



OFFICE OF RISK SERVICES—  
ASSOCIATE VICE PRESIDENT & CHIEF RISK OFFICER

OFFICE OF THE PRESIDENT  
1111 Franklin Avenue, 10<sup>th</sup> Floor  
Oakland, California 94607-5200

April 22, 2019

Subject: 2019-20 Risk Services Program Premium Schedules

Dear Colleagues,

Please find the attached FY 2019-20 Premium Schedules for the Risk Services programs including but not limited to:

- Workers' Compensation
- General, Auto (liability & physical damage), and Employment Practices Liability
- Property
- Cyber
- Professional Liability

Our workers' compensation premium rate decreased by 4.9%. I am pleased to announce that we have achieved systemwide approval of the closeout of our legacy workers' compensation program. This finalizes the transition from our traditional banking program to our improved financial model with our Captive Insurance Company, Fiat Lux. This transition is both an example of successfully collaborating as a system as well as the opportunity Fiat Lux affords us to assist the campuses and health systems in instances like this.

The general, employment and auto liability premiums experienced increases of 23%, 25% and 17% respectively. Unfortunately, we are not immune to many of the recent cultural & societal trends that we have become all too familiar with like #MeToo, Title IX issues, and Active Assailant. As a result, these increases are due mainly to adverse claim activity in both frequency & severity, the purchasing of new insurance products to address these exposures, and increasing limits where appropriate. Fortunately, these increases are offset by property and cyber premium decreases of 2% and 28% respectively.

The professional liability premium rate increased by 2%. This increase is primarily due to raising our professional liability premium confidence level from 70% to 75%. This change in confidence level is the final of two scheduled 5% increases implemented to stabilize financial performance and future premium rates.

The single biggest component in effectively managing our premium rates continues to be our loss prevention efforts focused on programs designed to respond to our greatest areas of need identified through individual location and program data analysis. The [Be Smart About Safety](#) (BSAS) program continues to be an integral component of those loss prevention efforts. We look forward to receiving your BSAS applications for all lines of coverage, but especially in the area of employment practices, and working with you to further reduce the cost of risk and create a safe environment for our students, faculty, staff, and the public.

Individual location reports will be sent to your risk manager under separate cover.

As always, if you have any questions, please do not hesitate to contact me or Kevin Confetti, Deputy Chief Risk Officer (510.987.9868).

Sincerely,



Cheryl A. Lloyd  
Associate Vice President & Chief Risk Officer  
Risk Services website: <http://www.ucop.edu/risk-services/index.html>

- cc: Vice Chancellors for Administration
- Medical School Deans
- Health System Directors
- Health System Finance Directors
- Student Health Center Directors
- Executive Vice President Brostrom
- Executive Vice President Stobo
- Executive Vice President Nava
- Associate Vice President Alcocer
- Associate Vice President Arrivas
- Associate Vice President Nation
- Chief Medical Officers
- Budget Directors
- Planning & Budget Officers
- Campus/Health Controllers
- Environment Health & Safety Directors
- Accounting Managers
- Payroll Managers
- Campus & Health Risk Managers
- Workers' Compensation Managers
- OP Budget Executive Director Baltaxe
- OP Budget Director Goode
- Chief of Staff to the CFO Werdick
- Director Satorre
- Accounting Supervisor Wildeman
- Manager Barrett
- Manager Ruiz
- Analyst Espinoza
- Deputy Chief Risk Officer Confetti
- Executive Director Claflin
- Executive Director Leonard
- Executive Director Smith
- Executive Director Yozgat
- Director Bhatia
- Program Manager Burley
- Program Manager DeBortoli
- Program Manager Gustavson
- Program Manager Lillington

Attachments (6)

