



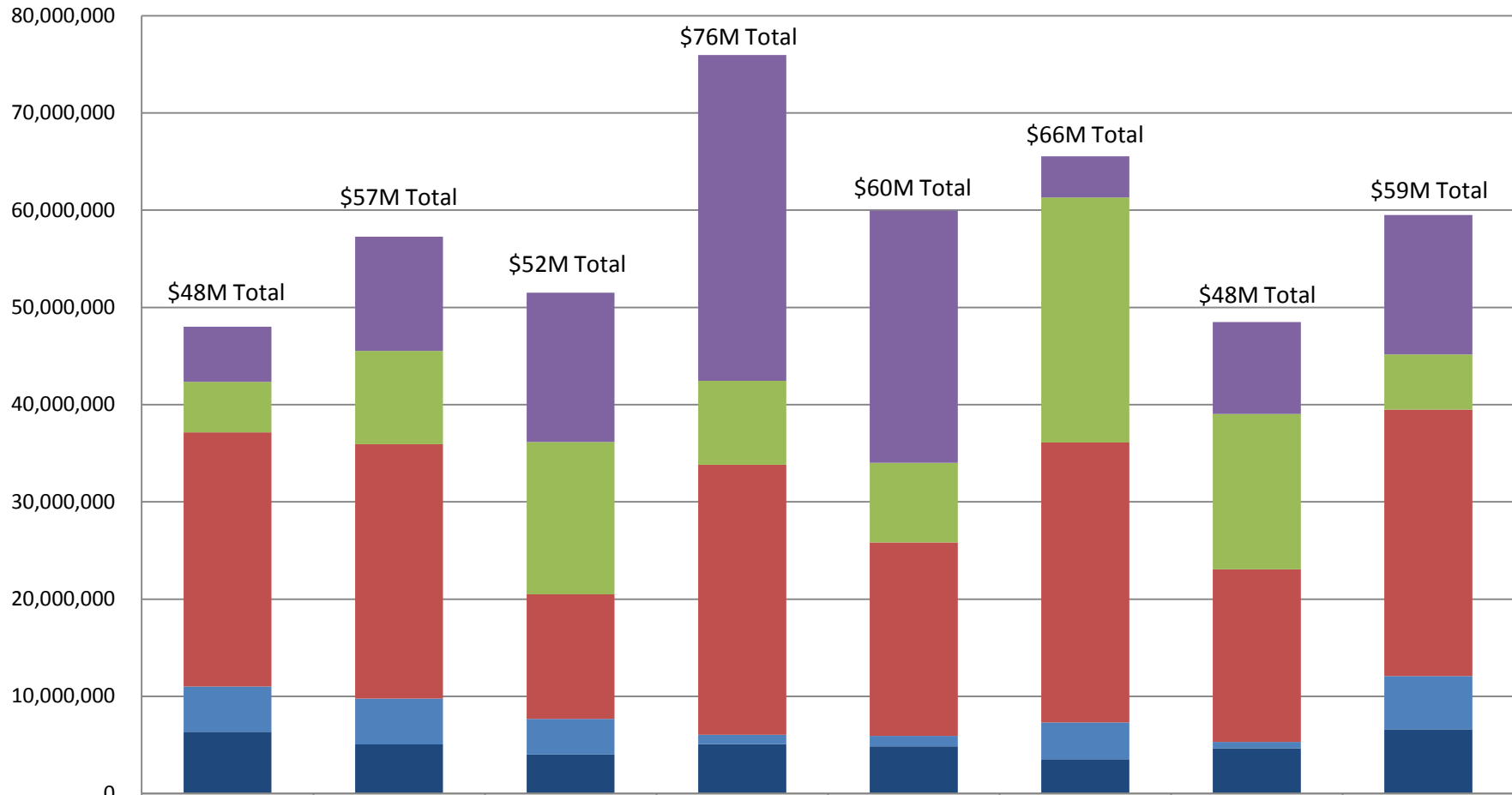
FISCAL YEAR 2015 TORT CLAIM INDEMNITY PAYOUT ANALYSIS

OFFICE OF RISK MANAGEMENT
Lucy Isaki, State Risk Manager
360-407-8143

October 26, 2015

Statewide Indemnity Payouts for FY 08-15

(Includes WSDOT Marine Division Payouts* and Excludes UW and Excess Insurance Refunds)

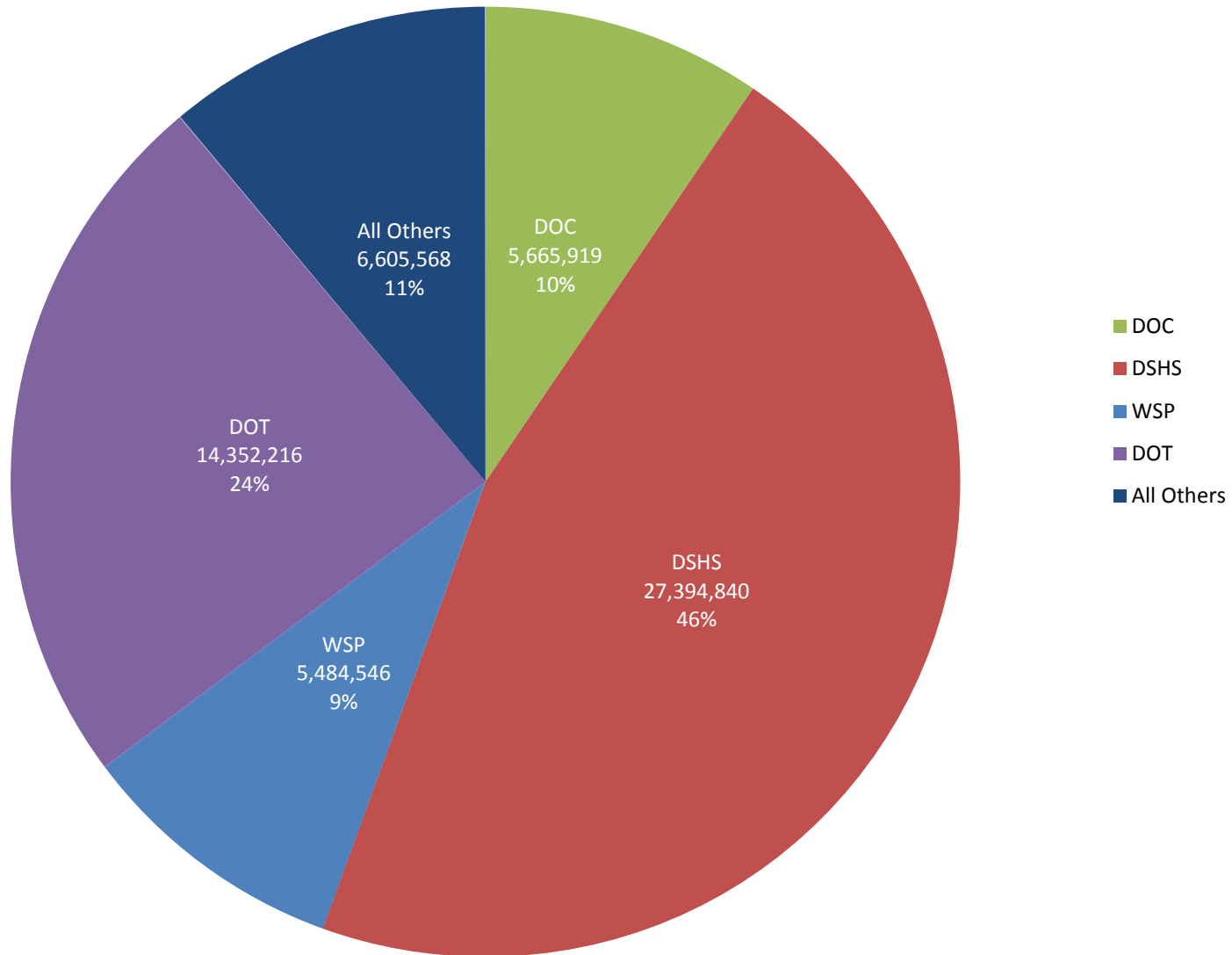


	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
■ DOT	5,667,135	11,735,594	15,358,651	33,515,455	25,942,804	4,237,470	9,439,229	14,352,216
■ DOC	5,214,219	9,591,948	15,656,156	8,616,624	8,192,717	25,195,682	15,999,304	5,665,919
■ DSHS	26,125,145	26,186,733	12,809,977	27,791,834	19,895,522	28,792,362	17,735,832	27,394,840
■ WSP	4,659,828	4,694,945	3,656,758	943,159	1,072,951	3,792,894	649,558	5,484,546
■ All Others	6,348,434	5,062,378	4,022,500	5,088,292	4,847,001	3,527,650	4,664,690	6,605,568

