba City

COMMITTEE MEMBERS ABSENT

Melissa Rojas, City of Elk Grove

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Jenna Wirkner, Alliant Insurance Services
Evan Washburn, Alliant
Brian Davis, Sedgwick

Stacey Beam, LWP
Summer Simpson, Sedgwick
Kristin Echeverria, Sedgwick
Dori Zumwalt, Sedgwick

A. CALL TO ORDER

Chair Spencer Morrison called the meeting to order at 9:00a.m. A roll call was made, and the above-mentioned members were present constituting a quorum.

B. PUBLIC COMMENTS

C. CONSENT CALENDAR

1. Claims Committee Meeting Minutes - May 26, 2022

A motion was made to approve the Consent Calendar as presented.

Motion: Rachel Ancheta **Second:** Stephanie Van Steyn **Motion Carried**
Ayes: Ancheta, Garcia, VanSteyn, Arteaga, Morrison
Nays: None

D. CLOSED SESSION

Pursuant to Government Code Section 54956.95, the Committee recessed to closed session at 9: 03a.m to discuss the following claims:



Workers Compensation:

1. 2296610125; 2296610343; 2296610353; 2096610073 v. City of Elk Grove
2. NCWA-557695 v. City of Anderson

Liability

1. O’Neel v. City of Folsom
2. Magde v. City of Red Bluff

F. REPORT FROM CLOSED SESSION

The Committee reconvened to open session at 9:27 a.m.

Chair Spencer Morrison indicated that Committee met and provided direction on the above claims, but no reportable action was taken.

G. Addition To Workers’ Compensation Defense Attorney List

A motion was made to recommend the addition of Richard Gilbert to the defense attorney list.

Motion: Rachel Ancheta **Second:** Stephanie Van Steyn **Motion Carried**
Ayes: Ancheta, Garcia, VanSteyn, Arteaga, Morrison
Nays: None

Direction was given but no reportable action was taken.

H. ROUND TABLE DISUCSSION

Members discussed playground safety training. Members also discussed working with member to mitigate claims and forming a sub-committee.

I. ADJOURNMENT

The meeting was adjourned at 9:30 a.m.

Respectfully Submitted,

Jennifer Styczynski, Secretary

Date



**MINUTES OF THE
NCCSIF SPECIAL CLAIMS COMMITTEE MEETING
ZOOM TELECONFERENCE
DECEMBER 6, 2023**

COMMITTEE MEMBERS PRESENT

Rachel Ancheta, City of Dixon
Melissa Rojas, City of Elk Grove
Allison Garcia, City of Folsom
Stephanie Van Steyn, City of Galt
Elisa Arteaga, City of Gridley
Spencer Morrison, City of Yuba City

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Evan Washburn, Alliant Insurance Services
Brian Davis, Sedgwick

Jenna Wirkner, Alliant Insurance Services
Stacey Bean, LWP

A. CALL TO ORDER

Chair Spencer Morrison called the meeting to order at 9:00a.m. A roll call was made, and the above-mentioned members were present constituting a quorum.

B. PUBLIC COMMENTS

No public comments.

D. CLOSED SESSION

Pursuant to Government Code Section 54956.95, the Committee recessed to closed session at 9: 04a.m to discuss the following claims:

Workers Compensation:

1. 1896610189, 1896610186 v. City of Folsom
2. 2296610325 v. City of Red Bluff*
3. 2196610180 v. City of Rocklin*
4. 1596610128, 1796610250, 1796610262 v. City of Yuba City*

F. REPORT FROM CLOSED SESSION

Chair Spencer Morrison indicated that Committee met and provided direction on the above claims, but no reportable action was taken.

The Committee reconvened to open session at 11:18a.m.



H. ROUND TABLE DISUCSSION

Members discussed playground safety training. Members also discussed working with members to mitigate claims and forming a sub-committee.

I. ADJOURNMENT

The meeting was adjourned at 11:22a

Respectfully Submitted,

Jennifer Styczynski, Secretary

Date



**MINUTES OF THE
NCCSIF SPECIAL CLAIMS COMMITTEE MEETING
ZOOM TELECONFERENCE
JANUARY 11, 2024**

COMMITTEE MEMBERS PRESENT

Rachel Ancheta, City of Dixon
Allison Garcia, City of Folsom
Stephanie Van Steyn, City of Galt
Elisa Arteaga, City of Gridley
Spencer Morrison, City of Yuba City

COMMITTEE MEMBERS ABSENT

Melissa Rojas, City of Elk Grove

CONSULTANTS & GUESTS

Marcus Beverly, Alliant Insurance Services
Evan Washburn, Alliant Insurance Services
Brian Davis, Sedgwick

Jenna Wirkner, Alliant Insurance Services
Alyssa Reese, Sedgwick
Summer Simpson, Sedgwick

A. CALL TO ORDER

Chair Spencer Morrison called the meeting to order at 2:02p.m. A roll call was made, and the above-mentioned members were present constituting a quorum.

