STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 348
July 16, 2024
9:30 A.M.

The Three Hundred Forty-Eighth meeting of the State Insurance and Risk Management Board was held on Tuesday, July 16, 2024. The meeting was a Hybrid Meeting with in person attendees at One Financial Plaza, Hartford CT and virtual attendees on Microsoft Teams.

Chairperson Susan Donatelli presided.

The following members were in attendance:

State Insurance & Risk Management Board

Ms. Susan M. Donatelli, Chairperson
Mr. Stephen Fontana Vice Chairperson
Ms. Susan C. Alker
Mr. Brian M. Farrell
Mr. Seth T. Mahler
Mr. Patrick Mahon
Mr. Scott Kuhnly
Ms. Yamuna Menon, Assistant Comptroller

Mr. George A. Dagon, Jr., was unable to attend

Department of Administrative Services/Insurance and Risk Management Board

Ms. Melissa M. Frank Director of SIRMB
Ms. Sherry Chance
Ms. Carrie Scace
Mr. Gene Burk was unable to attend.
Ms. Jolita Lazauskas was unable to attend

Office of the Agent of Record

Mr. Brian Tamms, Senior Vice President
Ms. Doreen Lessard

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1. Call to Order

The meeting was called to order at 9:30AM

2. Approval of Minutes

Meeting No. 347 held on April 23, 2024 (Exhibit 2)

A motion was made by Mr. Fontana, seconded by Mr. Mahler and

VOTED: To approve the minutes of Meeting No. 347 held on April 23, 2024.

Ms. Donatelli. abstained.

3. Appointment of Vice Chair

Mr. Fontana, who has previously served as interim vice chair expressed interest in the vacant position of permanent Vice Chair. The board was asked to vote on the appointment of Steve Fontana as Vice Chair.

A motion was moved by Mr. Kuhnly and seconded by Mr. Farell and unanimously

VOTED: To approve the appointment of Mr. Fontana as Vice Chair.

4. SIRMB Budget (Review and Discussion)

a) FY2023-2024 Budget Update as of June 30,2024 (Exhibit 5a)

Ms. Chance reviewed the June budget spreadsheet noting that all expenses have been paid for FY2024. She provided summaries of the grand total expenses for insurance premiums, contract fees and claims. The board was informed that the deficiency appropriation was approved and posted to both the General Fund and the Special Transportation fund in early June. Due to the pending status of certain claims which were expected to settle in FY 2024, a request has been made to carry over the remaining balances in the General Fund and Special Transportation Fund into the new fiscal year to cover those pending claims.

b) FY2023-2024 Expenditures for April 2024-June 2024 (Exhibit 5b)

After a review of the expenditures, a motion was made by Mr. Mahon and seconded by Mr. Mahler and unanimously

VOTED: To approve the expenditures from April 2024.

A motion was made by Mr. Fontana seconded by Mr. Mahon and unanimously

VOTED: To approve the expenditures from May 2024

A motion was made by Mr. Fontana seconded by Mr. Mahler and unanimously

VOTED: To approve the expenditures from June 2024.

c) FY2024-2025 Budget Discussion

Ms. Chance informed the board of the FY25 SIRMB budget appropriations.

Mr. Tamms advised that the appropriation for the General Fund was $2.4M less than requested. while the amount requested for the Bond account and the Special Transportation Fund was granted. Mr. Tamms noted that based on the appropriations made the board was in a similar financial position to the prior year. He also reiterated that carryforwards of the FY24 balance were requested to settle claims that were pending settlement.

5. Report from The Director of Risk Management

a) Risk Management report – informational

Ms. Frank provided an update regarding her efforts since the last board meeting highlighting among other achievements.

- Appraisal software for property valuations is expected to be rolled out in the next couple of weeks. The software will provide valuation and other relevant data on state properties.

- The efforts to close out FM Global human element recommendations are underway with increased results in the last 2 months.