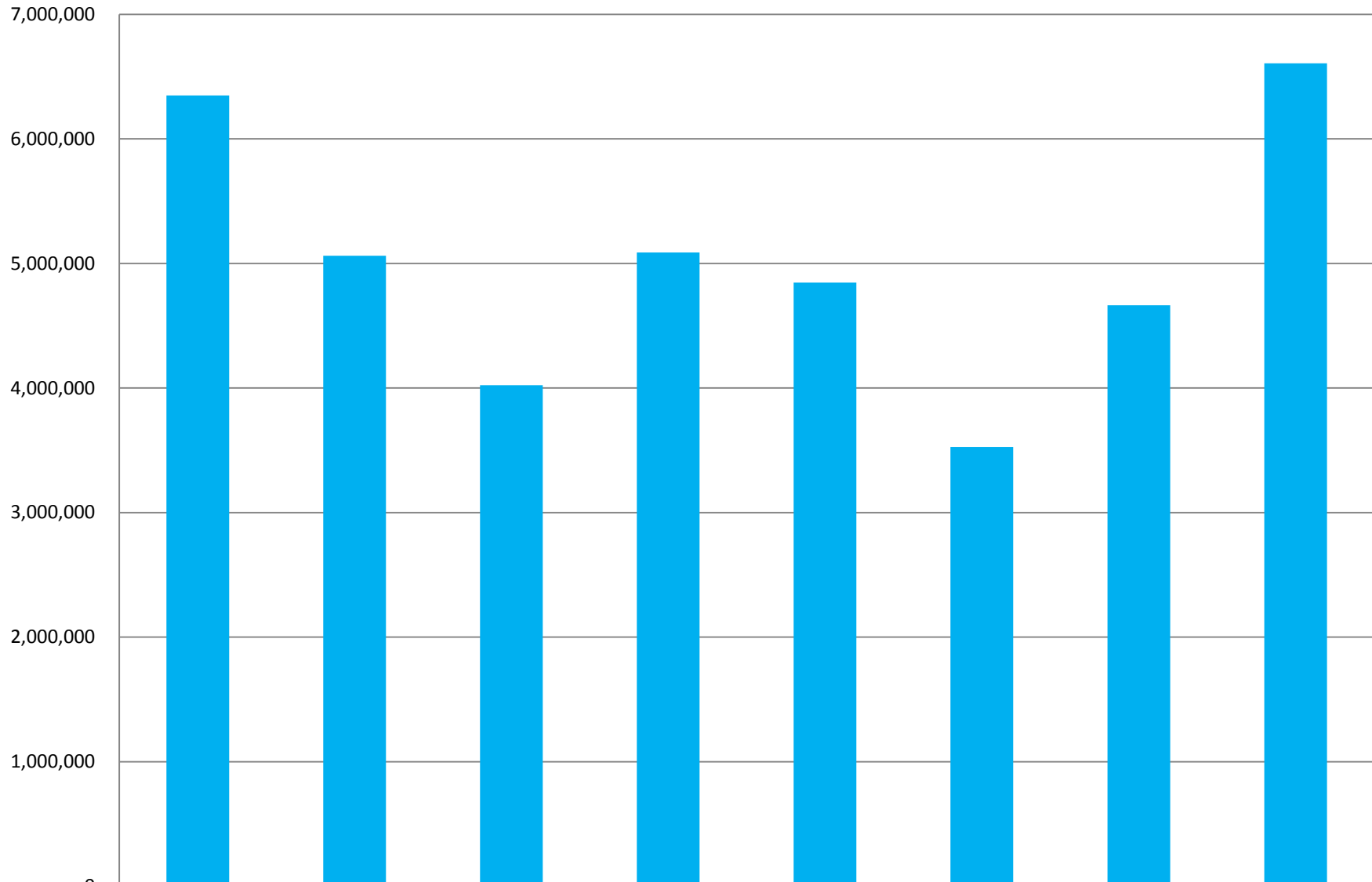
*Marine Division reimburses the self insurance fund for its payouts.

FY 15 Statewide Indemnity Payout Distribution (\$59,503,089)

(Includes WSDOT Marine Division Payouts and Excludes UW and Excess Insurance Refunds)



All Other State Agency Indemnity Payouts FY 08-15

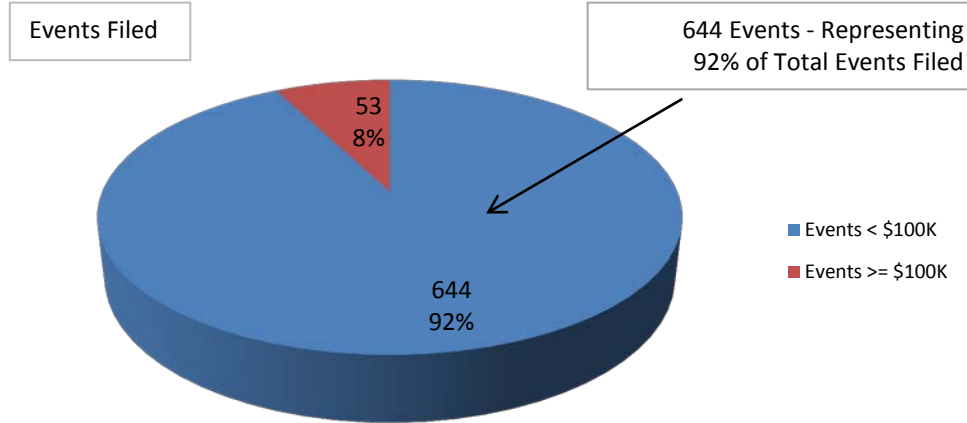


	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
■ All Others	6,348,434	5,062,378	4,022,500	5,088,292	4,847,001	3,527,650	4,664,690	6,605,568

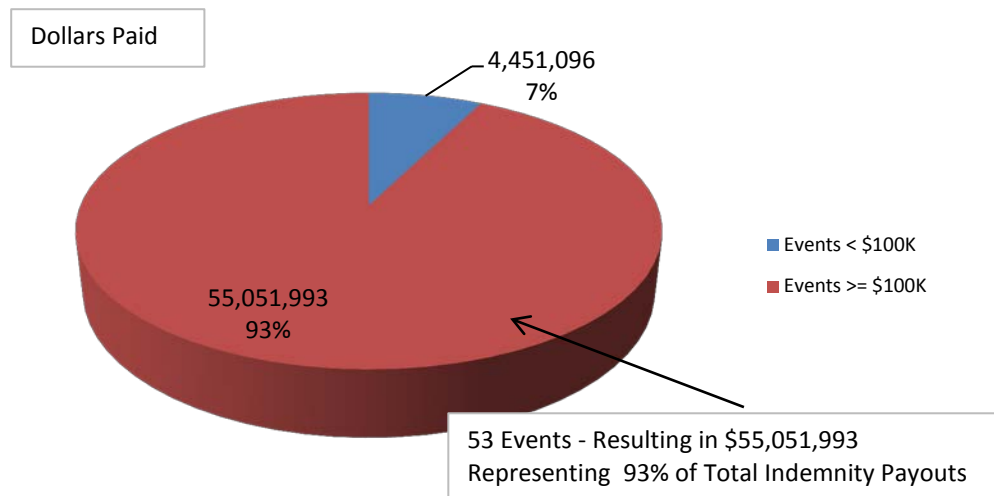
Fiscal Year 2015 Frequency / Severity

92% of event payouts are less than \$100,000 each, and make up 7% of total dollars paid out for indemnities
The remaining 8% of event payouts make up 93% of total dollars paid out for indemnities