B. PUBLIC COMMENTS

No public comments.

D. CLOSED SESSION

Pursuant to Government Code Section 54956.95, the Committee recessed to closed session at 2:03p.m. to discuss the following claims:

Liability

1. Dawn Guzman v. City of Willows

F. REPORT FROM CLOSED SESSION

Chair Morrison indicated no formal announcement is necessary as direction was given to the Program and Claims Administrators for the claims referenced above.

The Committee reconvened to open session at 2:21p.m.



H. ROUND TABLE DISUCSSION

No discussion.

I. ADJOURNMENT

The meeting was adjourned at 2:25p.m.

Respectfully Submitted,

Jennifer Styczynski, Secretary

Date



**MINUTES OF THE
NCCSIF SPECIAL CLAIMS COMMITTEE MEETING
ZOOM TELECONFERENCE
FEBRUARY 8, 2024**

COMMITTEE MEMBERS PRESENT

Rachel Ancheta, City of Dixon
Allison Garcia, City of Folsom
Stephanie Van Steyn, City of Galt
Spencer Morrison, City of Yuba City

COMMITTEE MEMBERS ABSENT

Melissa Rojas, City of Elk Grove

CONSULTANTS & GUESTS

Jenna Wirkner, Alliant Insurance Services
Alyssa Reese, Sedgwick
Dor Zumwalt, Sedgwick

Evan Washburn, Alliant Insurance Services
Brian Davis, Sedgwick

A. CALL TO ORDER

Chair Spencer Morrison called the meeting to order at 9:00a.m. A roll call was made, and the above-mentioned members were present constituting a quorum.

B. PUBLIC COMMENTS

No public comments.

D. CLOSED SESSION

Pursuant to Government Code Section 54956.95, the Committee recessed to closed session at 9:01 a.m. to discuss the following claims:

Liability

1. Long v. City of Folsom

F. REPORT FROM CLOSED SESSION

Chair Morrison indicated no formal announcement is necessary as direction was given to the Program and Claims Administrators for the claims referenced above.

The Committee reconvened to open session at 9:16a.m.



H. ROUND TABLE DISUCSSION

Members discussed policies regarding technology and guidance on what employees can do at work. (social media etc.).

Members also discussed updates to policy and procedures regarding drug and alcohol.

I. ADJOURNMENT

The meeting was adjourned at 9:30a.m.

Respectfully Submitted,

Jennifer Styczynski, Secretary

Date



**MINUTES OF THE
NCCSIF SPECIAL CLAIMS COMMITTEE MEETING
ZOOM TELECONFERENCE
MARCH 4, 2024**

COMMITTEE MEMBERS PRESENT

Rachel Ancheta, City of Dixon
Melissa Rojas, City of Elk Grove
Allison Garcia, City of Folsom
Spencer Morrison, City of Yuba City

CONSULTANTS & GUESTS

Jenna Wirkner, Alliant Insurance Services Marcus Beverly, Alliant
Evan Washburn, Alliant Insurance Services Summer Simpson, Sedgwick
Brian Davis, Sedgwick

A. CALL TO ORDER

Chair Spencer Morrison called the meeting to order at 1:04p.m. A roll call was made, and the above-mentioned members were present constituting a quorum.

B. PUBLIC COMMENTS

No public comments.

D. CLOSED SESSION

Pursuant to Government Code Section 54956.95, the Committee recessed to closed session at 9:01 a.m. to discuss the following claims:

Liability

1. C3665B3558-0001-01 v. City of Dixon

F. REPORT FROM CLOSED SESSION

Chair Morrison indicated no formal announcement is necessary as direction was given to the Program and Claims Administrators for the claims referenced above.

The Committee reconvened to open session at 1:14p.m.

H. ROUND TABLE DISUCSSION

I. ADJOURNMENT

The meeting was adjourned at 1:15p.m.

Respectfully Submitted,

Jennifer Styczynski, Secretary

Date

CALIFORNIA JOINT POWERS RISK MANAGEMENT ASSOCIATION (CJPRMA)

LIABILITY CLAIMS AUDIT REPORT – 2023

An audit of the CJPRMA claims handling was conducted in August, September and October 2023. The audit consisted of pre-audit discussions with CJPRMA staff, pre-audit questionnaires sent to each Member, a review of current loss runs to select files to be reviewed (151 claims) and completion of an RMS Audit Review form on each file reviewed (these forms are included in this report as a confidential document). The audit was conducted remotely utilizing access to the CJPRMA claims database.

PRE-AUDIT DISCUSSIONS – Discussions were conducted with both the General Manager and Claims Administrator. These discussions provided valuable information into historical claims handling, current issues and CJPRMA claims handling structure. All of this information was helpful in conducting the audit.

