

Association of Washington Cities Workers' Compensation Retro Program Retro Pool

Participation agreement

Government, utilities, and related services

Member name

L&I account number

As a member in good standing with the Association of Washington Cities, this Participation Agreement is made and entered into between the Association of Washington Cities Retro Program, a member service of the Association of Washington Cities ("AWC") and [insert member name] ("Member") for participation in the Retro Program for Retro Pool ("AWC Retro Pool") services.

Program services are provided pursuant to the agreement between the Association of Washington Cities ("AWC") and the Washington State Department of Labor and Industries ("L&I"). Membership is subject to approval by L&I after submittal of the required "Application for Group Membership and Authorization for Release of Insurance Data" (L&I retro application form).

AWC Retro Program:

The AWC Retro Program's Retro Pool is an approved retrospective rating pool under RCW 51.18 and L&I retrospective rating program rules WAC 296-17B.

Terms of participation are set forward in the AWC Retro Program Policies approved by the AWC Retro Board with the recommendations of the Retro Advisory Committee. The program policies set forth two classes of membership with separate eligibility requirements and conditions for participation:

1. Retro Pool members
2. Safety Alliance members

The Retro Program Policies may be updated from time to time by the AWC Retro Board with or without notice to members.

1. Mission and goals

Mission

- A. Professional management of all L&I claims;
- B. Proactive risk management; and
- C. A forum for innovative techniques in risk reduction.

Goals of the program

- A. Be the premier workers' compensation program in the State of Washington;
- B. Achieve and maintain the highest standards for comprehensive employee safety programs; and
- C. Provide financial stability and exceptional stewardship of public resources.

2. Administration and management of the program:

AWC is responsible for the day-to-day operation of the Retro Program, which include:

- A. Assisting Retro Pool members in reducing the frequency and severity of industrial injuries;
- B. Educating Retro Pool members in the most appropriate ways to control costs;
- C. Providing claims management services, including access to online claims management system;
- D. Providing program information and training materials;
- E. Providing loss prevention and risk management services;
- F. Reviewing each Retro Pool participant annually for qualification for membership in the AWC Retro Pool;
- G. Representation at the Board of Industrial Insurance Appeals (BIIA) through mediation;
- H. Providing assistance with abatement and appeals of DOSH citations;
- I. Gathering required information and submitting Stay at Work (SAW) reimbursement applications with L&I;
- J. Maintaining the OSHA Injury and Illness log for all members.

3. Member agrees to:

- A. Remain a member of the AWC Retro Pool through the annual coverage year;
- B. Abide by all AWC Retro Program Policies as adopted by the AWC Retro Board;
- C. During the contract term, maintain an individual account for workers' compensation insurance in good standing with the Department of Labor & Industries;
- D. Comply with all applicable laws, rules and regulations set forth by L&I;
- E. Participate in safety and loss prevention programs available as an AWC Retro Pool member, including participating in programmed safety consultations with AWC staff;
- F. Demonstrate a commitment to maintaining a safe workplace and utilizing return-to-work strategies to reduce claims costs;
- G. Maintain membership in the Association of Washington Cities through the final retro year adjustment;
- H. Pay a service fee for each plan year of participation;
- I. Provide notification 60 days before the end of the coverage year if the Retro Pool member wishes to terminate the automatic renewal of the Participation Agreement;
- J. Consent that non-payment of service fees as agreed by this Participation Agreement will result in forfeiture of any refund that may otherwise be due.
- K. In the event of an assessment of pool members for a previous plan year, until such time as the third and final adjustment order of any Retro year is final and binding as provided for by WAC 296-17-90453, agree to cooperate with claims data and to pay assessments for pool liability beyond premiums for each coverage year of participation.

4. Retro Program service fee:

Each year the agreement is in effect, member shall pay the AWC Retro Program six- and one-half percent (6.5%) of its annual L&I premium for the previous twelve (12) month calculation prior to each year of service.

Annual payments invoiced to Member will be based on a January to December calendar year. Except for agreements effective after January 1, for the first year the Agreement is in effect, the AWC Retro Program will invoice a prorated amount through the end of calendar year.