Only a few of the events resulting in claims paid, are greater than \$100,000



Most of the events resulting in claims paid, are for less than \$100,000



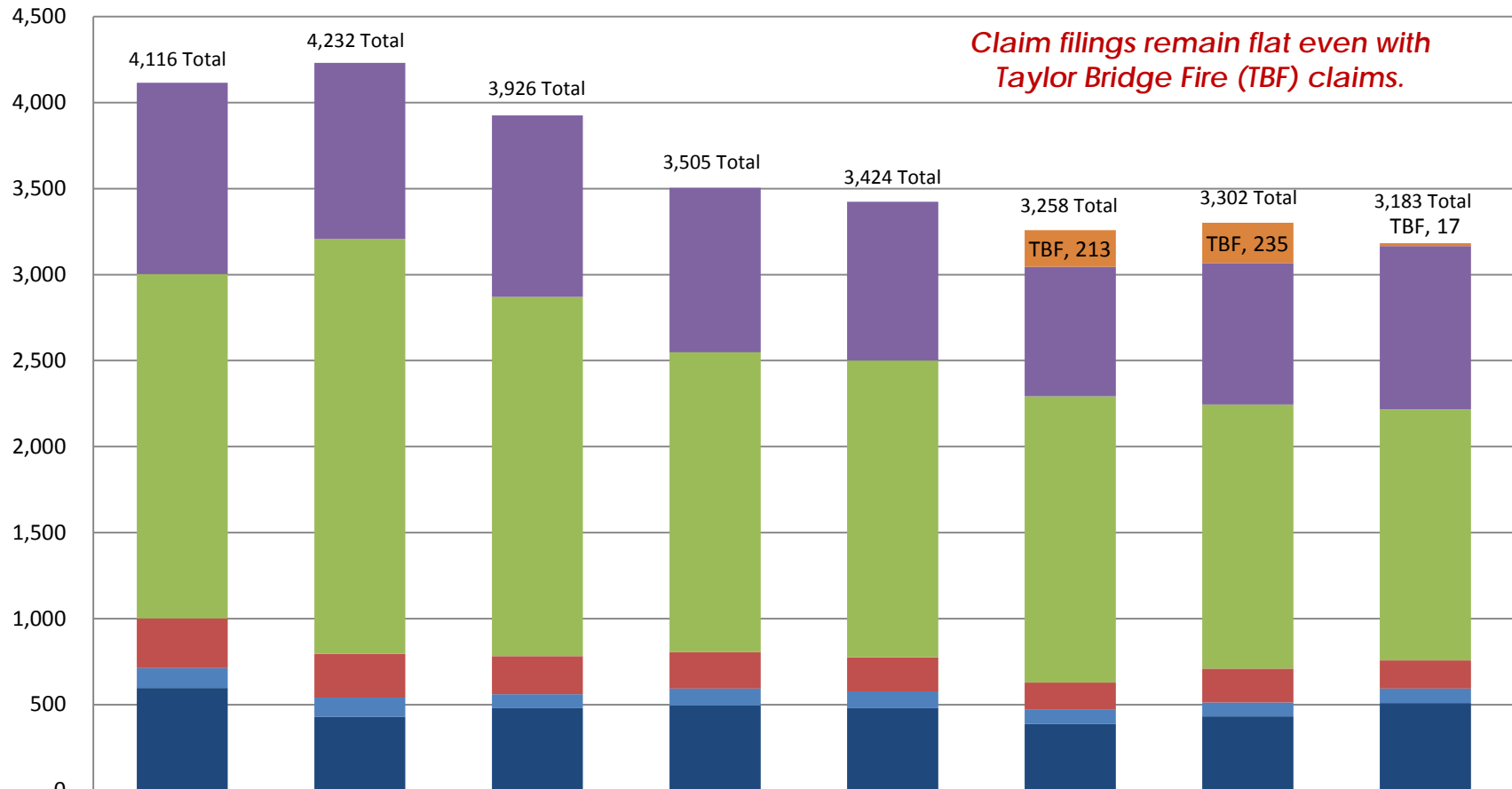
Large Payouts Result from a Small Number of Events (Severity = High / Frequency = Low)

(Includes WSDOT Marine Division Payouts and Excludes UW and Excess Insurance Refunds)

FY 2008	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	3	4,205,500	90%	20	25,599,449	98%	7	4,574,985	88%	12	4,297,830	76%	10	4,153,003	65%
Events < \$100K	43	454,328	10%	61	525,696	2%	343	639,234	12%	329	1,369,305	24%	51	2,195,431	35%
2008 Total	46	4,659,828		81	26,125,145		350	5,214,219		341	5,667,135		61	6,348,434	
FY 2009	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	4	4,527,667	96%	18	25,208,174	96%	13	8,769,455	91%	16	10,050,835	86%	8	3,716,100	73%
Events < \$100K	48	167,278	4%	73	978,559	4%	411	822,493	9%	296	1,684,759	14%	50	1,346,278	27%
2009 Total	52	4,694,945		91	26,186,733		424	9,591,948		312	11,735,594		58	5,062,378	
FY 2010	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	3	3,332,000	91%	18	11,961,162	93%	11	14,864,584	95%	16	13,570,168	88%	7	1,777,500	44%
Events < \$100K	47	324,758	9%	62	848,816	7%	359	791,572	5%	288	1,788,483	12%	46	2,245,000	56%
2010 Total	50	3,656,758		80	12,809,977		370	15,656,156		304	15,358,651		53	4,022,500	
FY 2011	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	2	518,813	55%	19	27,204,647	98%	6	7,970,000	92%	13	32,453,500	97%	12	3,805,734	75%
Events < \$100K	46	424,345	45%	60	587,187	2%	280	646,624	8%	252	1,061,955	3%	47	1,282,559	25%
2011 Total	48	943,159		79	27,791,834		286	8,616,624		265	33,515,455		59	5,088,292	
FY 2012	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	2	795,000	74%	14	19,409,488	98%	8	7,480,000	91%	13	24,706,303	95%	8	3,149,349	65%
Events < \$100K	48	277,951	26%	54	486,033	2%	242	712,717	9%	220	1,236,501	5%	53	1,697,652	35%
2012 Total	50	1,072,951		68	19,895,522		250	8,192,717		233	25,942,804		61	4,847,001	
FY 2013	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	3	3,227,000	85%	18	28,230,000	98%	11	24,685,736	98%	9	3,361,612	79%	8	2,147,620	61%
Events < \$100K	45	565,894	15%	63	562,362	2%	229	509,946	2%	205	875,859	21%	51	1,381,265	39%
2013 Total	48	3,792,894		81	28,792,362		240	25,195,682		214	4,237,470		59	3,528,885	
FY 2014	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	1	370,001	57%	14	17,285,641	97%	10	15,523,181	97%	6	8,425,000	89%	13	3,488,818	75%
Events < \$100K	36	279,557	43%	56	450,191	3%	186	476,123	3%	194	1,014,229	11%	40	1,175,873	25%
2014 Total	37	649,558		70	17,735,832		196	15,999,304		200	9,439,229		53	4,664,690	
FY 2015	WSP	Amount	Percent	DSHS	Amount	Percent	DOC	Amount	Percent	DOT	Amount	Percent	All Others	Amount	Percent
Events > \$100K	2	5,272,877	96%	12	26,733,397	98%	5	5,013,910	88%	16	12,861,588	90%	17	5,170,221	78%
Events < \$100K	36	211,669	4%	48	661,443	2%	178	652,009	12%	215	1,490,628	10%	45	1,435,347	22%
2015 Total	38	5,484,546		60	27,394,840		183	5,665,919		231	14,352,216		62	6,605,568	

