Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Mitt Romney, Governor ◆ Kerry Healey, Lt. Governor ◆ Jane Wallis Gumble, Director

Public Housing Notice: 2004-07

MEMORANDUM

TO: All Executive Directors
FROM: Carole Collins, Director of Housing Management, DHCD
Stephanie Giancola, Risk Management Specialist, DHCD
SUBJECT: Blanket Property, Crime and Boiler & Machinery Insurance
Massachusetts State-Aided Housing Programs
Policy Period – 8/21/04 to 8/21/05
DATE: August 4, 2004

DHCD has just completed the procurement process for Blanket Property, Boiler & Machinery and Crime Insurance for local housing authorities' state-aided housing programs for the coming coverage period beginning 8/21/04 through 8/21/05. The result of that process was the renewal of insurance coverage with Sullivan Group (SG) as broker. There will be two layers of Property insurance: Trident Insurance as the primary carrier for property and crime, and St. Paul/Travelers will carry the second layer of excess coverage. This year the policy includes terrorism coverage and an increased sub-limit on earthquake coverage of $25M Hartford Steam Boiler continues as the insurer for Boiler & Machinery Coverage. The total annual premium for all coverage including the prepaid loss fund and claims services is $4,871,445 for this policy period beginning 8/21/04.

This year's rate included many improvements in coverage terms and limits and has increased by 20% over last year due to high losses this year (over $1.4M in losses to date). **The new rate for LHAs will be $97.62 per unit.**

Your invoice for coverage will be sent by the Sullivan Group. The rate is set at $97.62 per unit according to DHCD's records of number of state-aided units at your LHA (not including MRVP) as of December 31, 2003. If there is a problem with the number of units indicated on your bill, pay the premium as billed and call Stephanie Giancola at 617-573-1227 to resolve the issue.

You must pay your bill WITHIN 10 DAYS directly to Sullivan Group.

The following is the contact person at Sullivan Group for making a claim:

Beth Grenier
Sullivan Group
One Chestnut Place
Worcester, MA 01608-2804
1-800-649-1553

If you have any other questions about the policy, procedures, coverage or billing, please call Stephanie Giancola.

Cc: William Sullivan, Sullivan Group
Beth Grenier, Sullivan Group
Marc Slotnick
Carole Collins