



Agenda Item 7  
July 22, 2020

## **Proposed Governing Policies Regarding Insurance**

### Governance Structure

1. The Board of Directors (BOD) of Heritage on the Marina (HOTM) will charge the Finance Committee (FC) with the responsibility to:
  - a. Review the insurance coverages recommended by staff and HOTM's insurance brokerage firm to ensure their adherence to these governing policies.
  - b. Make recommendations of changes to these governing policies for BOD approval as the need arises.
  - c. Periodically evaluate the insurance broker with staff to ensure HOTM is receiving proper guidance and value and engage a new insurance broker when it deems it necessary.
2. The BOD will receive a briefing at least annually regarding insurance coverages from the FC or staff if that duty is delegated by FC.

### Governing Policies

1. Heritage on the Marina (HOTM) will have such insurance coverage that is usual and customary for an organization that is licensed as a continuing care retirement community (CCRC) and skilled nursing facility (SNF) in the State of California.
2. Limits of coverage will be appropriate for HOTM's size, location, value, operations, reserves, and other salient factors as recommended by the insurance broker.
3. Staff will consult with HOTM's insurance broker before renewal of any policy to ensure adherence to these policies and will report the results of that consultation to FC.