
 <p>HAWAII HEALTH SYSTEMS CORPORATION "Touching Lives Everyday"</p> <p>Policies and Procedures</p>	<p>Department: Legal Department</p>	<p>Policy No.: ADM 0029</p>
	<p>Issued by: Rene McWade VP & General Counsel</p>	<p>Revision No.: N/A</p>
<p>Subject: Claims Management Policy</p>	<p>Approved by:  HHSC Corporate Board By: Raymond Ono Its: Secretary/Treasurer</p>	<p>Effective Date: January 29, 2009</p>
		<p>Supersedes Policy: N/A</p> <p>Page: 1 of 2</p>

I. Purpose: The purpose of this policy is to provide a process to the Regions and HHSC facilities regarding the management of claims and litigation, whether insured or uninsured, against HHSC. This policy does not cover Workers Compensation Claims. Pursuant to HRS Section 323F, HHSC is the legal entity that can sue or be sued.

II. Policy:

A. Employment Practice Liability (EPLI) Claims: EPLI claims are managed at the Regions and Facilities by their Human Resources Department (HR) in coordination with Corporate HR, pursuant to HR protocol. Equal Employment Opportunity Commission/Hawaii Civil Rights Commission Claims (EEOC/HCRC) are served upon the HR Corporate Department where after, the filing of a Response is coordinated with the affected Facility. The Corporate HR Department will immediately notify the Insurance Carrier upon receipt of the claim. Currently, an early reporting discount on the deductible will apply for timely reporting. Claims that are not reported timely may later be denied coverage in the event further legal action ensues. Further handling of the claim is coordinated between the Facility HR and the Corporate HR Office. The insurance carrier is to be kept apprised of the status of the claim.

In the event litigation ensues, General Counsel is to be notified.

B. Claims Filed by the Facility with DAGS: The facilities must follow the DAGS Protocol for Claims. The State through DAGS purchases insurance under which HHSC is an Insured, for Property, Crime, Fidelity, and Automobile. There is a statutory limit on the amount of authority DAGS has for settlement of Tort claims (Third-Party liability for civil actions). Pursuant to HRS Section 41D-3, that amount currently is \$10,000.00 and the matter must settle within that amount. There is no contribution to settlement of claims over that amount. Tort and Auto claims filed with DAGS against a facility are

handled at the facility level. A Tort claim filed with DAGS may be simultaneously filed with an insurance carrier where coverage may be afforded. All other covered claims fall under the applicable State policy deductible and are to be reported to General Counsel's office.

- C. Potential Claims: All Potential claims are to be timely reported to General Counsel where they are logged and reported to the appropriate carrier. Potential claims falling under the Hospital Professional and General Liability Policy must utilize the insurance carrier reporting form.

- D. Claims against Directors and Officers: All claims of any nature against directors and officers of HHSC corporate and/or the Regions/Facilities are to be immediately reported to the General Counsel's office. Claims entirely against the Corporation's directors and officers will be managed by the General Counsel. Claims against any Regional director or officer will be managed in coordination with the Region and General Counsel. It is General Counsel's responsibility to report the claim to the appropriate insurance carrier or carriers in the event there is overlapping coverage. Claims not covered by insurance may be reported by General Counsel to the Attorney General's office for representation and indemnification.

- E. Hospital Professional and General Liability Claims: Claims against the Corporate Office will be managed by the General Counsel's office.

Claims against HHSC and any Facility will be managed by the General Counsel and the Facility Claims Manager which may be Regional Counsel or other person designated by the Region/Facility. Whether, and how, claims are managed at each individual facility or at the Regional hospital is the kuleana of each Region.

The General Counsel's office is to be notified upon receipt at the facility of any MCCP claim, Demand, Complaint and Summons or any other form of legal action against a facility. After determining if insurance coverage is available, General Counsel will notify the appropriate carrier or carriers in the event of overlapping coverage. After recommendation of counsel by the facility, the claim will be managed primarily at the facility level with oversight and assistance provided by General Counsel. Refer to Settlement Policy No. ADM 0028 for the settlement of claims for damages against HHSC.

III. Applicability: All HHSC facilities, HHSC staff, regional and corporate boards.

IV. Reference: HRS Section 323F. ADM 0028 – Settlement Policy
HRS Section 41D-3