

# AAPA JOINT LAW REVIEW and INSURANCE COMMITTEE MEETING

**David Alexander**

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**“Great art is not polite”**

Simon Schama

**“Great coverage is neither subtle  
nor accidental,  
but it is always elusive”**

David Alexander

# **What is an OCIP?**



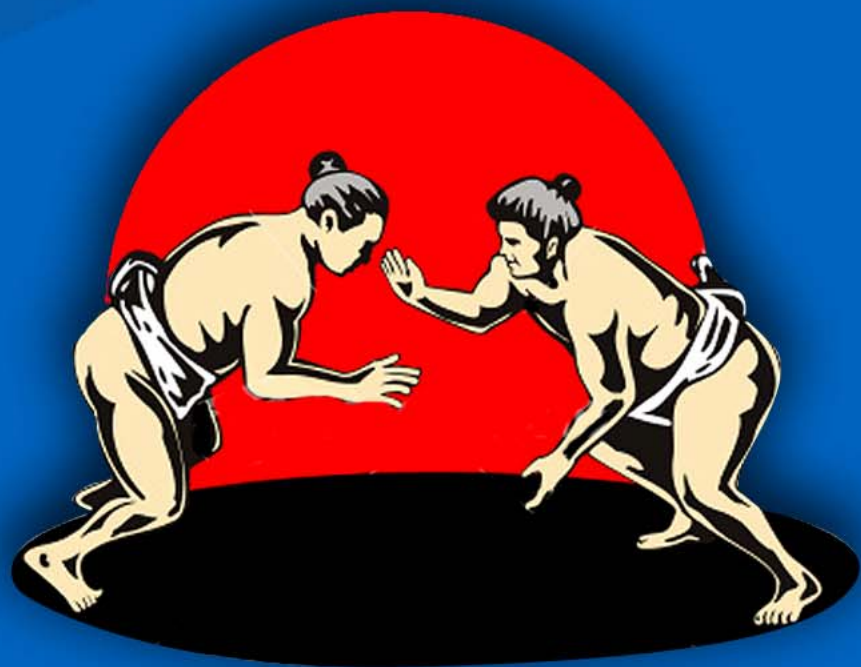
# **What are the hoped for benefits?**

- **Cost Savings**
- **Higher insurance limits enabling sub-consultants to participate that do not carry the insurance requirements**
- **Longer coverage term available including completed operations coverage beyond the term**
- **Coordinated safety and loss control management particularly helpful in workers compensation matters**
- **Greater control over defense (one coverage, one strategy)**

# **What are the hoped for benefits?**

- **Reduction or elimination of actions over claims, indemnity and coverage**
- **Enhanced opportunities for small and local contractors to bid**
- **Streamline contracting**
- **Solution to indemnity and additional insured issues: California law re indemnity CCC 2782**
- **Knowledge that insurance is there**

# CASE STUDY



# CAUTION

- **Expensive**
- **Expense of administration**
- **Cash Flow**
- **Negotiate terms  
(custom product)**
- **Control**
- **Expiring contract**



**STOP!**

# **CASE STUDY**



# CONCLUSIONS

- **Right size project**
- **Right number of contractors**
- **Right contract language**

# COVERAGE IS ELUSIVE

