



CSURMA

POLICY AND PROCEDURE NO. 2

EFFECTIVE: January 10, 2016

REVISED: August 5, 1999; July 1, 2000; March 26, 2009; January 10, 2016

SUBJECT: RESOLUTION OF COVERAGE DISPUTES FOR CAMPUS POOLED RISK COVERAGE PROGRAMS

SUPERSEDES: 2-JPA; 8-JPA REVISED

Should there be any discrepancy between this document and either the JOINT POWERS AGREEMENT or BYLAWS, the JOINT POWERS AGREEMENT and BYLAWS will govern.

POLICY:

It is the policy of the CSURMA that campuses have an opportunity to communicate their position on coverage for claims in a way that gives them meaningful opportunities to interact with the CSURMA committees and staff. Acknowledging that the CSURMA has a fiduciary duty to make accurate coverage determinations, this Policy and Procedure is intended to provide campuses the broadest opportunity for input in the coverage determination process.

PROCEDURE:

The CSURMA Claims Manager is responsible for making initial coverage determinations for claims. Claims will either be accepted, determined as not covered or provided coverage subject to a reservation of rights. The Claims Manager will notify the campus of any claim that is not covered or that is being covered subject to a reservation of rights in writing within 90 days of notice of the claim; however, the Claims Manager may request additional information to make a coverage determination.

If a campus disagrees with the Claims Manager's determination, the campus within 45 days of receipt of such determination shall send a written request to the Claims Manager for reevaluation of the coverage determination by the appropriate Program Committee (or Executive Committee, if no Program Committee exists) to which the matter pertains. The Program Committee (or Executive Committee) will make its determination based upon information provided by both the Claims Manager and campus at the Committee's next available regularly scheduled meeting.

The Program Committee (or Executive Committee) shall deliberate the matter and communicate with the member and with the adjusting staff to gather information about the claim through the Chair or the Chair's designee. If the claim is reevaluated by a Program Committee, and after careful consideration, the Program Committee believes it cannot support the decision of the claims adjuster or assigned counsel, it shall forward the matter along with a recommendation to the Executive Committee. If the Program Committee does support the decision of the claim adjuster or assigned counsel, it shall communicate its opinion to the member and notify the



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member that it can appeal the opinion to the Executive Committee by sending a written request within 30 days of receipt of such determination to the Claims Manager asking that the Executive Committee evaluate the claim at the Committee's next available regularly scheduled meeting.

On any matter forwarded to the Executive Committee for review, the Executive Committee may also communicate with the member through the Chair or its designee and the adjusting staff to formulate an opinion on the matter. The Executive Committee, the member, or the Program Committee may consult with the Program Administrator, Claims Manager, CSU Executive Vice Chancellor and Chief Financial Officer, CSU Office of General Counsel, and other appropriate parties. The Executive Committee shall make a determination of the matter and communicate its decision to the member. The Executive Committee's determination shall be final as respects the CSURMA's liability to cover the claim.

In all steps of the coverage determination process, the Claims Manager, Program Committee and Executive Committee shall take into consideration the Memorandum of Coverage, practices of the CSU and CSURMA, and the best interests of CSU. Note that the CSURMA coverage extends to its retained limits and CSURMA's excess insurers may provide coverage under different terms than CSURMA's coverage.

BACKGROUND:

It is the intent of the California State University Risk Management Authority (CSURMA) to adjust and manage claims properly and for standard adjusting practices and any adopted claims handling guidelines to be followed. It is understood that from time to time coverage and/or general claim disputes can arise between members and the Authority. When such a dispute or disputes arise, this Policy and Procedure shall be followed.