



CWCP & CAPP Operations Manual

1-Administration

County Technical Services, Inc. (CTSI)

CTSI, County Technical Services, Inc. (formerly Colorado Counties, Inc. Pool Management Services since 1984), began operations on April 1, 1992 as a new corporation offering pool management services to counties of Colorado. Colorado Counties, Inc. Pool Management Services formerly provided these services as a department of CCI.

CTSI is a non-profit corporation providing pool management services to all counties of Colorado whether a CCI member or not. CTSI is owned by counties who are members of the County Health Pool, the County Workers' Compensation Pool and Colorado Counties Casualty and Property Pool.

CTSI operating expenses are generated through allocation of a portion of each pool membership's annual participation costs.

CTSI is governed by a six-member board of directors. Two directors from each pool are appointed to serve on the CTSI Board.

CTSI presently provides pool management services to the three pools through a contractual agreement between the CTSI Board and the board of each pool.

CTSI's Board is responsible for overseeing the operations of the corporation and retains an executive director and other staff who are responsible for the day-to-day operations of CTSI and the pools.

This manual has been prepared to assist each member county in better understanding the operations, claims handling and policies of the pool.

Refer to insuring agreements and other pool documents for specific terms, conditions and limitations.

County Workers' Compensation Pool (CWCP) Colorado Counties Casualty and Property Pool (CAPP)

The County Workers' Compensation Pool (CWCP) was formed in January 1985 to provide statutory workers' compensation coverage for employees of its member counties.

Colorado Counties Casualty and Property Pool (CAPP) was formed in July, 1986 to provide coverage for property, auto liability and physical damage, general liability, law enforcement professional liability and public officials liability to its member counties.

Pool members enjoy complete claims management from professionals in the workers' compensation and property and casualty industry.

Each pool is governed by a seven-member board of directors made up of member representatives elected by member counties. Administrative, loss prevention and claims management services for the pools are provided by CTSI.

To keep members involved in their county's claim activity, members receive claim reports regularly. These reports, broken out by claim year, include information on individual claims and total claim costs.

A toll-free number makes it easy for members to call claims adjusters with questions, to provide additional claim information or simply to discuss the progress of any of their claims.

To strengthen county risk management programs, members are encouraged and supported in developing safety programs, return to work and designated medical provider programs for their injured employees. Counties can manage their property and casualty losses loss prevention and loss control programs, employing prudent employment practices and encouraging defensive driving practices.

CTSI staff keeps abreast of legislative changes and informs members of legislation affecting their county's insurance program.

CTSI is available to work with members in every aspect of the workers' compensation and property and casualty insurance programs from filing proper claim paperwork to reporting exposure information for contribution calculations.

Pool Boards of Directors

Each pool is governed by a seven-member board of directors made up of member representatives elected by member counties. The board is comprised as follows:

- One director from a Member under 10,000 population;
- One director from a Member of 10,000 through 40,000 population;
- One director from a Member of 40,001 through 250,000 population;
- One director from a Member above 250,000 population; and
- Three directors at large.

Visit the CTSI website, www.ctsi.org for a roster of current board members.

Overview of CWCP and CAPP Operations

Contributions

Each pool is funded through contributions from member counties. Those contributions are then pooled to form the loss fund from which losses are paid, as well as to cover the costs for administration of the program. Excess insurance is purchased to insure against large losses.

Contributions are based on individual member's exposure and pool budgetary needs. Exposure for workers' compensation is the county payroll. For property and casualty, buildings, contents, vehicles, mobile equipment, miles of road and revenue make up the pool exposure.

Loss experience plays a vital role in calculating contributions. The loss factor portion of the contribution formula is based on a three-year policy period. Poor loss experience not only affects each pool's loss fund, but the affected member's contributions and distribution of equity.

Each year the pool board reviews and approves the contribution formula prior to presentation to the pool membership. The formula is presented to the members for their approval at the general membership meeting.

All contributions are held by the pool on the member's behalf until all claims are settled

Pool Board of Directors

The pool is governed by a seven-member board of directors that meet regularly as set forth in the Bylaws and Intergovernmental Agreement. In addition, two members of the CWCP Board and two members of the CAPP Board serve on the CTSI Board of Directors.

Actuarial Study

An actuarial study is performed twice a year to determine the pool's financial stability and future liabilities. The completed study is filed with the Division of Insurance.

Audit

An audit of the pool's financial records is performed annually. All results are presented to the board of directors and copies of the completed report are submitted to members. The completed report is filed with the State Auditor's Office and the Colorado Division of Insurance.

Loss Fund

Losses are paid from the pool loss fund. This fund is retained as working capital.

Earned Equity

If the loss fund is not exhausted, members retain the surplus for future distribution.

Large Retention Option

A county's contribution must exceed \$250,000

Losses are paid by the member up to pre-determined retention level

Losses exceeding the member's retention are paid by the loss fund and the excess carrier

All benefits of membership remain the same

- Loss prevention services

- Claims administration and reports

- Pool administration

- Excess insurance coverage

Certificate of Participation

Each year a Certificate of Participation is sent to each member county. This certificate provides a summary of the coverages and limits provided by the pool for the current policy year.

CWCP and CAPP Member County Representatives

Each pool board of directors contracts with County Technical Services, Inc. for general administrative services for the operation of the pool. These services are outlined in the pool bylaws.

Member counties are required through the bylaws to designate representatives to serve in the following capacities:

Designated Representative - attends official meetings, votes on behalf of the county, eligible for election to pool board of directors.

Claims Contact Person - files claims on behalf of county, serves as liaison to claims administrator and receives claims-related information including loss reports.

Person Designated to Receive Correspondence - receives and distributes all written correspondence, except claims related information, from the pool on behalf of the county.

Safety Representative - serves as liaison between the CTSI loss prevention representatives and the county to arrange loss prevention visits, provides specific training and recommendations and distributes safety and loss prevention information to county employees.



County Workers Compensation Pool

Bylaws and Intergovernmental Agreement

As Revised December 1, 2009

County Workers Compensation Pool

Bylaws and Intergovernmental Agreement

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Bylaws and Intergovernmental Agreement County Workers' Compensation Pool

Article 1. Definitions.

As used in this agreement, the following terms shall have the meaning hereinafter set out:

- A. Administrator—The person or entity so designated by the Board from time to time;
- B. Board—Board of Directors of the Pool;
- C. Member—A county which enters into this intergovernmental agreement;
- D. Policy Year —January 1 through December 31;
- E. Member Official Representative—That person who has been designated by a Member as its official representative to the Pool;
- F. Pool—The County Workers' Compensation Pool (CWCP) established pursuant to the Constitution and the statutes of this state by this intergovernmental agreement;
- G. Risk Management Fund—A fund of public monies established by the Pool to self-insure certain risks jointly within a defined scope, to purchase excess insurance or reinsurance when deemed prudent, and to pay the necessary expenses for the operation of the Pool;
- H. Certificate of Participation—A document issued to the Members by the Pool and setting forth coverage details for the Policy Year.
- I. Self-Insurance—The decision by the Pool not to purchase insurance coverage for risks below certain limits as provided in the annual Certificate of Participation; to seek all exemptions and immunities provided by law for any county and the officers and employees thereof; to rely upon the Pool's financial capabilities to pay any losses which fall within the Pool's coverage and for which a Member is liable; and to purchase excess insurance or reinsurance to protect against specific or aggregate losses when deemed prudent.
- J. Aggregate Excess Insurance or Reinsurance— Insurance purchased by the Pool from an insurance company, approved by the Insurance Commissioner of the State of Colorado, to underwrite coverage for losses over a limit that fixes the annual maximum exposure of the Pool for losses.
- K. Specific Excess Insurance or Reinsurance—Insurance purchased by the Pool from an insurance company, approved by the Insurance Commissioner of the State of Colorado, to underwrite coverage for losses over a designated amount.

Article 2. Creation of Pool.

The County Workers' Compensation Pool is hereby formed by this intergovernmental agreement by Member counties as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, section 18(2) of the Colorado Constitution and sections 29-1-201 et seq., 8-44-101 (1) (c) and (3), and 8-44-110, C.R.S., as amended. Each Member county joining in this intergovernmental agreement has the power under Colorado law to make provision for the workers' compensation coverages which constitute the specific functions and services jointly provided by means of the Pool. The Insurance Commissioner of the State of Colorado shall have such authority with respect to the Pool as is provided by applicable Colorado statutes.

Article 3. Purposes.

- A. The purposes of the Pool are to provide a risk management fund for defined coverage and to assist Members in controlling costs by providing specialized governmental risk management services and systems.
- B. It is the intent of the Members to use Member contributions to defend and indemnify, in accordance with these Bylaws, any Member against stated liability or loss to the limit of the financial resources of the risk management fund. It is also the intent of the Members to have the Pool provide needed coverage at reasonable costs.
- C. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its Members.
- D. These Bylaws constitute the substance of the intergovernmental agreement among the Members.

Article 4. Non-Waiver of Governmental or Other Immunity or Monetary Limits.

All money, plus earned interest, contained within the risk management fund is money derived from the Members which consist solely of counties within the State of Colorado. It is the intent of the Members that, by entering into this agreement, they do not waive and are not waiving any immunity provided to the Members or their employees by any law or any monetary limits on the liability of the Members or their employees provided by any law.

Article 5. Powers and Duties.

- A. The powers of the Pool to perform and accomplish the purposes set forth above shall be the following, subject to the budgetary limits of the Pool and the procedures set forth in these Bylaws:
 - 1. To retain agents and independent contractors necessary to administer and achieve the purposes of the Pool, including, but not limited to, brokers, attorneys, accountants, claims and loss control administrators, actuaries, investigators, experts, consultants, and others;
 - 2. To purchase sell, encumber and lease real property, and to purchase, sell, or lease equipment, machinery, and personal property through the Administrator;
 - 3. To invest money in those investments authorized for the Pool by state law or by lawful regulation adopted pursuant to state law, as from time to time amended;
 - 4. To create, collect money for, and contract with service providers for the administration of a risk management fund;

5. To purchase aggregate and specific excess insurance or reinsurance, except as provided in Article 12C;
 6. To carry out such other activities as are necessarily implied or required to carry out the purposes of the Pool;
 7. To sue and be sued;
 8. To enter into contracts;
 9. To reimburse directors for reasonable and approved expenses incurred in attending Board meetings which shall be reimbursed in accordance with travel policies adopted by the Board from time to time and in effect at the time the expense is incurred;
 10. To carry out risk management programs and provide risk management services and systems through the Administrator;
 11. To establish reasonable and necessary loss reduction and prevention procedures to be followed by the Members;
 12. To provide or contract for risk management and claim adjustment services; and
 13. To contract for general administrative services.
- B. The Pool shall have only those powers set forth in this agreement and any amendments adopted hereto.
- C. The Pool shall comply with applicable requirements of state law and of lawful regulations adopted pursuant to state law, as from time to time amended. Such state laws and regulations shall control in the event of any conflict with these Bylaws.

Article 6. Participation.

The membership of the Pool shall be limited to those counties which properly enter into and adopt this intergovernmental agreement. New Members shall be admitted only by a vote of the Board, subject to the payment of such required sums and to the conditions established in these Bylaws.

Article 7. Duration of Membership.

All Members of the Pool, unless expelled pursuant to the expulsion provisions of this agreement, may remain Members indefinitely and shall remain Members for a period of at least one year. No Member may withdraw from the Pool during a Policy Year.

Article 8. Members' Powers and Meetings.

- A. The Members shall have the power to:
1. Amend the Bylaws by a 2/3 vote of Members present at a meeting, except that any amendment to Article 12.C must be approved by a 2/3 vote of all Members. Written notice of any proposed amendment shall be provided to each Member at least fifteen days in advance of the vote on the amendment;
 2. Expel Members by a 2/3 vote of all Members, pursuant to Article 16;

3. To ratify the coverages as bound by the Board per Article 12.A.2.
4. Adopt and adjust the contribution formula for the Pool by a majority vote of the Members present at a meeting. However, if a quorum of the Members, as provided in subparagraph B.4. of this Article, is not present at a meeting at which the contribution formula is presented to the Members for action, the Board may adopt the contribution formula on an interim basis pending a special meeting of the Members, which special meeting shall be called as soon as practicable by the Board pursuant to subparagraph B.2. of this Article. Written notice of the proposed contribution formula shall be provided to each Member at least fifteen days in advance of the vote thereon;
5. Adopt or revise a budget for the Pool by a majority vote of the Members present at a meeting. However, if a quorum of the Members, as provided in subparagraph B.4. of this Article, is not present at a meeting at which the budget or any revision thereto are presented to the Members for action, the Board may adopt or revise the budget on an interim basis pending a special meeting of the Members, which special meeting shall be called as soon as practicable by the Board pursuant to subparagraph B.2. of this Article. Written notice of the proposed budget shall be provided to each Member at least fifteen days in advance of the vote thereon;
6. Remove a director from the Board by a majority vote of the Members present at a meeting; and
7. Dissolve the Pool and disburse its assets by a 2/3 vote of all Members, pursuant to such notice and in keeping with such procedure as shall be established by the Board. The Insurance Commissioner shall be notified at least ninety (90) days prior to the effective date of the dissolution and the dissolution shall not take effect until the dissolution plan is approved by the Commissioner.

B. Meetings of the Members shall be held as follows:

1. Members shall meet at least once annually at a time and place to be set by the Board, with notice of the annual meeting mailed by the Administrator to each Member at least 15 days in advance.
2. Special meetings may be called by the Board or pursuant to a procedure to be established by the Board and thereupon approved by a 2/3 vote of the Members present at a meeting. Special meetings shall also be held if called by a written petition signed by not less than thirty percent (30%) of the Members. Notice of special meetings shall be mailed by the Administrator to each Member at least 15 days in advance.
3. The president of the Board shall preside at the meetings; the vice-president of the Board shall preside in the absence of the president.
4. A simple majority of the Members shall constitute a quorum to do business.
5. No absentee or proxy voting shall be allowed.
6. Each Member shall be entitled to one vote on each issue.

Article 9. Obligations of Members.

The obligations of the Members are:

- A. To pay promptly all contributions or other payments to the Pool at such times and in such amounts as shall be established pursuant to these Bylaws. Except as provided herein, any delinquent payments shall be paid with interest which shall be equivalent to the prime interest rate, on the date of delinquency, of the bank which invests the majority of the Pool's money plus five (5) percent. Payments will be considered delinquent 45 days following the due date. The additional five (5) percent interest shall not be charged to any Member for which the Board has, authorized a different time for payment, subject to the following conditions:
 - 1. At least twenty-five percent of the payment must be received by the Pool by February 15 of the Policy Year in which the payment is due.;
 - 2. The Member must provide a written request to the Board of the different time for payment prior to January 1 of the Policy Year in which the payment is due;
 - 3. The delay in the Pool's receipt of the payment must not adversely impact the Pool's cash flow or cause the Pool to become impaired or insolvent;
 - 4. The Member must show extraordinary financial need; and
 - 5. Any Member payment plan which extends into a multiple-fiscal year shall comply with Colorado Constitution, Article X, Section 20.
- B. To designate in writing a Member official representative and one or more alternates for the Members' meetings. A Member official representative and any alternate must be an employee or officer of the Member county, but may be changed from time to time pursuant to the designation and notice procedure described herein. Any designated alternate may exercise all the powers of a Member official representative during a Member meeting in the absence of the official representative;
- C. To allow the Pool and its Administrator, agents, contractors, and officers reasonable access to all facilities of the Member and all records including, but not limited to, financial records, as required for the administration of the Pool;
- D. To cooperate fully with the Pool's attorneys and Administrator, and any other agent, contractor, or officer of the Pool in activities relating to the purposes and powers of the Pool;
- E. To provide the Pool, upon request, information on exposures identified by the Pool;
- F. To participate in coverage of losses and to pay contributions as established pursuant to this agreement;
- G. To allow attorneys and others designated by the Pool to represent the Member in the investigation, settlement and litigation of any claim made against the Member within the scope of loss protection furnished by the Pool;
- H. To follow the loss reduction and prevention procedures established by the Board and implemented through the Administrator;
- I. To report to the Pool, in the form required by the Board and as promptly as possible, all incidents or occurrences which would reasonably be expected to result in the Pool being required to consider a claim against the Member, its agents, officers, or employees; and
- J. To report to the Pool, in the form required by the Board and as promptly as possible, the addition

of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts which will cause material changes on the Members' potential loss.

Article 10. Contributions.

- A. It is the intention of the Pool and the Pool has the authority to levy contributions to the Members as established by the Members in such amounts and at such times as necessary to achieve the purposes of the Pool and to insure the solvency and avoid impairment of the Pool.
- B. Any money, and interest thereon, which the Board determines is not needed for the purposes of the Pool, will be distributed on a Policy Year basis among those Members and former Members which contributed the money for that Policy Year and have not been expelled from membership at the time of distribution, pursuant to a formula approved by the Members, but subject to paragraph C of this Article; and further, provided that no distribution shall cause the Pool to become impaired or insolvent nor shall any distribution be made if the Pool is impaired or insolvent. The distribution shall be made as a credit against future contributions of the Members, or in the form of payment, or a combination thereof, as the Board may determine. Distribution may be made by payment to former Members. The money contributed by Members for any period of participation shall not be so distributed until it is determined by the Board or its authorized representative that no claims exist and no claims may legally be made against that money. No credit shall be given nor payment made pursuant to this paragraph to any Member or former Member which owes any amount to the Pool until the amount so owed is paid. The Pool shall apply any such credit or payment to the amount so owed. No distribution shall be made to any expelled Member.
- C. A withdrawn Member, regardless of the date of its withdrawal, which has not agreed to forego any refund or return of funding for a Policy Year shall receive its proportionate share of any distribution for a Policy Year during which it was a Member in the same manner and subject to the same limitations and conditions as described in paragraph B of this Article for other Members during that Policy Year.

