

## Extending CAPP Insurance to Others The Limitations and Liabilities

The Colorado Counties Casualty & Property Pool (CAPP) provides a broad range of insurance coverages tailored to the common needs of its member county governments. More and more we are seeing other groups looking to the county to extend that coverage to their organization or event.

### ***Transfer Risk***

CAPP members should transfer risk whenever possible by including contract language that obligates the other party to obtain insurance coverage outside of CAPP. The other party should present a certificate of insurance naming the county as an additional insured. Do not accept an oral commitment that insurance obligations have been met.

### ***Review Contracts***

We're asking our members to review their contracts, intergovernmental agreements or other documents to make sure the county hasn't agreed to extend CAPP insurance beyond county operations. For example, you may have an agreement and/or provide funding for an ambulance or fire department to provide services to the county. Make sure that the outside entity is not relying on the county to provide insurance through CAPP, unless the county has received CTSI's written approval to extend CAPP coverage to the outside entity.

### ***Sponsored Entities***

Under certain circumstances, the county may seek CTSI's written approval for CAPP coverage for an outside entity that meets the CAPP Criteria for Sponsored Entities. The County Workers Compensation

Pool (CWCP) has similar criteria for workers compensation coverage. Refer the CWCP & CAPP Operations Manual at [www.ctsi.org](http://www.ctsi.org), Members Only, for complete details.

### ***Homogenous Exposures***

On another note, we are seeing counties looking to CAPP for coverage for some high-risk recreational activities on county property. Even though CAPP has broad coverage, it is designed to protect the homogenous exposures of its members. Before agreeing to allow high-risk activities on your property, 1) consider whether this activity is a common county operation, and 2) contact CTSI for a coverage determination. For example, when CTSI was asked about coverage for a motocross course on county property, we determined that CAPP could not provide coverage for this activity as it is not a common county operation and the risk to the county/pool is much too great.

### ***What This Means For Counties***

For review of insurance provisions in contracts or for coverage questions, contact Patti Lell, CTSI Manager-Risk Programs at (303) 861-0507, [pllell@ctsi.org](mailto:pllell@ctsi.org).