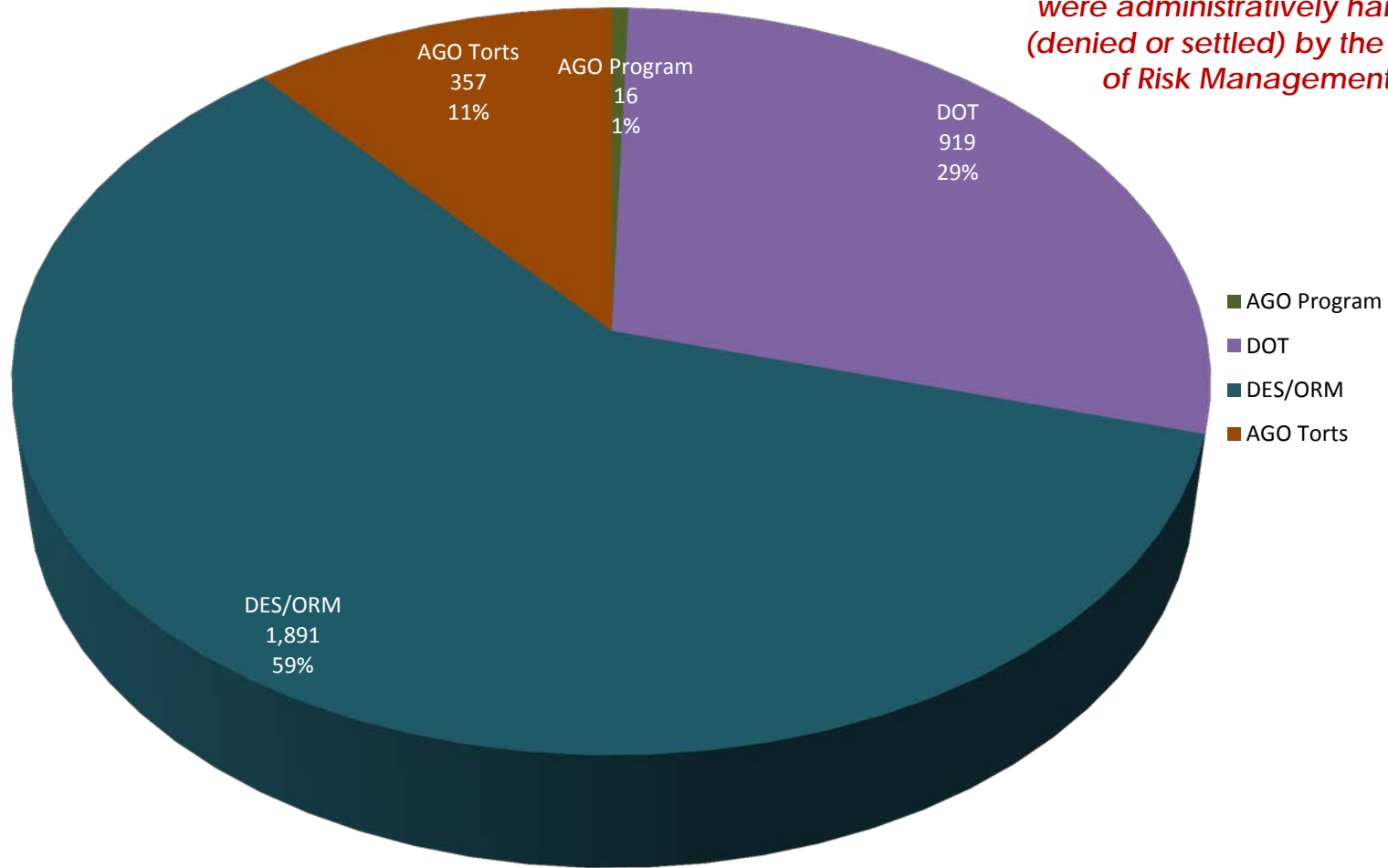
Statewide Tort Claim Filing for FY 08-15

(Excludes UW, Counties, Cities, Public School Districts, and Non State Entities)



	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
TBF	0	0	0	0	0	213	235	17
DOT	1,113	1,025	1,056	957	924	753	822	950
DOC	2,002	2,413	2,089	1,743	1,725	1,664	1,536	1,459
DSHS	288	254	221	212	198	156	196	163
WSP	117	112	81	98	98	83	82	85
All Others	596	428	479	495	479	389	431	509

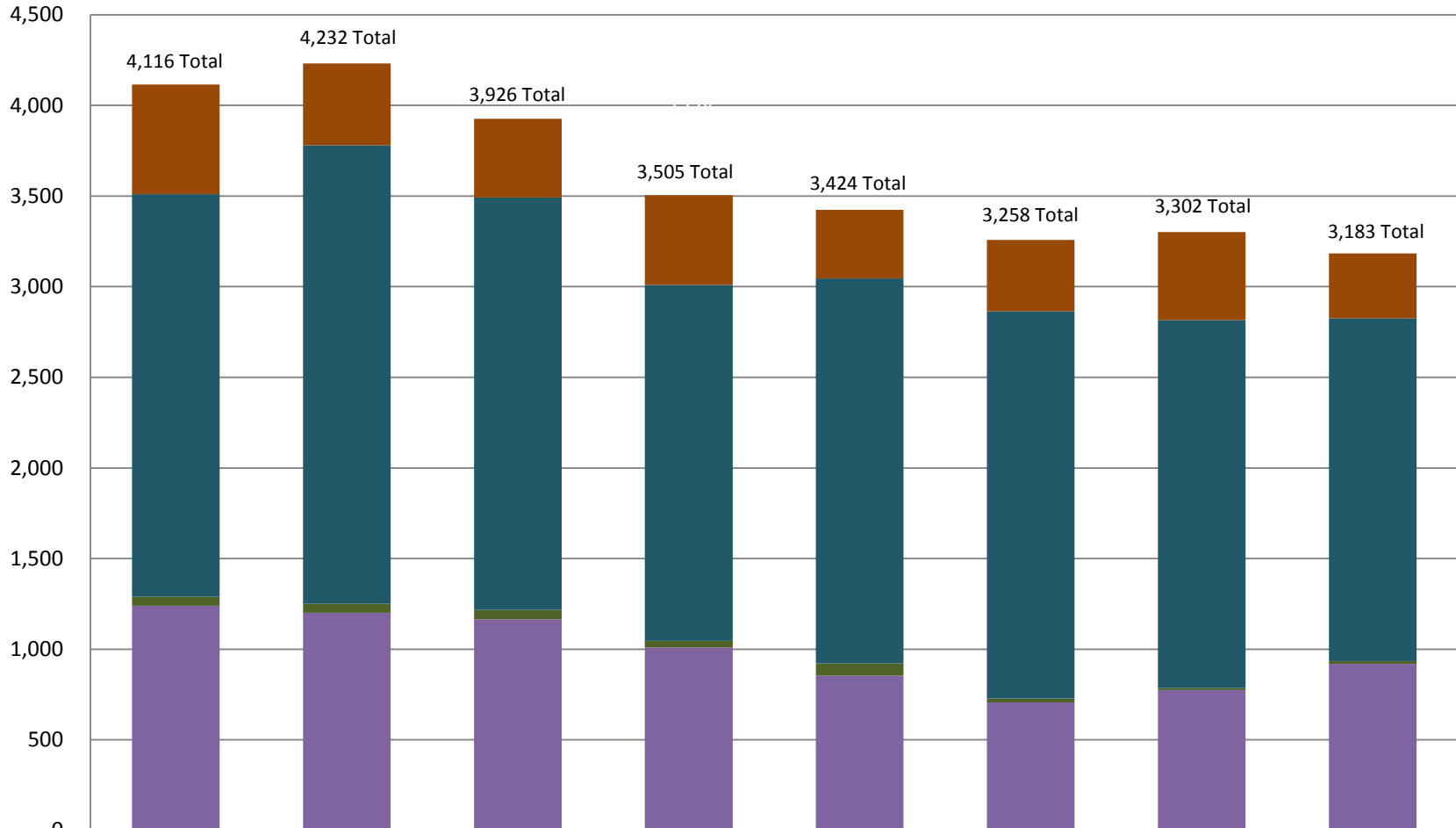
FY 15 Tort Claim Filing by Investigative Office Assigned



59% of tort claims filed in FY 15 were administratively handled (denied or settled) by the Office of Risk Management.