PRE-AUDIT QUESTIONNAIRE – A questionnaire was sent to each Member electronically and once completed returned to RMS in electronic format. The questionnaire confirmed each Members' SIR, internal claims handling structure, Member authority levels and knowledge of the CJPRMA Claims Handling Guidelines. The Members were all responsive and timely in completing the questionnaire. The responses all indicated a solid internal claims handling structure and detailed knowledge of the CJPRMA Claims Handling Guidelines. The questionnaire included a section to express comments or issues and none of the Members raised any negative comments or issues. These questionnaires were helpful in understanding the handling at the primary level, both from an in-house and TPA perspective.

The audit reviewed the following areas of claims handling at the CJPRMA level and indicates:

INVESTIGATION – The CJPRMA adjusting staff (referred to as Adjusters going forward) are very proactive and diligent in working with the involved Member to obtain, suggest and assist in the investigation process. The files were found to be well documented and up to date with investigative information. This greatly assists the Adjusters in evaluating exposure, initial reserving and Reinsurer reporting. The Adjusters conduct good follow-up to obtain additional investigation and assist the Members as needed.

RESERVES – The files were found to be well tracked for reserves from both the Member and in setting reserves at the CJPRMA level. The CJPRMA claims database has a field to indicate when the last Member financials were updated; this is well utilized and important in the tracking of SIR erosion. The Adjuster reserves in the CJPRMA layer are well documented with reserving rationale and approval conducted before reserves are set. In this report we have an attachment

– CJPRMA AUDIT REVIEW ISSUES, COMMENTS AND SUGGESTIONS – that indicates files with noted areas that need attention. Some of these issues involve reserves and should be reviewed by the CJPRMA claims staff.

Overall, we found the reserving practices to be solid and appropriate for the exposure in both the primary and excess layers. ISSUES noted are of a housekeeping nature and do not present any negative impact to the Pool or Reinsurers.

LITIGATION MANAGEMENT – The file review and database notes indicate a strong effort in litigation management by the Adjusters. The Adjusters are on top of the files and communicate well with both the Member and Defense Counsel to assist in litigation strategy and provide valuable input. The litigation is conducted in a collaborative manner with all stakeholders working towards the most favorable resolution through motions, retention of experts, mediation/settlement planning and complete evaluation of the exposure.

The Members utilize experienced public entity Defense Counsel, that handles employment, dangerous conditions and law enforcement cases well. The Defense Counsel reports appropriately and provides timely litigation budgets.

The Adjusters are actively involved in the litigation and proactively handle cases with CJPRMA exposure and additionally monitor and provide advice on cases with exposure within the Member SIR.

Litigation management is done in a professional and competent manner.

LIABILITY/DAMAGE EVALUATION – The files indicate a thoughtful and detailed evaluation of liability, through the investigation process, reserving rationale and follow-up handling. The evaluation of liability includes analysis of immunity defenses, risk transfer, historical claim data, plaintiff counsel, venue and adverse facts. On damages, the files contain all pertinent documents related to medical records, future care, wage loss, CMS issues and liens. The Adjusters document all new developments related to liability/damages well in the file notes and react accordingly to new issues impacting the exposure.

FILE MANAGEMENT – The Adjusters manage the files well, regularly communicating with the Members, keeping up-to-date notes, requesting appropriate information and providing guidance. The file management includes:

- Confirmation of appropriate statutory notice handling that protects and preserves all defenses.
- Up-to-date file notes.

- Good communication with all stakeholders.
- Oversight, supervision and input by the General Manager.
- Tracking and reconciliation of financials.
- Timely identification and pursuit of risk transfer opportunities.
- Well organized and consistent file format.
- Timely reporting and follow-up to Reinsurers.
- CMS reporting verification.
- Collaborative management of the primary handling.

NEGOTIATION PRACTICE – The Adjusters are actively involved in the planning for mediations/settlement conferences. They work well with the Members and Defense Counsel in planning strategy and attend all appropriate negotiations.

Through the investigation process, litigation management and evaluation of the exposure, the Adjusters are well versed on the value and goal of negotiations and provide value added in the process. The resolved case review in the audit indicates a favorable pattern of resolution.

ISSUES, COMMENTS AND SUGGESTIONS – This attached document covers 26 claims from the audit that RMS feels warranted some discussion and review post-audit by the CJPRMA claims staff. The majority involves reserving issues, that as previously mentioned are more housekeeping in nature. A few claims call for attention as noted in the document – #21-0478, #21-0494, #21-0507, #23-0231, #21-0568, #19-0547, #19-0504.

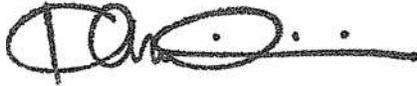
OVERALL – The handling of the CJPRMA claims is done in a professional and competent manner. The transition of the additional Adjuster in May 2023 seems to have been done well and no issues in handling were noted. The new Adjuster is experienced in public entity claims, seems to have run appropriately with the files assigned and is well managed.

