The Illinois Tollway’s Risk Management Program seeks to identify, assess and manage risks within Tollway’s risk appetite framework and in accordance with the applicable statutes.

The goal is to reduce the uncertainty associated with the execution of the Tollway’s vision to relieve congestion and improve mobility, focus on our customers and strengthen cultural and environmental vitality, all within a fiscally responsible manner.
Applicable Statues

605 ILCS Act 10 Tollway Highway Act
Allows the Authority to be subject to civil action to recover damages for injury to person or property without any form of tort immunity unlike the state and most public bodies.

Trust Indenture Section 715 Maintenance of Insurance
The Authority shall at all times maintain, to the extent reasonably obtainable, the following kinds and the following amounts of insurance, such variations shall be reasonably required to conform to applicable standard or customary insurance practice and subject to such exceptions and permissible deductible as are ordinarily required.

Certificates by the Consulting Engineer made pursuant to this section shall be in writing and filed with the Authority and Trustees annually within 30 days of the close of each fiscal year.
Illinois Tollway Key Statistics

**Property**
- 294 miles/2,290 lane miles
- 684 bridges
- 188 total facilities
- 778 vehicles/1,571 other equipment

**Customers**
- 5.7 million I-PASS accounts
- 2.8 million daily toll transactions

**Contracts Summary - Move Illinois Program (2012-2020)**
- 367 construction contracts
- 274 Professional engineering service contracts
Illinois Tollway Statistics

Information Technology
- 89 toll plazas, 13 maintenance sites and 3 offices
- 1,500 physical and virtual servers
- More than 1,500 network devices
- 6,800+ user accounts

Employees
- 2020 Budgeted headcount 1,462
- 689 HMO/570 PPO
- Average 140 workers’ compensation claims per year
Risks and Vulnerabilities

Liability risks (property and commercial)
• All bridges, buildings and facilities as well as loss of toll revenues due to damage for the Tollway assets
• Injuries to persons and properties
• Contractor’s liability/claims

Cyber risk
• Data losses caused by cyber-attacks, viruses, and other threats
• Lawsuits against the agency that result from data breaches or the failure to protect sensitive information

Solutions
• Insurance
• Safety
• Risk transfer guidelines
Risks and Vulnerabilities

Workers’ compensation
• Claims and reserves

Employee Benefits
• Medical, dental and vision claims
• Self-funded

Solutions
• Safety
• Wellness
Illinois Tollway Insurance Programs

Cyber Liability
Property Insurance
General Liability
Contractor Insurance-transfer
Rolling Owner-Controlled Insurance Program
Equipment Breakdown
Employee Benefits
Public Officials and Employment Practices Liability
Workers’ Compensation

Presented by on April 22, 2021
Cyber Liability

Cyber liability protects the agency against data losses caused by cyber-attacks, viruses, and other threats. It covers lawsuits against the agency that result from data breaches or the failure to protect sensitive information that belongs to our customers.

Threats – Network security, employee sensitive information and cyber extortion

Note: Customer information tokenized in 2015
Cyber Liability Coverage

Insurance Company - Travelers Casualty and Surety Company of America

Policy period - January 1, 2021-2022
Premium - $141,730

- Policy Aggregate Limit of Liability $10,000,000
- Business Interruption $10,000,000
- Regulatory Defense $10,000,000
- Cyber Extortion $10,000,000
Property Insurance

The Tollway’s property insurance protection includes:

• Blanket insurance coverage – all bridges, buildings and facilities as well as loss of toll revenues due to damage – for Tollway assets

• Separate coverage for the central administration facility, its contents and related EDP equipment as insured through an office building insurance policy

The Tollway’s engineering consultants annually certify that insurance proposals received are in accordance with the requirements of the indenture
Property Insurance Coverage

Insurance Companies – RSUI, Westchester and Chubb

Policy period – April 1, 2021-2022
Premium – $1,740,855

- $200,000,000 loss limit (subject to $1,000,000 deductible per loss)
- Earthquake coverage limit is $100,000,000
- Flood coverage limit is $50,000,000
- Coverage for Central Administration facility coverage insures to the replacement cost of the building, as well as coverage for the EDP equipment
Commercial Liability Coverage

Insurance Company – Lexington Insurance Company

Policy period - June 1, 2020-2021
Premium - $1,796,973

• First layer $5,000,000
• Excess layers total $145,000,000 in aggregate
  • Hallmark Specialty Insurance Company
  • Allied World Assurance Company
  • Endurance American Specialty Insurance Company
  • Aspen Specialty Insurance Company
  • Westchester Surplus Lines Insurance Company
  • Great American Ins Company
  • Axis Surplus Insurance Company
  • RSUI Indemnity Company
  • Berkley National Insurance Company
  • Arch Insurance Company
Risk Transfer – Contractors’ Insurance

Required contractor coverages include

- Commercial general liability
- Automobile liability
- Workers’ compensation and employer’s liability
- Excess/umbrella liability
- Contractor’s pollution liability
- Builder’s risk
- Railroad protective (as required by contract)
- Professional liability
Rolling Owner-Controlled Insurance Program

Removing barriers to prime contracting opportunities for small businesses

Provides General Liability insurance coverage on small business contracts, removing a barrier for participation on prime opportunities.

This allows the Tollway to level the playing field for small and diverse businesses and allows more contractors to pursue prime opportunities.
Equipment Breakdown

Insurance Company – Federal Insurance Company
Policy period – August 1, 2020-2021
Premium – $14,120

- Equipment breakdown insures the agency’s assets against damage due to electrical injury including artificially generated current, mechanical breakdown, explosion of steam vessels and piping
- Coverage also includes business income loss
Employee Benefits

Current vendor is Aetna
Two programs, self-insured with stop loss coverage
One PPO program and one HMO program
Current contract expires March 1, 2025, after all renewals
Employee Benefits

Basic term life insurance and AD&D provided at no cost to employees

Dental insurance provided at no additional cost to employees

Optional coverages available include supplemental life insurance, AD&D coverage and voluntary vision
Public Officials & Employment Practices Liability

General Liability policy provides coverage at full limits for the Board of Directors, as well as all employees acting in their official capacity.

As required by Section 7 of the Toll Highway Act, the Tollway procures and maintains a Public Employees Schedule Bond in favor of the People of the State of Illinois, approved by the Governor and Attorney General in the following amounts:

- Board Chairman - $100,000
- Executive Director - $100,000
- Directors - $25,000
- Board Secretary - $25,000
- Assistant Board Secretary - $25,000
The Tollway instituted a self-insured Workers’ Compensation Program in May 1988.

An independent third party actuary annually prepares a fund reserve amount, which is reviewed and recommended by the consulting engineers.

Corvel, the third party administrator, adjusts the claims.

Claim counts – Average 140 claims per year
Funding for the 2020-2021 program year is $6,689,000
Thank You