



TECHNICAL UPDATE

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CAPP IS FOR COUNTY OPERATIONS

The Colorado Counties Casualty & Property Pool (CAPP) protects the assets of counties throughout Colorado through broad coverage, risk management, and sound fiscal management. 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.

CAPP's Board of Directors is elected from the ranks of county government and serves as a model for intergovernmental pooling throughout the nation. CAPP is outstanding in loss control and claims management resulting in an excellent loss history and financial stability. Members earn equity in funds that are not used to pay losses. That pool equity is retained as a safety net to offset the swings in the insurance market.

TRANSFER RISK

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

SPONSORED ENTITIES

Under certain circumstances, the county may seek CTSI's written approval for CAPP coverage for an outside entity that meets the CAPP Criteria for Sponsored Entities. The County Workers Compensation Pool (CWCP) has similar criteria for workers compensation coverage. Refer to the CWCP & CAPP Operations Manual under Members Only at www.ctsi.org, for complete details.

HOMOGENOUS EXPOSURES

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



WHAT THIS MEANS FOR COUNTIES

We're asking our members to review their contracts, intergovernmental agreements, and other documents to make sure the county hasn't agreed to extend CAPP insurance beyond county operations. For example, you may have an agreement and/or provide funding for an ambulance or fire department to provide services to the county. Make sure that the outside entity is not relying on the county to provide insurance through CAPP, unless the county has received CTSI's written approval to extend CAPP coverage to the outside entity. For questions, contact CTSI at (303) 861-0507.