Member will remit payment within 30 days from the date of invoice.

5. Refunds/Assessments:

- A. A refund distribution and retention policy guide the determination of the amount of refunds returned to members and the amount held in reserves, for each plan year in which L&I refunds are received. The allocation of refunds is described in the AWC Retro Program Policies. Retro Pool members also acknowledge that refunds are based on a number of factors, such as premium size, claim costs, and related factors and are not guaranteed.
- B. If a group assessment develops for any plan year, those members that caused the assessment will be assessed first, up to the maximum liability of the participating member's standard premium. If necessary to cover the assessment, the remaining members shall pay the balance on the basis of their individual percentage of the total group premium. Penalties become due and payable within 30 days of notification of the amount. If a member does NOT re-enroll in the program, any refund will be held until the final adjustment of that Retro year.
- C. Because the potential for refunds and assessments extends over several years as claims mature, members agree to cooperate with the AWC Retro Pool, its vendor partners and other agents until such time as the third and final adjustment order of any Retro year is final and binding as provided for by WAC 296-17-90453. Cooperation will include, at a minimum, access to claims data and assistance in managing claims. All claim-related communication between the Retro Pool member and L&I, the Board of Industrial Insurance Appeals, and/or the Washington State Department of Retirement Systems must include AWC. At no time may a member represent itself in an appeal, protest, or hearing without the notification to the AWC Retro Pool.

6. Annual plan choice and re-enrollment:

Prior to the beginning of any coverage year, the AWC Retro Pool will submit plan choices to L&I as adopted by the AWC Retro Board. These choices set single loss limits for each claim, whether insurance charges are a multiplier of premium or claim costs, a maximum assessment limit, and a maximum limit for refund. Prior to the beginning of each subsequent plan year, members will be notified of the plan type, minimum and maximum loss ratios, and single loss limit chosen for the following year.

7. Insurance:

The AWC Retro Program will maintain professional liability and general liability insurance through AWC of at least \$1,000,000 for each category during the performance of services. At Member's request, AWC agrees to provide certificates of insurance to evidence such coverage.

8. Indemnification/Liability:

Each party shall indemnify and hold harmless the other and its directors, officers, employees, agents, parents, subsidiaries, successors and assigns from and against any and all liabilities, claims, suits, actions, demands, settlements, losses, judgments, costs, damages, and expenses (including reasonable attorney's fees) arising out of or resulting from, in whole or part, the acts or omissions of the indemnifying party, its employees, agents or contractors and the indemnifying party's affiliated companies and their employees, agents or contractors.

9. Public records:

Each party acknowledges that the other party is subject to the Washington State Public Records Act, Chapter 42.56 RCW. Any specific information that is claimed by the member to be confidential or proprietary must be clearly identified as such by the member. If a request is made to view the member's information and AWC determines that release of the information is required by the Act or otherwise appropriate, AWC will notify the member of the request and the date that such records will be released to the requester unless member obtains a court order enjoining that disclosure. If the member fails to obtain the court order enjoining disclosure, AWC will release the requested information on the date specified.

10. Terms of agreement:

The term of this agreement shall be from the enrollment date of the Retro Program member until December 31 of that same year and renewing automatically each subsequent year for additional one-year terms, in accordance with program policies and eligibility criteria. State law requires Retro Pool members to notify L&I and AWC in writing if they do not intend to participate in the Retro Pool for the next plan year. That notification to AWC must be received 60 days prior to the beginning of the next plan year and by L&I 30 days prior to the beginning of the next plan year. If a member decides not to continue AWC Retro Pool participation for the upcoming year, they must maintain AWC membership until the final adjustment for their last year of participation (to maintain eligibility for refunds and to be subject to potential assessments for Retro Pool liability beyond premiums).

Authorized by AWC Retro Program Retro Pool Member

Printed name

Title

Signature

Date

Member city or jurisdiction

Address/Street

Authorized by AWC Retro Program



Deanna Dawson, AWC CEO

Date

(Form revised 12/15/23)