Article 11. Board of Directors and Officers.

- A. The Board shall be composed of seven persons to be elected by the Members. There will be:
 - 1. One director from a Member under 10,000 population;
 - 2. One director from a Member of 10,000 through 40,000 population;
 - 3. One director from a Member of 40,001 through 250,000 population;
 - 4. One director from a Member above 250,000 population; and
 - 5. Three directors at large.
- B. Population will be determined by the Board from the most recent population figures reasonably available to the Board.

- C. Notwithstanding any of the above provisions, if there are no Member counties which meet the criteria for a particular population group, the director position allocated to that population category shall instead be a director at large.
- D. The election of directors shall be made by the Members at the annual meeting and the directors shall assume their office at the first Board meeting following their election.
- E. Terms of the directors shall be two-year-overlapping terms, or until their successors have been elected.
- F. The officers of the Pool shall be: president, vice president, secretary, and comptroller. The officers shall be elected by and from among the directors at the first meeting of the Board following each annual meeting. One director may hold two or more officer positions, as determined by the Board.
- G. A nominating committee of official representatives shall be appointed by the president of the Board. At least twenty-four hours prior to the annual meeting of the Members, the nominating committee shall recommend for election to the Board a number of persons, each of whom shall be an elected or appointed official or employee of a Member county, at least equal to the number of vacancies to be filled for each category and, in so doing, shall ensure that the nominations comply with the categories established in Article 11.A. In addition, nominations for vacancies may be made by any Member official representative during the annual meeting.

Article 12. Powers and Duties of the Board of Directors.

- A. The Board shall have the following powers and duties:
 1. To recommend the contribution formula to be used for the Members contribution calculation;
 2. To bind the types of coverage, including any tail coverage available to expelled or withdrawn Members or to Members upon dissolution of the Pool, limits of liability on any excess insurance policies, and the types of deductibles that the Pool provides; and to recommend these coverages for ratification by the membership per Article 8.A.3.
 3. To select insurance brokers, claims administration services and risk management services, and other service providers necessary for the administration of the Pool, upon recommendation of the Administrator;
 4. To set the dates, places and provide an agenda for Board and Members' meetings;
 5. To fill a vacancy in the Board by majority vote of the remaining directors until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for any unexpired term, subject to the limitations set forth in Article 11 of these Bylaws.
 6. To exercise all powers of the Pool except powers reserved to the Members or to the Administrator;
 7. To recommend a budget and any necessary revisions to the budget to the Members;
 8. To make reports to the Members at their meetings;
 9. To establish policies for claims and loss control procedures, and to establish conditions to be met prior to the payment or defense of a claim, and to deny a claim or the defense of a claim if the conditions are not met and if any affected excess insurance carriers and claim

- adjustment services concur in the denial;
10. To establish consistent with Article 5.A.3. of these Bylaws, policies for the investment and disbursement of funds;
 11. To establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with these Bylaws;
 12. To provide to Members annually:
 - a. An audit of the financial affairs of the Pool to be made by a certified public accountant at the end of each Policy Year in accordance with applicable laws and regulations; and
 - b. An annual report of operations;
 13. To form committees and provide other services as needed by the Pool;
 14. To do all acts necessary and proper for the operation of the Pool and implementation of these Bylaws subject to the limits of these Bylaws and not in conflict with these Bylaws;
 15. To implement the dissolution and disbursement of assets of the Pool following the dissolution determination made pursuant to the provisions of Article 8.A.7. and subject to the requirements for notice to and approval of the Insurance Commissioner of Colorado as required by Article 8;
 16. To select a qualified actuary who shall conduct an annual review of the risk management fund and shall make recommendations to the Board based on such review;
 17. To approve attorneys or firms of attorneys retained to represent Members in claims within the scope of loss protection furnished by the Pool; and
 18. To admit new Members by majority vote of all directors serving on the Board, if the Board determines that the new Member will not detrimentally affect the financial status of the Pool or the contribution rates of other Members and that the new Member has agreed to accept the obligations of Members set forth in these Bylaws.
- B. The Board may contract for general administrative services, the contract to include a reasonable fee approved by the Board to cover the cost of administrative services being provided. Services to be provided by or through the Administrator shall include, but not necessarily be limited to, bookkeeping services; financial statements; necessary reports on claims, incidents and loss prevention not provided by other service providers; periodic loss prevention inspections as specified by the Board; reports to excess and reinsurance companies which are not made by other service providers; recording and depositing of payments; providing information to potential Members; responding to inquiries from existing and potential Members; reviewing claims from Members; reviewing and making recommendations on all Pool contracts; maintaining a complaint register; acting as a liaison with state authorities and responding to inquiries from state authorities; computing and providing membership contribution billings; filing required forms and reports with state and other governmental authorities; maintaining appropriate files; assisting the Pool's auditor and actuary as necessary; reviewing the performance of all contract service providers; coordinating banking functions, and handling deposits and reconciliations; implementing investment policies established by the Board; providing necessary notices of Member meetings; supplying resource material for Member and Board meetings; attending

Member and Board meetings and other meetings necessary to the administration of the Pool; keeping minutes of committee, Member and Board meetings; providing risk management services; and administering committees established by the Board. The Administrator may execute all contracts on behalf of the Pool which are necessary to provide the general administrative services described herein if any moneys to be expended under the contract are included in the Pool's approved budget or any approved revisions thereto. The Administrator shall provide to the Insurance Commissioner of Colorado, promptly after adoption, a copy of each amendment to these Bylaws.

- C. Notwithstanding any other provisions of these Bylaws, the Board may, without any vote of the Members, decide not to purchase aggregate excess stop-loss insurance for the Pool, if in the Board's opinion, such purchase is unnecessary or financially inadvisable. The Board shall notify the Insurance Commissioner, in writing, at least thirty days prior to implementation of any change in a Board decision to purchase or to not purchase aggregate excess stop-loss insurance for the Pool.

Article 13. Meetings of the Board of Directors.

- A. The Board may set a time and place for regular meetings which may be held without further notice.
- B. The Board shall meet within fourteen (14) days after the election of directors at the annual Members' meeting.
- C. Special meetings may be called by the chairman or by a majority of the directors by mailing or emailing written notice at least ten (10) days in advance to all directors or by unanimously executed waiver of notice.
- D. Four (4) directors shall constitute a quorum to do business. All acts of the Board shall require a majority vote of the directors present, except as otherwise specifically provided in these Bylaws.
- E. A Board Member may participate via telephone in a Board meeting.

Article 14. Liability of Board of Directors, Administrator & Officers.

Members of the Board and committee members of the Pool, and the Administrator and the officers thereof, shall not be personally liable for any acts performed or omitted for the Pool in good faith. The risk management fund shall be used to defend and indemnify the Members of the Board and committee members, and the Administrator and the officers thereof, against any and all expense including attorney fees and liability expenses sustained by them, or any of them in connection with any suit or suits which may be brought against said Members of the Board, committee Members, or the Administrator or officers thereof, involving or pertaining to any of their acts or duties performed or omitted for this Pool in good faith. The Pool may purchase insurance providing similar coverage for the directors, committee Members and for the Administrator and the officers thereof. Nothing herein shall be deemed to prevent compromises of any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecutions of such litigation.

The Pool shall obtain a bond or other security to guarantee the faithful performance of each director's, and officer's duties hereunder and errors and omissions coverage for each director and officer of the Pool.

Article 15. Withdrawal from Membership.

- A. A Member may withdraw from the Pool at the end of any Policy Year by giving notice in writing to the Board prior to October 1 of that Policy Year of its desire to withdraw.
- B. The withdrawn Member shall be eligible for any reimbursement of contributions that are to be paid or that shall become payable in the future, except as provided in Article 10.C. The withdrawn Member shall continue to be obligated to make any payment for which an obligation arose prior to withdrawal and for all amounts which thereafter become owing for the years during which the Member was an active Member of the Pool pursuant to these Bylaws and other Pool documents in effect at the time of the withdrawal.
- C. Within ten (10) days after receipt of a notice to withdraw, the Board shall provide written notice to the Insurance Commissioner of the State of Colorado of the Member's intent to withdraw.

Article 16. Expulsion of Members.

- A. A Member which fails to make a contribution or other payment due to the Pool shall be automatically expelled from the Pool on the sixtieth (60) day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to make a contribution or other payment due to the Pool shall be mailed to the Member at least thirty (30) days prior to the date of automatic expulsion. If payment is not made within any extended period, the automatic expulsion shall occur on a date, no later than twenty (20) days after the last day of the extended period, set by the Board. An expulsion under this paragraph 16.A. shall not be subject to the provisions of paragraph 16.C.
- B. The Board may expel any Member which the Board, in its sole discretion, decides has a significant negative effect on the Pool's financial stability because of a Member's action or inaction. The Board shall provide the affected Member at least thirty (30) days' prior written notice of the expulsion. An expulsion pursuant to this paragraph 16.B. shall not be subject to the provisions of paragraph 16.C.
- C. By a 2/3 vote of all Members any Member may be expelled for one or more of the following reasons:
 - 1. Failure to allow the Pool reasonable access to all facilities and records of the Member necessary for proper administration of the Pool;
 - 2. Failure to fully cooperate with the Pool's Administrator, the Pool's attorneys or other agent, contractor, or officer of the Pool;
 - 3. Failure to carry out any obligation of a Member which impairs the ability of the Pool to carry out its purposes or powers;
 - 4. Failure to undertake or continue loss reduction and prevention procedures adopted by the Board.

The Member proposed to be expelled shall not be counted in determining the number of votes required nor shall such Member be entitled to vote on its own expulsion.

The Board shall notify the Member of the alleged failure along with a reasonable opportunity of not less than thirty (30) days to cure the alleged failure. The Member may request a hearing before the Members before any final decision, which hearing shall be held within a reasonable time after the expiration for the time to cure has passed. If there is no request for a hearing, the Board shall decide whether to expel the Member. If there is a request for hearing, the Board shall

present the case for expulsion of the Member. The Member affected may present its case. A decision by the membership to expel a Member after notice and hearing and failure to cure the alleged defect shall be final and take effect thirty (30) days after the decision to expel is approved by the Members or such earlier time to which the Member consents.

- D. After expulsion pursuant to paragraph 16.A., 16.B. or 16.C., the former Member shall continue to be liable for any unpaid contributions or other charges pro rata to the effective date of expulsion which an obligation arose prior to expulsion for all amounts which thereafter become owing for the years during which the Member was an active Member of the Pool pursuant to these Bylaws and other Pool documents which are in effect at the time of expulsion, and for all reasonable legal fees incurred by the Pool related to the expulsion. The expelled Member shall not be entitled to any reimbursement of contributions that are to be paid or that shall become payable in the future.
- E. Within ten (10) days after the decision to expel is approved by the Members, the Board shall provide written notice to the Insurance Commissioner of the State of Colorado of the expulsion.
- F. Expulsion shall be in addition to any other remedy which otherwise exists.

Article 17. Contractual Obligation.

- A. This document constitutes an intergovernmental contract among those counties which become Members of the Pool. The terms of this contract may be enforced in court by the Pool or by any of its Members. The consideration for the duties herewith imposed on the Members to take certain actions and to refrain from certain other actions are based upon the mutual promises and agreements of the Members set forth herein.
- B. The Bylaws when properly approved by the proper authority of the Member shall be the intergovernmental contract. A certified or attested copy of the resolution of approval from each Member shall be attached to the Bylaws on file with the Pool.
- C. Except to the extent of the limited financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to these Bylaws, no Member agrees or contracts herein to be held responsible for any claims made against any other Member. The contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not herein created as between Member and Member any relationship of surety, indemnification or responsibility for the debt of or claims against any other Member.

Article 18 Severability.

In the event that any Article, provision, clause or other part of these Bylaws should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other Articles, provisions, clauses, applications or occurrences, and these Bylaws are expressly declared to be severable.

Article 19 Venue.

The venue for any action related to these Bylaws shall be the District Court for the City and County of Denver, Colorado.



Colorado Counties Casualty & Property Pool

Bylaws and Intergovernmental Agreement

As Revised December 2, 2009

Colorado Counties Casualty & Property Pool
Bylaws and Intergovernmental
Agreement

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Bylaws and Intergovernmental Agreement Colorado Counties Casualty and Property Pool

Article 1. Definitions.

As used in this agreement, the following terms shall have the meaning hereinafter set out:

- A. Administrator—The person or entity so designated by the Board from time to time;
- B. Board—Board of Directors of the Pool;
- C. Member—A county which enters into this intergovernmental agreement;
- D. Policy Year —January 1 through December 31;
- E. Member Official Representative—That person who has been designated by a Member as its official representative to the Pool;
- F. Pool—The Colorado Counties Casualty and Property Pool (CAPP) established pursuant to the Constitution and the statutes of this state by this intergovernmental agreement;
- G. Risk Management Fund—A fund of public monies established by the Pool to self-insure certain risks jointly within a defined scope, to purchase excess insurance or reinsurance when deemed prudent, and to pay the necessary expenses for the operation of the Pool;
- H. Certificate of Participation—A document issued to the Members by the Pool and setting forth coverage details for the Policy Year.
- I. Self-Insurance—The decision by the Pool not to purchase insurance coverage for risks below certain limits as provided in the annual Certificate of Participation; to seek all exemptions and immunities provided by law for any county and the officers and employees thereof; to rely upon the Pool's financial capabilities to pay any losses which fall within the Pool's coverage and for which a Member is liable; and to purchase excess insurance or reinsurance to protect against specific or aggregate losses when deemed prudent.
- J. Aggregate Excess Insurance or Reinsurance— Insurance purchased by the Pool from an insurance company, approved by the Insurance Commissioner of the State of Colorado, to underwrite coverage for losses over a limit that fixes the annual maximum exposure of the Pool for losses.
- K. Specific Excess Insurance or Reinsurance—Insurance purchased by the Pool from an insurance company, approved by the Insurance Commissioner of the State of Colorado, to underwrite coverage for losses over a designated amount.

Article 2. Creation of Pool.

The Colorado Counties Casualty and Property Pool is hereby formed by this intergovernmental agreement by Member counties as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, section 18(2) of the Colorado Constitution and sections 29-1-201 et seq., 24-10-115.5, and 29-13-102., C.R.S., as amended. Each Member county joining in this intergovernmental agreement has the power under Colorado law to make provision for the property and casualty coverage which constitute the specific functions and services jointly provided by means of the Pool. The Insurance Commissioner of the State of Colorado shall have such authority with respect to the Pool as is provided by applicable Colorado statutes.

Article 3. Purposes.

- A. The purposes of the Pool are to provide a risk management fund for defined coverage and to assist Members in controlling costs by providing specialized governmental risk management services and systems.
- B. It is the intent of the Members to use Member contributions to defend and indemnify, in accordance with these Bylaws, any Member against stated liability or loss to the limit of the financial resources of the risk management fund. It is also the intent of the Members to have the Pool provide needed coverage at reasonable costs.
- C. All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its Members.
- D. These Bylaws constitute the substance of the intergovernmental agreement among the Members.

Article 4. Non-Waiver of Governmental or Other Immunity or Monetary Limits.

All money, plus earned interest, contained within the risk management fund is money derived from the Members which consist solely of counties within the State of Colorado. It is the intent of the Members that, by entering into this agreement, they do not waive and are not waiving any immunity provided to the Members or their employees by any law or any monetary limits on the liability of the Members or their employees provided by any law.

Article 5. Powers and Duties.

- A. The powers of the Pool to perform and accomplish the purposes set forth above shall be the following, subject to the budgetary limits of the Pool and the procedures set forth in these Bylaws:
 - 1. To retain agents and independent contractors necessary to administer and achieve the purposes of the Pool, including, but not limited to, brokers, attorneys, accountants, claims and loss control administrators, actuaries, investigators, experts, consultants, and others;
 - 2. To purchase, sell, encumber and lease real property, and to purchase, sell, or lease equipment, machinery, and personal property through the Administrator;
 - 3. To invest money in those investments authorized for the Pool by state law or by lawful regulation adopted pursuant to state law, as from time to time amended;
 - 4. To create, collect money for, and contract with service providers for the administration of a risk management fund;

5. To purchase aggregate and specific excess insurance or reinsurance;
 6. To carry out such other activities as are necessarily implied or required to carry out the purposes of the Pool;
 7. To sue and be sued;
 8. To enter into contracts;
 9. To reimburse directors for reasonable and approved expenses incurred in attending Board meetings which shall be reimbursed in accordance with travel policies adopted by the Board from time to time and in effect at the time the expense is incurred;
 10. To carry out risk management programs and provide risk management services and systems through the Administrator;
 11. To establish reasonable and necessary loss reduction and prevention procedures to be followed by the Members;
 12. To provide or contract for risk management and claim adjustment services; and
 13. To contract for general administrative services.
- B. The Pool shall have only those powers set forth in this agreement and any amendments adopted hereto.
- C. The Pool shall comply with applicable requirements of state law and of lawful regulations adopted pursuant to state law, as from time to time amended. Such state laws and regulations shall control in the event of any conflict with these Bylaws.
- D. In addition to any other coverage it provides, the Pool may offer its Members excess coverage only, that is, coverage above individual self-insured retention, if that type of coverage is ratified by the Members pursuant to the procedures described in Article 8.A.3 of these Bylaws.

Article 6. Participation.

The membership of the Pool shall be limited to those counties which properly enter into and adopt this intergovernmental agreement. New Members shall be admitted only by a vote of the Board, subject to the payment of such required sums and to the conditions established in these Bylaws.

