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## MEMORANDUM

TO: Hon. Andrew Joyce  
Chairman, County Legislature

FROM: Eugenia Koutelis Condon *EKC*  
County Attorney

DATE: August 2, 2022

RE: Request for Legislative Action  
Award of Liability and Casualty Insurance  
Policy Period: 8/15/22 – 8/15/23

FINAL

Enclosed is a completed Request for Legislative Action relative to the award of the County's liability and related insurance coverage for the policy period August 15, 2022 to August 15, 2023. I am requesting that this matter be placed on the agenda for the August Legislative meeting.

The County's broker of record, Arthur J. Gallagher Risk Management Services sought quotes for the County's insurance coverage. They are recommending that we proceed with the insurance set forth below.

The specific insurance in question are the County's general liability, automobile, law enforcement, police professional, property, public official's and employee

liability, crime, boiler and machinery, excess, umbrella and medical malpractice insurance coverage. The recommended awards are as follows:

**Excess Commercial/General/Automobile/Law Enforcement Package and Public Official's and Employment Practices Coverage:**

**Carrier: Safety National**

**Premium: \$457,514.00**

Policy Limits: \$2 M/\$4 M GL

\$2 M Auto

\$3 M Excess

Includes DMV Fees

**FIRST \$5M LAYER**

**Excess: Indian Harbor**

**Premium: \$69,162**

(\$2M excess of \$5M (Law only))

**Excess: Kinsale**

**Premium: \$81,492**

(\$3M Excess of \$7M (Law only))

**Excess: Homesite**

**Premium: \$191,613**

(\$5M Excess of \$5M (Non-Law))

**Excess: Arch**

**Premium: \$223,167.00**

(\$10M Excess of \$10M) (Over Law  
And Non-Law)

**Expiring Premium:**

**Umbrella Expiring Premium:**

Carrier: Safety National

Premium: \$414,188+ DMV fee of \$3,670

Policy Limits: \$2 Million/\$4 Million GL

\$2 Million Auto

\$3 Million Excess

SIR: \$1 Million

SIR for POL: \$500,000

Carrier: Allied World  
Premium: \$428,000  
Policy Limits: \$10M excess of \$5M

Carrier: Arch  
Premium: \$133,000  
Policy Limits: \$5M excess of \$15M

**Property:**

**Carrier: Traveler's**  
**Premium: \$349,185 + \$1,177 Fire Fee**  
Expiring Premium: \$318,422 + \$1,070 Fire Fee  
Deductible: \$250,000  
(Insured Values of \$612,341,194)

**Boiler and Machinery:**

Carrier: Greenwich  
**Premium: \$34,792.00**  
Expiring Premium: \$32,365.00  
\$10,000 deductible option

**Crime:**

Carrier: Traveler's  
**Premium: \$4,594.00\***  
Expiring Premium: \$4,594.00

This is the third year in a three year policy with a \$2 million limit for Employee Dishonesty and Forgery or Alteration. The policy premium is \$13,782 to be paid in annual installments of \$4,594.

**Medical Liability:**

**Carrier: National Fire & Marine (Med Pro Group)**  
**Premium: \$415,496.00 Nursing Home (Senior Care)**  
Limits: \$1M/\$3M  
**Carrier: MedPro RRG Risk Retention Group**  
**Premium: \$145,882.00 (Clinical)**  
Limits: \$1M/\$3M

**Expiring:**

Carrier: National Fire & Marine (Med Pro Group)  
Premium: \$398,903.00 Nursing Home (Senior Care)  
Limits: \$1 M/\$3M  
Carrier: MedPro RRG Risk Retention Group  
Premium: \$119,456.00 (Clinical Only)  
Limits: \$1 M/\$3M  
Expiring Premium: \$390,461.00

**Cyber Liability:**

Carrier: Chubb  
**Premium: \$105,481.00**

Expiring Premium: \$52,374.00  
Limit: \$1 Million

**Water Purification District – Pollution Coverage**

Carrier: Navigators  
**Premium: \$77,012.00**  
Expiring: \$81,698.00  
**\*Three Year Policy**

Enclosed is back-up documentation, including the premium summary and marketing summary.

Please note, all premiums include Terrorism Coverage at the rate of 1% of premium.

The proposed awards result in combined premiums of \$2,156,567.00 which includes the mandatory New York State Fire Fee. As you may recall, last year on renewal, the insurance premiums were significantly increased due to a hardening of the market due to several factors impacting the economy including the impact of COVID-19, the 2020 hurricane losses, impact of law enforcement exposures and the exiting of Trident Insurance from the public insurance market which resulted in a sudden loss of re-insurance capacity.

This year, the broker aggressively marketed the liability coverage as that was the most significantly hit by the hardened market. While we are still seeing an increase in premium demonstrating a still hardening market, the increase has been mitigated downward by the broker and is significantly less than where they started at the beginning

of the marketing process. This hardening market is impacting public entities across the board as a result of Trident exiting the market. Trident accounted for 35% market share of the municipal GL, auto and excess lines and was the County's carrier until last year. With supply of those lines significantly reduced in one year, the demand and cost of other re-insurance products was driven up in a short period of time. Hopefully, as we go forward, the market will soften as other insurers fill this gap. Looking at our other coverages, Cyber has also increased significantly. This is indicative of the marketplace for this coverage and is due to ransomware and cyber threats worldwide. Property is up slightly due to an increase in our total insured value. Finally, medical malpractice for Shaker Place and the clinics is up slightly from last year. This is a new carrier as our long time carrier MLMIC exited the Nursing Home business last year. We have had claims filed against both of these policies this year and the increase in premium is not unexpected.

I will be attending the Law Committee meeting to address any questions that you may have. Thank you for your attention to this matter.

EKC:e

Enclosures

Cc: Rebekah Kennedy, Majority Counsel  
Arnis Zilgme, Minority Counsel  
David Reilly, Commissioner, Management and Budget

## County of Albany 2022-2023 Renewal

Lines of Business & Notations	Carrier	Premium
<b>Property</b> Premium: \$349,185 Fire Fee: \$1,177	Travelers	\$ 350,362.00
<b>Boiler &amp; Machinery</b> \$10,000 deductible	Greenwich	\$ 34,792.00
<b>Crime</b> 3rd year of 3-year policy	Travelers	\$ 4,594.00
<b>Liability Package</b> \$2M / \$4M General Liability \$2M Automobile Liability \$3M Excess Liability Premium includes DMV Fees	Safety National	\$ 457,514.00
<b>Excess Liability - over Law Enforcement Liability</b> \$2M x \$5M	Indian Harbor	\$ 69,162.00
<b>Excess Liability - over Law Enforcement Liability</b> \$3M x \$7M	Kinsale	\$ 81,492.00
<b>Excess Liability - over Other-Than-Law-Enforcement Liability</b> \$5M x \$5M	Homesite	\$ 191,613.00
<b>Excess Liability - over Law Enforcement and Other-Than-Law-Enforcement Liability</b> \$10M x \$10M	Arch	\$ 223,167.00
<b>Pollution</b> \$5M limit 3-year premium (paid in full at inception)	Navigators	\$ 77,012.00
<b>Cyber</b> \$1M limit	Chubb	\$ 105,481.00

<b>Medical Malpractice (Senior Care)</b> Nursing Home only \$1M / \$3M limits	<b>National Fire &amp; Marine (Med Pro Group)</b>	\$ 415,496.00
<b>Medical Malpractice</b> Clinical only \$1M / \$3M limits	<b>MedPro RRG Risk Retention Group</b>	\$ 145,882.00
<b>Total Premium</b>		<b>\$ 2,156,567.00</b>