



Public Risk Innovation, Solutions, and Management

Policy Statement Delegation of Underwriting Authority

The purpose of this policy statement is to outline the various responsibilities between the Executive Committee, Underwriting Committee, and PRISM staff in the administration of PRISM's Excess Liability and Excess WC Programs. By adoption of this policy statement, the Board of Directors specifically delegates the responsibilities outlined herein to the Executive Committee, Underwriting Committee, and PRISM staff. The Executive Committee will have the right to review and approve any items of responsibility delegated to the Underwriting Committee in lieu of Underwriting Committee action as a matter of convenience. Nothing herein precludes PRISM staff from further delegating their responsibilities to appropriate consultants on contract with PRISM.

PRISM Staff Responsibility

- Issuance of non-premium bearing Memorandum of Coverage endorsements including additional insured endorsement; racing exclusion endorsement; waiver of subrogation endorsement; and underlying insurance endorsement.
- Re-issuance of all endorsements properly added on a previous Memorandum of Coverage on a renewal basis.
- Approval of SIR changes resulting in an increase in SIR up to and including double the previous year's SIR.
- In the GL1 program, approval of Individual Member Corridor Deductibles (IMCD) where the IMCD is not greater than the member retention.

Underwriting Committee Responsibility

- Issuance of Memorandum of Coverage endorsements not otherwise delegated to staff (above) or retained by the Executive Committee (below).
- Approval of SIR changes resulting in a lower SIR or a higher SIR of more than double the previous year's SIR.
- Approval of Individual Member Corridor Deductibles, which would exceed the member SIR.
- Recommendation to the Executive Committee and the Board on matters pertaining to the EWC and Excess Liability Programs including new member applications, premium allocation formulas, dividends and assessments, program structure, purchase of insurance/reinsurance, and scope of coverage including universal endorsements pertaining to all members.
- Recommendation to the Executive Committee on adding named insured endorsements pursuant to JPA Article 3(b).
- Incurring of expenses to have coverage documents reviewed by independent legal counsel.



- All other items specifically delegated to the Underwriting Committee by Executive Committee or the Board of Directors.

Executive Committee Responsibility

- Approval of named insured endorsements pursuant to JPA Article 3(b).
- Recommendation to the Board of Directors on matters pertaining to the EWC and Excess Liability Programs including new member applications, premium allocation formulas, dividends and assessments, program structure, purchase of insurance/reinsurance, and scope of coverage including universal endorsements pertaining to all members.
- All other items specifically delegated to the Executive Committee by the Board of Directors.