Article 7. Duration of Membership.

All Members of the Pool, unless expelled pursuant to the expulsion provisions of this agreement, may remain Members indefinitely and shall remain Members for a period of at least one year. No Member may withdraw from the Pool during a Policy Year.

Article 8. Members' Powers and Meetings.

- A. The Members shall have the power to:
1. Amend the Bylaws by a 2/3 vote of Members present at a meeting, except that any amendment to Article 12.C must be approved by a 2/3 vote of all Members. Written notice of any proposed amendment shall be provided to each Member at least fifteen days in advance of the vote on the amendment;
 2. Expel Members by a 2/3 vote of all Members, pursuant to Article 16;

3. To ratify the coverages as bound by the Board per Article 12.A.2.;
4. Adopt and adjust the contribution formula for the Pool by a majority vote of the Members present at a meeting. However, if a quorum of the Members, as provided in subparagraph B.4. of this Article, is not present at a meeting at which the contribution formula is presented to the Members for action, the Board may adopt the contribution formula on an interim basis pending a special meeting of the Members, which special meeting shall be called as soon as practicable by the Board pursuant to subparagraph B.2. of this Article. Written notice of the proposed contribution formula shall be provided to each Member at least fifteen days in advance of the vote thereon;
5. Adopt or revise a budget for the Pool by a majority vote of the Members present at a meeting. However, if a quorum of the Members, as provided in subparagraph B.4. of this Article, is not present at a meeting at which the budget or any revision thereto are presented to the Members for action, the Board may adopt or revise the budget on an interim basis pending a special meeting of the Members, which special meeting shall be called as soon as practicable by the Board pursuant to subparagraph B.2. of this Article. Written notice of the proposed budget shall be provided to each Member at least fifteen days in advance of the vote thereon;
6. Remove a director from the Board by a majority vote of the Members present at a meeting; and
7. Dissolve the Pool and disburse its assets by a 2/3 vote of all Members, pursuant to such notice and in keeping with such procedure as shall be established by the Board. . The Insurance Commissioner shall be notified at least ninety (90) days prior to the effective date of the dissolution and the dissolution shall not take effect until the dissolution plan is approved by the Commissioner.

B. Meetings of the Members shall be held as follows:

1. Members shall meet at least once annually at a time and place to be set by the Board, with notice of the annual meeting mailed by the Administrator to each Member at least 15 days in advance.
2. Special meetings may be called by the Board or pursuant to a procedure to be established by the Board and thereupon approved by a 2/3 vote of the Members present at a meeting. Special meetings shall also be held if called by a written petition signed by not less than thirty percent (30%) of the Members. Notice of special meetings shall be mailed by the Administrator to each Member at least 15 days in advance.
3. The president of the Board shall preside at the meetings; the vice-president of the Board shall preside in the absence of the president.
4. A simple majority of the Members shall constitute a quorum to do business.
5. No absentee or proxy voting shall be allowed.
6. Each Member shall be entitled to one vote on each issue.

Article 9. Obligations of Members.

The obligations of the Members are:

- A. To pay promptly all contributions or other payments to the Pool at such times and in such amounts as shall be established pursuant to these Bylaws. Except as provided herein, any delinquent payments shall be paid with interest which shall be equivalent to the prime interest rate, on the date of delinquency, of the bank which invests the majority of the Pool's money plus five (5) percent. Payments will be considered delinquent 45 days following the due date. The additional five (5) percent interest shall not be charged to any Member for which the Board has authorized a different time for payment, subject to the following conditions:
 1. At least twenty-five percent of the payment must be received by the Pool by February 15 of the Policy Year in which the payment is due;
 2. The Member must provide a written request to the Board of the different time for payment prior to January 1 of the Policy Year in which the payment is due;
 3. The delay in the Pool's receipt of the payment must not adversely impact the Pool's cash flow or cause the Pool to become impaired or insolvent;
 4. The Member must show extraordinary financial need; and
 5. Any Member payment plan which extends into a multiple-fiscal year shall comply with Colorado Constitution, Article X, Section 20.
- B. To designate in writing a Member official representative and one or more alternates for the Members' meetings. A Member official representative and any alternate must be an employee or officer of the Member county, but may be changed from time to time pursuant to the designation and notice procedure described herein. Any designated alternate may exercise all the powers of a Member official representative during a Member meeting in the absence of the official representative;
- C. To allow the Pool and its Administrator, agents, contractors, and officers reasonable access to all facilities of the Member and all records including, but not limited to, financial records, as required for the administration of the Pool;
- D. To cooperate fully with the Pool's attorneys and Administrator, and any other agent, contractor, or officer of the Pool in activities relating to the purposes and powers of the Pool;
- E. To provide the Pool, upon request, information on exposures identified by the Pool;
- F. To participate in coverage of losses and to pay contributions as established pursuant to this agreement;
- G. To allow attorneys and others designated by the Pool to represent the Member in the investigation, settlement and litigation of any claim made against the Member within the scope of loss protection furnished by the Pool;
- H. To follow the loss reduction and prevention procedures established by the Board and implemented through the Administrator;
- I. To report to the Pool, in the form required by the Board and as promptly as possible, all incidents or occurrences which would reasonably be expected to result in the Pool being required to consider a claim against the Member, its agents, officers, or employees; or for losses to a Member's property within the scope of loss protection furnished by the Pool; and

- J. To report to the Pool, in the form required by the Board and as promptly as possible, the addition of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts which will cause material changes on the Members' potential loss.

Article 10. Contributions.

- A. It is the intention of the Pool and the Pool has the authority to levy contributions to the Members as established by the Members in such amounts and at such times as necessary to achieve the purposes of the Pool and to insure the solvency and avoid impairment of the Pool.
- B. Any money, and interest thereon, which the Board determines is not needed for the purposes of the Pool, will be distributed on a Policy Year basis among those Members and former Members which contributed the money for that Policy Year and have not been expelled from membership at the time of distribution, pursuant to a formula approved by the Members, but subject to paragraph C of this Article; and further, provided that no distribution shall cause the Pool to become impaired or insolvent nor shall any distribution be made if the Pool is impaired or insolvent. The distribution shall be made as a credit against future contributions of the Members, or in the form of payment, or a combination thereof, as the Board may determine. Distribution may be made by payment to former Members. The money contributed by Members for any period of participation shall not be so distributed until it is determined by the Board or its authorized representative that no claims exist and no claims may legally be made against that money. . No credit shall be given nor payment made pursuant to this paragraph to any Member or former Member which owes any amount to the Pool until the amount so owed is paid. The Pool shall apply any such credit or payment to the amount so owed. No distribution shall be made to any expelled Member.
- C. A withdrawn Member, regardless of the date of its withdrawal, which has not agreed to forego any refund or return of funding for a Policy Year shall receive its proportionate share of any distribution for a Policy Year during which it was a Member in the same manner and subject to the same limitations and conditions as described in paragraph B of this Article for other Members during that Policy Year..

Article 11. Board of Directors and Officers.

- A. The Board shall be composed of seven persons to be elected by the Members. There will be:
1. One director from a Member under 10,000 population;
 2. One director from a Member of 10,000 through 40,000 population;
 3. One director from a Member of 40,001 through 250,000 population;
 4. One director from a Member above 250,000 population; and
 5. Three directors at large.
- B. Population will be determined by the Board from the most recent population figures reasonably available to the Board.
- C. Notwithstanding any of the above provisions, if there are no Member counties which meet the criteria for a particular population group, the director position allocated to that population category shall instead be a director at large.
- D. The election of directors shall be made by the Members at the annual meeting and the directors shall assume their office at the first Board meeting following their election.

- E. Terms of the directors shall be two-year-overlapping terms, or until their successors have been elected.
- F. The officers of the Pool shall be: president, vice president, secretary, and comptroller. The officers shall be elected by and from among the directors at the first meeting of the Board following each annual meeting. One director may hold two or more officer positions, as determined by the Board.
- G. A nominating committee of official representatives shall be appointed by the president of the Board. At least twenty-four hours prior to the annual meeting of the Members, the nominating committee shall recommend for election to the Board a number of persons, each of whom shall be an elected or appointed official or employee of a Member county, at least equal to the number of vacancies to be filled for each category and, in so doing, shall ensure that the nominations comply with the categories established in Article 11.A. In addition, nominations for vacancies may be made by any Member official representative during the annual meeting.

Article 12. Powers and Duties of the Board of Directors.

- A. The Board shall have the following powers and duties:
 - 1. To recommend the contribution formula to be used for the Members contribution calculation;
 - 2. To bind the types of coverage, including any tail coverage available to expelled or withdrawn Members or to Members upon dissolution of the Pool, limits of liability on any excess insurance policies, and the types of deductibles that the Pool provides; and to recommend these coverages for ratification by the membership per Article 8.A.3.
 - 3. To select insurance brokers, claims administration services and risk management services, and other service providers necessary for the administration of the Pool, upon recommendation of the Administrator;
 - 4. To set the dates, places and provide an agenda for Board and Members' meetings;
 - 5. To fill a vacancy in the Board by majority vote of the remaining directors until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for any unexpired term, subject to the limitations set forth in Article 11 of these Bylaws.
 - 6. To exercise all powers of the Pool except powers reserved to the Members or to the Administrator;
 - 7. To recommend a budget and any necessary revisions to the budget to the Members;
 - 8. To make reports to the Members at their meetings;
 - 9. To establish policies for claims and loss control procedures, and to establish conditions to be met prior to the payment or defense of a claim, and to deny a claim or the defense of a claim if the conditions are not met and if any affected excess insurance carriers and claim adjustment services concur in the denial;
 - 10. To establish consistent with Article 5.A.3. of these Bylaws, policies for the investment and disbursement of funds;
 - 11. To establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with these Bylaws;

12. To provide to Members annually:
 - a. An audit of the financial affairs of the Pool to be made by a certified public accountant at the end of each Policy Year in accordance with applicable laws and regulations; and
 - b. An annual report of operations;
 13. To form committees and provide other services as needed by the Pool;
 14. To do all acts necessary and proper for the operation of the Pool and implementation of these Bylaws subject to the limits of these Bylaws and not in conflict with these Bylaws;
 15. To implement the dissolution and disbursement of assets of the Pool following the dissolution determination made pursuant to the provisions of Article 8.A.7. and subject to the requirements for notice to and approval of the Insurance Commissioner of Colorado as required by Article 8;
 16. To select a qualified actuary who shall conduct an annual review of the risk management fund and shall make recommendations to the Board based on such review;
 17. To approve attorneys or firms of attorneys retained to represent Members in claims within the scope of loss protection furnished by the Pool, subject to the limitations of Article 12.C; and
 18. To admit new Members by majority vote of all directors serving on the Board, if the Board determines that the new Member will not detrimentally affect the financial status of the Pool or the contribution rates of other Members and that the new Member has agreed to accept the obligations of Members set forth in these Bylaws.
- B. The Board may contract for general administrative services, the contract to include a reasonable fee approved by the Board to cover the cost of administrative services being provided. Services to be provided by or through the Administrator shall include, but not necessarily be limited to, bookkeeping services; financial statements; necessary reports on claims, incidents and loss prevention not provided by other service providers; periodic loss prevention inspections as specified by the Board; reports to excess and reinsurance companies which are not made by other service providers; recording and depositing of payments; providing information to potential Members; responding to inquiries from existing and potential Members; reviewing claims from Members; reviewing and making recommendations on all Pool contracts; maintaining a complaint register; acting as a liaison with state authorities and responding to inquiries from state authorities; computing and providing membership contribution billings; filing required forms and reports with state and other governmental authorities; maintaining appropriate files; assisting the Pool's auditor and actuary as necessary; reviewing the performance of all contract service providers; coordinating banking functions, and handling deposits and reconciliations; implementing investment policies established by the Board; providing necessary notices of Member meetings; supplying resource material for Member and Board meetings; attending Member and Board meetings and other meetings necessary to the administration of the Pool; keeping minutes of committee, Member and Board meetings; providing risk management services; and administering committees established by the Board. The Administrator may execute all contracts on behalf of the Pool which are necessary to provide the general administrative services described herein if any moneys to be expended under the contract are included in the Pool's approved budget or any approved revisions thereto. The Administrator shall provide to the Insurance Commissioner of Colorado, promptly after adoption, a copy of each amendment to these Bylaws.

- C. The Board shall appoint a litigation committee, the Members of which shall include at least three county attorneys. Any Member which objects to a decision of the Board approving or disapproving an attorney or firm of attorneys to represent the Member may appeal the Board's decision within thirty (30) days thereafter to the litigation committee. The decision of the litigation committee shall be final.

Article 13. Meetings of the Board of Directors.

- A. The Board may set a time and place for regular meetings which may be held without further notice.
- B. The Board shall meet within fourteen (14) days after the election of directors at the annual Members' meeting.
- C. Special meetings may be called by the chairman or by a majority of the directors by mailing or emailing written notice at least ten (10) days in advance to all directors or by unanimously executed waiver of notice.
- D. Four (4) directors shall constitute a quorum to do business. All acts of the Board shall require a majority vote of the directors present, except as otherwise specifically provided in these Bylaws.
- E. A Board Member may participate via telephone in a Board meeting.

Article 14. Liability of Board of Directors, Administrator & Officers.

Members of the Board and committee members of the Pool, and the Administrator and the officers thereof, shall not be personally liable for any acts performed or omitted for the Pool in good faith. The risk management fund shall be used to defend and indemnify the Members of the Board and committee members, and the Administrator and the officers thereof, against any and all expense including attorney fees and liability expenses sustained by them, or any of them in connection with any suit or suits which may be brought against said Members of the Board, committee members, or the Administrator or officers thereof, involving or pertaining to any of their acts or duties performed or omitted for this Pool in good faith. The Pool may purchase insurance providing similar coverage for the directors, committee Members and for the Administrator and the officers thereof. Nothing herein shall be deemed to prevent compromises of any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecutions of such litigation.

The Pool shall obtain a bond or other security to guarantee the faithful performance of each director's and officer's duties hereunder and errors and omissions coverage for each director and officer of the Pool.

Article 15. Withdrawal from Membership.

- A. A Member may withdraw from the Pool at the end of any Policy Year by giving notice in writing to the Board prior to October 1 of that Policy Year of its desire to withdraw.
- B. The withdrawn Member shall be eligible for any reimbursement of contributions that are to be paid or that shall become payable in the future, except as provided in Article 10.C. The withdrawn Member shall continue to be obligated to make any payment for which an obligation arose prior to withdrawal and for all amounts which thereafter become owing for the years during which the Member was an active Member of the Pool pursuant to these Bylaws and other Pool documents in effect at the time of the withdrawal.

- C. Within ten (10) days after receipt of a notice to withdraw, the Board shall provide written notice to the Insurance Commissioner of the State of Colorado of the Member's intent to withdraw.

Article 16. Expulsion of Members.

- A. A Member which fails to make a contribution or other payment due to the Pool shall be automatically expelled from the Pool on the sixtieth (60) day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to make a contribution or other payment due to the Pool shall be mailed to the Member at least thirty (30) days prior to the date of automatic expulsion. If payment is not made within any extended period, the automatic expulsion shall occur on a date, no later than twenty (20) days after the last day of the extended period, set by the Board. An expulsion under this paragraph 16.A. shall not be subject to the provisions of paragraph 16.C.
- B. The Board may expel any Member which the Board, in its sole discretion, decides has a significant negative effect on the Pool's financial stability because of a Member's action or inaction. The Board shall provide the affected Member at least thirty (30) days' prior written notice of the expulsion. An expulsion pursuant to this paragraph 16.B. shall not be subject to the provisions of paragraph 16.C.
- C. By a 2/3 vote of all Members any Member may be expelled for one or more of the following reasons:
1. Failure to allow the Pool reasonable access to all facilities and records of the Member necessary for proper administration of the Pool;
 2. Failure to fully cooperate with the Pool's Administrator, the Pool's attorneys or other agent, contractor, or officer of the Pool;
 3. Failure to carry out any obligation of a Member which impairs the ability of the Pool to carry out its purposes or powers;
 4. Failure to undertake or continue loss reduction and prevention procedures adopted by the Board.

The Member proposed to be expelled shall not be counted in determining the number of votes required nor shall such Member be entitled to vote on its own expulsion.

The Board shall notify the Member of the alleged failure along with a reasonable opportunity of not less than thirty (30) days to cure the alleged failure. The Member may request a hearing before the Members before any final decision, which hearing shall be held within a reasonable time after the expiration for the time to cure has passed. If there is no request for a hearing, the Board shall decide whether to expel the Member. If there is a request for hearing, the Board shall present the case for expulsion of the Member. The Member affected may present its case. A decision by the membership to expel a Member after notice and hearing and failure to cure the alleged defect shall be final and take effect thirty (30) days after the decision to expel is approved by the Members or such earlier time to which the Member consents.

- D. After expulsion pursuant to paragraph 16.A., 16 B. or 16 C., the former Member shall continue to be liable for any unpaid contributions or other charges pro rata to the effective date of expulsion which an obligation arose prior to expulsion for all amounts which thereafter become owing for the years during which the Member was an active Member of the Pool pursuant to these Bylaws and other Pool documents which are in effect at the time of expulsion, and for all reasonable legal fees incurred by the Pool related to the expulsion. The expelled Member shall

not be entitled to any reimbursement of contributions that are to be paid or that shall become payable in the future.

- E. Within ten (10) days after the decision to expel is approved by the Members, the Board shall provide written notice to the Insurance Commissioner of the State of Colorado of the expulsion.
- F. Expulsion shall be in addition to any other remedy which otherwise exists.

Article 17. Contractual Obligation.