One recommendation would be to hold a ZOOM meeting with all Member staff (including City Attorney staff) and TPA staff directly responsible for the handling of primary claims to review and reinforce the CJPRMA Claims Handling Guidelines and answer any questions from the individuals handling the primary claims. Due to the current labor environment, new hires and

retirements, this refresher could provide many dividends as well as reinforce reporting and attorney status requirements.

Other than the recommendation above, the 26 files noted in our attached **ISSUES, COMMENTS AND SUGGESTIONS**, we have no further recommendations.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'K. Maiolini', with a horizontal line extending to the right.

Kenneth R. Maiolini, ARM-P

Attachments: RMS Audit Review Forms (Confidential Document)
Issues, Comments and Suggestions



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Claims Committee Meeting
March 28, 2024

Agenda Item E.1.a.

CLAIMS POLICY AND PROCEDURE REVISIONS

EMPLOYMENT PRACTICES RECOMMENDED INVESTIGATORS

ACTION ITEM

ISSUE: Changes are recommended to Claims Policy & Procedure #C-7C, Employment Practices Recommended Investigators list to incorporate investigators recommended and used by CJPRMA and other risk pools.

FISCAL IMPACT: None.

RECOMMENDATION: Review, discuss and provide recommendation or direction as needed.

BACKGROUND: The Employment Practices Recommended Investigators list has not been updated since 2015.

ATTACHMENT(S): P&P C-7C Employment Practices Recommended Investigators – *redlined version*



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NCCSIF ADMINISTRATIVE POLICY & PROCEDURE #C-7C

**ATTACHMENT C - EMPLOYMENT PRACTICES
Recommended Investigators**

~~[Valentina Reiner](#)
[Law Office of Valentina Reiner](#)
[2377 Gold Meadow Way, Suite 100](#)
[Gold River, CA 95670](#)
[\(916\) 526-2748](#)~~

~~[Dona Bertain](#)
[Bertain Consulting](#)
[2485 Marsh Court](#)
[Durham, CA 95938](#)
[\(530\) 898-1199](#)~~

~~[Karen Kramer](#)
[PO Box 266](#)
[Danville, CA 94526](#)
[\(925\) 838-6435](#)
[karen@kramerlaw.net](#)~~

~~[Donna S. Selnick, J.D.](#)
[2154 University Park Dr.](#)
[Sacramento, CA 95825](#)
[\(916\) 764-2883](#)~~

~~[Nikki Hall](#)
[Van Dermyden Makus](#)
[2520 Venture Oaks Way, Suite 450](#)
[Sacramento, CA 95833](#)
[\(916\) 779-2402](#)~~

~~[Terry Roemer](#)
[Law Office of Terry Roemer](#)
[6114 LaSalle Avenue #176](#)
[Oakland, CA 94611-2802](#)
[\(510\) 566-5530](#)
[terry@terryroemerlaw.com](#)~~

~~[Paul E. Laey, Esq.](#)~~



Northern California Cities Self Insurance Fund

*c/o Alliant Insurance Services, Inc.
Corporate Insurance License No. 0C36861*



[University of the Pacific, McGeorge School of Law](#)
[Institute for Administrative Justice](#)
[2020 Hurley Way](#)
[Sacramento, CA 95814](#)
[\(916\) 739-7049](#)

[Carolyn Gemma](#)
[Lozano Smith](#)
[2001 North Main St., Suite 500](#)
[Walnut Creek, CA 94596](#)
[\(925\) 953-1620](#)
cgemma@lozanosmith.com

[Jay Resendez](#)
[Resendez Legal](#)
[4196 Douglas Blvd, Suite #300](#)
[Granite Bay, CA 95146](#)
[\(916\) 945-9618](#)
jay@resendezlegal.com

[Howard Jordan](#)
[Management Strategies Group](#)
[\(510\) 995-5800](#)
hjordan@mgmt-strategies.com

[David Reuben](#)
[DR Associates International](#)
[PO Box 2399](#)
[Davis, CA 95617](#)
[\(530-758-8902\)](#)
dreuben@drainvestigations.com

[Stephanie L. Quinn](#)
[Murphy, Campbell, Alliston & Quinn Covarrubias, PLC](#)
[8801 Folsom Boulevard, Suite 230](#)
[Sacramento, CA 95826](#)
[2220 Douglas Blvd, Suite 240](#)
[Roseville, CA 95661](#)
[\(916\) 400-2300](#)
squinn@quinncova.com



Northern California Cities Self Insurance Fund
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Revision Date: October 15, 2015
[March 28, 2024](#)



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Claims Committee Meeting
March 28, 2024

Agenda Item E.1.b.