**UNIVERSITY OF CALIFORNIA  
WORKERS' COMPENSATION PROGRAM  
2019/20 Premiums**

LOCATION	2019/20 Funding Premiums	Accrual Funding <sup>(1)</sup> All Fund Sources		Be Smart About Safety <sup>(2)</sup> All Fund Sources			Total Projected Premium	Closeout of 6/30/16 Legacy Rate Reduction or Deficit Funding <sup>(3)</sup> All Fund Sources		2019/20 Combined Total	
		Rate/\$100 of Payroll	Premium \$	Rate/\$100 of Payroll	Premium \$	Total Rate		Rate Adj/\$100 of Payroll	Total Adjustment	Total Rate	Total Premium \$
Berkeley	16,971,000	1.16	15,380,000	0.12	1,591,000	1.28	16,971,000	0.07	935,000	1.35	17,906,000
ANR-Berkeley	137,000	1.16	124,000	0.12	13,000	1.28	137,000	0.07	8,000	1.35	145,000
Davis	12,052,000	0.74	10,876,000	0.08	1,176,000	0.82	12,052,000	0.03	500,000	0.85	12,552,000
ANR-Davis	828,000	0.74	747,000	0.08	81,000	0.82	828,000	0.03	34,000	0.85	862,000
Davis MC	10,457,000	1.00	9,506,000	0.10	951,000	1.10	10,457,000	0.00	-	1.10	10,457,000
Irvine	5,404,000	0.46	4,780,000	0.06	624,000	0.52	5,404,000	(0.05)	(489,000)	0.47	4,915,000
Irvine MC	6,561,000	1.36	5,832,000	0.17	729,000	1.53	6,561,000	(0.93)	(3,980,000)	0.60	2,581,000
Los Angeles	30,297,000	1.00	28,053,000	0.08	2,244,000	1.08	30,297,000	0.04	1,079,000	1.12	31,376,000
Los Angeles MC	27,878,000	2.55	26,526,000	0.13	1,352,000	2.68	27,878,000	0.00	-	2.68	27,878,000
Los Angeles NPH	783,000	1.61	664,000	0.29	119,000	1.90	783,000	0.00	-	1.90	783,000
Merced	1,462,000	0.91	1,344,000	0.08	118,000	0.99	1,462,000	0.07	104,000	1.06	1,566,000
Riverside	3,840,000	0.75	3,388,000	0.10	452,000	0.85	3,840,000	0.08	308,000	0.93	4,148,000
ANR-Riverside	179,000	0.75	158,000	0.10	21,000	0.85	179,000	0.08	48,000	0.93	227,000
San Diego Campus	12,687,000	0.66	11,630,000	0.06	1,057,000	0.72	12,687,000	0.03	415,000	0.75	13,102,000
San Diego MC	12,180,000	1.47	11,190,000	0.13	990,000	1.60	12,180,000	0.00	-	1.60	12,180,000
San Francisco Campus	11,897,000	0.61	10,832,000	0.06	1,065,000	0.67	11,897,000	(0.04)	(723,000)	0.63	11,174,000
San Francisco MC	23,120,000	1.66	21,322,000	0.14	1,798,000	1.80	23,120,000	0.00	-	1.80	23,120,000
San Francisco LPPI	370,000	1.22	329,000	0.15	41,000	1.37	370,000	0.00	-	1.37	370,000
Santa Barbara	5,885,000	1.00	5,399,000	0.09	486,000	1.09	5,885,000	(0.12)	(623,000)	0.97	5,262,000
Santa Cruz	3,741,000	0.87	3,255,000	0.13	486,000	1.00	3,741,000	(0.08)	(283,000)	0.92	3,458,000
Office of the President	1,017,000	0.36	852,000	0.07	165,000	0.43	1,017,000	0.02	49,000	0.45	1,066,000
ANR-OP	16,000	0.36	13,000	0.07	3,000	0.43	16,000	0.02	1,000	0.45	17,000
Lawrence Berkeley Lab	2,120,000	0.56	2,120,000	0.00	-	0.56	2,120,000	(0.20)	(745,000)	0.36	1,375,000
<b>TOTAL</b>	<b>189,882,000</b>		<b>174,320,000</b>		<b>15,562,000</b>		<b>189,882,000</b>		<b>(3,362,000)</b>		<b>186,520,000</b>

<sup>(1)</sup> Record as Workers' Compensation expense with object code 8500.

<sup>(2)</sup> Separate premiums for the "Be Smart About Safety" Program. To be classified as a fund balance transfer to UCOP as outlined in the "Be Smart About Safety" document (excludes labs).

<sup>(3)</sup> Workers' Compensation Closeout of Legacy Program for the period 4/1/1980 to 6/30/2016 prior to transferring liabilities to the University's Captive - Fiat Lux

