

Tort Judgments and Settlements Pertaining to WSF and non-WSF Operations

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Pursuant to ESHB 1160, Section 219, of the Washington State Legislature’s budget pertaining to the Washington State Department of Transportation (WSDOT), the following is a summary report of information related to tort judgments and settlements pertaining to the state ferry system (WSF) and nonferry operations of the department for the quarter ending March 31, 2020.

To provide context, there are five general categories of cases. First, there are claims handled and settled by WSDOT per its delegated authority from the Department of Enterprise Services, Office of Risk Management. Second, there are claims and cases tendered to insurance companies wherein contractors hired by WSDOT are required to indemnify the State of Washington for claims related to work on construction projects. Third, there are cases that can be dismissed on motion by a party. Fourth, if a lawsuit cannot be dismissed on motion, an attempt is made to reach an agreed settlement. Finally, there are cases that result in a trial. All of these categories, whether actual litigation or not, may have defense costs relating to them as well as regular payouts. All payments made to litigants are reduced to judgments pursuant to statute codified in RCW 4.92.040 and according to the civil court rule 54(a)(1). A judgment is defined as the final determination of the rights of the parties in an action.

All tort claims received against the state are provided a unique identifying number and are classified by type. Claims are classified as personal property damage, marine vessel property damage, bodily injury, marine crew injury, civil rights, and death. Payments are separated into bodily injury (BI) and property damage (PD). The litigation costs involved in representing WSDOT are recorded as Paid Legal (PL).

The following information is the data required and responsive to Section 219, subsection 2 (a) – (c) and subsection 3 (a) – (c).

Number of Claims by Type

TYPE OF CLAIM	NUMBER BY TYPE	CLAIM TOTALS
WSF claims Opened in FY 20 Q3		15
Bodily Injury	0	
Civil Rights	0	
Marine Crew Injury	0	
Marine Terminal Injury	0	
Marine Terminal Property	3	
Marine Vessel Injury	2	
Marine Vessel Property	9	
Personal Property	1	
WSF claims Closed in FY 20 Q3		21
Bodily Injury	1	
Civil Rights	1	
Marine Crew Injury	1	
Marine Terminal Injury	0	
Marine Terminal Property	2	
Marine Vessel Injury	1	
Marine Vessel Property	14	
Personal Property	1	

TYPE OF CLAIM	NUMBER BY TYPE	CLAIM TOTALS
Non-WSF claims Opened in FY 20 Q3		189
Bodily Injury	12	
Civil Rights	0	
Death	3	
Personal Injury	2	
Personal Property	172	
Non-WSF claims Closed in FY 20 Q3		199
Bodily Injury	17	
Civil Rights	3	
Death	2	
Personal Injury	3	
Personal Property	174	

Payments

TYPE OF CLAIM	NUMBER BY TYPE	TOTAL	INDEMNITY PAYMENTS	DEFENSE PAYMENTS	PAYMENT TOTALS	AVERAGE PAYOUT PER CLAIM TYPE ¹
WSF		28				
Bodily Injury	0		\$0.00	\$0.00	\$0.00	\$0.00
Civil Rights	3		\$0.00	\$30,174.63	\$30,174.63	\$10,058.21
Marine Crew Injury*	12		\$1,200,000.00	\$139,536.31	\$1,339,536.31	\$111,628.03
Marine Terminal Injury	4		\$0.00	\$39,917.50	\$39,917.50	\$9,979.38
Marine Terminal Property	1		\$660.28	\$0.00	\$660.28	\$660.28
Marine Vessel Injury	0		\$0.00	\$0.00	\$0.00	\$0.00
Marine Vessel Property	6		\$11,111.68	\$0.00	\$11,111.68	\$1,851.95
Personal Injury	2		\$75,000.00	\$13,928.72	\$88,928.72	\$44,464.36
TOTAL WSF PAYOUT					\$1,510,329.12	\$53,940.33

Notes: * The marine crew injury indemnity payment of \$1,200,000 was for a single case. The payments made related to the other 11 claims were defense costs.

TYPE OF CLAIM	NUMBER BY TYPE	TOTAL	INDEMNITY PAYMENTS	DEFENSE PAYMENTS	PAYMENT TOTALS	AVERAGE PAYOUT PER CLAIM TYPE ¹
Non-WSF		145				
Bodily Injury	57		\$5,926,590.41	\$584,262.65	\$6,510,853.06	\$114,225.49
Civil Rights	4		\$0.00	\$83,802.16	\$83,802.16	\$20,950.54
Death	14		\$0.00	\$163,468.64	\$163,468.64	\$11,676.33
Personal Injury	7		\$110,765.00	\$44,746.00	\$155,511.00	\$22,215.86
Personal Property	63		\$97,342.84	\$24,116.04	\$121,458.88	\$1,927.92
TOTAL NON-WSF PAYOUT					\$7,035,093.74	\$48,517.89

Notes: 1. The Average Payout Per Claim Type column includes both indemnity payout and defense costs.

The foregoing data is from a report generated by the Department of Enterprise Services Office of Risk Management from the state's tort claim tracking system Origami. For the current quarter, we refined the way the data is extracted from the system. This current method would have resulted in slight differences in the data reported for the first and second quarters. If needed, we can regenerate the prior two reports.

Proviso Section 2(d) Response

Moving legal costs due to claims associated with WSF into the statewide Self-Insurance Liability Account (SILA) administered by the Department of Enterprise Services (DES), Office of Risk Management will result in increased predictability by paying those costs through the SILA biennial premium. SILA premiums are established by actuarial analysis rather than paying costs incurred throughout the biennium, the unpredictability of which is often difficult for Program U to manage. However, DES, Office of Risk Management still bills WSDOT for reimbursement of costs associated with claims filed prior to July 1, 2019. Thus, costs for all WSF claims filed prior to July 1, 2019 will be difficult to predict until all claims are resolved. For any claims filed prior to July 1, 2019 for which there is a settlement, WSDOT will keep the governor's office and legislature informed, and identify the additional budget impacts.

Should you have any questions, or need further information, please contact Streator Johnson, Administrative Risk Manager, at 360-704-6360, or johnsst@wsdot.wa.gov.