CLAIMS POLICY AND PROCEDURE REVISIONS

WORKERS' COMPENSATION CLAIMS ADMINISTRATION GENERAL GUIDELINES AND STANDARDS

ACTION ITEM

ISSUE: Changes are recommended to the WC Claims Administration General Guidelines, #C-W1 specific to Medical Controls Item #4 and review of medical bills to reference the fee schedule instead of specific software.

A change is made to the reporting requirements for reserve changes as well to reflect each member's preference and the threshold for NCC Program Administrators.

The revision also includes a reference to the more specific guidelines provided to the claims administrator from NCC and excess coverage provider, PRISM.

FISCAL IMPACT: None.

RECOMMENDATION: Review, discuss and provide recommendation or direction as needed.

BACKGROUND: The previous version of the Guidelines had not been revised since 2014. Program Administrators recommend a periodic review of all Processes and Procedures to ensure they are accurate and up-to-date.

ATTACHMENT(S): Red-lined draft Policy & Procedure # C-W1



WORKERS' COMPENSATION POLICY AND PROCEDURE #C-W1

SUBJECT: WORKERS' COMPENSATION CLAIMS ADMINISTRATION GENERAL GUIDELINES AND STANDARDS

Policy Statement:

It shall be the policy of the Northern California Cities Self-Insurance Fund to ensure that Worker's Compensation claims are administrated by the following general guidelines and standards. [Please refer to the NCCSIF Claims Management Procedures and Guidelines as well as the Excess Coverage Workers' Compensation Claims Administration Standards for more detailed information.](#)

Processing:

1. All files will be created, reserved and assigned the proper code number and entered into the computer within five working days following the receipt of the First Report of Inquiry.
2. A diary system will be established so that each case is reviewed at least every thirty (30) days.
3. Payments will be made promptly as required by State code. All payments for Labor Code 4850 benefits will be made by accounting entry or voucher instead of a check from NCCSIF funds. NCCSIF does not cover 4850 benefits of any kind.
4. No penalties shall be paid by the member city unless it can be shown that late filing of the report is the reason for the penalty. Late filing is when the claim administrator has not received the first report within five (5) days of knowledge of injury or disability by the employer.
5. All payments, reserve revisions and file closing will be promptly entered into the computer system.
6. The reserve will take into consideration all potential payments, including "allocated expenses."

File Documentation:

1. The basis for all initial reserves, reserve revisions and payments will be clearly explained in the file.



Northern California Cities Self Insurance Fund

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2. Specific direction on the investigation and handling of all indemnity cases will be established with ten (10) working days of receipt of the First Report and clearly evidenced in the file. The extent of the direction will be clearly based upon the seriousness or complexity of the case.
3. An initial file summary will be completed on all indemnity cases involving disability payments within fifteen (15) days of receipt of the First Report.
4. Updated case analysis summaries will be completed and placed in any indemnity file at least every thirty (30) days after completion of the initial summary unless an extended diary up to ninety (90) days is warranted. This will include any and all information that related to the direction and value of the case, as well as further work to be done and a target day for completion.
5. All phone conversations, discussions and meetings held on the case will be clearly documented in each file.

Investigation:

1. Within three (3) working days of receipt of the First Report, contact will be made with the member agency in order to determine if compensability is to be acknowledged or questioned when not self-evident on member city's report.
2. On all questionable indemnity cases, informative statements will be obtained from anyone who may have knowledge of the injury, including the claimant, witnesses and supervisor within ten (10) calendar days of receipt of the First Report, unless the file reflects a reasonable explanation for a delay in obtaining same.
3. The medical facility will be contacted prior to making the initial indemnity payment to establish the extent of injury, length of disability, and causal relationship of the injury to the job or alleged work-related incident.
4. A medical report will be requested within twenty (20) days of the first day of lost time and as often as needed thereafter to justify continuing indemnity payments.
5. Personal contact on non-litigated indemnity cases will be maintained with the injured employee on a periodic, ongoing basis (initial, within three (3) days of receipt of First Report and follow up within every thirty (30) days thereafter until return to work) to control their medical progress and timely return to work.
6. Where the length of disability is questioned and upon prior approval by the member, a field activity check/surveillance will be conducted on the injured employee in order to determine



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if there is any work capability. All investigations will be coordinated with appropriate member city personnel on a case-by-case basis.

7. Where medical evaluation is questioned, an independent medical examination will be scheduled with a qualified physician, providing to the physician any relevant medical and job information that will assist the physician in making an objective evaluation. Copies of medical evaluations will be provided to the member city.
8. Any medical bills received will be reviewed prior to payment with regard to causal relationship to the accident/work-related injury.
9. Where needed, rehabilitation and/or retraining will be recommended and the progress will be closely monitored and controlled. The first evaluation as to the appropriateness of rehab will take place according to Workers' Compensation State requirements.
10. Subrogation will be promptly recognized and investigated.
11. All reserves will be evaluated for accuracy, based on information at hand, every time the case is handled and/or reviewed.
12. All "medical only" cases will be reviewed for closing at least every ninety (90) days.
13. Settlement evaluation will be made promptly, based on information included in the file, as well as other criteria by which a value may be based.
14. Where warranted, settlement will be pursued in a timely and aggressive manner, and all negotiations will be handled or managed internally by the claims person assignment to the case or qualified attorney under direction of the Claim Administrator.
15. Settlement authority will be granted in accordance with the policy established by NCCSIF.