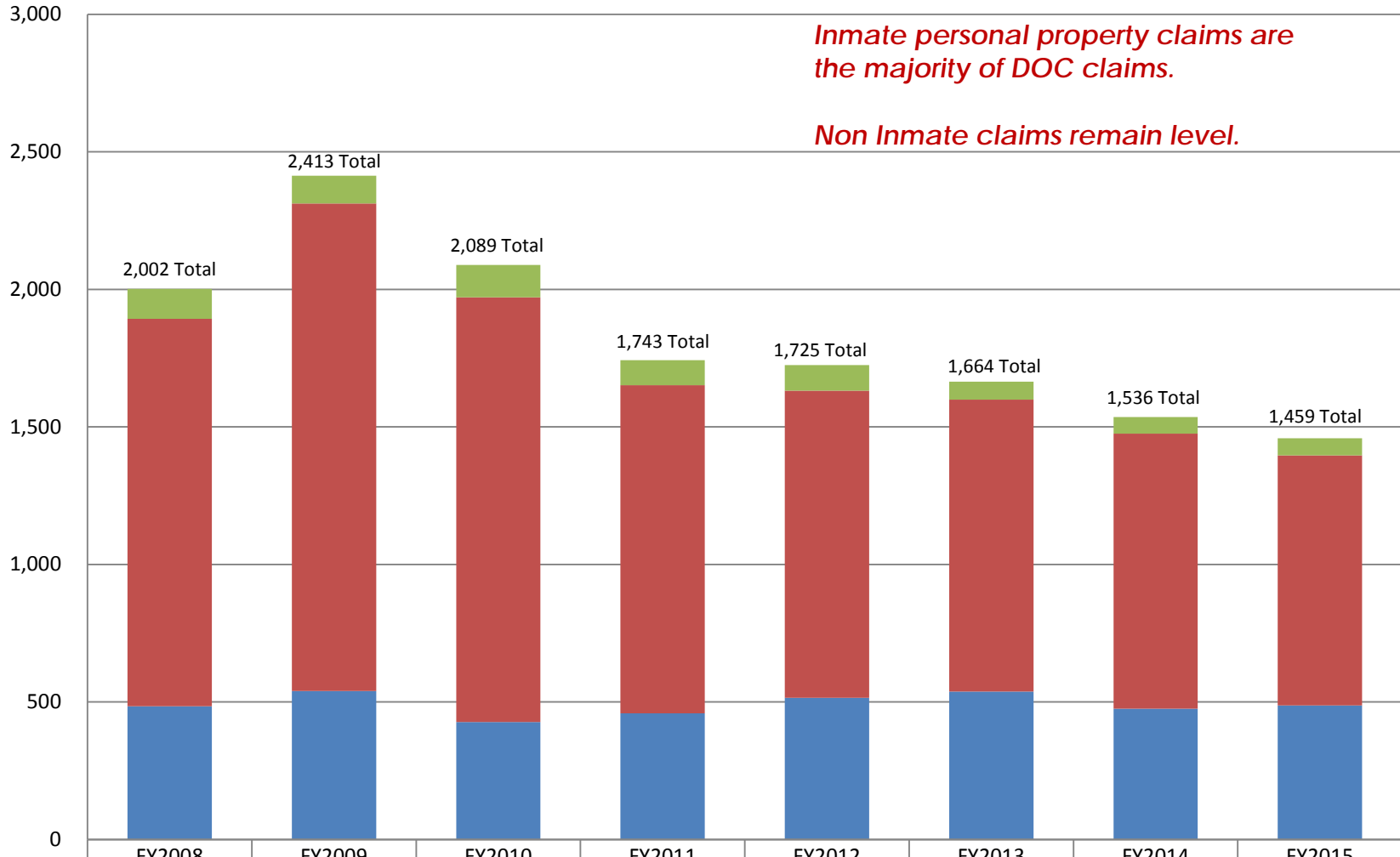
- AGO Program
- DOT
- DES/ORM
- AGO Torts

FY 08 - 15 Tort Claim Filing by Investigative Office Assigned



	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
AGO Torts	606	452	434	495	378	394	486	357
ORM	2,221	2,529	2,275	1,964	2,124	2,136	2,030	1,891
AGO Program	49	50	51	36	68	21	11	16
DOT	1,240	1,201	1,166	1,010	854	707	775	919

Distribution of DOC Claims Filed FY 08 - 15



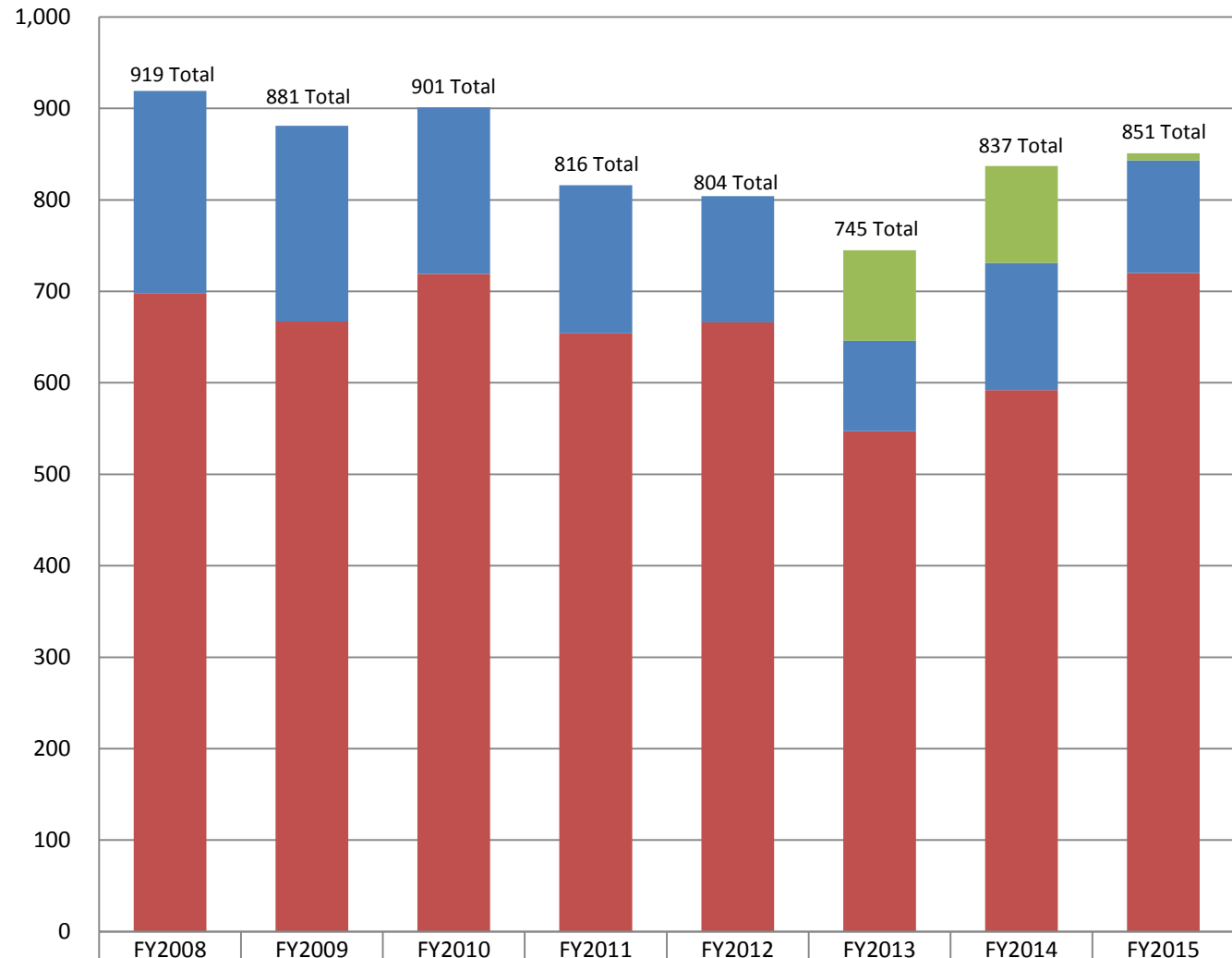
	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Non Inmate	109	101	118	91	93	65	60	63
Inmate PP	1,409	1,772	1,544	1,193	1,117	1,061	1,000	909
Inmate Non PP	484	540	427	459	515	538	476	487

Distribution of DOT Claims Filed FY 08 - 15

(Includes WSDOT Ferries Claims)