- A. This document constitutes an intergovernmental contract among those counties which become Members of the Pool. The terms of this contract may be enforced in court by the Pool or by any of its Members. The consideration for the duties herewith imposed on the Members to take certain actions and to refrain from certain other actions are based upon the mutual promises and agreements of the Members set forth herein.
- B. The Bylaws when properly approved by the proper authority of the Member shall be the intergovernmental contract. A certified or attested copy of the resolution of approval from each Member shall be attached to the Bylaws on file with the Pool.
- C. Except to the extent of the limited financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to these Bylaws, no Member agrees or contracts herein to be held responsible for any claims made against any other Member. The contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not herein created as between Member and Member any relationship of surety, indemnification or responsibility for the debt of or claims against any other Member.

Article 18 Severability.

In the event that any Article, provision, clause or other part of these Bylaws should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other Articles, provisions, clauses, applications or occurrences, and these Bylaws are expressly declared to be severable.

Article 19 Venue.

The venue for any action related to these Bylaws shall be the District Court for the City and County of Denver, Colorado.



CWCP & CAPP Operations Manual

Section 4 CWCP Coverage

County Workers Compensation Pool Policy Statements Regarding Coverage

The following policy statements have been adopted by the CWCP Board of Directors and/or the CWCP membership to define more clearly the coverage afforded to members of CWCP with regard to specific situations to the extent that coverage is provided through CWCP. These policy statements should be reviewed before entering into any contract in which the county is asked to provide insurance coverage

It is the policy of the Board of Directors of CWCP that coverage under CWCP shall be extended to all county employees as defined in C.R.S. 8-40-202, as may be applicable to all counties.

Specifically excluded from coverage under CWCP are volunteers that do not fall under the definitions in C.R.S. 8-40-202, contract employees and participants in Useful Public Service or any other alternative sentencing programs.

8-40-202. Employee. (1) "Employee" means:

(a) (I) (A) Every person in the service of the state, or of any county, city, town, or irrigation, drainage or school district or any other taxing district therein, or of any public institution or administrative board thereof under any **appointment** or contract of hire, express or implied; and every elective official of the state, or of any county, city, town, or irrigation, drainage, or school district or any other taxing district therein, or of any public institution or administrative board thereof; and every member of the military forces of the state of Colorado while engaged in active service on behalf of the state under orders from competent authority.

Policemen and firemen who are regularly employed shall be deemed employees within the meaning of this paragraph (a), as shall also sheriffs and deputy sheriffs, regularly employed, and all persons called to serve upon any **posse** in pursuance of the provisions of section 30-10-516, C.R.S., during the period of their service upon such posse, and all members of **volunteer fire departments**, including any person ordered by the chief or a designee of the chief's at the scene of an emergency or during the period of an emergency to become a member of that department for the duration of an emergency, and to perform the duties of a fireman, and only if the person who is so ordered reports any claim within ten days of the cessation of the emergency, **volunteer rescue teams or groups, volunteer disaster teams, volunteer ambulance teams or groups, and volunteer search teams** in any county, city, town, municipality, or legally organized fire protection district or ambulance district in the state of Colorado, and all members of the civil air patrol, Colorado wing, while said persons are actually performing duties as volunteer firemen or as members of such volunteer rescue teams or groups, volunteer disaster teams, volunteer ambulance teams or groups, or volunteer search teams or as members of the civil air patrol, Colorado wing, and **while engaged in organized drills, practice, or training necessary or proper for the performance of such duties.**

Members of volunteer police departments, volunteer police reserves, and volunteer police teams or groups in any county, city, town or municipality, while actually performing duties as volunteer police officers, may be deemed employees within the meaning of this paragraph (a) at the option of the governing body of such county or municipality.

Workers Compensation Coverage for Appointed Board & Commission Members & Statutory Volunteers

In addition to employees as defined by 8-40-202, only volunteers who are deemed employees” in C.R.S. 8-40-202 (a) I (A) are eligible for coverage through the CWCP. Those are volunteer rescue, disaster, ambulance, search and rescue, police, firefighters, posse, reserve and appointed board and commission members.

Coverage is provided in accordance with the Workers Compensation Act, which, in general, states that coverage is provided when:

Persons are actually performing duties as statutory volunteers as listed in C.R.S. 8-40-202(a)(I)(A).

Duties are within the scope of county operations and on behalf of the county.

Volunteers are under the supervision and control of the sheriff, fire chief or board of county commissioners, as appropriate.

Volunteers are engaged in organized drills, practice or training necessary or proper for the performance of such duties under the control, direction and supervision of the member county sheriff.

Volunteer organization and personnel are subject to the same risk management policies as the county.

Persons ordered by the fire chief or a designee of the chief's at the scene of an emergency or during the period of an emergency to become a member of that department for the duration of an emergency to perform the duties of a fireman. Persons in this category (f.) must file any claim within 10 days of the cessation of the emergency.

Persons are not "volunteers" if they are paid for their services. Payment for services would infer they are "employees" of the organization making the payment.

County Responsibilities with Regard to Statutory Volunteers

CWCP Members' Policy Statement

A count of all statutory volunteers must be included in annual county payroll audit submitted to CTSI.

Volunteers must be under the supervision of the appropriate county department head whenever performing duties for the county.

First Reports of Injury must completely indicate what the volunteer was doing at the time of injury. It is very important that as much information as possible be provided to the adjuster.

To limit claim costs, a modified duty program should be developed and made available to volunteers.

CWCP & CAPP Criteria for Coverage for Sponsored Membership

Board Policy Statement Adopted June, 1987 and amended October 16, 2009

Coverage through CWCP and/or CAPP for outside entities may be considered by the CTSI staff based on the following guidelines; and may be subject to acceptance by the pool board of directors.

The following information describes limitations for insurance coverage in connection with county contractual relations.

Entities Covered

A county may request coverage through CWCP and/or CAPP for not for-profit corporations exempt from taxation under the Internal Revenue Code, 26, U.S.C. Section 501 which contracts to provide services to counties; or political subdivisions (except those excluded under this CAPP policy statement-see below).

Such outside entities may be covered by CWCP and/or CAPP to the limited extent of and with respect to those operations by and on behalf of the sponsoring member county so long as **each** of the following criteria is met:

The outside entity's contracted function is for the benefit, at the request of, and by the authority of the sponsoring member county; **and**

The sponsoring member county is legally authorized to provide the service, function or facility which is the subject of the contract; **and**

The sponsoring member county is obligated by written contract to provide coverage; a copy of which is provided to CTSI; **and**

With respect to non-profit organizations and political subdivisions (other than municipalities), the sponsoring member county must have at least one of the following controls over the entity, through the member's board of county commissioners:

approves 50% or more of the governing body of the entity; **or**

approves the budget of the entity; **or**

provides 50% or more of the funding of the entity; **or**

hires, fires or directs the activities of those performing the contractual activities of the entity (may be through appointment of the governing body).

No for-profit outside entities may be covered by these provisions.

A single pool member county must sponsor the outside entity with the understanding that all losses or claims will be assigned to the sponsoring county's loss experience.

To appeal a denial of coverage through the pool, a written request outlining the applicable required criteria must be submitted to the pool board.

CAPP Coverage (Does not apply to CWCP)

In addition to the above outside entities, a county may request coverage through CAPP for municipalities; the State of Colorado; and the federal government, its departments and agencies.

CAPP Coverage Exclusions

A county **may not extend coverage** by contract through CAPP to or for: Airports; Hospitals, medical clinics and contracted medical providers; Districts operating under CRS Title 32; Contracted legal service providers; For-profit persons or organizations.

Member Responsibilities Regarding Coverage of Outside Entities

All outside entities must be included in annual CWCP county payroll audit. A separate payroll audit must be submitted to CWCP by the outside entity identifying all exposure information. A pro-rata contribution may be charged for mid-policy year sponsorship.

The participating CWCP county must be obligated to the outside entity by a written contract, a copy of which must be provided to CWCP prior to execution. CWCP must be supplied copies of revisions to the contract.

First Reports of Injury and other claim information must be filed through the designated member county claim contact.

Duties of employees are within the scope of county operations, the scope of the contract and on behalf of the member county.

Employees of the outside entity are under the supervision and control of the governing body of the entity.

The outside entity is subject to the CWCP Bylaws and the same risk management policies as the member county.

Through the adoption of this policy statement, the CWCP is not waiving any rights to litigate for subrogation recovery from an outside entity.

All billing will be sent to the sponsoring member. All unpaid invoices are the responsibility of the sponsoring member. The sponsored entity may make payment directly to CWCP.

CWCP & CAPP Law Enforcement Services Coverage Policy Statement

Deputy Sheriffs Performing for Outside Entities

Effective September 1, 1989, it is the policy of the Board of Directors of the County Workers' Compensation Pool and the Colorado Counties Casualty and Property Pool that coverage, to the extent coverage is provided through the pool, be extended to member county deputy sheriffs performing law enforcement services for outside entities subject to compliance with the following conditions:

Outside entities requesting off-duty/extra duty law enforcement services must request such services through the sheriff's office of the member county.

The acceptance of work assignments must be totally voluntary on the part of the officer, but work assignments must be controlled by the member county sheriff's office.

While performing services for an outside entity, deputies must be under the control and direction of the sheriff of the member county.

Deputies may perform services only for those assignments that involve law-enforcement - related activities, duties and assignments.

Deputies must perform their assignment in compliance with the policies and practices of the member county sheriff's office.

Each deputy who anticipates performing services for an outside entity must acknowledge receipt of a letter of understanding that contains this policy statement.

All payment for services must be paid through the sheriff's office with reimbursement for services to the deputy drawn on a county voucher or payroll check.

Payroll for these services is to be included in the annual County Workers' Compensation Pool county payroll audit under the appropriate classification code.

This policy statement shall not broaden any member county's individual personnel policy, which may be more restrictive than the above criteria. In the event of making a determination, the most restrictive policy will apply.

Through the adoption of this policy statement, the pool is not waiving any rights to litigate for subrogation recovery from an outside entity.

Workers' Compensation and Job Training Programs

The following information is based on the Colorado Workers Compensation Act and is for general guidance only. The Colorado Revised Statutes should be consulted for actual language in the Act.

Workfare/Welfare Training Programs

One of the more complex side effects of welfare reform has been sorting out who is responsible for workers' compensation insurance for people receiving welfare benefits in the form of job assistance, training or employment. The following general guidelines based on information in C.R.S. 8-40-202 (1)(III) and (IV) can be used to determine workers' compensation coverage for individuals participating in Workfare Programs, Jobs First, Employment First, Temporary Assistance for Needy Families and similar entitlement programs.

Someone must provide workers' compensation coverage for these participants. Determining "who" requires that almost every case be evaluated on its own merits. Some of these programs can fall under the category of job training or rehabilitation, while others more closely resemble traditional employment.

A **county employer is responsible** for insurance coverage of any person who is part of a social services rehabilitation program or work experience assignment and is placed with that county or for the purpose of training or learning trades or occupations. There may be funds available through social services to pay the employer's insurance premium as an incentive for employers to hire these individuals.

The **private employer is responsible** for insurance coverage of any person who is part of a social services rehabilitation program and is placed with that private employer for the purpose of training or learning trades or occupations.

The sponsoring county arranging the work experience is responsible for insurance coverage if:

The employer (private or governmental) negotiates an agreement to that effect with the county arranging the work experience.

The county arranging the work experience assigns the person to a federal office or agency.

The county and the employer agree the employer will cover the placed person. The employer does in fact insure and keep insured work comp coverage. The employer is provided notice of CRS 8-40-202.

If the participant is working for the county, they will be covered through the CWCP as a county employee. An estimate of the funds they receive in assistance needs to be included in your payroll audit so their premium can be calculated.

Student Interns

The following general guidelines based on information in C.R.S. 8-40-302 can be used to determine workers' compensation coverage for individuals participating in a bona fide cooperative education or student internship program sponsored by an educational institution for providing on-the-job training for students.

If the student is a paid intern, the employer shall provide workers compensation coverage. If the student is an unpaid intern, the educational institution sponsoring the student shall insure the student through their workers' compensation and liability insurance. The educational institution and the employer can agree that the employer will provide coverage if the educational institution provides the employer with a reasonable level of compensation to insure students participating in on-the-job training.

We encourage counties to consult with CTSI if they have any doubt as to who is or should be providing the workers' compensation coverage.

Summary of Workers Compensation Benefits for On-The-Job Injuries

Coverages and benefits are provided in accordance with the Colorado Workers Compensation Act. This broad summary is for information purposes only.

Medical - Authorized, Necessary

All professional services which are medically necessary, including physician fees, hospital/surgical charges and supplies, nursing fees, dental services.

Other medically necessary services and supplies such as ambulance charges, prescriptions, lab fees, x-rays, blood products, medical supplies, prosthetic devices.

Wages

Temporary total disability (TTD) benefits while employee is unable to return to work. TTD benefits are payable only when the employee has been off work due to the injury for at least three regular *working* days. The three day waiting period does not begin until the day after the employee is injured on the job. The employee does not receive compensation from the CWCP for the first three regular working days unless he remains off work for a total of at least 14 *calendar* days.

Temporary partial disability benefits while employee is restricted to working for less than full time duty.

Permanent total disability benefits for life if employee is deemed to be permanently, totally disabled in accordance with statute.

Permanent Partial Disability

Permanent physical impairment as measured by an accredited physician when employee has reached maximum medical improvement.

Calculation of benefit is based on scheduled amounts as listed in the Workers' Compensation Act.

Disfigurement

If head, face or exposed body parts are disfigured, an award can be granted by a Workers' Compensation Administrative Law Judge up to a maximum set amount.

Death

In the event of an employee's death, a mandated set amount will be paid for the burial expenses.

Permanent total disability benefits would be paid to spouse for life or until remarriage; if no children, then lump sum; if dependent children - until age 18 (or 21 if full-time student)



CWCP & CAPP Operations Manual

Section 5 CAPP Coverage

Colorado Counties Casualty & Property Pool Policy Statements Regarding Coverage

The following policy statements have been adopted by the CAPP Board of Directors and/or the CAPP membership to define more clearly the coverage afforded to members of CAPP with regard to specific situations to the extent that coverage is provided through CAPP. These policy statements should be reviewed before entering into any contract in which the county is asked to provide insurance coverage

Coverage of District Attorneys

CAPP Board Policy Statement Effective June 10, 1987

During their meeting on June 10, 1987, the CAPP Board of Directors approved the following wording for coverage of the District Attorneys through CAPP.

"It is hereby agreed that the unqualified word "assured" (named insured) whenever used in the excess insurance policies shall also include District Attorneys, their assistants, agents and employees but only while acting within the scope of their duties to the extent that any claim is asserted against them in connection with facts arising in a participating county or with respect to operation directly related to or specifically undertaken on behalf of a participating county. The current policy contains similar language."

Exclusion of Inmate Medical Payments

CAPP Board Policy Statement Effective July 1, 1987

"It is hereby understood and agreed that coverage for other than Automobile Medical Payments under this policy excludes payments to or for any person who is sentenced and imprisoned in, committed to, confined in, or detained for safekeeping in any county jail or other detention facility."

Exclusions of PIP/Workers' Compensation Benefits

CAPP Board Policy Statement Effective July 1, 1987, Repealed May 19, 1999

"It is hereby understood and agreed that with respect to policy coverage under No-Fault Colorado, the following will prevail: It is hereby understood and agreed that there shall be no Personal Injury Protection coverage provided hereunder to any claimant whose benefits under workers' compensation were reduced because such claimant's acts as provided by Section 8-42-112, Colorado Revised Statutes."

Employment Termination Claims

CAPP Members Policy Statement Approved June 9, 1993

Pursuant to the CAPP Bylaws and Intergovernmental Agreement, Article IX.A.3, the members of CAPP approved the following deductible requirements at a meeting held on June 9, 1993 by a 2/3 vote of the members present, with the concurrence of the affected excess insurance carrier.

From and after July 1, 1993 all incurred losses, expenses and/or indemnity; for which coverage is afforded by CAPP; for claims that relate to termination of employment or termination of service of any claimant, whether for damage or claim expense, shall be subject to a deductible in the amount of \$10,000 per claimant for each covered occurrence.

For each covered occurrence and claim or expense payment not to exceed \$10,000 per claimant will be paid as required by CAPP but billed to the claimant's responsible county. The claimant's responsible county will reimburse CAPP within 20 working days after the county receives a request for payment from CAPP. If payment is not received by CAPP within the above time frame, the claimant's responsible county shall pay a late payment charge which will be 125% of the published prime rate on the date of delinquency.

Breach of Contract Claims

CAPP Board Policy Statement Effective November 21, 1997 and Amended November 20, 1998

It is hereby understood and agreed that no coverage is afforded by the CAPP Loss Retention Fund for any claim arising out of breach of contract, whether express or implied, or arising out of non-completion of or delay in contract, or arising out of non-compliance with contract deadlines.

Additional Language to this Policy Statement Regarding Employment-Related Claims Effective November 20, 1998

However, this exclusion shall not apply to an employment-related claim alleging a breach of an "implied contract of employment."

As used in this policy statement, an "implied contract of employment" is one that arises or is alleged to arise out of one or more statements in a participating member county's personnel handbook, employment policy manual, or similar document, but does not include any express contract of employment or for services between any claimant and a participating member county.

Waiver of Subrogation

CAPP Board Policy Statement Effective April 15, 1998

It is the policy of the CAPP Board of Directors that contracts and agreements which contain language regarding waivers of subrogation on behalf of the county and CAPP be submitted to CTSI for review of coverage.

Acceptance of Notice of Claim

CAPP/CTSI Contract Addendum Effective July 1, 1998

Section 5.4 is hereby added to the CAPP/CTSI Agreement for Claims Administration Services.

