

ADMINISTRATIVE POLICY AND PROCEDURE

SUBJECT: OBLIGATIONS TO ACCEL BY FORMER MEMBERS

DATE: April 5, 1991

AMENDED DATE: January 17, 2019

REVIEWED DATE: August 24, 2022

STATEMENT:

Obligations of those Members that have left ACCEL, former members, continue for the Program Years in which they participated. It is assumed that as long as a Program Year has not been closed, all administrative expenses shall be shared among all Program Members in each of the Program Years, even though an ACCEL member has left the Authority as a party to the Joint Powers Agreement.

POLICY:

1. All former members shall be financially obligated to ACCEL for their proportionate administrative costs until the issuance of the last retrospective calculation for covered years.
2. The fee is intended to be used for the ongoing payment of general administrative costs as it may apply to the former member. Said costs shall include, but not limited to Program Administrator fees, claims audits, financial audits and actuarial studies.
3. The actual fee shall be determined by the Board of Directors at its annual June meeting.
4. All former members shall provide loss information to be used solely for the purpose of calculating the retrospective rating returns.
 - Loss data shall be provided for claims occurring the year they joined ACCEL through the third year after they leave ACCEL.
 - Claims data shall be provided for the period ending December 31st and in the following format:
 - The loss data shall include open and closed claims of \$25,000 or more per occurrence.
 - Total incurred Sorted by Program Year (7/1/ to 6/30) including a total for "total incurred" for the Program Year.
 - Total incurred shall reflect the unlimited incurred (not just to the SIR level of the member). Total incurred also includes the total amount of the reserves, paid loss and allocated expenses.

- Each claim shall include a date of loss, occurrence, claim number and claimant name.
- Claims shall be grouped by occurrence, not by claimant.
- Subtotals shall be provided for each occurrence generating more than one claim.
- Each claim shall be identified as either:
 - ABI = Auto Bodily Injury
 - APD = Auto Property Damage
 - OBI = Other Bodily Injury
 - OPD = Other Property Damage
 - PI = Personal Injury
 - POL = Public Officials Liability
- Each claim shall be accompanied by a very brief description of the incident.
- Former members shall submit the December 31 data no later than February 15.