

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

June 9, 2026

FROM

REBECCA SUAREZ, Director, Department of Risk Management

SUBJECT

Renewal of Excess Workers' Compensation Insurance Program Through Public Risk Innovation, Solutions, and Management

RECOMMENDATION(S)

1. Approve the renewal of the County's Excess Workers' Compensation Insurance Program through Public Risk Innovation, Solutions, and Management, including non-standard terms, with coverage limits in excess of a \$2,000,000 self-insurance retention and \$3,000,000 employer's liability coverage, both per occurrence, for a total premium cost of approximately \$6,672,000, for the period of July 1, 2026, through July 1, 2027, automatically binding for successive one-year terms until terminated by either party.
2. Authorize the Chief Executive Officer, County Chief Financial Officer, or Director of Risk Management to execute the required documents or quotes necessary to enroll in the insurance programs and approve mid-term change orders for additional coverage, not-to-exceed 15% over the estimated renewal cost, for the period of July 1, 2026 through July 1, 2027, on behalf of the County, subject to County Counsel review.
3. Authorize the Purchasing Agent to approve change orders to purchase orders issued for the insurance program and premiums listed in Recommendation No. 1 for mid-term changes, subject to the limits referenced in Recommendation No. 2.

(Presenter: Rebecca Suarez, Director, 386-8621)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total premium, which is estimated to be \$6,672,000, is due in July 2026 and will be paid by the following Department of Risk Management (DRM) workers' compensation self-insurance funds: County Workers' Compensation (4082) and JPA Workers' Compensation (4101). The cost of this premium will be recovered through the Board of Supervisors (Board) approved rates charged to County departments and Board-Governed Special Districts. Sufficient appropriation and revenue will be included in DRM's 2026-27 Recommended Budget.

BACKGROUND INFORMATION

DRM administers the County's self-insurance programs for public liability and workers' compensation claims and procures excess insurance policies for additional protection.

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On March 25, 2014 (Item No. 49), the Board approved a Joint Powers Authority Agreement (JPA) and Memorandum of Understanding (MOU) between the County and the California State Association of Counties-Excess Insurance Authority (CSAC-EIA), which granted eligibility for the County to purchase insurance through CSAC-EIA shared limits program. The MOU remains in effect until the County cancels its membership or until the CSAC-EIA Board of Directors cancels County participation with a majority vote. In 2020, CSAC-EIA changed its name to Public Risk Innovation, Solutions, and Management (PRISM).

Insurance policies purchased through the JPA include terms that differ from the standard County contract and are non-negotiable. The non-standard term includes the following:

The policy automatically binds the County for successive one-year terms unless the County withdraws from the JPA or its membership is cancelled by a majority vote of the PRISM Board of Directors.

- County policies 11-05 and 11-06SP1 do not permit indefinite terms or automatically renewing contracts except for end user license agreements, software/hardware licenses and subscriptions, and master service agreements or unless approved by the Board.
- Potential Impact: The County is bound to renew the policies annually unless a notice of withdrawal is submitted in writing to the JPA at least sixty days prior to the end of the policy year (May of the terminating year).

DRM recommends renewal of the Program, including non-standard terms, to protect the County's financial assets from liability arising from injuries and illnesses in the workplace. While renewal will automatically bind the County for successive one-year terms, DRM will return to the Board for annual increases to the policy premium.

On June 10, 2025 (Item No. 107), the Board approved the renewal of the Excess Workers' Compensation Insurance Program (Program) for the one-year period of July 1, 2025, through July 1, 2026, for the total premium cost of approximately \$6,664,000.

DRM has consulted with Alliant Insurance Services, Inc., the County's insurance broker, as well as the DRM actuary, to explore cost-saving options and it has been recommended that the County renew the Program through PRISM, the insurance carrier that provides the current coverage. The renewal maintains the Program's self-insured retention of \$2,000,000 per occurrence, the statutory workers' compensation limits, and the \$3,000,000 employer's liability coverage.

Approval of Recommendation No. 1 will provide coverage from July 1, 2026, through July 1, 2027, with a total renewal premium cost of approximately \$6,672,000. This represents an increase of \$634,202, which is 10.50% over last year's final premium cost of \$6,037,798. The increase is due to various factors, including a challenging insurance market for the public sector due to an increase in the size of claims, and an increase in employee payroll.

A final premium amount will not be available until closer to the actual renewal date of July 1, 2026. Approval of Recommendation No. 2 will authorize the Chief Executive Officer, County Chief Financial Officer, or Director of Risk Management to execute the required documents or quotes necessary to enroll in the insurance programs on behalf of the County to ensure a timely renewal process with no lapse in coverage. Additionally, Recommendation No. 2 will authorize the Chief Executive Officer, County Chief Financial Officer, or Director of Risk Management to execute any subsequent documents or quotes necessary to approve mid-term changes to the

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policy referenced in Recommendation No. 1 for additional coverages, subject to a not-to-exceed limit of 15% over the total actual renewal cost.

Approval of Recommendation No. 3 will authorize the Purchasing Agent to approve change orders to purchase orders issued for the insurance program and premiums listed in Recommendation No. 1 for mid-term changes, subject to the limits referenced in Recommendation No. 2. Approval of Recommendation No. 3 will ensure continuous coverage and allow the County update coverage as needed.

PROCUREMENT

As a member of the JPA, the County is eligible to purchase excess workers' compensation insurance through the PRISM share limits options. PRISM specializes in investigating and procuring insurance options on behalf the County, resulting in cost savings through volume discounts and shielding from insurance market swings, which minimizes risk and uncertainty at renewal time. The Purchasing Department supports this non-competitive procurement based on PRISM's specialized credentials, including their access to multiple brokers and extensive knowledge of the County's needs.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (G. Ross Trindle III, Chief Assistant County Counsel, 387-5451) on May 13, 2026; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on May 15, 2026; and County Finance and Administration (Eduardo Mora, Administrative Analyst, 387-4376) on May 21, 2026

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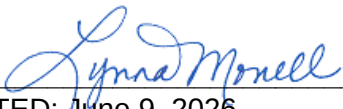
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 9, 2026



cc: File - Risk Management

MBA 06/24/2026