Nothing herein shall authorize CAPP, CTSI, the Pool Administrator, or any employee, representative, contractor, or agent of any of the foregoing to serve as the agent of any Member of CAPP for purposes of acceptance of any notice of claim made pursuant to C.R.S. 24-10-109 against the Member or against any "public employee" of a Member (as said term is defined in C.R.S. 24-10103(4)).

Lawyer's Professional Liability

CAPP Members' Policy Statement Effective January 1, 2004

CAPP shall reimburse the member county up to \$7,500 per policy period from the capp loss fund, for reasonable fees, costs and expenses incurred in defending a disciplinary proceeding based on a grievance first made against any county attorney employed by the member county or district attorney performing services for a member county during the policy period and reported to capp in writing during the policy period or within sixty (60) days thereafter. This coverage applies only to such fees, costs and expenses. It does not apply to any monetary awards of any kind, judgments or settlements relating to or directly or indirectly resulting from the institution or disposition of disciplinary proceedings. A \$500 deductible shall apply to each claim. Any payments made by CAPP under this paragraph shall be included within the applicable limit of liability and not in addition thereto.

Definition: "disciplinary proceeding" means any proceeding by a disciplinary official or agency to investigate charges alleging professional misconduct.

Claims for Relief

Injunctive, Declaratory or Other Equitable Relief and Claims Under 42.U.S.C.1988

CAPP Members' Policy Statement Approved December 5, 1996 and Revised June 9, 1999

Claims seeking injunctive, declaratory or other equitable relief, and claims of prevailing parties (such as under 42 U.S.C. §1988 or other applicable state or federal statutes, regulations or rules of law) for attorneys fees, costs or other relief allocable to any claim seeking injunctive, declaratory or equitable relief, are excluded from the CAPP loss retention fund, as well as any and all defense costs allocable to any such claims.

Takings Claims

CAPP Members' Policy Statement Effective July 1, 1996

Claim(s) for eminent domain or inverse condemnation, regulatory taking, adverse possession or dedication by adverse use are not covered by the CAPP loss retention fund.

The CAPP loss retention fund will pay on behalf of a participating member county, its employees and elected officials ("Member(s)") all compensatory damages, in excess of the deductible, which any Member(s) shall become legally obligated to pay, either as a result of liability imposed upon the Member(s) by law or liability assumed by the Member(s) under any contract or agreement, arising from any claim(s) for violation of civil rights, or other tort claim(s), first made against the Member(s) during the policy period of the excess liability policy, identified in the Certificate of Participation for the applicable coverage period, based upon or arising out of any legislative, quasi-judicial or administrative act, error, omission, neglect, misstatement, breach of duty or misleading statement resulting in or pertaining to the regulation of the use of real or personal property, including, without limitation, the planning, permitting or inspection of real or personal property, or takings of interest in real or personal property, and shall pay defense costs and costs, in excess of the deductible, allocable to any such claim(s), subject to the following:

1. A deductible amount of \$125,000.00 applicable to each lawsuit or other demand against any Member(s) alleging any such claim(s), shall apply to indemnity, defense costs and costs;
2. Coverage under the CAPP loss retention fund for damages, defense costs and costs is subject to a limit of liability of \$125,000.00 for each lawsuit or other demand alleging any such claim(s), but for not more than two (2) such lawsuits or other demands first made or brought during the policy period of the excess liability policy identified in the Certificate of Participation for the applicable coverage period. The stated limit of liability shall apply separately to each participating member county and shall include lawsuits or other demands made or brought against the employees and elected officials of the participating member county. No other obligation or liability to pay sums or perform acts or services in connection with any lawsuit or other demand alleging any such claim(s) is covered under the CAPP loss retention fund;
3. For purposes of applying the stated limit of liability and the deductible, all lawsuits and/or other demands made or brought by the same claimant, whether alone or in combination with any other claimant(s), and alleging or arising out of the same or related legislative, quasi-judicial or administrative acts, errors, omissions, neglect, misstatements, breach of duty or misleading statements, shall be deemed to be one lawsuit or other demand;
4. Any lawyer(s) utilized to defend any Member(s)' interest in connection with any such claim(s) shall be selected from the roster of CAPP approved defense attorneys;
5. Any defense costs incurred by any Member without the prior consent of CAPP will be the sole responsibility of such Member;

6. Written notice of any lawsuit or other demand alleging any such claim(s) shall immediately be given to CAPP. CAPP shall also be immediately provided with a copy of every demand, notice, summons or other process received by any Member. The CAPP loss retention fund will not pay any defense costs incurred in connection with any lawsuit or other demand prior to the date on which CAPP received written notice of such lawsuit or other demand;
7. Except as stated to the contrary herein, the terms of any applicable excess policy(ies), including any endorsements thereto, CAPP's Bylaws and Intergovernmental Agreement, and any other Policy Statement(s) now or hereafter in effect shall apply, irrespective of the application of the deductible amount stated in this Policy Statement;

This Policy Statement shall not apply to any claim(s) against any Member based upon the conduct of any County Sheriff, Treasurer or Health Department, or any other person or organization performing similar duties to any of the above, resulting in the taking of interest in personal property.

Crime Coverage

CAPP Self Insured Retention Coverage Clarification Effective January 1, 2004

The following coverages that are excluded in the CAPP excess insurance agreements are covered through CAPP's loss fund. The limits shown below fix the amount of loss or loss adjustment expense for which CAPP will be responsible. A deductible of \$500 per covered event applies.

Coverages and Limits of up to \$150,000 applies to blanket employee dishonesty, robbery and safe burglary, forgery or alteration, or money and securities.

CAPP will be responsible for these coverage amounts for the combined total of all losses or loss adjustment expenses that result from any one covered event.

Loss adjustment expenses mean the reasonable fees, costs and expenses that are incurred by you; and result directly from the adjustment of a covered loss. Loss adjustment expense includes reasonable and necessary expenses incurred to reduce the loss or protect covered property from further damage.

But CAPP won't consider any of the following to be loss adjustment expenses: fees, costs, or expenses for appraisals; expenses and salaries or wages of you or any of your employees or staff, including any attorneys employed or hired by you; fees and expenses of independent adjusters hired by you; expenses for claim handling services provided by others under a written contract or agreement with you; fees, costs or expenses incurred by you as the result of appeals, arbitration or alternative dispute resolution proceedings.

Effective January 1, 2012, CAPP increased the coverage limit to \$1 million in crime coverage and carries excess insurance for claims over \$150,000.

Pesticide and Herbicide Operations

CAPP Members' Policy Statement Regarding Third-Party Liability Approved by Membership June 10, 1998

The members of CAPP approved the following deductible requirements with regard to third-party liability for **pesticide and herbicide operations**. The following is an overview of general coverage provisions. Refer to the CAPP Insuring Agreements for actual coverage limits.

The CAPP member county has third-party liability coverage for bodily injury or property damage that results from the application or use of any pesticide or herbicide by or for any member county. This coverage is subject to a \$2,500 deductible to be paid by the county.

Example: If the county is found to be responsible for damage to crops due to application of a herbicide, CAPP will provide coverage up to the pool limits. The county pays a \$2,500 deductible.

Policy limits for any one occurrence to cover the cost to clean up and remove pollutants in the land or water of another's property. The contamination must be caused by the collision, upset or overturn of a transporting vehicle that is owned, operated, rented, leased or borrowed by the member county. This coverage is subject to a \$500 deductible to be paid by the county.

Example: A county owned or leased pesticide operations truck overturns on the highway causing pollutants to run onto the ground and nearby river. CAPP will pay to clean up the pollution that is in the land and water of another's premises up to the policy limits. The county pays a \$500 deductible.

CAPP will not pay for any loss, cost or expense incurred by a governmental unit or other third party to clean up pollutants.

Example: A truck borrowed by the county for pesticide operations overturns on the highway causing pollutants to run onto the ground. The member county calls out the local haz-mat team to clean up and contain the spill. CAPP will not pay for the cost of using the services of the governmental unit.

Policy limits for any one occurrence to cover the cost to clean up and remove pollutants in the land or water of a member county's property. The contamination must be due to fire, lightning, explosion, windstorm, hail, leakage from fire protection equipment, smoke, vehicles and aircraft, riot, civil commotion, vandalism, sinkhole collapse, volcanic action, falling objects, weight of snow, ice or sleet or water damage. This coverage is subject to a \$500 deductible to be paid by the county.

Example: A fire on a member county's property causes chemicals to run onto the ground and into a nearby river. CAPP will pay to clean up the pollution that is in the land and water at the member's premises up to the policy limits. CAPP will not pay to clean up land or water away from the county's premises. The county pays a \$500 deductible.

Coverage for Personal Tools

CAPP Board Policy Statement Adopted May 19, 1999

It is the policy of the CAPP Board of Directors that insurance coverage may be extended for employee's personal tools under the condition that the following policy be adopted, signed and submitted to CTSI by the Member County Board of County Commissioners.

Any person's tools, hereinafter denoted as items necessary in the performance of the duties of any county employee and which are supplied by the employee and remain that employee's personal property, shall be covered by the county's insurance carrier against fire, theft, water damage, loss in vehicular accident, building collapse, or other reasonable damage while used and/or stored in or on county property, including county vehicles. The County shall pay any deductible portion of the insurance coverage, so long as the employee has met all other requirements of this policy.

The employee is required to exercise normal security in the use and storage of these items. The items must be stored in a locked box or locked storage area, and not left unsecured when not being used and/or when the shop or storage area, office, etc., is closed for business. When stored on or in a county vehicle, such items shall be kept in a locked container (such as a toolbox, briefcase, etc.) and kept out of sight as much as reasonably possible.

Procedure

The employee must supply a detailed written inventory of such items, including replacement values, to his/her direct supervisor. The supervisor shall determine whether the estimated values are appropriate. The inventory must be accepted by signature of an authorized supervisor before the county will cover any such items. Copies of the approved inventory shall be retained by the employee, the supervisor and another copy sent to the Human Resources Department. Any items to be added to or deleted from this inventory must be noted on a revised written inventory, which must be accepted by signature of an authorized supervisor, before the county will cover any additional items. Items not on the inventory list will not be covered by insurance.

It is a prerequisite to any benefit under this policy for the employee to report to the Human Resources Department and County Sheriff of any damage, theft or other loss of a covered item within three (3) working days of discovery of such damage, theft or loss.

It shall remain the owner/employee's right to limit the usage of personal items to any other employees of his/her choice. If an employee loans an item to another employee who loses or otherwise causes the item to be lost, the responsibility for replacement shall not be borne by the county.

Sample Inventory Form

Description	Manufacturer	Model	Model number	Serial number	Date acquired	Purchase Price	Replacement Price

Guidelines for Contracts Involving Insurance Commitments

CAPP Members' Policy Statement Effective July 1, 1987

Since commencement of the Colorado Counties Casualty and Property Pool (CAPP) on July 1, 1986, the CAPP Contracts Committee has learned that many counties have contractual agreements which obligate the contracting county to extend insurance coverage to the other contracting party. In some cases, the county has not been specifically aware of its insurance coverage commitment. Accordingly, the CAPP Contracts Committee has developed the following recommendations for guidelines and coverage limitations to be used in negotiating future contracts. Moreover, each CAPP member county should review existing contractual relationships including all intergovernmental agreements in light of these guidelines and limitations. These coverage limitations were adopted by the CAPP membership at the June, 1987 meeting to be effective July 1, 1987. The CAPP Board of Directors clarified responsibilities for the member county on March 3, 1995.

Risk Transfer

In negotiating contractual terms, it always should be the objective of each CAPP member county to transfer risk whenever possible. This transfer may be accomplished by incorporating into its contracts the obligation that the "other party" obtain insurance coverage outside of CAPP.

Further, when negotiating risk transfer issues, those contracting on behalf of a county should insist that the "other party" supply the county with a Certificate of Insurance to verify compliance with the insurance coverage obligation. Oral commitments that insurance obligations have been met are not acceptable. Requesting a Certificate of Insurance is a sound risk management procedure and well accepted in the insurance industry.

Minimum Coverage Limitations

At a minimum, each contract where the other party contracting is to provide insurance should contain the present Colorado Governmental Immunity Act statutory limits for bodily injury and property damage. As independent contractors do not have governmental immunity, county contract negotiators should require insurance coverage in an amount comparable to the potential risk inherent in the project. Moreover, the county should be endorsed as "Additional Insured" and execute a hold harmless agreement whenever possible.

Coverage Limitations

These coverage limitations relate to participating counties, their departments and agencies and are in addition to any coverage limitations which may otherwise exist. The following page describes limitations on insurance coverage in connection with county contractual relations.

CWCP & CAPP Criteria for Coverage for Sponsored Membership

Board Policy Statement Adopted June, 1987 and amended October 16, 2009

Coverage through CWCP and/or CAPP for outside entities may be considered by the CTSI staff based on the following guidelines; and may be subject to acceptance by the pool board of directors.

The following information describes limitations for insurance coverage in connection with county contractual relations.

Entities Covered

A county may request coverage through CWCP and/or CAPP for not for-profit corporations exempt from taxation under the Internal Revenue Code, 26, U.S.C. Section 501 which contracts to provide services to counties; or political subdivisions (except those excluded under this CAPP policy statement-see below).

Such outside entities may be covered by CWCP and/or CAPP to the limited extent of and with respect to those operations by and on behalf of the sponsoring member county so long as **each** of the following criteria is met:

The outside entity's contracted function is for the benefit, at the request of, and by the authority of the sponsoring member county; **and**

The sponsoring member county is legally authorized to provide the service, function or facility which is the subject of the contract; **and**

The sponsoring member county is obligated by written contract to provide coverage; a copy of which is provided to CTSI; **and**

With respect to non-profit organizations and political subdivisions (other than municipalities), the sponsoring member county must have at least one of the following controls over the entity, through the member's board of county commissioners:

approves 50% or more of the governing body of the entity; **or**

approves the budget of the entity; **or**

provides 50% or more of the funding of the entity; **or**

hires, fires or directs the activities of those performing the contractual activities of the entity (may be through appointment of the governing body).

No for-profit outside entities may be covered by these provisions.

A single pool member county must sponsor the outside entity with the understanding that all losses or claims will be assigned to the sponsoring county's loss experience.

To appeal a denial of coverage through the pool, a written request outlining the applicable required criteria must be submitted to the pool board.

CAPP Coverage (Does not apply to CWCP)

In addition to the above outside entities, a county may request coverage through CAPP for municipalities; the State of Colorado; and the federal government, its departments and agencies.

CAPP Coverage Exclusions

A county **may not extend coverage** by contract through CAPP to or for: Airports; Hospitals, medical clinics and contracted medical providers; Districts operating under CRS Title 32; Contracted legal service providers; For-profit persons or organizations.

Member Responsibilities Regarding Coverage of Outside Entities

CAPP Board Policy Statement Adopted March 3, 1995

Exposure information for the outside entity must be submitted to CAPP.

The sponsoring member must be obligated to the entity by a written contract, a copy of which must be provided to CAPP prior to execution. CAPP must be supplied copies of revisions to the contract.

A pro-rated contribution will be charged for mid-term sponsorship.

Notices of claims must be filed through the sponsoring member.

Employees of the sponsored entity must be under the supervision and control of the governing body of the entity.

The sponsored entity must follow the risk management policies set forth by the sponsoring member and CAPP.

All billing will be sent to the sponsoring member. All unpaid invoices are the responsibility of the sponsoring member. The sponsored entity may make payment directly to CAPP.

All losses incurred will be charged to the sponsoring member's loss experience for contribution calculation purposes.

Sponsored entities may be expelled from membership for failure to make payment.

Sponsored entities may be expelled from membership for failure to follow risk management practices as set forth by the sponsoring member or CAPP per the Bylaws.

Coverage for any entity may be subject to acceptance by the CAPP Board of Directors.

To appeal a denial of coverage a request must be submitted in writing covering the applicable criteria required.

If these policies are not followed, no coverage will be extended.

CAPP and Adding/Deleting Buildings & Builder's Risk Insurance

Notify CTSI of all building additions, deletions and builder's risk projects as they occur.

Adding a Building

When a building is ready for occupancy, purchased or leased, a Building Change Form must be submitted to CTSI. CAPP does not charge additional contribution for mid-year additions of buildings unless the value exceeds \$1 million. ***Failure to notify CTSI of new locations can result in a reduction of insurance coverage.***

Deleting a Building

Use the Building Change Form available at ctsi.org

Builder's Risk Insurance

When your county breaks ground on the construction of a new a new facility, make sure builder's risk insurance is in place; notify CTSI so we can add the information to your CAPP insurance information.

Builder's risk insurance is property insurance that provides coverage on buildings or structures while they are under construction. It may also cover foundations, fixtures, machinery and equipment used to service the building, and the materials and supplies used in the course of construction.

Many times, the contractor will provide the builder's risk coverage, but sometimes the county is responsible for the insurance. In either event, you need to get that information to us by using the CAPP Builder's Risk Form available at ctsi.org



CWCP & CAPP Operations Manual

Section 6 CWCP & CAPP Coverage

CWCP & CAPP Law Enforcement Services Coverage Policy Statement

Deputy Sheriffs Performing for Outside Entities

Effective September 1, 1989, it is the policy of the Board of Directors of the County Workers' Compensation Pool and the Colorado Counties Casualty and Property Pool that coverage, to the extent coverage is provided through the pool, be extended to member county deputy sheriffs performing law enforcement services for outside entities subject to compliance with the following conditions:

Outside entities requesting off-duty/extra duty law enforcement services must request such services through the sheriff's office of the member county.

The acceptance of work assignments must be totally voluntary on the part of the officer, but work assignments must be controlled by the member county sheriff's office.