**GENERAL LIABILITY (GL) &  
EMPLOYMENT PRACTICES LIABILITY (EPL) PROGRAMS  
2019/20 PREMIUM SCHEDULE**

4/22/2019

	PREMIUM					PREMIUM			GL & EPL Premium <sup>(3)</sup>
	General Liability Premium	Sexual Misconduct Premium	Environmental Liability Premium	BSAS <sup>(1)</sup>	Total	Employment Practices Liability Premium	BSAS <sup>(1)</sup>	Total <sup>(2)</sup>	
<b>Berkeley</b>	\$ 5,542,000	\$ 623,000	\$ 41,000	\$ 224,000	\$ 6,430,000	\$ 4,071,000	\$ 288,000	\$ 4,359,000	\$ 10,789,000
<b>Davis</b>	2,796,000	314,000	21,000	113,000	3,244,000	3,989,000	283,000	4,272,000	7,516,000
<b>UC Davis Health</b>	723,000	81,000	5,000	31,000	840,000	3,775,000	238,000	4,013,000	4,853,000
<b>Irvine Campus</b>	1,217,000	137,000	9,000	49,000	1,412,000	3,799,000	269,000	4,068,000	5,480,000
<b>UCI Health</b>	438,000	49,000	3,000	19,000	509,000	2,419,000	152,000	2,571,000	3,080,000
<b>Los Angeles Campus</b>	7,541,000	848,000	56,000	305,000	8,750,000	12,565,000	890,000	13,455,000	22,205,000
<b>UCLA Health</b>	1,339,000	151,000	10,000	58,000	1,558,000	2,384,000	150,000	2,534,000	4,092,000
<b>UCLA Santa Monica</b>	263,000	30,000	2,000	11,000	306,000	503,000	32,000	535,000	841,000
<b>UCLA NPH</b>	54,000	6,000	-	2,000	62,000	111,000	7,000	118,000	180,000
<b>Merced Campus</b>	159,000	18,000	1,000	6,000	184,000	454,000	32,000	486,000	670,000
<b>Riverside Campus</b>	911,000	102,000	7,000	37,000	1,057,000	1,939,000	137,000	2,076,000	3,133,000
<b>San Diego Campus</b>	2,349,000	264,000	17,000	95,000	2,725,000	2,258,000	160,000	2,418,000	5,143,000
<b>UC San Diego Health</b>	558,000	63,000	4,000	24,000	649,000	3,573,000	225,000	3,798,000	4,447,000
<b>San Francisco Campus</b>	3,756,000	422,000	28,000	152,000	4,358,000	5,908,000	419,000	6,327,000	10,685,000
<b>UCSF Health</b>	1,103,000	124,000	8,000	48,000	1,283,000	2,554,000	161,000	2,715,000	3,998,000
<b>UCSF LPPI</b>	17,000	2,000	-	1,000	20,000	30,000	2,000	32,000	52,000
<b>Santa Barbara</b>	2,440,000	274,000	18,000	99,000	2,831,000	1,971,000	140,000	2,111,000	4,942,000
<b>Santa Cruz</b>	950,000	107,000	7,000	38,000	1,102,000	411,000	29,000	440,000	1,542,000
<b>Office of the President</b>	241,000	27,000	2,000	10,000	280,000	990,000	70,000	1,060,000	1,340,000
<b>ANR</b>	365,000	41,000	3,000	15,000	424,000	296,000	21,000	317,000	741,000
<b>GRAND TOTAL</b>	<u>\$32,762,000</u>	<u>\$3,683,000</u>	<u>\$ 242,000</u>	<u>\$1,337,000</u>	<u>\$38,024,000</u>	<u>\$ 54,000,000</u>	<u>\$ 3,705,000</u>	<u>\$ 57,705,000</u>	<u>\$ 95,729,000</u>

(1) [BSAS-Be Smart About Safety Loss Prevention Program](#)

(2) The Premium includes funding to cover Non-Litigated Employment Practices Liability claims.

(3) Allocation is based upon actuarial methodology. Total premium of the annual cost for general liability and employment practices liability for the fiscal year.