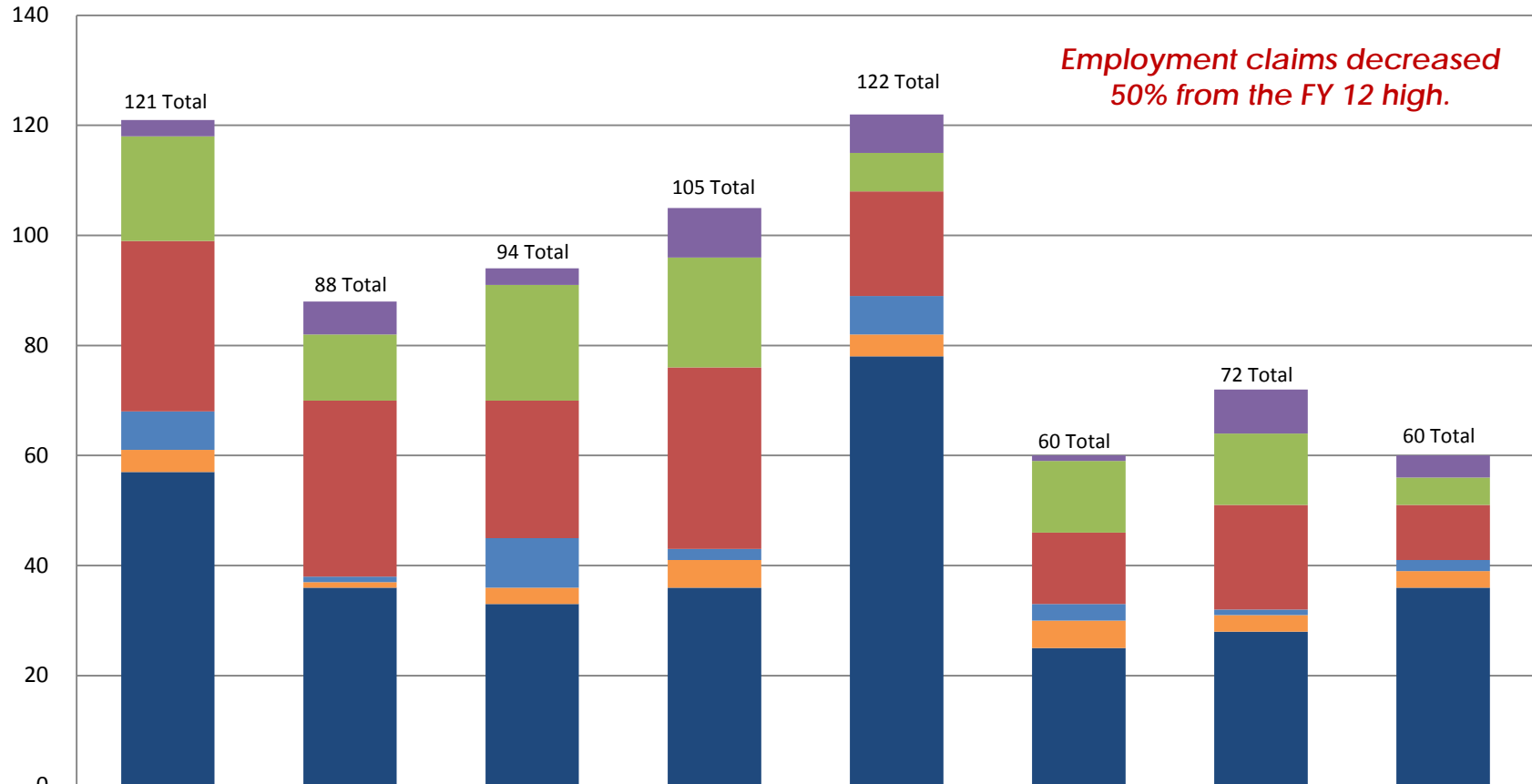
Road construction and maintenance personal property claims inflate the number of DOT claims. Taylor Bridge Fire claims account for an increase in DOT claims in FY 13 and FY 14.

Road construction claims increase in FY 15. These are the majority of DOT claims.



	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Taylor Bridge Fire Claims	0	0	0	0	0	99	106	8
Non Road Construction Maintenance Claims	221	214	182	162	138	99	139	123
Road Construction Maintenance Claims	698	667	719	654	666	547	592	720

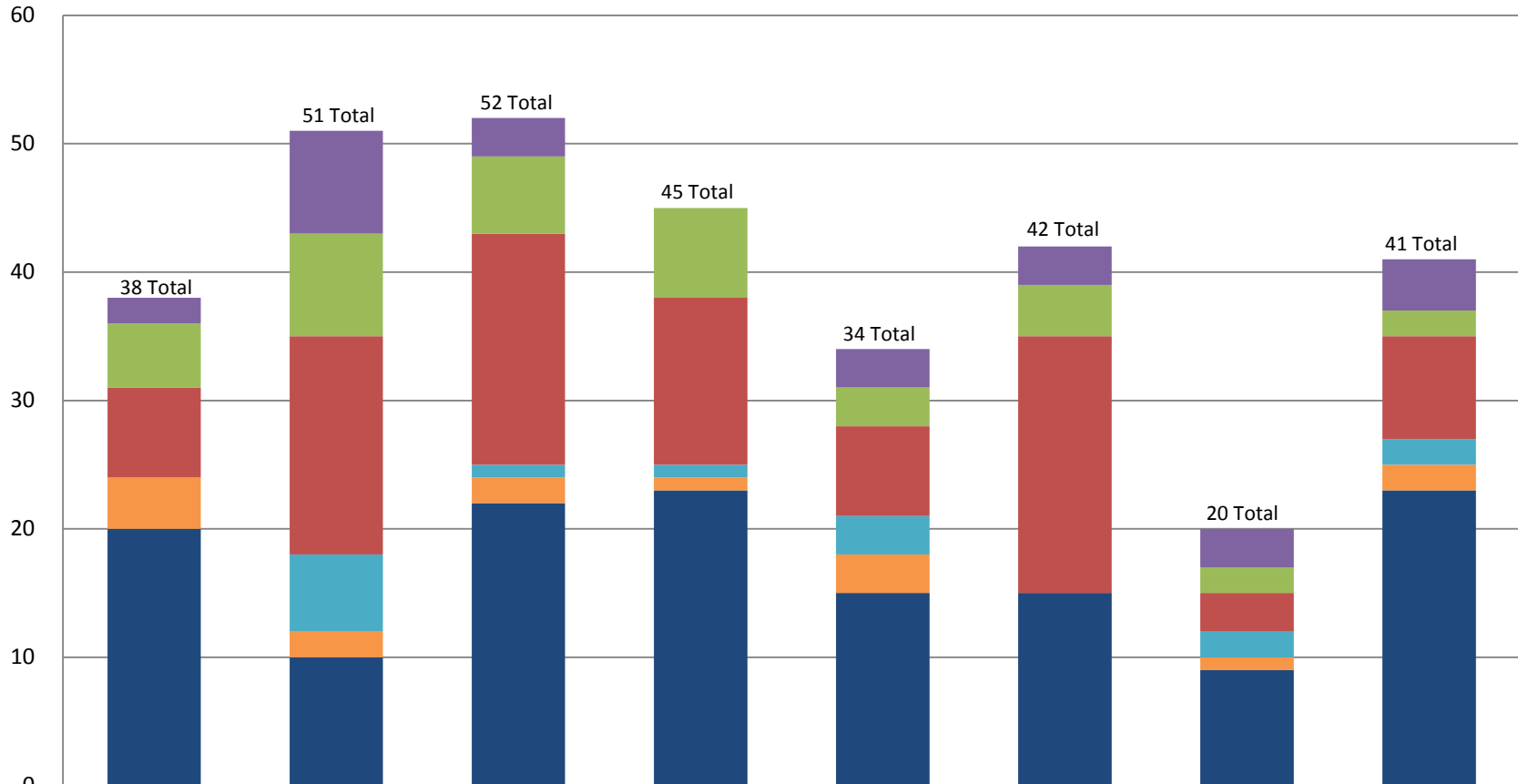
Employment Tort Claims Filed FY 08 - 15



*Employment claims decreased
 50% from the FY 12 high.*

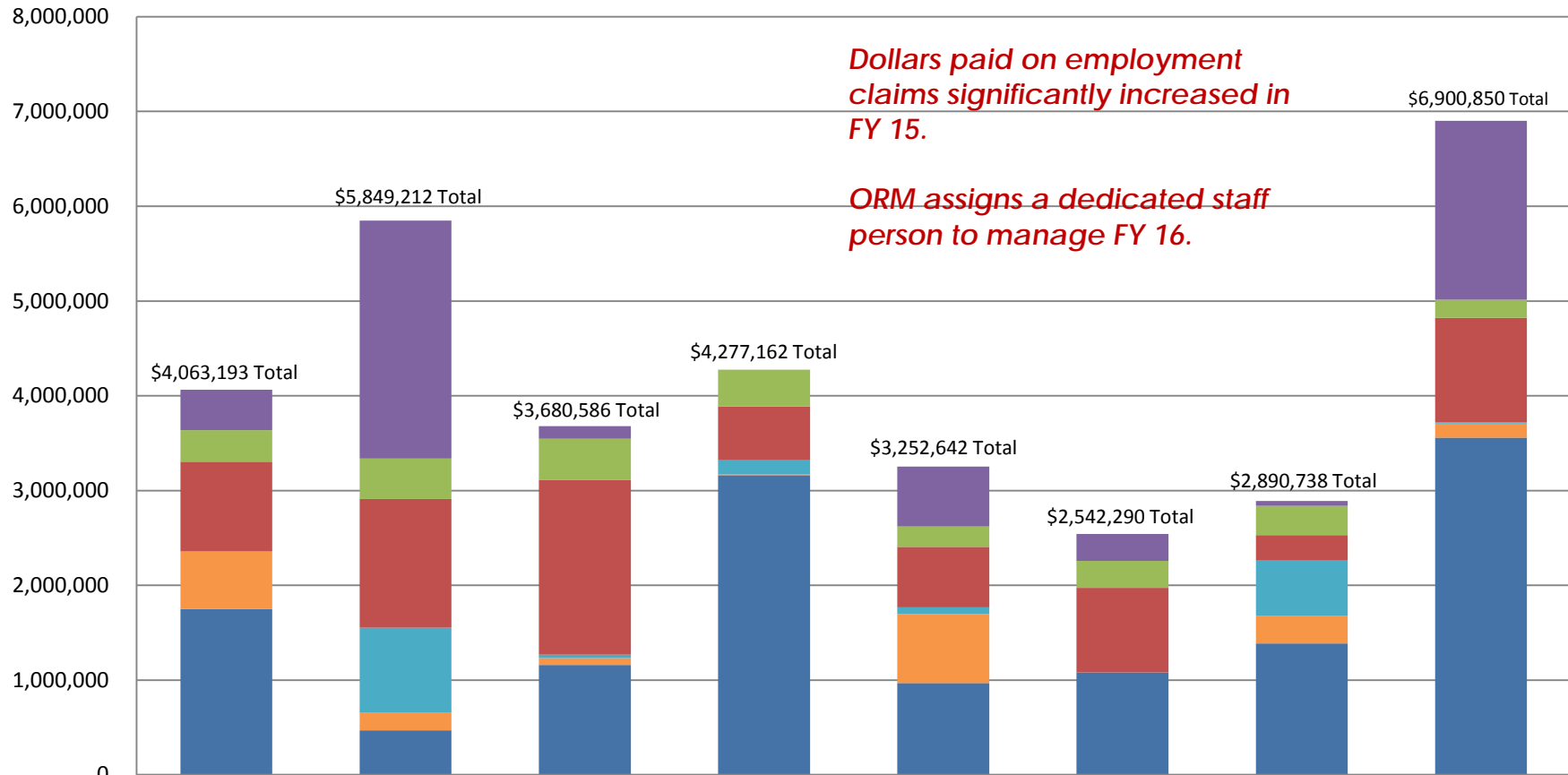
	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
■ DOT	3	6	3	9	7	1	8	4
■ DOC	19	12	21	20	7	13	13	5
■ DSHS	31	32	25	33	19	13	19	10
■ L&I	7	1	9	2	7	3	1	2
■ WSU	4	1	3	5	4	5	3	3
■ All Others	57	36	33	36	78	25	28	36