While performing services for an outside entity, deputies must be under the control and direction of the sheriff of the member county.

Deputies may perform services only for those assignments that involve law-enforcement - related activities, duties and assignments.

Deputies must perform their assignment in compliance with the policies and practices of the member county sheriff's office.

Each deputy who anticipates performing services for an outside entity must acknowledge receipt of a letter of understanding that contains this policy statement.

All payment for services must be paid through the sheriff's office with reimbursement for services to the deputy drawn on a county voucher or payroll check.

Payroll for these services is to be included in the annual County Workers' Compensation Pool county payroll audit under the appropriate classification code.

This policy statement shall not broaden any member county's individual personnel policy, which may be more restrictive than the above criteria. In the event of making a determination, the most restrictive policy will apply.

Through the adoption of this policy statement, the pool is not waiving any rights to litigate for subrogation recovery from an outside entity.

Insurance Coverage when Loaning Employees or Volunteers

CWCP

The loaning county retains workers compensation insurance responsibility.

Under 8-41-303 C.R.S., the county who loans an "employee" to a third party retains the workers' compensation liability for injuries to or the death of the loaned employee, except when the loaning constitutes a new contract of hire, expressed or implied, between the employee whose services are loaned and the third party to whom those services are loaned. If an employee were **hired** by a third party, the third party would then be responsible for workers compensation for the employee.

It is the responsibility of the "lending" county to process all workers' compensation claims through its own county. The "lending" county's claim experience will be charged for all claims.

CAPP

The borrowing county assumes liability insurance responsibility.

It is the responsibility of the "borrowing" county to process all liability claims through its own county. The "borrowing" county's claim experience will be charged for all claims.

CWCP & CAPP-Search & Rescue Teams

Search & Rescue Teams County and Non-County

Most counties have search and rescue operations (S&R Team) as a county department under the direction and control of the county sheriff. As a member county department, the individuals on the S&R Team are considered employees or statutory volunteers when they are in the scope and course of their S&R duties for the county and are provided the coverages available through the pools.

Some counties use ***outside entities for S&R operations***. The ***pools do not insure non-county S&R Teams***. In some instances, the non-county S&R Team requests that the member county provide workers compensation and/or liability insurance for the S&R Team when they are providing services to the county.

In order for the pool to provide workers' compensation and/or liability insurance to a non-county S&R Team, a CTSI-approved memorandum of understanding (included in this manual) must be executed and provided to CTSI. Coverage is provided only when the S&R Team is performing duties for the member county under the direction and control of the sheriff of the member county,

Coverage for personal property of county employees or volunteers is not extended through the pool. Property coverage is extended only for that property which is owned or leased by the member county.

CWCP & CAPP Coverage for Non-County Search & Rescue Teams-Policy Statement

Memorandum of Understanding

WHEREAS, ___ (referred to as "S&R Team") is a nonprofit organization having as its purposes the search for and rescue of lost or injured persons and the provision of search and rescue volunteers when the need arises and when called upon to do so; and

WHEREAS, such services of the S&R Team are of benefit to _____ County, Colorado (referred to as "County"), its residents and visitors, and the sheriff;

WHEREAS, the S&R Team has [informally] assumed the responsibility as [one of] the primary response team(s) for search and rescue in the County; and

WHEREAS, the sheriff of the County, has the responsibility, and therefore the concomitant authority, for coordination of all search and rescue operations (including missions) within the County, pursuant to Section 24-33.5-707; and

WHEREAS, the sheriff of the County frequently requests the services provided by the S&R Team; and

WHEREAS, the sheriff of the County and the S&R Team desire to clarify their relationship during search and rescue operation;

NOW, THEREFORE, be it understood by and between the parties as follows:

The sheriff of the County has the ultimate responsibility and authority for the coordination of all search and rescue operations within the County. The S&R Team, will participate in search and rescue operations only at the request of and subject to the control of the sheriff of the County.

Nothing in this Memorandum of Understanding shall be construed to prevent the sheriff or the board of county commissioners of the County, from establishing, formally or informally, standard procedures for reporting directly to the S&R Teams incidents which are or potentially could culminate in a search and rescue operation or mission, or providing for the automatic response of the S&R Team to search and rescue operations within the County. Any such procedure shall require prompt notification to the sheriff of the County of such incidents and that an automatic response has been initiated.

The S&R Team shall keep an ongoing list of members who will participant in search and rescue operations for the benefit of the County and at the request of and subject to the control of the sheriff of the County. In performing such operations, the persons whose names appear on the list are authorized volunteers of the County.

For insurance contribution purposes, annually the County shall provide to the pools the number of S&R Team members and other exposure information as requested.

Approved:

Chair, Board of County Commissioners

Date

WHEREFORE, the parties hereto have executed this Memorandum of Understanding this _____ day of _____.

Chair, Board of County Commissioners

Sheriff

Search & Rescue Team Representative



CWCP & CAPP Operations Manual

7-CWCP & CAPP General Insurance Information

CWCP & CAPP Use of County Facilities

This summary is provided for informational purposes only. As the policies contain additional coverages and restrictions, the exact wording should be consulted.

Insurance Coverage for the County

Property and Liability Insurance

CAPP insures Member County elected or appointed officials, members of their governing bodies or committees, trustees, boards or commissions and volunteers while acting for or on behalf of the county.

The member county, including appointed boards and county volunteers, has liability coverage through CAPP for the county fair or other events held on county property. CAPP protects and defends the liability of the county for claims made against the county.

Workers Compensation Insurance

The CWCP provides workers' compensation to member county employees and appointed board members while in the scope and course of their duties for the county.

Insurance Coverage for Others

Volunteers

Volunteers (except certain statutory volunteers) are not covered for workers' compensation or injuries to themselves. A volunteer accident protection plan is available through CTSI, which provides minimal medical coverage secondary to the person's own health insurance for non-statutory volunteers.

County volunteers, while acting for or on behalf of the county, are covered for liability through CAPP.

General Public

If a member of the public is injured while on county property, CAPP provides premises medical pay coverage. A claim can be filed with the CAPP claims unit.

Event Participants

Event participants are not eligible for premises medical pay and are not covered for liability or injuries to themselves. Participants should sign a waiver of liability.

People Using County Facilities and Vendors at County Facilities

CAPP does not protect or defend the liability of non-county people putting on an event at your fairgrounds or county property.

Tenant Users Liability Insurance Program (TULIP) coverage is available to cover the people putting on the event because if they do not have their own liability insurance, their assets could be at risk if someone filed a claim against them relative to the event they are hosting.

The person/group can obtain TULIP coverage through their local insurance agent or they can contact CAPP's broker, Anita Bruner at 800-889-2614, for a quote. In some instances, homeowner's insurance may provide such coverage.

Vendors at the County Fair or other Events on County Property

If you have 15 or more vendors at your county fair, the county can purchase a vendor/spectator insurance policy to protect the vendors at the county fair or other county event. This insurance covers the vendor for risks such as spectator slips and falls in a vendor booth or if someone gets ill after eating food from a vendor booth. It does not cover any property damage to the county or vendor's property. For example, if the vendor caused damage to the county's property, this policy would not provide coverage. Alternatively, if a spectator caused damage to a vendor's property, this policy would not cover that. For a quote, contact: Melissa Allen, CISR, Haas & Wilkerson Insurance, (913) 676-9380.

Naming the county as an "additional insured" on the TULIP or Vendor coverage policy helps protect the county from claims occurring during the event that are not the fault of the county.

Event Participant Acknowledgement and Waiver of Liability

_____ County

The _____ County (referred to as “the county”) _____ (event) will be held at the county _____ (property) during the following dates: _____.

Participants in events, contests or exhibitions do so at their sole risk. Insurance coverage of any type is not provided by the county, it’s Board of County Commissioners, appointed boards, its employees, its agents or its assigns, regarding any injury, loss or liability that may arise through the participation in this event.

Participant agrees to release and hold harmless the county and its assigns from any loss, damage, injury or liability that may arise through or as a participant in the event.

By signing this Acknowledgment and Waiver of Liability, I agree to abide by all rules and regulations pertaining to this event. I further agree and understand that the county is not responsible for my actions and I release and absolve the county from any liability associated with this event.

Participant Printed Name

Participant Signature

Date

County Volunteer Notification & Waiver of Liability

_____ County

I, _____ (the "volunteer") as a volunteer for the county, do hereby and forever release and discharge _____ County ("county") government and respective board members, officers, employees, agents and volunteers from any and all claims, actions, expenses, liabilities, or damages of any nature whatsoever, including costs and attorney's fees, arising out of any personal injury or any loss or damage to property in any way resulting from or otherwise relating to my participation as a county volunteer.

- I fully understand and agree to provide my services to the county as a volunteer in a volunteer capacity. County employees may volunteer to serve in a volunteer program so long as their activities do not directly relate to their county job.
- I fully understand that the county will not provide or pay for medical treatment for injuries that occur within the scope and course of my volunteer activities. I fully understand that as a volunteer, I do not work for the county as an employee, therefore, I am not entitled to workers' compensation benefits and the county cannot provide lost wages or permanent disability benefits for the volunteer's regular employment.
- I fully understand and agree that if I use my personal vehicle while conducting volunteer county business, my personal automobile insurance is my responsibility and primary to any other insurance that may exist.
- I fully understand and agree that if I use any of my personal property while conducting volunteer county business, the county will not provide insurance coverage or be financially responsible should damage or loss occur.
- I fully understand that as a county volunteer, I am covered by the county's liability insurance to the same degree and conditions as a county employee.

By signing this form, the undersigned is aware of, understands the nature of the county volunteer program and the participation requirements and conditions and agrees to the above.

Volunteer Printed Name:	
Volunteer signature or parent/guardian if less than 18 years old:	
Name of County Representative:	
Date:	

Liability for Equine Activities

Colorado law allows counties to protect themselves from potential liability involving equine activities, such as rodeos and horse shows.

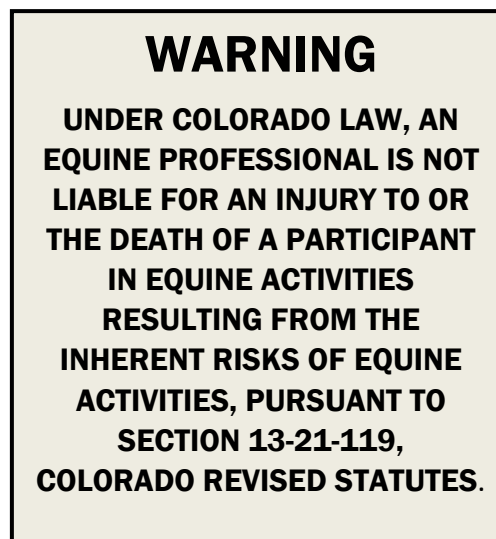
The state legislature has exempted equine activities from civil liability, due to the inherent risks involved with activities associated with horses and llamas.

The activities shielded from civil liability by C.R.S. 13-21-119 include shows, fairs, competitions, performances, parades, dressage, rodeos, polo, performance riding, etc. It also applies to commercial activities, like outfitters, guides, etc.

For county facilities, the county must post warning signs or correct known dangerous conditions that could lead to injuries for participants in these activities in order for immunity to apply. Willful negligence is not excluded from liability.

Every equine professional shall post and maintain signs that contain the warning notice as specified below. Such signs shall be placed in a clearly visible location on or near stables, corrals or arenas where the equine professional conducts equine activities if such stables, corrals or arenas are owned, managed or controlled by the equine professional. The warning notice specified shall appear on the sign in black letters, with each letter to be a minimum of one inch in height.

Every written contract entered into by an equine professional for the providing of professional services, instruction, or the rental of equipment or tack or an equine to a participant, whether or not the contract involves equine activities on or off the location or site of the equine professional's business, shall contain in clearly readable print the warning notice.



CWCP & CAPP Vehicle Insurance Issues

The following information is to give you an overview of auto insurance. This information IS NOT for coverage or claim determinations. Each claim has its own circumstances, so coverage and liability will vary –each claim is handled individually. CAPP does not give up its right to subrogation.

It can generally be said that whoever is at fault is ultimately responsible for the claim costs for everyone involved in the accident. ***For these examples, assume the county driver is at fault for an accident; the accident involves another vehicle, and; there is bodily injury and property damage.***

Example 1. County employee driving county vehicle ON county business.

Employee is covered by workers' compensation for their injuries.
CAPP may cover other claim costs for non-county passengers and other vehicle.

Example 2. County employee driving county vehicle NOT on county business.

CAPP auto coverage is for vehicles being used for county business. There could be a coverage issue. No workers' compensation coverage for injuries, the employee is responsible for own medical costs. CAPP may or may not cover other claim costs for passengers and other vehicle under general liability.

Example 3. County employee driving own vehicle ON county business.

Employee is covered by workers' compensation for injuries.

The employee's auto insurance is the primary insurer for liability and property damage. Liability coverage through CAPP may be available after the primary liability limits are reached. Under recent case law, the Colorado Governmental Immunity Act may be applicable when a personal vehicle is used in the scope and course of county operations.

Example 4. Non-county employee permitted to drive county vehicle ON county business.

No county workers' compensation coverage for non-employee.
Driver would be responsible for own medical expenses.
CAPP may cover other claim costs for passengers and other vehicle.

Example 5. Non-county employee permitted to drive county vehicle NOT on county business.

CAPP auto coverage is for vehicles being used for county business. There could be a coverage issue. No county workers' compensation coverage for non-employee. Driver would be responsible for own medical expenses.
CAPP may or may not cover other claim costs for passengers and other vehicle under general liability.

Example 6. Non-county employee permitted to drive county vehicle NOT on county business with a county employee as passenger.

CAPP auto coverage is for vehicles being used for county business. There could be a coverage issue. No county workers' compensation coverage for employee or non-employee.
Driver and passenger would be responsible for own medical expenses.
CAPP may or may not cover other claim costs for passengers and other vehicle under general liability.

Auto Insurance for Vehicles Not Owned by the County

Many counties are involved in providing transportation services for community members for various purposes, i.e. a ride to a healthcare facility, caseworkers driving children to appointments, etc. In many cases, employees are using their own vehicles for this. In other cases, an outside agency is providing transportation services, for example, senior center volunteers drive people to appointments.

Sometimes, an *inaccurate assumption* has been made that coverage is being provided through CAPP. CAPP cannot insure privately owned vehicles or property.

***Vehicles must be owned or leased by the
CAPP member county and used for county business
in order to be insured through CAPP.***

Insuring Vehicles Used for Transportation Services

There are three basic methods of insuring these vehicles.

The county owns or leases the vehicle and CAPP provides the coverage.

The CAPP member county owns the vehicle and permits the organization to use it (only if the organization is a county function). Coverage is provided through CAPP.

The drivers use their own vehicles providing coverage through their personal auto liability insurance policies. Mileage reimbursement is intended to cover the cost of operating a vehicle including insurance, of operation of privately owned vehicles.

Use of a Personal Vehicle

In general, when a county employee is using their personal vehicle for county purposes:

- The employee's auto insurance is the primary insurer for liability and property damage. Liability coverage through CAPP may be available after the primary liability limits are reached.
- Under recent case law, the Colorado Governmental Immunity Act may be applicable when a personal vehicle is used in the scope and course of county operations.
- The driver is covered by workers' compensation for injuries while in the scope and course of their duties for the county if the driver is being paid for their services, other than expense reimbursement.
- The at-fault vehicle's auto insurance is the primary insurer for property damage and medical costs for injuries to others. For non-employees, each person is responsible for their own medical costs until a determination of liability is established.

Employee Notification Form

Employees using their own vehicles or personal property for county purposes should sign an Employee Notification Form Regarding Use of Personal Vehicles and Property for County Purposes.

Employee Notification Regarding Use of Personal Vehicles and Property for County Purposes

I fully understand and agree that if I use my personal vehicle while conducting county business, my personal automobile insurance is my responsibility and primary to any other insurance that may exist.

I fully understand that liability coverage through the county's membership in the Colorado Counties Casualty and Property Pool may be available after the primary liability limits are reached. Under recent case law, the Colorado Governmental Immunity Act may be applicable when a personal vehicle is used in the scope and course of county operations.

I fully understand and agree that if I use any of my personal property while conducting county business, the county will not provide insurance coverage or be financially responsible should damage or loss occur.

By signing this form, the undersigned is aware of and understands the nature of using personal vehicles and/or personal property on county business.

Employee Printed Name:	
Employee signature:	
Name of County Representative:	
Date:	

CWCP & CAPP and Independent Contractors

CAPP and Independent Contractors

We get many questions about extending CAPP liability insurance to an independent contractor providing services to a member county as an agent of the county. If the county is interested in having these individuals covered through CAPP, the contract must be reviewed by CTSI for a determination. Some functions are excluded from CAPP and the county cannot obligate CAPP for that coverage. An independent can be eligible for CAPP coverage, but not for workers' compensation coverage. Determination of CAPP and CWCP coverage needs to be handled independently of the other.

This is only for guidance in submitting your information to CTSI and is not for coverage or claim determinations.

The proposed contract must contain the following:

- The name(s) of the individuals who are providing the service
- The term of the contract
- General definition of the services to be provided
- A detailed job description incorporated into contract

The proposed contract must contain the statements that:

- The county is contracting for only those services as defined in the job description
- The county has agreed to provide liability insurance for only those services defined in the job description
- That, if applicable, the independent contractor waives the right to county employee benefits including workers' compensation.
- The contracted function is for the benefit, at the request of, and by the authority of the county.
- The county is legally authorized to provide the service, which is the subject of the contract.

CTSI will review the information provided by the county and issue a coverage determination.

The county should transfer risk whenever possible by incorporating into its contracts the obligation that the "other party" obtains insurance coverage outside of CAPP and names the county as an "additional insured".

