

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS  
OF IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY  
AND RECORD OF ACTION**

September 12, 2023

**FROM**

**MYETTE CHRISTIAN, Acting Executive Director, In-Home Support Services Public Authority**

**SUBJECT**

Renewal of General Liability, Excess General Liability, and Cyber Liability Insurance Programs

**RECOMMENDATION(S)**

Acting as the governing body of the In-Home Supportive Services Public Authority:

1. Approve renewal of the General Liability I Insurance Program with Public Risk Innovation, Solutions, and Management with a coverage limit of \$25,000,000, which includes self-insured retention, for a premium cost of \$78,493, for the period of July 1, 2023 through July 1, 2024.
2. Approve renewal of the Excess General Insurance Program with Public Risk Innovation, Solutions, and Management with a coverage limit of \$10,000,000, for a premium cost of \$16,959, for the period of July 1, 2023 through July 1, 2024.
3. Approve renewal of the Cyber Liability Insurance Program with Public Risk Innovation, Solutions, and Management with a coverage limit of \$25,000,000, for a premium cost of \$7,364, for the period of July 1, 2023 through July 1, 2024.
4. Authorize the Purchasing Agent to issue a Purchase Order, including a non-standard term, to Public Risk Innovation, Solutions, and Management for payment of the annual premiums for the General Liability, Excess General Liability, and Cyber Liability Insurance Programs in the amount of \$102,816, plus a late charge of \$2,024, for a total of \$104,840.

(Presenter: Myette Christian, Acting Executive Director, 891-9108)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

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

**FINANCIAL IMPACT**

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The total of \$104,840, which includes the total premium of \$102,816 plus a late charge of \$2,024, is funded by State and Federal grants, and Social Services Realignment. Adequate appropriation and revenue have been included in the In-Home Support Services Public Authority's (IHSS PA) 2023-24 budget and will be included in 2024-25 recommended budget.

**BACKGROUND INFORMATION**

In 2002, San Bernardino County (County) established the IHSS PA to serve elderly, blind, or disabled individuals who are not able to remain in their homes without assistance. On January 8, 2002 (Item No. 58), the Board of Supervisors (Board) adopted Ordinance No. 3842 establishing the IHSS PA to act as the employer of record for San Bernardino In-Home Supportive Services (IHSS) providers pursuant to Welfare and Institutions Code section

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12301.6, subdivision (c)(1) and to perform other IHSS functions as required by Welfare and Institutions Code section 12301.6, subdivision (e) and not retained by County. Pursuant to Ordinance No. 3842, IHSS PA is an entity separate from the County. It is governed by a Board of Directors comprised of members of the Board and is a corporate public body exercising public and essential governmental functions with all powers necessary and convenient to carry out the delivery of in-home supportive services. Additionally, the IHSS PA is charged by the state legislature with providing mandated services to include the following: a registry of potential care providers; background and qualification investigations of potential care providers; referrals to IHSS consumers of potential care providers from the registry; training for both IHSS care providers and consumers; and performance of other functions related to the delivery of in-home supportive services as designated by the governing board.

Public Risk Innovation Solutions, and Management (PRISM) is a member-directed insurance risk sharing pool. It has developed effective risk management solutions to help public entities proactively control losses and prepare for different exposures. There are over 2,000 public entities who participate in any of number coverage programs, some of which are large JPAs that have their own memberships. Other public entities include cities, counties, Joint Powers Authorities (JPAs), Special Districts, Educational Organizations, Fire Districts, Housing Authorities, and others.

Department of Risk Management (DRM) administers IHSS PA insurance programs for workers' compensation claims. IHSS PA procures general liability insurance, excess general liability insurance, and cyber insurance policies for additional protection through PRISM. These insurance policies have previously been procured with Purchase Orders issued within the authority of the Purchasing Agent. The recommended renewals of general liability, excess liability, and cyber liability insurance programs will provide a new coverage period of July 1, 2023, through July 1, 2024, with a total premium cost of \$102,816, which is a \$3,943, or approximately 3.9% increase over last year's premium cost of \$98,873. The increase is due to various factors, including a challenging insurance market for the public sector as a result of insurers leaving the market and an increase in size and frequency of claims.

PRISM submits invoices to its members following fiscal year end due to the complexity of the negotiations the vendor engages in with multiple insurance carriers on behalf of IHSS PA, and other insurance pool members to develop an agency's insurance coverage. The vendor maintains coverage with an understanding that payments will be received after expiration of the prior contract end date of July 1, 2023. Board of Directors' approval is required before establishing a Purchase Order with PRISM due to PRISM's non-standard payment terms. These payment terms resulted in late charges of \$2,024, as the required payment timeframe did not allow enough time to present an item for Board of Directors' approval of a Purchase Order. The Purchase Order with non-standard payment terms differs from the standard contract terms described in County Policy 11-05. The non-standard term is as follows:

PRISM allows 30 days plus a 15-day grace period after the invoice date for the payment to be received before incurring an interest rate charge for late fees.

- County standard payment terms are Net 60 days with no interest or late payment penalties.
- Potential Impact: County standard processing time is 60 days or more. Failing to make timely payments will result in a one-time late interest charge.

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IHSS PA recommends the Board of Directors approve establishing a Purchase Order with PRISM, including a non-standard term and one-time late charge, to renew the General Liability, Excess Liability, and Cyber Liability Insurance Programs to protection from risk of liability arising from the daily activities and services that IHSS PA provides.

**PROCUREMENT**

As a member of the JPA since 2003, IHSS PA is eligible to purchase general liability insurance through the PRISM shared limits options. This eliminates the need for a County-facilitated procurement process, resulting in cost savings to IHSS PA through volume discounts and shielding from insurance market swings, minimizing risk and uncertainty at renewal time.

The Purchasing Department concurs with the non-competitive justification to issue a Purchase Order, including non-standard terms and one-time late fee, to PRISM for payment of the annual premiums to renew the General Liability, Excess General Liability, and Cyber Insurance Programs.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Jacqueline Carey-Wilson, Deputy County Counsel, 387-5455) on August 24, 2023; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on August 25, 2023; Risk Management (Victor Tordesillas, Director, 386-8621) on August 25, 2023; Finance (Paul Garcia, Administrative Analyst, 386-8392) on August 25, 2023; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on August 25, 2023.

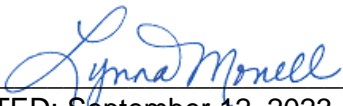
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Record of Action of the Board of Directors  
In-Home Supportive Services Public Authority

**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, SECRETARY

BY  \_\_\_\_\_  
DATED: September 12, 2023



cc: File - JPA/IHSSPA  
JLL 09/13/2023