Medical Control

1. Recommend the composition of medical facilities and panels in conjunction with the member agencies.
2. Maintain close liaison with doctors and assure maximum efficiency in the management of claims and compliance with State laws regarding provision of job descriptions to determine return to work possibilities.
3. Review every Doctor's First Report and initiate the proper procedure in each claim.
4. ~~Audit All medical bills are reviewed and adjusted to the applicable Fee Schedule, at the level determined by the JPA. Use of PCC, Med-Date, or other software is strongly recommended.~~



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5. Provide each member city with copies of medical evaluations as requested by the member.

Litigation Management

1. Good judgment will be used in deciding on the need for legal counsel.
2. Within three (3) working days of referral of the case to defense counsel, a letter will be directed to the attorney, with a copy to the agency outlining the case status, work to be done, by whom and in what time frame.
3. Defense counsel will not do anything that could be accomplished just as effectively, efficiently, and economically by the Claim Administrator.
4. Within thirty (30) days after receipt of the case, defense counsel's written opinion as to compensability, value and settlement/defense strategy will be obtained. A copy will be provided to the member city.
5. Itemized legal bills will be solicited and reviewed for payment at least quarterly, or more frequently, if appropriate.

Reporting Requirements

1. Monthly loss runs shall be provided to the NCCSIF Program Administrator, the member city and the excess insurance carrier.
2. As to any claim:
 - reserved at \$15,000 and above, and/or
 - involving serious injury (death, heart attack, back problems involving surgery, serious burns, brain damage, or any other extreme permanent injury), and/or
 - in litigation
 - a. An initial written captioned report will be completed and submitted to the member city within thirty (30) days after the defined reporting condition is met.
 - b. Supplemental written status reports will be completed and submitted to the agency at least every ninety (90) days following the initial report and should include any pertinent information that could reasonably affect the ultimate value of the claim.



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3. Within ten (10) days from a reserve increase of **\$15,000** as specified by the member or more, a written notification of the ~~fact of the~~ increase and the basis for it will be sent to the member agency. Reserve increases of \$50,000 or more are reported to the Program Administrator.
4. Obtain monthly, or more frequently, if appropriate, itemized billings from outside adjusters/investigators and legal counsel for payment consideration.
5. Report as appropriate to the NCCSIF Program Administrator, the Excess Insurance carrier, and the member agency necessary information on the current status of claims as required by the excess carrier.
6. Reconciliation of bills paid on a frequency determined by NCCSIF.

Communications

1. Open communications will exist and be maintained bilaterally between NCCSIF members and the Claims Administrator. Phone calls will be returned promptly.
2. The Claim Administrator will provide NCCSIF with notices dealing with changes or proposed changes in Workers' Compensation administrative procedures and laws.

Review Procedures

1. NCCSIF, its Program Administrator, and its member agencies shall have the right to audit any and all of its claim files during normal business hours and/or to employ an outside auditor for the purpose, providing such auditor is not employed by a competitor of the Claim Administrator.

Self Insured Annual Report

Prepare on behalf of each member agency, the Public Self Insurer's Annual Report in accordance with current State requirements.



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THE ABOVE STANDARDS AND GUIDELINES ARE INTENDED TO PROVIDE A GENERAL IDEA AS TO THE LEVEL OF SERVICE THAT IS DESIRED. COMMUNICATION IS EXTREMELY IMPORTANT, AS IS THE ABILITY TO PROVIDE QUALITY SERVICE.

REGARDLESS OF THE ABOVE STANDARDS AND GUIDELINES, THE STATE WORKERS' COMPENSATION LAWS SHALL ALWAYS TAKE PRECEDENCE IN THE ADMINISTRATION OF CLAIMS.

Effective Date: June 28, 1991

Revised: June 12, 2014

Reviewed: March 28, 2024



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Claims Committee Meeting
March 28, 2024**

Agenda Item E.2.

**FY 23/24 LIABILITY PROGRAM CLAIM AUDIT
AND SEDGWICK RESPONSE**

ACTION ITEM

ISSUE: Ken Maiolini of Risk Management Services completed a liability claims audit in February 2024. The Executive Summary and recommendations are provided for review and discussion. Sedgwick's response to the audit and recommendations is also attached.

Overall, the claims management is done in a professional and competent manner that meets or exceeds industry standards. The only recommendation noted was regarding the need to review and possibly adjust reserves on a single claim.

Areas of strength included investigation and documentation. Litigation management is handled in a professional and competent manner, with lower-than-expected costs and favorable results.

