Phillip A. Lattimore, III
Chief Risk Officer

D.C. OFFICE OF RISK MANAGEMENT
ADMINISTRATIVE ISSUANCE SYSTEM

Administrative Order No. 13-05   Date: December 19, 2013

SUBJECT: ORM's Tort Liability Program's Policy for Participation in Annual Actuarial Study
and Comprehensive Annual Financial Report Audit

DISTRIBUTION: All ORM Staff

EXPIRATION DATE: Until Superseded or Rescinded

1. **Purpose**

   The purpose of this issuance is to ensure that the District of Columbia Office of Risk
   Management ("ORM") provides the most complete and accurate information for its annual
   actuarial study and audit.

2. **Applicability**

   Until further modified or rescinded, this Order applies to all ORM employees and individuals
   providing services on behalf of ORM.

3. **Questions**

   Any questions or issues concerning this Order should be addressed by the appropriate ORM
   manager or supervisor.
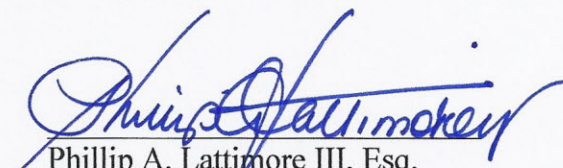
4. **Effective Date**

   This Order shall be effective immediately.

5. **Policy**

   At the close of each fiscal year, as part of ORM's annual actuarial study, the Tort Liability
   Program Manager shall provide to staff providing actuary services to ORM a listing of all
   existing tort liability claims, both open and closed. This data will be used by the actuary to
   estimate the District of Columbia's outstanding losses, including allocated loss adjustment
   expenses and unallocated loss adjustment expenses related to unpaid workers' compensation,
   and general (non-automobile) liability and automobile liability claims. Additionally, a

sample set of this data will be utilized by the District's Comprehensive Annual Financial Report (CAFR) auditors (auditors) during the District's annual audit of ORM's actuarial study. In an effort to insure that both the actuary and the auditors receive the most accurate data for the respective reports, the ORM Tort Liability Program shall implement the following program-wide policies:

a. Subrogation Claims – Prior to submitting the claims data for the actuarial study, all subrogation claims will be removed from the list of claims data. Subrogation claims do not expose the District to liability for third party claims and are not relevant to the report.

b. Claims Where the Statute of Limitations Has Elapsed – Pursuant to D.C. Official Code § 12-301, the statute of limitations to file a civil action for a claim is generally one to three years from the date of the injury. As the District cannot be liable for claims once the statute of limitation has elapsed, going forward, all claims where the statute of limitations to file an action has elapsed will no longer be included in the list of claims data that is forwarded to the actuary.[1]

c. Quarterly Claims Review by ORM's Tort Manager – To ensure that this policy is complied with, on a quarterly basis, ORM's Tort Manager shall run a list of all ORM tort claims and review the list to ensure that neither subrogation claims nor claims that exceed the relevant statute of limitation period are listed in the open claims data. This will prevent these claims from being included in the data used by the actuary to estimate liability.

d. Tort Liability Program Manager Review of Data – Prior to transmitting the data to the actuary staff, the Tort Liability Program Manager shall review the data for accuracy/quality assurance purposes.

e. Availability of Tort Liability Program Manager – ORM's Tort Liability Program Manager shall be available to answer any question that the actuary staff and/or auditors may have after receiving the Tort Division's claims data.

Phillip A. Lattimore III, Esq.
Chief Risk Officer

---

[1] Notably, claims were the statute of limitations is tolled (i.e. claims involving infants or individuals who are incarcerated) will remain open and will not be affected by this policy.

Acknowledgment Form

I acknowledge that I have received a copy and reviewed ORM's Administrative Order No. 13-05, dated December 20, 2013.

I understand that I should direct any questions regarding this ORM Administrative Order to my immediate supervisor, or to the General Counsel within ORM.

_____

Employee's Printed Name

_____

Employee's Signature

_____

Date

Distribution:

cc: Employee
         Agency Human Resources Advisor