



INDEMNIFICATION AND RECOVERIES

PRESENTED BY:
LIABILITY CLAIMS AND RECOVERY UNIT



INDEMNIFICATION AND RECOVERIES

All contracts should contain an indemnification provision.





INDEMNIFICATION AND RECOVERIES

County Indemnification Provision:

The Contractor shall indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents, and volunteers ("County Indemnitees") from and against any and all liability, including, but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.



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Types of contracts:

- Service Agreements
- Purchase Orders
- Equipment Leases
- Property Leases
- Construction Contracts
- Some Permits Issued by the County



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Types of Insurance:

- Commercial General Liability (CGL)
- Workers' Compensation
- Automobile Liability
- Professional Liability
- Sexual Misconduct Liability
- Property Coverage
- Crime Coverage
- Cyber Liability
- Miscellaneous Coverage



INDEMNIFICATION AND RECOVERIES

After a loss occurs:

- ✓ Confirm current contracts exist for vendors.
- ✓ Obtain contracts and certificates of insurance.
- ✓ Obtain facts of loss.
- ✓ Identify any County personnel, witnesses, and/or vendors involved.
- ✓ Determine what equipment and materials were involved.



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A **tender in claims** generally seeks defense and indemnity as a result of a contract between the County and a third party.





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Tenders: Generally involve requesting that a County vendor assume the County defense and indemnity under contract.

Some examples are:

Attorney Fees – collected on failed employment practices lawsuits:	\$ 28,133
Tender Defense – a fall at cafeteria under vendor:	\$ 20,837
Tender – patient leaped from ambulance:	\$100,000
Tender – security guard excessive force :	\$ 16,266
Tender – fall caused by custodial vendor:	\$ 11,704

Most tenders can result in payment to the County. The vendor provides direct defense and, as needed, indemnity for the County.



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Recovery is the reimbursement to the County for expenses caused by a third party.





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Subrogation is the substitution of one party for another.

RECOVERY

LIABILITY

SUBROGATION

WRONG DOING

AT FAULT



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Examples for Potential Recovery:

- ✓ Sewer Lines
- ✓ Light Poles
- ✓ County Vehicles
- ✓ Buildings
- ✓ Equipment
- ✓ Where the County has paid Workers' Compensation benefits and there is third-party liability, such as:
 - Auto Accidents
 - Premises Liability
 - First Responders



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RESOURCES

The County of Los Angeles Liability Claims User Guide is coming soon!

County Third Party Administrators

Carl Warren and Company

Automobile and General Liability Claims

Sylvia Hernandez, Manager

Ph.: (818) 247-2206

Sedgwick Claims Management Services

Medical Malpractice Claims

Kristi Calder, Manager

Ph.: (855) 850-2252

Chief Executive Office – Risk Management Branch – Liability Claims and Recovery

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County Counsel

A representative is assigned to each department



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QUESTIONS?