**AUTOMOBILE PROGRAM  
2019/20 PREMIUM SCHEDULE**

	PREMIUM Automobile Liability (AL)			PREMIUM Automobile Physical Damage (APD)			Auto Liability & Auto Phys. Damage Premium <sup>(2)</sup>
	Premium	BSAS <sup>(1)</sup>	Total	Premium	BSAS <sup>(1)</sup>	Total	
<b>Berkeley</b>	\$ 1,141,000	\$ 57,000	\$ 1,198,000	\$ 98,000	\$ 7,000	\$ 105,000	\$ 1,303,000
<b>Davis</b>	1,929,000	95,000	2,024,000	396,000	29,000	425,000	2,449,000
<b>Irvine</b>	463,000	23,000	486,000	100,000	7,000	107,000	593,000
<b>Los Angeles</b>	1,984,000	98,000	2,082,000	264,000	20,000	284,000	2,366,000
<b>Merced</b>	192,000	9,000	201,000	35,000	3,000	38,000	239,000
<b>Riverside</b>	494,000	24,000	518,000	93,000	7,000	100,000	618,000
<b>San Diego</b>	1,437,000	71,000	1,508,000	166,000	12,000	178,000	1,686,000
<b>San Francisco</b>	1,684,000	83,000	1,767,000	136,000	10,000	146,000	1,913,000
<b>Santa Barbara</b>	341,000	17,000	358,000	49,000	4,000	53,000	411,000
<b>Santa Cruz</b>	350,000	17,000	367,000	122,000	9,000	131,000	498,000
<b>Office of the Pres.</b>	4,000	-	4,000	2,000	-	2,000	6,000
<b>ANR</b>	<u>140,000</u>	<u>7,000</u>	<u>147,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>151,000</u>
<b>GRAND TOTAL</b>	<u>\$ 10,159,000</u>	<u>\$ 501,000</u>	<u>\$10,660,000</u>	<u>\$1,465,000</u>	<u>\$108,000</u>	<u>\$1,573,000</u>	<u>\$ 12,233,000</u>

(1) [BSAS-Be Smart About Safety Loss Prevention Program](#)

(2) Allocation is based upon actuarial methodology. Total premium of the annual cost for the program for the fiscal year.

**UNIVERSITY OF CALIFORNIA**  
**PROPERTY PROGRAM PREMIUM SCHEDULE**  
**Fiscal Year 2019/20**

4/22/2019

<u>Location</u>	Property Premium <sup>(1)</sup>	Crime/Fidelity Premium	Equipment Breakdown Prem.	Be Smart About Safety <sup>(2)</sup>	Total Premium <sup>(3)</sup>
Berkeley	\$ 5,674,000	\$ 80,000	\$ 42,000	\$ 235,000	\$ 6,031,000
Davis	5,700,000	80,000	43,000	236,000	6,059,000
UC Davis Health					Incl. in Campus
Irvine	4,187,000	59,000	31,000	173,000	4,450,000
UCI Health					Incl. in Campus
Los Angeles	9,608,000	135,000	72,000	397,000	10,212,000
UCLA Health					Incl. in Campus
Merced	891,000	13,000	7,000	37,000	948,000
Riverside	1,460,000	20,000	11,000	60,000	1,551,000
San Diego	7,772,000	109,000	58,000	321,000	8,260,000
UC San Diego Health					Incl. in Campus
San Francisco	4,818,000	68,000	36,000	199,000	5,121,000
UCSF Health					Incl. in Campus
Santa Barbara	1,633,000	23,000	12,000	68,000	1,736,000
Santa Cruz	2,576,000	36,000	19,000	107,000	2,738,000
Office of the President	350,000	5,000	3,000	14,000	372,000
ANR	-	-	-	<i>Incl. in various locations</i>	
<b>Total</b>	<b>\$44,669,000</b>	<b>\$ 628,000</b>	<b>\$ 334,000</b>	<b>\$ 1,847,000</b>	<b>\$47,478,000</b>

(1) Property Program includes premiums/coverage for Parametric Earthquake insurance.

(2) [BSAS-Be Smart About Safety Loss Prevention Program](#)

(3) Allocation is based upon actuarial methodology.

**UNIVERSITY OF CALIFORNIA  
CYBER LIABILITY PREMIUM SCHEDULE  
Fiscal Year 2019/20**

Revised 6/11/2019

<u>Location</u>	Cyber Liability <sup>(1)</sup>	Cyber Repayment <sup>(2)</sup>	Cyber Premium
<b>Berkeley</b>	\$ 623,000	\$ 103,000	\$ 726,000
<b>Davis</b>	656,000	71,000	727,000
<b>UC Davis Health</b>	648,000	75,000	723,000
<b>Irvine Campus</b>	534,000	52,000	586,000
<b>UCI Health</b>	337,000	42,000	379,000
<b>Los Angeles Campus</b>	933,000	129,000	1,062,000
<b>UCLA Health</b>	454,000	174,000	628,000
<b>UCLA Santa Monica</b>	69,000	13,000	82,000
<b>UCLA NPH</b>	25,000	5,000	30,000
<b>Merced Campus</b>	118,000	11,000	129,000
<b>Riverside Campus</b>	329,000	30,000	359,000
<b>San Diego Campus</b>	674,000	80,000	754,000
<b>UC San Diego Health</b>	600,000	65,000	665,000
<b>San Francisco Campus</b>	169,000	170,000	339,000
<b>UCSF Health</b>	908,000	96,000	1,004,000
<b>UCSF LPPI</b>	20,000	2,000	22,000
<b>Santa Barbara</b>	361,000	35,000	396,000
<b>Santa Cruz</b>	267,000	28,000	295,000
<b>Office of the President</b>	30,000	12,000	42,000
<b>ANR</b>	25,000	7,000	32,000
<b>GRAND TOTAL</b>	\$ 7,780,000	\$ 1,200,000	\$ 8,980,000

(1) Allocation is based upon actuarial methodology.