The adjusters are very proactive in engaging settlement discussions on claims with merit. They are also effective in negotiating tender and risk transfer opportunities.

Sedgwick has reviewed and responded to the audit findings in the attached letter of March 12, 2024.

FISCAL IMPACT: None, already budgeted.

RECOMMENDATION: Review, accept and file audit and response.

BACKGROUND: Every other year NCCSIF conducts an audit of member Liability claims to ensure it is being managed according to NCCSIF standards and best practices.

ATTACHMENT(S):

1. General Liability Claims Audit
2. General Liability Claims Audit Response from Sedgwick

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND (NCCSIF)

LIABILITY PROGRAM AUDIT REPORT – 2024

Risk Management Services (RMS) conducted a claims audit from February 1st to February 21st, 2024, by remote review using the TPA claims system of 65 open and 20 closed claims. NCCSIF utilizes the services of a TPA (Sedgwick) to handle claims. We found staffing to be appropriate and handling to be well done by the Adjusters and evidence of regular Claims Supervisor review/input.

An RMS Audit Review Form was completed on the claim files reviewed and these forms are included as a confidential document in this report.

The following observations were made as part of the audit:

INVESTIGATION – The Adjusters complete timely and thorough investigations and appropriately document the file. The claims revealed prompt Member contact and utilization of Member resources to assist with investigations. Investigations completed assisted in accurate assessments of liability and reserving. Appropriate scene investigations were evident in the files and all expected investigation activities and documents were easily located in the files.

RESERVING – The files are reserved to reflect the reasonable ultimate value of the exposure. The Adjusters make appropriate notations in the file explaining rationale for the posted reserve and reserves are reviewed by the Claims Supervisors. Prompt and thorough early investigations as well as Adjuster and Supervisor experience are evident in the reserving practice. There were no negative reserving trends found.

NOTE: Claim #4A211102533 – Need to evaluate loss reserve, may be light if case is mediated.

LITIGATION MANAGEMENT – The files involving litigation reveal:

- The Adjuster, Defense Counsel and Member work collaboratively on the strategic direction of the litigated files.
- Defense Counsel is often retained prior to litigation to assist in the investigation and resolution of the case before extensive litigation/discovery.
- Litigation files are well documented with an action plan, with notation on potential early resolution and current status. Appropriate motions are filed, qualified experts retained, regular reporting and budgets provided.

- Sound judgement is evident in litigated cases, with meetings and reviews conducted.
- Adjusters receive timely initial case evaluations and budgets from Defense Counsel.
- Litigation is handled by experienced counsel in Public Entity matters, that provide good legal services at a reasonable cost.

Overall, litigation management was found to be handled in a professional and competent manner, with lower-than-expected costs and favorable results.

LIABILITY/DAMAGE EVALUATIONS – The investigation, Defense Counsel reports as well as Member input, are utilized for determining liability. The Member is contacted for agreement to accept or reject claims. Explanation on the assessment of liability is noted in the files. The Adjusters assess each claim for potential risk transfer of the claim. Supervisors closely review liability assessed by the Adjusters. Overall, evaluations are timely and well done.

Damage exposure is closely reviewed and adjusted when needed. All repair estimates are reviewed and negotiated when needed, medical documentation is reviewed for accuracy, information related to loss of earnings and future care are also reviewed. The files contain accurate documentation of damages.

FILE MANAGEMENT – The files reviewed were found to be well documented and Adjusters use the system to its max capabilities. All fields were documented well.

File management practices indicated in the audit include:

- Accurate management of statutory notices, that preserves all claim defenses.
- File notes are complete and necessary documents are filed in system.
- Financials are well tracked.
- Diaries are well managed, and files are kept current.
- Supervisor reviews files regularly with intervention when needed.
- Risk transfer opportunities are recognized and handled appropriately.
- Excellent communication between Adjuster, Member and Defense Counsel.
- First notice to Excess and ongoing updating are evident.

Overall, files are effectively maintained and managed to closure.

NEGOTIATION PRACTICES – The Adjusters are very proactive in engaging settlement discussions on claims with merit. The Adjusters are also effective in negotiating tender and risk transfer opportunities. Negotiation practices result in favorable results for both the Member and Pool.

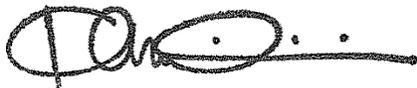
CLOSED FILES – The 20 closed files reviewed were found to be handled effectively and appropriately. Files reflected good assessment on liability, appropriate rejection, prompt initiation of negotiations, obtaining compromised settlements on comparative liability cases, pursuit of risk transfer, review of financials, obtaining closing documents, closing files timely and overall favorable results for all stakeholders. See Closed File Review document (Exhibit A).

Overall, the audit revealed that the NCCSIF claims are handled in a prompt, professional and competent manner. No issues were noted that would create an adverse impact to the Member or Pool.

