



Technical Update

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Counties, Be Aware of Your Assumption or Transfer of Risk

The Colorado Counties Casualty & Property Pool (CAPP) provides a broad range of insurance coverages tailored to the common needs of its member county governments. The County Workers Compensation Pool extends statutory coverage to county employees, appointed board members, and statutory volunteers.

When contracting for outside services, counties should be aware of their assumption or transfer of risk.

Transfer Risk

Pool members should transfer risk whenever possible by including contract language that obligates the other party to obtain insurance coverage outside of CAPP and CWCP. The other party should present certificates of insurance evidencing the coverage. Name the county as an additional insured when appropriate. Do not accept an oral commitment that insurance obligations have been met.

Review Contracts

Review your contracts, intergovernmental agreements, or other documents to ensure the county has not agreed to extend CAPP or CWCP insurance beyond the terms of the pool insuring agreements. For example, you may have an agreement and/or provide funding for a non-county 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 and/or CWCP, unless the county has received CTSI's written approval to extend coverage to the outside entity.

Sponsored Entities

Under certain circumstances, the county may seek CTSI's written approval for CAPP and/or CWCP coverage for an outside entity that meets the Criteria for Sponsored Entities. Refer the CWCP & CAPP Operations Manual at www.ctsi.org, Members Only, for complete details.

High Risk Activities

On another note, we are seeing counties looking to CAPP for coverage of some high-risk recreational activities on county property. Even though CAPP has broad coverage, it is designed to protect the homogeneous exposures of its members. Before allowing 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. Conversely, when asked about a shooting range, we determined that coverage could be provided as this is common among county sheriff departments and proper loss prevention practices can be implemented to mitigate the risks. Contact your loss prevention representative for assistance.

What This Means For Counties

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