

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

May 7, 2024

FROM

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

SUBJECT

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

RECOMMENDATION(S)

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

1. Approve the renewal of the In-Home Supportive Services Public Authority's various Liability Insurance programs through Public Risk Innovation, Solutions, and Management with the following coverages, for an estimated total premium of \$163,000, for the one-year period of July 1, 2024 through July 1, 2025:
 - a. General Liability I Insurance Program with Public Risk Innovation, Solutions, and Management with a coverage limit of \$25,000,000, for a premium cost of approximately \$126,000.
 - b. Optional Excess Liability Insurance Program with Public Risk Innovation, Solutions, and Management with a coverage limit of \$10,000,000, for a premium cost of approximately \$26,000.
 - c. Cyber Liability Insurance Program with Public Risk Innovation, Solutions, and Management with a coverage limit of \$25,000,000, for a premium cost of approximately \$11,000.
2. Authorize the Executive Director of In-Home Supportive Services Public Authority to execute the binding order on behalf of the In-Home Supportive Services Public Authority.

(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 Discretionary General Funding (Net County Cost). The approximate premium of \$163,000 is funded by State and Federal grants and Social Services Realignment. Adequate appropriation and revenue will be included in the In-Home Supportive Services Public Authority's 2024-25 Recommended Budget.

BACKGROUND INFORMATION

In 2002, San Bernardino County (County) established the In-Home Supportive Services Public Authority (IHSS PA) to serve elderly, blind, or disabled individuals unable 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 County In-Home Supportive Services (IHSS) providers pursuant to Welfare and

Renewal of General Liability, Optional Excess Liability, and Cyber Liability Insurance Programs
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Institutions Code section 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 Joint Powers Authorities (JPAs) that have their own memberships. Other public entities include cities, counties, JPAs, special districts, educational organizations, fire districts, housing authorities, and others.

The San Bernardino County Department of Risk Management (DRM) administers IHSS PA insurance programs for workers' compensation claims. Additionally, pursuant to an interagency agreement between San Bernardino County and IHSS PA, DRM provides advise on risk management and insurance. IHSS PA procures general liability insurance, optional excess 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.

On September 12, 2023 (Item No. 69), the Board approved the renewal of the General Liability, Optional Excess Liability, and Cyber Liability Insurance Programs with PRISM for a total cost of \$104,840, which included the premium cost of \$102,816 plus a late fee of \$2,024.

DRM recommends the renewal of these Insurance Programs to protect IHSS PA's financial assets from liability arising from the daily activities and services that it provides.

Approval of the recommended renewals of the general liability, optional excess liability, and cyber liability insurance programs will provide a new coverage period of July 1, 2024 through July 1, 2025, with an approximate total premium cost of \$163,000, which is a \$60,184, or approximately 58% increase over last year's premium cost of \$102,816. 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.

A final premium amount will not be available until closer to the July 1, 2024, renewal date. This is due to the complexity of the negotiations PRISM engages in with multiple insurance carriers on behalf of the County and other insurance pool members to develop the IHSS PA liability insurance coverages. Approval of Recommendation No. 4 will authorize the Executive Officer of IHSS PA to execute the binding order on behalf of IHSS PA, ensuring a timely renewal process with no lapse in coverage.

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

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

The San Bernardino County Purchasing Department, which provides purchasing services to IHSS PA pursuant to an interagency agreement between San Bernardino County and IHSS PA, concurs with the non-competitive justification for payment of the annual premiums to renew the General Liability, Excess General Liability, and Cyber Insurance Programs with PRISM.

REVIEW BY OTHERS

This item has been reviewed by Human Services Contracts (Patty Steven, Contracts Manager, 388-0241) on March 21, 2024; County Counsel (Jacqueline Carey-Wilson, Deputy County Counsel, 387-5455) on March 29, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on April 3, 2024; Risk Management (Victor Tordesillas, Deputy Executive Officer, 386-8623) on March 29, 2024; Finance (Paul Garcia, Administrative Analyst, 386-8392) on April 17, 2024; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on April 22, 2024.

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Liability Insurance Programs
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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: Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.
Absent: Col. Paul Cook (Ret.)

Lynna Monell, SECRETARY

BY 
DATED: May 7, 2024



cc: File - In-Home Supportive Services Public Authority w/
attachment
JLL 05/8/2024