CWCP and Independent Contractors

A county cannot claim an individual is an independent contractor in order to avoid paying workers' compensation premiums. In addition, an independent contractor cannot claim to be an employee in order to gain workers compensation coverage from the county.

Section C.R.S. 8-40-202, Paragraphs VI.2.b.I and VI.2.b.II, provides that the following conditions be met to prove an individual is an independent contractor.

A person who performs services for pay for another shall be considered to be an employee unless that person meets both of the following requirements:			
1.	Free from control and direction of the other in the performance of the service (unless control is exercised under the requirements of any state or federal statute or regulation) and;		
2.	Customarily engaged in an independent trade, occupation, profession or business related to the service performed.		
To prove independence through a written document, it must be shown that the county does not:		County Does	County Does Not
A	Require the individual service provider to work exclusively for you (except that the individual may choose to work exclusively for such person for a finite period of time specified in the document).		
B	Establish a quality standard for the individual (except that the person may provide plans and specifications regarding the work but cannot oversee the actual work or instruct the individual as to how the work will be performed)		
C	Pay a salary or at an hourly rate instead of a fixed or contract rate.		
D	Terminate the work of the provider during the contract period. (Unless the provider violates the terms of the contract or fails to produce a result that meets the specifications of the contract)		
E	Provide more than minimal training for the individual.		
F	Provide tools or benefits to the individual. (Except that materials and equipment may be provided)		
G	Dictate the time of performance. (Except that a completion schedule and a range of negotiated and mutually agreeable work hours may be established)		
H	Pay the service provider personally instead of making checks payable to the trade or business name of such service provider.		
I	Combine our business operations in any way with the business operations of the service provider instead of maintaining all such operations separately and distinctly.		

If you checked "County Does" to **any** of these statements, the individual is your "employee".

If you answered "County Does Not" to all of these questions, a written document must be provided to the CWCP to show an independent contractor relationship exists. See the next page for "Certification by Independent Contractor".

Certification by Independent Contractor Regarding Workers Compensation Coverage

Based on meeting the conditions contained in Section C.R.S. 8-40-202, Paragraphs VI.2.b.I and VI.2.b.II, the below named individual is an independent contractor. As an independent contractor, the individual is not entitled to workers' compensation benefits and is obligated to pay federal and state income tax on any moneys earned pursuant to the independent contractor relationship.

Independent Contractor Name

Independent Contractor Signature

Social Security Number

STATE OF COLORADO, COUNTY OF _____

Subscribed and sworn before me by _____ this _____ day of _____,

Notary Public

Commission expires: _____

Ancillary Coverages

For coverages that fall outside of CAPP and/or CWCP, CTSI, through its broker, Arthur J. Gallagher Risk Management Services, Inc. has successfully developed relationships with insurers that provide products for special insurance protection needs. Go to ctsi.org for additional information.

Accident Protection Plan (Volunteer Insurance)

Accident Coverage for Volunteers, Court-Referred Sentencing, Jail Trustee and Youth Program Participants.

The workers' compensation coverage provided to CWCP member counties for volunteers is strictly limited to those volunteers defined by Colorado state statute C.R.S. 8-40-202(a)(I)(A).

If your county uses volunteers who are not eligible for workers' compensation, you may want to provide some coverage for them. The Accident Protection Plan provides medical and accidental death and dismemberment coverage for non-statutory volunteers, participants of court-referred alternative sentencing, jail trustee programs and county sponsored youth activities.

Coverage exists while eligible insureds are participating or volunteering in the enrolled county's sanctioned, supervised and sponsored activities. This coverage is secondary to any other medical or other insurance coverage that the participant may have.

Inmate Medical Coverage for Catastrophic Claims

Medical coverage for catastrophic claims of county jail inmates. This high deductible program takes care of medical expenses and bill review services for inmate medical claims.

Tenant Users Liability Insurance Program (TULIP)

The county's insurance, CAPP, will not protect or defend the liability of people using your facilities. If the people putting on the event do not have their own liability insurance, their assets could be at risk in the event a claim or lawsuit is filed against them. The TULIP policy helps protect assets of people using your county facilities.

Vendor Coverage for Special Events

Vendor coverage for special events provides some liability insurance to a vendor in case they are sued for their own acts while they are vending or exhibiting.

Housing Authorities

Housing authorities are not covered by CAPP for liability. The pool's broker can assist the county with obtaining liability insurance coverage for their housing authority.

Use of County Facilities

Sample - Acknowledgment and Statement of Indemnification

This is a sample of the type of document you should use. Your county attorney should be consulted prior to using this document to ensure it conforms to your county's policies

_____ County ("the county") requires that every user of county facilities maintain liability insurance coverage of \$1 million for claims made against them by third parties alleging bodily injury, personal injury or property damage caused by the user's negligence. The county must be named as an "additional insured" on your liability policy with respects to your use of county facilities for an event.

Vendors may be required to provide commercial vendor liability insurance. Certificates of insurance must be received by the county 14 days prior to the event. Proof of "host" or "liquor legal" liability insurance will be required whenever the event includes the serving of any alcoholic beverages.

The user agrees and understands that acceptance by the county of a certificate of insurance from the user shall not in any way relieve or decrease the liability of the user. The user understands that the county does not in any way represent that the specified limits of liability or coverage or policy forms are sufficient or adequate to protect the interests or liabilities of the user.

Failure to follow the county's facility use policies and procedures may result in the immediate termination of the use and denial of future use. User is to attach a copy of the event invitation, informational flyer, agenda or any other printed materials sent to participants or guests.

Statement of Indemnification

The user shall indemnify, hold harmless and defend the county, its agents and employees from and against all claims, damages, losses and expenses including attorney fees, arising out of or relating to the granting of this use agreement and use of space granted, unless such claim, damage, loss or expense is caused by the negligent act or omission or the willful misconduct of the county or its employees acting within the scope of their employment.

I have read, understand and accept all responsibility for the county terms and conditions of the use agreement of the county facility. I also understand that the total use fees and deposits must be paid on approval of this application/reservation.

By signing this Acknowledgment and Indemnification Statement, I agree to abide by all rules and regulations pertaining to the use of county facilities. I further agree and understand that the county is not responsible for my actions and I release and absolve the county from any liability associated with this event.

User Printed Name	
User signature	
Event Date & Description	
Name of County Representative	
Date Signed	



CWCP & CAPP Operations Manual

Section 8 CWCP & CAPP Claims Handling

CWCP & CAPP Claims Handling Procedures

CWCP and CAPP contract with CTSI for claims administration services.

Under no circumstances should any county representative admit or deny liability on a claim. CTSI claims adjusters are responsible for admitting or denying liability of a claim and making claim payments. Use the claims representative to handle your claims so the county can avoid any potential political ramifications or misinformation in the adjudication of a claim.

It is vital that claims be reported correctly and promptly not only for the proper handling claims, but because this information is included in your county loss reports.

All claims are assigned claim numbers. The claim number is to be used in correspondence or claim inquiries. The claim number is included in the monthly loss report.

CWCP & CAPP Claim Filing

Claims of a serious nature are to be reported by phone immediately.

Report claims correctly and promptly.

You can file claims by email. Contact the CTSI workers compensation or property and liability claims staff for instructions.

Include division and department (cost center codes) codes on all claim forms. Codes are included in the section.

Late reporting shortens the amount of time to investigate a claim before having to admit or deny liability.

Set up a claim file and keep all claims information together for future use and reference.

Claims that have a date of loss or occurrence prior to the date the county became a member of the relevant pool should be reported to the county's previous insurance carrier.

CWCP & CAPP Claim Forms

Claim forms are available www.ctsi.org or you can contact the CTSI workers compensation or property and liability claims staff for copies.

CWCP Claims Handling Procedures

General Information

Immediately report critical or fatal accidents.

Immediately report an employee's request to change physicians.

County claim contacts are encouraged to attend hearings on major claims

Instruct employees to report on-the-job injuries immediately.

Many times, you may hear about prior injuries, pre-existing conditions or accidents (work or non-work related). Document this information, making note of names, dates, and times, circumstances, remarks and witnesses, then call the claims administrator. Put these notes in the employee's independent medical file for future reference.

Late Reporting Penalties

Late reporting may result in penalties against the county. Avoid possible penalties for late reporting of claims by following these guidelines:

Instruct employees to report on-the-job injuries immediately.

Advise supervisors to immediately report claims to the county claim contact.

File Employer's First Report of Injury within 24 hours of learning of an injury.

Notification to a supervisor is considered notification to the employer.

If an employee is unsure if an injury is work-related, provide a health claim form and an Employee's Written Notice of Injury form.

Responsibility for Filing Forms

Filing of the following forms is the responsibility of the county claim contact:

Employer's First Report of Injury

Employee's Written Notice of Injury to Employer

Supervisor's Report of Accident/Incident

Authorization for Release of Medical Information

Wage Statement

Supplemental Report of Accident

CWCP Claim Filing Checklist

Completed	Item
	Employer's First Report of Injury filed within 24 hours of learning of the injury
	Division & Department Code (Cost Center Code)
	Employee wage information
	Designated Physician
	Signed Authorization to Release Medical Information
	Employee's Written Notice of Injury to Employer
	Supervisor's Report of Accident/Incident
	Send original, signed copies been sent to the CTSI WC claims unit
	Send copies to the CTSI Loss Prevention Department

Workers Compensation (CWCP) Claim Forms

Employer's First Report of Injury

Send form to the CTSI Workers' Compensation Claims Unit within 24 hours learning of an on-the-job injury or file the claim on line at www.ctsi.org.

Do not wait to complete any investigation before filing this form.

This form must be filled out by the employer, not the employee.

Include employee's salary and benefit information so temporary disability payments can be calculated.

Include the Division and Department Codes for the employee's department. For example, Road & Bridge, District 1 would be 030 301A complete list of codes is in this manual.

Include the NCCI Classification Code. For example, 8810 for clerical

Specify injured body part. For example, left or right knee.

Indicate if employee went to the designated physician. Payment for medical bills from unauthorized providers will be denied.

Date of injury is the date the employee was injured.

Employee's Report of Injury

Send to CTSI Workers' Compensation Claims Unit after employee completes it. Send within 4 days of the date of injury.

Supervisor's Report of Accident/Incident

Send to the CTSI Loss Prevention Department for all accidents/incidents. Complete in as much

detail as possible. Do not wait to finish your investigation for this form before filing the Employer's First Report of Injury.

Authorization for Release of Medical Information

Send to CTSI Workers' Compensation Claims Unit after it is signed by the employee.

Wage Statement

Use to provide wage and employment status information to claims unit.

Supplemental Report of Accident

Send to CTSI Workers' Compensation Claims Unit when the employee returns to work or there is a change in wage, work or employee benefit status.

Attending Physician's First Report

Sent by the attending physician to the claims administrator. Attending physicians are to follow Division of Labor rules. If the physician has questions about forms or reports, have him contact the claims administrator.

General Admission of Liability or Notice of Contest

Sent by the CTSI Workers' Compensation Claims Unit to the Division of Labor and the employee within an established time limit of the employer's notice of injury.

Physician's Supplemental Report

Sent by the attending physician to the claims administrator when there is a change in medical status.

Final Admission of Liability

Sent by CTSI to the Division of Labor and the employee when all claim issues have been resolved.

Employee Request to Change Physicians

Call the claims administrator immediately with this information since they have a very limited timeframe from the date of request to respond to the employee.

All Other Forms

All other forms or requests you receive from the Division of Labor or the employee should be sent to CTSI Workers' Compensation Claims Unit immediately.

CAPP Claims Handling Procedures

Property & Liability (CAPP) Claim Forms

The three types of ACORD claim forms to be used in reporting claims are the property loss notice, automobile loss notice and general liability loss notice (other than automobile).

Property Loss Notice

The Property Loss Notice is to be used when reporting claims on your county property in excess of \$500, except for motor vehicles. Attach receipts, estimates or other notes to the claim form when it is submitted

Automobile Loss Notice

The Automobile Loss Notice is to be used when reporting all motor vehicle accidents.

General Liability Notice of Claim

The General Liability Loss Notice is to be used when reporting all cases involving liability claims (other than automobile) presented from the public.

Claim forms are available www.ctsi.org or you can contact the CTSI property and liability claims staff for copies.

CWCP & CAPP Loss Reports

Division and Department Codes (*Cost Center Codes*)

The pools provide member counties with printed reports containing current information on the status of their claims on a monthly basis.

Because identification of areas that are incurring a high frequency or severity of claims is the first step toward reduction of losses, the reports are based on a coding structure that enables member counties to identify and allocate losses to the responsible organizational unit.

Counties must give complete information on the claims they file so that the adjuster can enter the correct data with can be used to the county's advantage in controlling loss.

Counties should review the loss reports carefully because your input is essential to effective claims management. If you find items that need to be corrected, for example: the wrong county division, just call an adjuster and they can easily make the change.

The county is responsible for providing the correct division and department (cost center) codes for the claim assignment. The adjuster can assign the claim only on the information provided by the county. The list of codes follows.

Claim Numbers

The claims department assigns claim numbers that make it easy to identify or search for claims.

The claim number is included in the monthly loss report and is structured to include a great deal of information.

For example, from these claim numbers, W209PUE002 and C209PUE002, we can get the following information.

W=CWCP

C=CAPP

209=Policy Year 2009

PUE=County-Pueblo

002=the 2nd claim filed in 2009 for Pueblo County.

Division and Department Codes (Cost Center Codes)

Division #	Division	Dept #	Department
10	Administration	10101	Admin Commissioners
		10102	Admin Administration
		10103	Admin County Attorney
		10104	Admin Cultural Centers
		10105	Admin Financial Administration
		10106	Admin Human Resources
		10107	Admin Other Support Svcs
		10108	Admin Data Processing
		10109	Admin Print Shop & Supply
		10110	Admin Planning & Zoning
		10111	Admin Grounds & Bldg Maint
		10113	Admin Fleet Maint (Not R&B)
		10114	Admin Building Inspection
		10115	Admin Community Corrections
		10116	Admin Parks & Open Space
		10118	Admin Custodial
		10119	Admin Surveyor
		10120	Admin Clerk & Recorder, Elections
		10123	Admin Field Operations
		10125	Admin Communications, PBX
		10126	Admin Fair
		10130	Admin Treasurer
		10140	Admin Assessor
		10150	Admin Coroner
		10160	Admin Appointed Board Members
		10171	Admin Veteran/Public Trust Off
10172	Admin Airport		
10175	Admin Fairgrounds		
10176	Admin Human Svcs Headstart		
10811	Admin Environmental Coordinator		
10813	Admin Translator Engineering		
10814	Admin Facilities Management		
20	Law Enforcement	20201	Sheriff-Administration
		20202	Sheriff-Patrol Division
		20203	Sheriff-Jail
		20204	Sheriff-Reserve or Posse
		20205	Sheriff-Investigations
		20206	Sheriff-Civil Process
		20207	Sheriff-SWAT
		20208	Sheriff-Prisoner Transport
		20209	Sheriff-Detention Center
		20210	Sheriff-S&R Volunteers
		20212	Sheriff-Dispatch
		20215	Sheriff-Animal Control
		30	Road & Bridge
30301	R&B District 01		
30302	R&B District 02		
30303	R&B District 03		
30304-30308	R&B District 04, 05, 06, etc.		
30309	R&B Maintenance		
30310	R&B Construction		
30311	R&B Bridge Construction		
30312	R&B Snow & Ice Removal		
30313	R&B Traffic Maintenance		
30314	R&B Fleet Maintenance		
30315	R&B Trucking		
30316	R&B Weed & Pest Control		

**Division and Department Codes
(Cost Center Codes)**

Division #	Division	Dept #	Department
40	Social Services	40400	Soc Svcs Administration
		40401	Soc Svcs Community Corrections
		40402	Soc Svcs Headstart
		40403	Soc Svcs Welfare, Workfare, TANF
		40404	Soc Svcs Custody Investigations
		40405	Soc Svcs Youth Shelter
		40406	Soc Svcs Council on Aging
		40410	Soc Svcs CWEP, Jobs First
50	Health Department	50500	Health-Administration
		50550	Health-Health Care Facilities
		50551	Health-Mental Health
		50552	Health-Alcohol Recovery Program
		50553	Health-Environmental Health
		50554	Health-Sanitation
60	Community Services	60600	Community Svcs Administration
		60650	Community Svcs Sr Program
70	Water & Sanitation	70700	Water & Sanitation
90	Public Transportation	90810	Transit Agency
100	Housing Authority	100850	Housing Authority
110	Ambulance Service	110250	Ambulance-Ambulance Svc
		110251	Ambulance-Garage
120	Library	120180	Library-Library
		120181	Library-Administration
		120182	Library-Bookmobile
130	Weed & Pest Control	130220	Weed & Pest Control
140	Landfill	140900	Landfill Administration
		140901	Landfill Operations
150	Public Safety	150122	Public Safety Civil Defense
		150124	Public Safety Administration
		150215	Public Safety Animal Control
		150216	Public Safety Fire Department
		150217	Public Safety Emergency Response
160	Search & Rescue	160210	Search & Rescue Volunteers
		160961	Search & Rescue Underwater
		160210	Search & Rescue Volunteers
		160960	Search & Rescue Aircraft
		160961	Search & Rescue Underwater
170	Miscellaneous	170950	Misc Unspecified
190	District Attorneys	190901	DA Judicial District 01
		190902	DA Judicial District 02
		190903	DA Judicial District 03
		190904-190921	DA Judicial District 04, 05, 06, etc

Workers Compensation NCCI Classification Codes

Job Classification	NCCI Code
Ambulance not under Sheriff	7370
Ambulance Service	7720
Animal Shelter	8831
Appt. Bd.& Commission Members	8811
Automotive Garage	8385
Aviation - All other Employees and Drivers	7403
Building Operations	9015
Cemetery Operations	9220
Clerical-Office	8810
Clinic & health Dept	8832
Cooks	9410
Coroner & staff	8832
County attorney, district attorney & staffs	8820
Cty Emp-Not Classified	9410
Elected Officials (Put sheriff in Sheriffs 7720)	8810
Election Judges	9410
Firefighters	7710
HCBS	8835
Homemaker Services	8835
Hospitals- Prof Emp	8833
Insect & Weed Control	9014
Inspectors, Assessors, Appraisers, Investigators who travel	9410
Insulation Work	5479
Library & Museum- Prof Emp	8810
Library & Museum-Other Emp	9101
Nursing Home	8829
Nursing Home Clerical	8810
Nursing Home Cook	9410
Parks & Recreation	9102
Pilot	7421
Refuse Coll & Disp	9403
Salesmen - Outside	8742
Schools - Professional Employees	8868
Sewage Disposal Plant	7580
Social Services Caseworkers	9410
Social Services Clerical	8810
Stg. & Maint.Heavy Equip	8227
Street & Road Paving	5506
Transit Authority	7382
Volunteer Ambulance, Sheriff, Search & Rescue, Fire	7719
Water Works	7520

Guidelines for Settlement of Claims

The following guidelines were approved by the Boards of Directors of the County Workers Compensation Pool and the Colorado Counties Casualty & Property Pool at their meetings on January 31, 2014 (CAPP) and May 7, 2015 (CWCP) and revised October 19, 2018.