Employment Tort Claims Paid FY 08 - 15



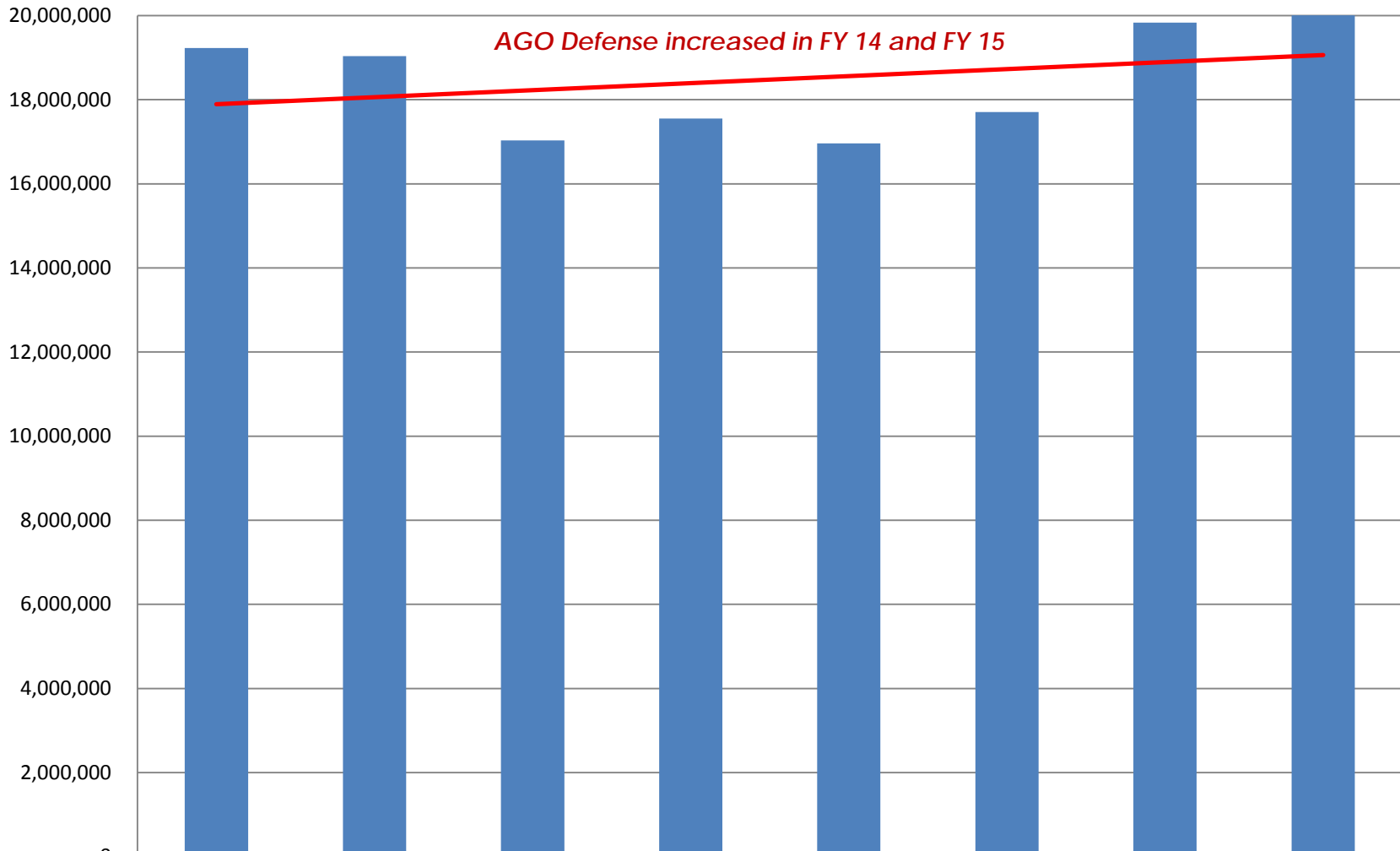
	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
■ DOT	2	8	3	0	3	3	3	4
■ DOC	5	8	6	7	3	4	2	2
■ DSHS	7	17	18	13	7	20	3	8
■ L&I	0	6	1	1	3	0	2	2
■ WSU	4	2	2	1	3	0	1	2
■ All Others	20	10	22	23	15	15	9	23

Employment Indemnity Payouts by Agency FY 08 - 15



	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
■ DOT	427,000	2,509,689	135,000	0	631,483	282,706	50,691	1,886,588
■ DOC	332,000	428,000	431,501	387,500	215,000	284,577	310,188	190,785
■ DSHS	947,710	1,357,104	1,845,712	569,286	638,543	894,814	267,348	1,100,756
■ L&I	0	900,713	37,000	145,000	69,500	0	580,765	15,000
■ WSU	607,462	184,254	71,104	13,642	730,000	0	295,972	147,666
■ All Others	1,749,021	469,453	1,160,269	3,161,734	968,117	1,080,193	1,385,774	3,560,056

**Total AGO Defense Costs
 FY 08 - 15
 \$147,802,160**



	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
■ AGO Defense Costs	19,225,608	19,037,926	17,030,863	17,554,111	16,959,996	17,708,777	19,830,237	20,454,642

Fiscal Year 2015
July 1, 2014 – June 30, 2015
Highest Tort Indemnity Payouts
(Payouts over \$1 million)

Washington State Department of Social and Health Services Claims and Litigation

Claim: 30071083
Claimants: S.R.
Date of Incident: 05/04/1998
Date Claim Filed: 09/16/2013
Indemnity Paid: \$1,300,000

Plaintiff S.R. (DOB 4/21/93) alleges that while she was a foster child, she was sexually abused at the foster homes of Jose and Juanita Miranda, Lisa and Byron James, and Violet and Laverne Rosenfelt. Plaintiff alleges that DSHS knew or should have known that plaintiff was being abused in the foster homes and that DSHS negligently licensed these foster homes. Plaintiff alleged she suffered from severe depression, anxiety, PTSD, incidents of self-harm, and suicidal thoughts. Plaintiff claimed negligent foster care placements, negligent investigation, failure to remove, and civil rights violations.

State of Washington
Department of Enterprise Services

Office of Risk Management

Claim: 30070590
Claimants: Woods, Jack - Guardian ad Litem for
J.W.
Date of Incident: 05/01/2009
Date Claim Filed: 10/18/2013
Indemnity Paid: \$1,750,000

Plaintiff Jack Woods, GAL for minor J.W. (DOB 12/6/04), alleges that Jason Boothby, a licensed foster parent, sexually abused J.W. as well as two other minors, S.G. (12/28/02), and N.G. (DOB 11/05/00), while they were in Boothby's care. Boothby plead guilty for two counts of First Degree Rape of a Child. The minor, through the GAL, claimed emotional and physical injuries, negligent licensing of a foster care provider, and financial damages.

