Public Housing Notice 2025-15

To: All Local Housing Authority (LHA) Executive Directors
From: Fatima Razzaq, Acting Undersecretary for Public Housing and Rental Assistance
Re: Massachusetts State-Aided Housing Programs Property, Boiler & Machinery and Crime Insurance for Policy Period – 11/17/25 to 11/17/26
Date: November 14, 2025

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NEED TO KNOW:

1. Insurance program rates will not increase this policy year, and all insurance programs will continue with the same insurers.
2. LHAs will receive an invoice for each program unit of $295 for all program units in the 667, 689, and 167 programs, and $345 for Chapter 200 and 705 family programs. As a precaution against cyber-crime, Invoice will come by email and by US Mail. Full payment is due by 12/30/2025.
3. Housing Authorities are asked to return a program participation agreement and should include insurance payment on their November or December Board Meeting Agenda to make payment in a timely manner. **LHAs should only follow payment instructions consistent with this PHN.**

INSURANCE RENEWAL OVERVIEW:

The Massachusetts Housing Authorities Insurance Program, procured by Salem Housing Authority with the cooperation of the Executive Office of Housing and Livable Communities (EOHLC), completed a renewal with Brown & Brown for Property, Boiler & Machinery Insurance and Crime insurance for Local Housing Authorities' state-aided housing programs for the coverage period beginning 11/17/25 through 11/17/26.

Our renewal terms this year were very favorable based on:

1. Improved number of claims and losses in the past two policy years, following a catastrophic year for losses in 2022-2023.
2. More stable fiscal structures in the international insurance industry
3. Decreasing cost of building materials

We are pleased that Lexington Insurance Company continues as the primary property insurance carrier for our program and offered us renewal which keeps LHA insurance costs stable. The per-door cost for family units is higher given their higher square footage per unit. The program deductible remains $9,000 per LHA insured loss.

INSURANCE INVOICING:

EOHLC wants to ensure timely receipt of program payments and minimize risk of cyber-fraud, so the LHAs will receive their invoice from Brown & Brown both by email and US Mail this renewal cycle. The per door rate of $345 for family/$292 for other units represents a 7.5% increase in program costs. The invoice will reflect the program's per-door rate multiplied by the LHA's number of state-aided public housing units, and program types, according to EOHLC's Capital Planning System (CPS) records. Units that have been repurposed for other uses, including additional administrative space, are included in the per-door count.

Please add insurance payment to the agenda for your next board meeting to ensure that your LHA pays this bill in a timely manner.

Please pay your bill directly to Brown & Brown Insurance Services, Inc. (EID #59-0691921). Please make your check payable to "**Brown & Brown Insurance Services, Inc.**" and list Massachusetts Housing Authorities Insurance Program in the subject line. The mailing address is Brown & Brown Insurance Services, Inc., P.O. BOX 745949, ATLANTA, GA 30374-5949. Full payment is due by 12/30/2025. (NOTE THE MAILING ADDRESS HAS CHANGED)

As you review your invoice and any insurance claim paperwork that you may receive during the year, you will notice that Salem Housing Authority is identified as the insurance policyholder on behalf of all Massachusetts Local Housing Authorities state-aided properties. Salem Housing Authority is the procuring LHA on behalf of all Massachusetts Local Housing Authorities with state-aided public housing property in cooperation with EOHLC.

PARTICIPATION AGREEMENT:

Each LHA invoice will include a participation agreement this year which has been requested by Insurers to allow direct claim payment and meet legal compliance requirements.

LOSS CONTROL:

As of October 1, 2025, the Program has average losses and is performing in line with expectations. LHAs have done a great job in responding to losses, addressing them promptly and reporting them. LHAs have done well in implementing policies to protect their property from fire, such as no smoking and flame-free policies.

INSURANCE PROCEDURES:

Property Damage Claims:

Property damage claims are adjusted through a Massachusetts-based Executive General Adjuster from Sedgwick Claim Services. **If your LHA sustains an insured property loss which is expected to exceed the deductible of $9,000, you must report claim immediately as follows:**

- **Send an email to:** andy.ernst@sedgwick.com, and **CC on email:** sarah.oleary@mass.gov **and** thomas.mulvey@mass.gov
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- **Include:**
  - Property address, and building CPS number if known
  - Brief discussion of the loss
  - Photographs if available
  - Your contact information including cell phone
  - Maintenance person contact information if they can assist in evaluating the loss

- **If loss is estimated over $25,000, please contact Andy Erns**t at: (781) 929-9026, in addition to reporting the claim by email (andy.ernst@sedgwick.com), so that loss response can be expedited.

Boiler & Machinery Claims:

Boiler & Machinery Claims are filed when equipment malfunctions or fails suddenly and accidentally and covers items such as electrical systems, elevators, gears, boilers or HVAC. LHAs should report Boiler and Machinery claims, and Business Crime claims to EOHLC Risk Management and our team at Brown & Brown Insurance.

- Joseph Croteau, Executive Vice President (joseph.croteau@bbrown.com)
- Ken Hoggins, Senior Vice President (ken.hoggins@bbrown.com)
- Mya Lanasa, Senior Account Manager (mya.lanasa@bbrown.com), who succeeds Adrienne Kisonas as the Senior Account Manager for our team.

Please also cc at EOHLC sarah.oleary@mass.gov, thomas.mulvey@mass.gov, sean.pope@mass.gov

Please circulate the attached **Claim Reporting Guide** and **Claim Decision Chart** to your administrative and maintenance staff so that all LHA employees know when and how to report a claim.

RETAINED RISK LIABILTY PROGRAM:

The Retained Risk Liability Program continues to help LHAs mitigate risk in today's highly litigious environment. The LHA contribution to matters accepted by the Retained Risk Liability program will remain at $3,000 for most matters accepted by the Program. To participate in the program, LHAs must email any legal Summons related to state program operations to EOHLC Risk Management immediately upon receipt. The email header must say "Legal Summons Received by (name) LHA." LHAs are responsible to ensure that counsel is assigned by the Summons Return Date. Please review the information in section D of the claims guide for more important information about the Retained Risk Liability Program.

CONCLUSION:

Thank you for your participation in the program and prompt premium payment. If you have any questions about the insurance program, please email EOHLC's Risk Management Specialist at sarah.oleary@mass.gov.