- All new bus claims will be handled by CSS going forward as they take over the claims management for all CT Transit claims from HNS management.

- Ms. Frank shared with the board that she was appointed to the Contracting Standards Advisory Council which provides recommendations to the Statewide Contracting Standards Boards

Ms. Donatelli commented that the consolidation of the claims management under CSS is a huge step forward for SIRMB. Mr. Tamms concurred with Ms. Donatelli and commented on the net saving in claim handling cost to be realized. Ms. Frank also reiterated that this consolidation would allow for greater transparency for the SIRMB.

6. Insurance Renewals

a) UCONN Intercollegiate Sports Athletic Injury Renewal 2024-2025(Exhibit 6a)

Mr. Tamms explained that the NCAA provides catastrophic coverage for claims more than $90,000, therefore this policy provides basic athletic injury coverage and claims management services for intercollegiate student athletes at UConn. He explained that the markets were limited due to several reasons including post covid return to normal schedules, increased healthcare costs in CT and the programs history of season ending injuries. As a result of these factors QBE quoted premium was significantly increased over the prior year with another option for a slightly lower premium with increased deductible and claim fee. Other options were provided by Berkley which had 2 quotes which were lower than QBE's with deductible and claim fees that were comparable to QBE's. AG Administrators also offered a concession on the claim fees.

UConn reimburses 100% of the premium and has requested that coverage be bound with Berkley

The board posed questions about risk management solutions for UConn's athletic program and possible primary health insurance solutions. Mr. Tamms explained that UConn student health coverage excludes athletic injuries, and he confirmed that these possible solutions were discussed with UConn, and they will explore them for future years.

After some discussion, a motion was made by Mr. Fontana seconded by Mr. Mahler and the board unanimously

> VOTED: To place coverage with Berkley at an annual premium of $339,264 at a $10,000 deductible with a $37,500 Claim Fee

b) UCONN Study Abroad renewal 2024-2025 (Exhibit 6b)

Mr. Tamms noted that this year's quote is the same as the prior year's premium. He explained that it provides various coverage for students studying abroad. He also noted that UConn pays 100% of the premium and has instructed to bind the coverage.

A motion was made by Mr. Mahon, seconded by Mr. Mahler and the board unanimously

> VOTED: To place coverage as outlined in Exhibit 6b at an annual premium of $143,533.

c) Property Renewal October 2024 – Discussion

Mr. Tamms stated that the property policy renews on October 15, 2024. The Board anticipates reviewing and voting on this policy renewal at its September 17, 2024, Board meeting, and we will be asking FM Global for a stewardship presentation at that meeting. Mr. Tamms stated that the phase 1 appraisal included buildings where the state's current valuation differed from the current insured value, and that the overall appraisal valuation totals were lower than currently listed. Some explanation for this was noted likely to be due to aggregated building values as well as ad hoc escalators applied to building values in prior years. He noted that we will have a more concrete valuation once we get more buildings appraised.

Mr. Tamms went on to say that the appraisal efforts, as well as the renewed push to complete more human element recommendations, will be helpful in the property renewal process.

7. Committee Reports (Informational)

a.) Claims Committee Report – Patrick Mahon

Mr. Mahon advised the claims committee met on May 8th d to review several claims and granted settlement authority to CSS for approximately 9 claims resolved, 10 claims discussed, settlement authority was provided on several with 4 expected to go to a jury trial. The next Claims Committee Meeting is scheduled for September 25th, 2024.

8. Other Matters to Come Before the Board

There were none.

9. Date and location of next meeting

The next meeting will be held on September 17th, 2024, at 9:30AM. Meeting invitations will be sent by Ms. Chance and Ms. Frank. The format will likely be the same as the current meeting.

10. Motion to Adjourn

It was moved by Mr. Farrell, seconded by Mr. Mahler and the board unanimously

VOTED: The meeting be adjourned. The meeting adjourned at 10:19 A.M.