Includes insurance premiums, uninsured direct costs, and loss prevention.

(2) Unfunded costs for fiscal year 2016/17 of \$7 million will be recovered from FY 17/18, FY 18/19, & FY 19/20.

\$ 7,000,000	2016/17 Unfunded Costs paid by Program
(2,900,000)	2017/18 Contribution
(2,900,000)	2018/19 Contribution
\$ 1,200,000	Balance to be paid off in FY 19/20

**PROFESSIONAL MEDICAL & HOSPITAL LIABILITY  
2019/20 PREMIUM SCHEDULE**

4/22/2019

		Premium <sup>(1)</sup>
<b>Berkeley</b>	Student Health Services	\$ 168,553
<b>Berkeley</b>	CAPS	-
<b>Berkeley</b>	School of Optometry	<u>59,589</u>
	Total	228,142
<b>Davis</b>	School of Medicine	4,862,151
<b>Davis</b>	Medical Center	<u>4,862,151</u>
	Subtotal	9,724,302
<b>Davis</b>	Student Health Services	105,283
<b>Davis</b>	CAPS	-
<b>Davis</b>	Veterinary	<u>14,133</u>
	Total	9,843,718
<b>Irvine</b>	School of Medicine	4,999,196
<b>Irvine</b>	Medical Center	<u>4,999,196</u>
	Subtotal	9,998,392
<b>Irvine</b>	Student Health Services	48,579
<b>Irvine</b>	CAPS	<u>14,088</u>
	Total	10,061,059
<b>Los Angeles</b>	School of Medicine	12,193,235
<b>Los Angeles</b>	School of Nursing	12,455
<b>Los Angeles</b>	Medical Center	9,857,140
<b>Los Angeles</b>	Santa Monica	1,844,991
<b>Los Angeles</b>	Neuropsychiatric Inst.	<u>491,103</u>
	Subtotal	24,398,924
<b>Los Angeles</b>	Student Health Services	144,167
<b>Los Angeles</b>	CAPS	<u>54,250</u>
	Total	24,597,341
<b>Merced</b>	Student Health Services	9,991
<b>Merced</b>	CAPS	<u>4,723</u>
	Student Health Center	14,714
<b>Riverside</b>	School of Medicine	337,136
<b>Riverside</b>	Student Health Services	38,944
<b>Riverside</b>	CAPS	<u>6,680</u>
	Total	382,760
<b>San Diego</b>	School of Medicine	5,604,918
<b>San Diego</b>	Rady's Hospitals	3,543,350
<b>San Diego</b>	Medical Center	<u>5,604,918</u>
	Subtotal	14,753,186
<b>San Diego</b>	Student Health Services	66,204
<b>San Diego</b>	CAPS	<u>24,152</u>
	Total	14,843,542
<b>San Francisco</b>	School of Medicine	6,043,820
<b>San Francisco</b>	School of Nursing	9,173
<b>San Francisco</b>	Dental School	203,520
<b>San Francisco</b>	Affiliated Hospitals-Other	1,347,264
<b>San Francisco</b>	Fresno	2,837,904
<b>San Francisco</b>	SF General	2,671,527
<b>San Francisco</b>	Medical Center	5,959,712
<b>San Francisco</b>	Langley Porter Institute	<u>84,108</u>
	Subtotal	19,157,028
<b>San Francisco</b>	Student Health Services	13,185
<b>San Francisco</b>	CAPS	<u>-</u>
	Total	19,170,213
<b>Santa Barbara</b>	Student Health Services	84,322
<b>Santa Barbara</b>	CAPS	<u>20,364</u>
	Total	104,686
<b>Santa Cruz</b>	Student Health Services	52,825
<b>Santa Cruz</b>	CAPS	<u>-</u>
	Total	52,825
<b>GRAND TOTAL</b>		<u>\$ 79,299,000</u>

[\(1\) Generally based on the "Medical Malpractice Guidelines"](#)