STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 353
July 15, 2025
9:30 A.M.

The Three Hundred Fifty-third meeting of the State Insurance and Risk Management Board was held on Tuesday, July 15, 2025. 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. George A. Dagon, Jr.,
Mr. Patrick Mahon
Mr. Seth T. Mahler
Mr. Scott Kuhnly
Mr. John Rogers
Ms. Yamuna Menon, Assistant Comptroller

Mr. Brian M. Farrell was unable to attend

Department of Administrative Services/Insurance and Risk Management Board

Ms. Melissa M. Frank Director of SIRMB
Ms. Sherry Chance (Fiscal Administrative Officer)
Mr. Gene Burk, Director DAS, was unable to attend.
Ms. Erika D'Aquila, CFO- DAS was unable to attend

Office of the Agent of Record

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

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1. Call to Order

The meeting was called to order at 9:34 AM

2. Discussion / Approval of minutes of Meeting No.351 held on February 25,2025 (Exhibit 2)

A motion was made by Mr. Dagon and seconded by Mr. Mahler and

VOTED: To approve the minutes of Meeting No. 351 held on February 25,2025

Ms. Donatelli, Mr. Fontana and Mr. Mahon abstained.

3. Meeting No. 352 held on April 22, 2025 (Exhibit 3)

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

VOTED: To approve the minutes of Meeting No. 352 held on April 22,2025

Ms. Donatelli., Mr. Dagon and Mr. Kuhnly abstained.

4. SIRMB Budget (Review and Discussion)

a) FY2024-2025 Expenditures for April 2025-June 2025 (Exhibit 4)

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

VOTED: To approve the expenditures from April 2025.

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

VOTED: To approve the expenditures from May 2025

After a review of the May expenditures, a motion was made by Ms. Donatelli and seconded by Mr. Fontana and unanimously

VOTED: To approve the expenditures from June 2025.

5. FY 2024-2025 Budget Update as of June 30,2025 (Exhibit 5)

Ms. Chance reviewed the overall expenditures on premiums, claims, and expenses for FY25 and provided an update on the end of the fiscal year fund balances for the SIRMB.

6. SIRMB Budget – Reserve Proposal Update - Discussion (Exhibit 6)

Ms. Frank stated that SIRMB ended the fiscal year in a favorable position with a surplus. She further informed the board members that the SIRMB request to establish required reserves in accordance with the board statutes was denied by OPM on the basis that the contingency fund indicated by the statute as the source of the reserve establishment no longer exists. She stated that there was an indication that a legislative change was possibly the best way to continue pursuing this effort. Ms. Frank also explained to the board that the board lapsed a significant remainder of our appropriated fund balance but did request to carry over some of the fund balance for pending claims that are expected to settle soon.

Mr. Fontana stated that he agrees that a legislative change to the statute would probably be best. Ms. Donatelli and Mr. Rogers also made supportive statements on continuing to pursue the establishment of a reserve fund. Mr. Rogers stated that since the SIRMB has several significant self-insured retentions, it would be prudent for the board to carry reserves. After Mr. Mahler asked why the usual route of deficiency requests were no longer a good way to fund budget deficiencies, Mr. Tamms reminded the board that the SIRMB is technically an insurance company, for amounts incurred within their self-insured retention (SIR). The expectation of the insurance carriers that are providing excess coverage above the State's SIR is that the State has adequate reserves in place to fulfill their obligations when they are due, not around the timing of the various State funding mechanisms which primarily occur during the legislative session.

The discussion concluded with some board members volunteering to assist Ms. Frank in the continued pursual of the statutory authority of the board to establish required reserves.

7. Report from the Director of Risk Management

a) Risk Management Report – Informational (Exhibit 7a)

Ms. Frank has continued to work with target agencies to complete outstanding property risk mitigation and as of July 10th has completed over 90% of the targeted human element recommendations for policy year 2024-2025. She has attended several meetings on the MIRA /MDA dissolution and has worked with Mr. Tamms to ensure the acquired properties are covered under existing policies and to secure any additional policies that may be needed to satisfy contractual requirements at the facilities. To mitigate contractual risk, she has continued to be a resource for state agencies with questions about insurance requirements for various contracts and has worked with agencies to ensure policies in place are contractually required. She also provided updates on claims related risk such as HB6413 which did not pass this legislative session and her work with the DOT to streamline the claim reporting process so that DOT would deny defective claims filed instead of opening new claims with the TPA that would eventually be denied by them. This process should result in some cost savings for the state.

b) TRIA Discussion and Policy creation – Approval (Exhibit 7b)

The TRIA recommendation was discussed by the board. The recommendation read in part "Due to the protection provided by sovereign immunity, the Board's policy should be to deny terrorism coverage for liability (third party) policies and to accept it for first-party coverage policies where the values of the protected property justify the expense.

Ms. Alker expressed her appreciation for the summary information provided on current policies with TRIA and the associated notes on contractual requirements. She also expressed appreciation for the legal advice provided by the AG's office, which she felt made sense.

The board approved the recommendation to adopt the proposed policy for determining when it is appropriate for the SIRMB to bind TRIA coverage on policies

c) Risk Management Manual – Updated (Exhibit 7c)

Ms. Frank outlined the updates made to the RM manual which were mainly contact updates for the Third-party claim's administrator and updated contact for the CO-853 form which is the states reporting for loss of stolen property.

The board recommended further updates regarding claims handling and Ms. Frank agreed to make the updates and present the updated manual for approval at the next board meeting.

8. Insurance Renewals

a) UConn Intercollegiate Sports Athletic Injury Renewal 2025-2026 (Exhibit 8a)

Mr. Tamms explained that the NCAA provides catastrophic coverage for claims of more than $90,000. The policy provides basic athletic injury coverage and claims management services for intercollegiate student athletes at UConn for amounts incurred below the NCAA deductible. He explained that a non-favorable loss history led to an increased deductible and premium for the prior year renewal. Loss history has somewhat improved in the last year, leading to the presented renewal premium being flat to last year and favorable to the State. UConn reimburses 100% of the premium.

After a brief Q & A discussion, a motion was made by Mr. Fontana seconded by Mr. Mahon and the board unanimously

VOTED: To place coverage with Berkley at an annual premium $339,264.

b) UConn Study Abroad Renewal 2025-2026 (Exhibit 8b)

Mr. Tamms noted that this year's quote is the same as prior year's premium with modest enhancements to some sublimit. He explained that this policy provides various coverages for UConn students, faculty and staff studying abroad. He also noted that UConn pays 100% of the premium.

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

VOTED: To place coverage as outlined in Exhibit 8b at an annual premium of $143,533.

9. Committee Reports (Informational)

a) Claims Committee Report – Patrick Mahon

Mr. Mahon reported that the Claims Committee met on May 7th, with representatives from Assured Partners and Constitution State Services. During this meeting the committee reviewed a report that highlighted 5 claims that have been resolved since the last committee meeting, and 15 claims were presented for discussion. Settlement and/or reserve authority were either extended or increased on several of the claims discussed, based on the merits of each case. Of the files discussed, 4 claims had trial or mediation dates that were approaching soon.

10. Other Matters to Come Before the Board

Ms. Frank announced that there may be further discussion regarding the Constitution State Services TPA contract. She will address this matter with the Board at the meeting in September.

11. Date and location of next meeting

The next meeting will be held on September 16th, 2025, at 9:30AM.

12. 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 10:34 A.M.