The NCCSIF claims and litigated files are handled in a manner that meets or exceeds industry standards and CAJPA criteria.

We have no recommendations at this time, other than the one **NOTED** reserving issue.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ken Maiolini', with a horizontal line extending to the right.

Kenneth R. Maiolini, ARM-P

Attachments: RMS Audit Review Forms (Confidential Document)
NCCSIF Closed File Review (Exhibit A)

NCCSIF Closed Claim Review – 2024

| CLAIM # | CAUSE | TOTAL INCURRED |
|----------------|--------------------------------|-----------------------|
| 4020113F307 | False arrest – excessive force | \$344,213 |
| 40210244A82 | Personal injury | \$227,429 |
| 4021060B82F | Discrimination | \$133,100 |
| 4A2110B5016 | EPL | \$73,817 |
| 4A21120HAMH | Excessive force | \$19,781 |
| 4A2202OWFMF | Excessive force | \$103,828 |
| NCGA09058A1 | Trip-and-fall | \$225,257 |
| NCGA09060A1 | Personal injury | \$137,636 |
| NCGA09043A2 | EPL | \$146,817 |
| NCGA08930A1 | Personal injury | \$155,548 |
| NCGA08875A1 | Personal injury | \$174,934 |
| NCGA08836A1 | OIS – non-fatal | \$197,428 |
| NCGA08821A1 | Excessive force – false arrest | \$210,679 |
| NCGA08794A1 | Personal injury | \$148,856 |
| NCGA08773A1 | Breach of contract | \$205,077 |
| NCGA08753A1 | Dangerous road condition | \$3,748,393 |
| NCGA08618A1 | Trip-and-fall | \$189,190 |
| NCGA08207A1 | Trip-and-fall | \$2,557,741 |
| NCGA08139A1 | Excessive force | \$115,806 |
| NcGA07975A2 | EPL | \$116,710 |



March 12, 2024

Northern California Cities Self Insurance Fund
Rachel Ancheta, Board President

Marcus Beverly, Program Administrator
Alliant Insurance Services
2180 Harvard St, Suite 460
Sacramento, CA 95815

Re: Response to Audit Results for Northern California Cities Self-Insurance Fund– Risk Management Services

This letter will serve as a response to the February 2024 Liability Program Audit conducted by Risk Management Services. Our response is designed to address performance strengths and auditor recommendations.

We are very pleased with the audit results. We want to assure you of our continued commitment to meet and exceed NCCSIF's expectations. We use these audits as an added tool to identify trends and implement processes to continue to achieve these great results.

There were 85 files selected for the audit specifically focused on claims handling activity through February 2024. We note the categories of Investigation, Litigation Management, Liability/Damage Evaluation, File Management, and Negotiation Practices are all well handled without any issues or recommendations indicated.

Under the category for Reserving, the auditor recommends the reserves on one claim be re-evaluated. Otherwise, the auditor reports the examiner are explaining their rationale and their experience, as well as the supervisor's experience is evident in the reserving practices. We have reviewed the claim and adjusted the reserves accordingly.

We appreciate the auditor's comments that the claims are handled in a professional and competent manner with lower-than-expected costs and favorable results. The audit results indicate that NCCSIF's claims, and litigated files are handled in a manner that meets or exceeds industry standards and CAJPA criteria.

Thank you for the opportunity to evaluate our administration and handling of NCCSIF's claims and allow us the opportunity to implement plans to enhance our level of service. We appreciate our partnership with NCCSIF and look forward to providing the pool with many more years of services.

Sincerely,

Dori Zumwalt

Dori Zumwalt
Director Client Services

cc: Summer Simpson, Assistant Manager Claims
Devora Brainard-DeLong, VP Client Services



BACK TO AGENDA

**Northern California Cities Self Insurance Fund
Claims Committee Meeting
March 28, 2024**

Agenda Item F.

CLOSED SESSION TO DISCUSS PENDING CLAIMS
(Per Governmental Code Section 54956.95)

ACTION ITEM

ISSUE: Pursuant to Government Code Section 54956.95, the Committee will hold a Closed Session to discuss the following claims:

Liability

Garcia v. City of Yuba City*

Workers' Compensation

2096610294 v. City of Placerville*

FISCAL IMPACT: Unknown.

RECOMMENDATION: The Program Administrator cannot make a recommendation at this time, as the subject matter is confidential.

BACKGROUND: Confidential.

ATTACHMENT(S): None.



BACK TO AGENDA

Northern California Cities Self Insurance Fund
Claims Committee Meeting
March 28, 2024

Agenda Item H.

ROUND TABLE DISCUSSION

INFORMATION ITEM

ISSUE: The floor will be open to the Committee for discussion.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: This is an opportunity for Committee members to ask questions or raise issue on risk exposures common to the members.

ATTACHMENT(S): None.