Run Date: September 11, 2015

Source: DES Risk Management
Information System (iVOS)

Claim: 30071164
Claimants: Gholston, Laura M
Date of Incident: 08/01/2004
Date Claim Filed: 03/13/2014
Indemnity Paid: \$2,500,000

Plaintiff Laura Gholston, a severely disabled adult, through her GAL alleges that she was physically/mentally abused and denied of her basic needs by her state-appointed care giver and nephew, LaMarcus Gholston, had no qualifications to care for a vulnerable adult. Plaintiff further alleges that LaMarcus used the money provided by DSHS for alcohol, marijuana, and methamphetamines. Plaintiff sought damages for physical and mental abuse, negligent placement, failure to remove, and negligent investigation.

Claim: 30070806
Claimants: Six children:
V.A.C.
D.J.C.
A.V.C.
R.B.G.
R.G.C.
A.S.C.
Date of Incident: 01/01/2008
Date Claim Filed: 02/10/2012
Indemnity Paid: \$6,726,914.68

Plaintiffs allege that DSHS failed to protect them from Maria Esquivel (an alleged friend of plaintiffs' mother, Maria Chagoya Preciado) who subjected plaintiffs to physical, emotional, and psychological abuse, and neglect and maltreatment. Plaintiffs claim severe physical, mental and emotional injuries, and negligent investigation. \$1.273 million was paid to V.A.C. in FY14, and **in FY15**, the remaining five children were paid a total of \$6,726,914.30. Both settlements were reached in mediation.

Claim: 30070847
Claimants: M.M.
Date of Incident: 01/01/1974
Date Claim Filed: 05/02/2012
Indemnity Paid: \$2,500,000

Plaintiff alleges that she was sexually abused numerous times by foster parent Lester J. Drappeaux. Plaintiff alleges that DSHS was negligent in licensing and supervising Drappeaux as a foster parent, further alleging that DSHS knew Drappeaux was a registered sex offender. Plaintiff claims outrage, emotional and psychological abuse, intentional infliction of emotional distress, medical expenses, punitive damages, and attorney fees.

Claim: 30070978
Claimants: Five children:
I.W.
C.G.
C.G.
N.G.
E.W.
Date of Incident: 09/01/2002
Date Claim Filed: 12/18/2013
Indemnity Paid: \$9,750,000

Plaintiffs, 5 minors I.W. (DOB 8/20/1997), E.W. (DOB 5/15/1999, N.G. (DOB 10/10/2001, C.G. (DOB 7/14/1995), and C.G. (DOB 7/14/1995), were severely physically and mentally abused at the hands of their parents, Sandra and Jeff Weller. The Weller parents were convicted and sentenced to 16+ years each in prison for the multiple counts of extensive abuse. The twins, C.G. and C.G., suffered the brunt of most anger and attacks, but all of them were victims. Multiple referrals were made to DSHS between 2002 and 2011, but the agency did not take any action. On October 11, 2011, the children were rescued by Vancouver Police Department. The condition of the home, in addition to the severity of the abuse, was severe when details were revealed at the criminal trial. Plaintiffs suffer from emotional distress, significant physical and mental abuse, and loss of consortium. Plaintiffs were subjected to neglect, excessive physical beatings, humiliation, degradation, food deprivation, sadism, and malnutrition. Plaintiffs claim that DSHS failed to protect them by not removing from the home after the first intake was received. The case was resolved at mediation.

Washington State Department of Corrections Claims and Litigation

Claim: 31078906
Claimants: Sanders, James A
Kram, Peter
Sanders, Charlene
Kittleman, Chandler
Date of Incident: 04/28/2010
Date Claim Filed: 02/21/2013
Indemnity Paid: \$2,000,000

Plaintiffs allege that they were repeatedly assaulted and witnessed the murder of plaintiff husband and stepfather, James Sanders, by Amanda Knight and Kiyoshi Higashi, two parolees under DOC supervision. Plaintiffs claim wrongful death, physical and emotional injuries, negligent supervision, loss of consortium, financial damages, and loss of future earnings. The case settled at mediation.

Claim: 31078845
Claimants: Theoharis, Dustin T
Date of Incident: 02/11/12
Date Claim Filed: 07/12/13
Indemnity Paid: \$2,500,000

Plaintiff alleges he was shot multiple times by DOC corrections officer Kristopher Rongen and King County Sheriff Deputy Aaron Thompson when they barged into his room after they arrested Nicholas Harrison on a warrant for failing to report to his corrections officer. Plaintiff alleges he was unarmed and asleep in an accessory dwelling when the officers barged in, woke him up, and shot him multiple times. The case settled pre-trial.

Washington State Department of Transportation Claims and Litigation

Claim: 40572987
Claimants: Chaussee, Stephen A.
Date of Incident: 05/16/2008
Date Claim Filed: 06/24/2011
Indemnity Paid: \$1,385,094.08

Plaintiff, a WSDOT / Ferries employee who worked at Eagle Harbor, alleges that he was subjected to a hostile work environment, wrongful demotion, and retaliation after being perceived as a whistleblower involving co-worker Jack Nannery's conduct. Mr. Chaussee complains that after the whistleblower investigation commenced, he found screws in his tire in the workplace on several occasions, that the site is a superfund site, and thus it couldn't have been by accident, and that nothing was done about it. He claims this was retaliation for coworkers' belief that he was the whistleblower, and management encouraged it, and/or didn't do anything about it. A mediation failed and a jury returned a verdict in favor of Chaussee.

Claim: 40574511
Claimants: Nair, Priya P.
Nair, Krishneal
Date of Incident: 07/07/2012
Date Claim Filed: 02/05/2013
Indemnity Paid: \$1,200,000

Plaintiffs allege that Ms. Nair was traveling on I-5 (near milepost 158) when she hit the guardrail causing it to impale the vehicle and severely injure her leg. Plaintiffs, husband and wife, allege DOT knew or should have known that that area of I-5 was not safe. Plaintiffs claim emotional and physical injuries, disfigurement, financial damages, loss of consortium, loss of Ms. Nair's ability to walk independently, inability to return to work, negligent highway design and maintenance, and improper guardrail placement. This claim was settled at mediation.

Claim: 40575262
Claimants: Santos, Gonzalo
Santos, Yolanda J.
Date of Incident: 03/22/2013
Date Claim Filed: 01/10/2014
Indemnity Paid: \$2,000,000

Plaintiff decedent Mr. Gonzalo Santos (DOD 03/22/2013) was driving his truck on the Chehalis River Bridge northbound SR 107 when plaintiff lost control of his vehicle, slid off the icy bridge, veered into the southbound bridge railing and fell into the river 30 feet below where he drowned. Plaintiffs allege that DOT is negligent for the maintenance of the bridge railings and that it knew the rails were in poor condition and needed repairs. Plaintiffs, Mr. Santos' wife and two daughters, claim wrongful death, physical and emotional suffering prior to death, loss of consortium, loss of past/future earnings, property damage, and negligence. The case settled at mediation.

Washington State Department of Transportation / Washington State Patrol Claims and Litigation

Claim: 40574573 (DOT) / 22570469 (WSP)
Claimants: Owen, Timothy D.
Owen, Cheryl
Owen, Jeremy
Owen, Jessica
Mayer, Steven
Mayer, Jaime O.
Date of Incident: 12/21/2012
Date Claim Filed: 05/14/2013
Indemnity Paid: \$10,000,000 (one half charged to WSDOT and one half charged to WSP)

On December 21, 2012, the Owen Family headed out in their Suburban to spend Christmas in Leavenworth, Washington. Tim and Cheryl (father and mother) were in the front seat with Tim driving. Jessie (daughter), Jaimie (daughter) and Stephen (son-in-law) were in the middle seat and Jeremy (son) was in the third row seat by himself. Near MP 79, a snow and ice laden tree fell across the highway landing directly on the front seat of the Suburban. Tim and Cheryl died instantly, Jessie, Jaimie and Stephen were all knocked unconscious and sustained serious injuries. Jeremy avoided serious injury and was able to extricate himself from the vehicle. He was witness to the deaths and injuries of the other passengers. The claim was resolved at mediation. It appeared WSDOT and WSP discussed closing the highway, but did not do so prior to the tree falling.