County Workers' Compensation Pool

The CTSI Workers Compensation Claims Unit shall have the full authority, discretion and control to make all statutory benefit payments. The CTSI Workers Compensation Claims Unit shall have full authority and control in all matters pertaining to the payment, processing and administration that fall within this limit.

The CTSI Workers Compensation Claims Unit shall seek approval of the CTSI Executive Director when negotiating settlements in an amount greater than statutory required benefits.

Any decision relating to settlement of CWCP claims may be appealed to the CWCP Board of Directors, whose decision will be final.

The CTSI Workers Compensation Claims Unit shall provide a written claim alert to the CWCP pool administrator, CTSI, when a claim reserve is created for any claims in excess of \$75,000 or any reserve that increases to an amount in excess of \$75,000.

In all cases, the Board of County Commissioners of the affected county is advised in writing of all incurred losses over \$25,000.

All open claims with total incurred over \$150,000 will be reflected on the Claims Report to the Board.

Colorado Counties Casualty & Property Pool

The CAPP Claims Committee shall consist of the CTSI Executive Director, the CTSI Property & Liability Claims Manager and CTSI Property & Liability Senior Claims Adjuster.

The CTSI Property & Liability Claims Manager and CTSI Property & Liability Senior Claims Adjuster shall have settlement authority for all claims up to \$50,000.

The CTSI Property & Liability Claims Manager and CTSI Property & Liability Senior Claims Adjuster shall seek approval of the CTSI Executive Director when negotiating settlements in an amount greater than \$50,000.

Any decision relating to settlement of CAPP claims may be appealed to the CAPP Board of Directors, whose decision will be final.

In all cases, the Board of County Commissioners of the affected county is advised in writing of all incurred losses over \$25,000.

All open claims with total incurred over \$150,000 will be reflected on the Claims Report to the Board.

CTSI Claims Handling Philosophy

Aggressive claims handling - claims don't solve themselves

Early evaluation of claim exposure is essential - Bad news does not get any better with age.

No attorney when possible - claims management versus legal solutions. When an attorney is used, we give direction and monitor the activity

The adjuster has control of the claim - claims are not "parked" with attorneys or case managers.

A concern for what's right, not just what's legal.

Responsive to claimants - claims and claimants don't go away. Return calls, provide information.

A new claim may be a once-in-a-lifetime experience to the claimant, we treat it accordingly. Claims affect the whole person, not just their finances.

Courtesy is extended to claimants, other service providers, county contacts.

Clear correspondence, easy to understand, gets to the point.

If we are right, we do not settle - there are exceptions. If we are wrong, we settle the claim quickly in a caring way.

In a decision to settle, the cost of defense is not the only consideration. There must be other reasons to settle beyond being expensive to defend.

Case management is a team effort of adjusters, case managers and attorneys in jointly developing solutions.

Subrogation - if there's money out there that's rightfully ours, we go after it.

We pay bills promptly and in a professional manner. All bills are reviewed to make sure they're properly invoiced - we don't pay more than we have to.

We aggressively use medical and rehabilitation management practices to return injured employees to a productive work status as soon as possible.

We keep county contacts informed - if people have information, they are less likely to feel alienated and left out of the claims management picture.

How much we pay on a claim isn't the ultimate measure of our success, how we make equitable payments is.



CWCP & CAPP Operations Manual

9-Loss Prevention

CTSI Loss Prevention Services

Loss prevention, risk management and safety services are provided to member counties through CTSI's Loss Prevention Department. The ability to recognize and implement effective loss prevention programs has a direct impact on member county loss ratios affecting future contributions.

Loss reduction and prevention practices are so integral to the success of the pools that the pool bylaws require members to follow such loss prevention/risk management procedures as mandated by the boards of directors and implemented through CTSI.

The loss prevention program consists of training, site surveys (property), process review, employment issues, policy review, auditing and consulting in areas of risk, loss and safety, and industrial hygiene. These services, provided through CTSI's loss prevention staff and other professionals as necessary, improve the stability of the pool's potential losses. Regional sessions are held to train county instructors in areas of risk, loss control and safety so that they may instruct other employees. Individual training is provided to member counties on specific areas of loss prevention as identified by the staff and county. The loss prevention staff makes regular loss analysis presentations to the county boards of commissioners on issues of frequency and severity of losses.

Effective loss prevention programs, internal as well as external, through CTSI, are the keys to the success of the pool. The benefits derived from such programs will be seen in the improvement of member loss ratios. This increases the availability of personnel and equipment that will ultimately be seen in dollar savings to member counties.

Loss prevention/risk management activities are essential elements of maintaining low levels of frequency and severity of losses. The CTSI loss prevention unit assists member counties in reducing losses by developing programs designed to target those areas where losses are prevalent.

Loss analysis reports are provided on a quarterly basis in addition to an annual loss analysis report in an effort to help members identify and react to losses or trends by early identification and intervention. Losses are tracked by frequency and severity to provide the maximum loss prevention/risk management information.

Loss Prevention Manual

To support members in developing their loss prevention programs each member county has on-line access to the CTSI Loss Prevention Manual that is a valuable loss prevention resource.

The loss prevention manual offers members guidelines for establishing a solid loss prevention program, thereby reducing on-the-job accidents, loss of property, limits liability and creating a safer work environment.

Classes

New training opportunities are offered on topics like personnel policies, wrongful termination, ADA, FMLA, general liability,, hazardous materials handling, ergonomics, flagging and proper barricading and numerous others. Members are encouraged to contact the loss control

department with training ideas or suggestions for specialized classes.

Reference Materials

The CTSI reference library materials includes sample policies and procedures, books on federal standards, personnel policies, codes, law enforcement, FLSA, fleet safety. Contact a CTSI loss prevention representative for additional materials.

**Go to
www.ctsi.org
for a list of classes, films,
sample policies and procedures.**

Loss Prevention Services

The CTSI Loss Prevention Department offers training, audits and consulting to member counties in all areas of risk, loss and safety in standardized areas as well as programs based on individual county need.

The ability to recognize and implement effective loss prevention programs:

- can directly affect a member county's loss ratio;
- can positively affect future contributions of member counties;
- can save the county money through reduced hidden costs associated with loss;
- can reduce on the job accidents;
- can improve productivity through improved employee morale;
- can reduce loss of property;
- can create a safer environment for employees and the public.

Loss prevention services provided include, but are not limited to:

- Consulting services;
- Providing updated information on rules, regulations and requirements;
- Providing review of county policies and practices;
- Performing loss prevention inspections and reports on a quarterly basis;
- Development of incentive programs;
- Development of specialized training programs, regional and site specific, targeting areas of high frequency and severity within member counties;
- Consultation with county supervisors regarding exposures and losses within their responsibility;
- Development and training of county contacts, trainers and loss prevention committees;
- Development of uniform inspection check lists;
- Development and maintenance of a reference and training aids library for members;
- Cosponsoring professional seminars;
- Mailing Technical Updates, pamphlets, brochures on loss prevention subjects;
- Participation in meetings and conferences to disseminate necessary information;
- Acting as a liaison between members and CTSI staff to direct members' questions to appropriate staff person.



CWCP & CAPP Operations Manual

10-Glossary of Insurance Terms

Glossary of Insurance Terms

Accident	An event which occurs on or after the retro-active date which results in personal injuries and/or property damage.
Accident Frequency	Rate of occurrence of accidents, i.e. number of accidents per miles driven.
Accident Severity	A measure of the seriousness of an accident, i.e., \$1,000,000 property damage.
Act of God	An event caused by the acts of nature, without human intervention that could not have been prevented by reasonable care;, i.e. high winds, flood, earthquake, lightning.
Actual Cash Value	The sum of money required to replace the property destroyed, at the time of the loss, less applicable depreciation.
Additional Insured	A person or entity, other than the original insured, who is protected under the insurance contract insuring agreements.
Aggregate Limit	The amount of coverage that the insured has under the contract for a specific period, usually the contract period, no matter how many separate accidents may occur.
Automatic Coverage	Coverage of additional property or risk, subject to the insuring agreements, without specific request made by the insured.
Average Weekly Wage	A term generally used in workers' compensation laws. It is the basis for determining weekly benefits under such laws.
Bodily Injury	Bodily injury, mental injury, mental anguish, shock, sickness, disease, disability, false arrest, imprisonment, false eviction, detention, wrongful eviction, malicious prosecution, discrimination, invasion of right of privacy, libel, slander or humiliation, defamation of character, disparagement of property, piracy and any infringement of copyright or of property, erroneous service of civil papers, violation of civil rights, and assault and battery.
Boiler and Machinery Insurance	Insurance against loss due to accidents to boilers, pressure vessels or machinery.
Bond	An obligation of a surety to protect an obligee for all collections of accounts receivable and that no fictitious accounts receivable will be sold or assigned to the obligee.
Builders Risk Insurance	Insurance against loss to buildings, including machinery and equipment, in course of construction, and to materials incidental to construction thereto.
Burglary	As relates to insurance, subject to variations, felonious abstraction of property from within a premises by persons making felonious entry by force of which there are visible marks upon the premises exterior.
Catastrophe	An event which causes a severe loss of an extraordinarily large amount.
Certificate of Insurance	A form which verifies that a policy has been written and states the coverage in general, often used as a proof of insurance in loan transactions and for other legal requirements.
Certificate of Insurance	A form which verifies that a policy has been written and states the coverage in general, often used as a proof of insurance in loan transactions and for other legal requirements.
Certificate of Participation	A statement of the coverage and general provisions of a master contract in group insurance that is issued to individuals covered in the group.
Civil Commotion	An uprising of people who create a prolonged disturbance.
Claim	Any information which you become aware of and you must provide written notice to the claims administrator.
Collision	Loss to insured property caused by striking or being struck by an object; including loss caused by upset.
Comprehensive Auto Insurance	Coverage against any physical loss to an automobile except by collision or upset.
Consequential Loss	A loss not directly caused by an insured peril but arising indirectly.
Coverage	The extent of protection insured under an insurance contract. Often times used to mean insurance or insurance contract.
Deductible Clause	An insurance contract clause providing that the insurer will only pay that amount of any loss that is in excess of the deductible amount.

Depreciation	The decrease in value of property over a period of time due to wear and tear or obsolescence.
Direct Loss	A loss in which the peril insured against is the proximate cause.
Employer's Liability Coverage	Provides coverage against the common law liability of an employer for injuries to employees as distinguished from the liability imposed by workers' compensation law. Employer's Liability applies in situations where a worker does not come under these laws.
Errors and Omissions Insurance	Insurance against loss due to failure through an error or unintentional omission.
Excess Insurance	Insurance coverage above a specified amount. Insurance coverage after a loss or total of losses exceeds the primary insuring level.
Excess Loss Fund Protection	The limit purchased above the Loss Fund (Annual Aggregate) that will be used to pay the individual self insured retention should the Loss Fund be exhausted. If this limit is exhausted, client is subject to payment of the self-insured retention established in the initial program.
Extended Reporting Period	Also known as a "tail", a period of time which extends the General Liability, Automobile Liability, employee benefits liability and errors and omissions "claims-made" policies coverage to claims first made after the policy period for injury or damage that occurred before termination of the policy (but not before the retro-active date). This extended reporting period is activated when the policy is cancelled, non-renewed or the retro-active date is changed.
Financial Responsibility Law	A law requiring an operator or owner of a motor vehicle to give evidence of financial responsibility to meet claims for damage for which he may be legally liable.
Fire	An agent that produces heat and a flame or glow.
Flood Insurance	Insurance coverage against loss caused by tidal wave, overflowing of streams and cloudbursts.
Glass Insurance	Insurance under which the insurer agrees to replace or pay to replace damaged glass and certain incidental costs.
Hazard	A specific situation that introduces, or increases, the probability of occurrence of a loss arising from a peril or that may influence the extent of loss.
Hold Harmless Agreement	A contract under which legal liability of one contracting party for damages is assumed by the other contracting party.
Improvement and Betterment Insurance	Coverage that protects a tenant against loss to improvements made by him to the property in which he is a tenant.
Indemnity	Repair, replacement or payment of the value of a loss.
Independent Contractor	One who agrees to perform services or supply commodities under a contract. In carrying out his contract, he is not under the control of, nor an employee of, the party with whom he contracts.
Inherent Vice	An inherent characteristic that may cause loss of value.
Liability	An obligation; usually financial; the probable cost of meeting that obligation.
Liability, Contingent	Liability for damages arising out of the acts or omissions of others who are not employees or agents.
Liability, Contractual	An obligation assumed by contract to pay damages for which another is legally liable.
Liability, Legal	An obligation enforceable by law.
Limit of Liability	The maximum amount of damages that the insurance carrier will pay on behalf of the insured; the maximum amount payable in case of loss.
Loss Development Factor	Any mathematical factor used to estimate the future value of current known unpaid and incurred, but not reported losses.
Loss Incurred	Total losses, whether paid or unpaid, sustained by the insurer under policy or group of policies.
Loss of Use	Loss due to insured inability to use property.
Loss Paid	The amount of loss for which money has been distributed by the insurer.

Loss Payable Clause	A clause in an insuring contract which provides for payment of loss, for which the insurer is liable to the insured or to someone other than the insured.
Loss Prevention	All measure to reduce the frequency of losses. Loss prevention should be distinguished from loss reduction, which includes measures to reduce the severity of losses. Loss prevention and loss reduction are among the risk management techniques often referred to as risk or loss control.
Loss Ratio	Fraction calculated by dividing the amount of insured losses by the amount of insurance premiums, expressed as a percentage of the premiums. Various bases are used in calculating the loss ratio, which may apply to an insurer's entire operations, a particular type of insurance, or a particular insured's losses.
Loss Run	Period report that lists the accidental losses or claims incurred by an organization.
Losses Incurred	Total losses, whether paid or unpaid, sustained by the insurer under policy or group of policies.
Mortgage Clause	A clause in an insurance contract making the proceeds payable to a named mortgagee as his interest may appear, a stating of the terms of the contract between the insurer and the mortgagee.
Occupational Accident	An accident arising out of or occurring in the course of one's employment and caused by hazards inherent in or related to it.
Occupational Disease	Sickness or disease arising out of or in the course of employment.
Peril	The term used to refer to the causes of possible loss, i.e., fire, explosion, wind.
Permanent Total Disability (PTD)	A condition where the injured party is not able to work at any gainful employment for the remaining lifetime.
Personal Injury	See Bodily Injury
Personal Property	Property that is not real, consisting of things temporary or moveable; chattels.
Premises	Particular location or portion thereof as defined by the policy contract.
Rehabilitation Benefits	Physical and/or vocational rehabilitation benefits provided to an injured person following a work related injury, and intended to restore the person to a point where gainful employment is possible.
Reserve	Funds of an insurance company or pool for the purpose of meeting obligations as they become due. A liability established by an insurer for particular purpose.
Retroactive Date	Is the "inception of claims made form". This provision establishes no claims for injury or damage that occurred before the retro-active date will be covered by the policy.
Risk	Uncertainty as to the outcome of an event when two or more possibilities exist. A person or things insured.
Risk Exposure	The state of being exposed to the chance of loss, i.e., the chance of fire being communicated to the insured risk from its surroundings.
Robbery	The unlawful taking of property by violence, force or intimidation.
Salvage	Property taken over by the insurer upon payment of loss.
Subrogation	The acquiring by the insurer of the insured rights against a third party for indemnification of loss or other payment to the extent that the insurer pays the loss.
Surety	The corporation or individual guaranteeing performance of faithfulness under a bond.
Temporary Total Disability (TTD)	A condition where an injured party is unable to work at all while he is recovering from and injury, but he is expected to recover.
Theft	Taking and removing of property with the intent to deprive the rightful owner of it.
Third Party Insurance	Protection for the insured against liability arising out of bodily injury or property damage to others.
Vandalism and Malicious Mischief	The willful injury or destruction of property, i.e. vandals throwing rocks through windows.
War Clause	A clause in an insurance contract relieving the insurer of liability, or reducing their liability, for loss caused by war.
Workers' Compensation	A schedule of benefits payable to an employee without regard to liability, required by state law in the case of injury, disability, or death as the result of occupational hazards.