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**COUNTY OF LOS ANGELES**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, CA 90012  
(213) 973-1101 [ceo.lacounty.gov](http://ceo.lacounty.gov)

**ACTING CHIEF EXECUTIVE OFFICER**

Joseph M. Nicchitta

*"To Enrich Lives Through Effective and Caring Service"*

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

December 02, 2025

21 December 2, 2025

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

A handwritten signature in black ink that reads "Edward Yen".

EDWARD YEN  
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST APPROVAL TO EXECUTE A CONTRACT AMENDMENT WITH GEORGE HILLS  
COMPANY, INC., FOR CLAIMS ADMINISTRATION AND LITIGATION MANAGEMENT SUPPORT  
SERVICES  
(ALL DISTRICTS) (3-VOTES)**

**SUBJECT**

The Chief Executive Office (CEO), Risk Management Branch requests delegated authority to execute an amendment to the current contract AO-24-404 with George Hills Company, Inc. (George Hills), for Claims Administration And Litigation Management Support Services (CAALMSS).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Acting Chief Executive Officer, or his designee, to execute an amendment to contract number AO-24-404, substantially similar to the Enclosure, with Third-Party Administrator (TPA) George Hills, to provide claims administration services for up to 40,000 new claims arising from the January 2025 Wildfires (2025 Wildfires), at a rate of \$330 per claim. The amendment will retroactively cover the costs of administrative services rendered for the 2025 Wildfire claims from January 28, 2025, through June 30, 2026, the end of the current contract term, for a total amount not to exceed \$13,200,000.00, thereby increasing the maximum contract sum to \$25,845,406.33.
2. Delegate authority to the Acting Chief Executive Officer, or his designee, to execute future amendments to contract number AO-24-404 to increase the annual contract sum by no more than 15 percent in each applicable annual contract term, based on the revised maximum contract sum of \$33,852,125.83, through June 30, 2029, the end of the contract term if all option years are exercised, to address unanticipated or emergency workload increases, subject to approval as to form by County Counsel.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

### **Background**

The Palisades and Eaton Fires, which ignited on January 7, 2025, burned a combined total of 37,469 acres, making this dual wildfire event one of the most destructive in Los Angeles County's (County) history. According to the recent After-Action Review Report prepared by the McChrystal Group, the Palisades Fire affected more than 20,000 individuals and destroyed approximately 6,837 structures. The Eaton Fire impacted nearly 23,000 residents, demolished approximately 9,400 structures, and damaged more than 1,000 additional buildings. The unprecedented scale of devastation has resulted in a substantial increase in claims for damages filed against the County.

This extraordinary and unanticipated surge in claim volume could not have been foreseen at the time the County executed its contract with George Hills. Consequently, the TPA is experiencing staffing shortages that are impeding the timely and efficient processing of claims. Given the magnitude of this catastrophic event, additional personnel are required to manage the increased workload and ensure each claim is processed promptly, accurately, and in compliance with all statutory deadlines.

### **Recommendations**

Approval of Recommendation 1 will authorize the Acting Chief Executive Officer, or his designee, to amend the County's existing contract with George Hills to provide the necessary CAALMSS. This amendment will address the immediate need to administer approximately 17,000 pending claims and provide retroactive coverage for approximately 5,000 claims arising from the 2025 Wildfires.

Approval of Recommendation 2, delegate authority to the Acting Chief Executive Officer, or his designee, to increase the maximum annual contract sum by up to 15 percent for each successive contract term through June 30, 2029. This delegated authority will ensure that the County retains the flexibility necessary to respond to any future surge in claims and maintain compliance with statutory and regulatory obligations—without interruption to critical claims administration services.

### **Implementation of Strategic Plan Goals**

The recommended actions support the Countywide Strategic Plan: North Star 3 – Realize Tomorrow's Government Today, by enhancing the County's operational effectiveness through timely, efficient and responsive third-party claims administration services. These actions will enable the County to manage liability costs more effectively under emergency and high-volume claim conditions, ensuring fiscal responsibility and continuity of service delivery during disaster recovery efforts.

## **FISCAL IMPACT/FINANCING**

The recommended amendment will increase the contract sum by \$13,200,000.00, resulting in a revised maximum contract sum of \$25,845,406.33. Funding for this amendment is included within the CEO's Insurance Operating Budget, which is financed through cost allocations to County departments that utilize these services.

To ensure adequate funding for future needs, the CEO will allocate up to \$33,852,125.83 over the remaining contract term, contingent upon the exercise of all option years. This allocation will provide sufficient budgetary flexibility to address any unanticipated contract expenditures associated with

emergency events or increased claim volumes.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Government Code Section 31000.8, the County is authorized to contract with TPAs for the management of workers' compensation, public liability, and employee health and welfare claims. Proposition A does not apply to this contract; therefore, George Hills is not subject to the Living Wage Program (County Code Chapter 2.201).

The services provided under this contract are of a specialized and technical nature. Accordingly, the CEO has determined that the contract does not impact Board Policy No. 5.030, "Low-Cost Labor Resources Program."

The enclosed amendment includes all required Board provisions, contractual safeguards, and terms and conditions necessary to protect the County's interests. County Counsel has reviewed and approved the contract amendment as to form.

### **CONTRACTING PROCESS**

On January 23, 2024, the Board of Supervisors (Board) authorized CEO to enter into a contract with George Hills to provide CAALMSS for the County. Your Board also delegated authority to the CEO to execute contract amendments increasing the annual contract sum by no more than 15 percent to address unanticipated or emergency workload increases. On March 19, 2024, the CEO exercised this delegated authority and executed the contract.

Subsequently, on June 24, 2024, Amendment No. 1 was executed to address unanticipated workload increases associated with claims arising under the California Child Victims Act (Assembly Bill 218).

The proposed amendment results from direct negotiations with George Hills necessitated by extraordinary and unforeseen workload increases stemming from the 2025 Wildfires. These catastrophic wildfires caused widespread destruction to homes, businesses, and communities throughout the County. Nearly one year later, tens of thousands of residents remain displaced, further straining the County's housing market and generating an unprecedented number of claims requiring immediate and effective administration.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will ensure continuity of service and enable the CEO Risk Management Branch, in collaboration with County Counsel and George Hills, to effectively mitigate County liability exposure through the timely resolution of claims and litigation. These actions will strengthen the County's capacity to respond to large-scale emergencies by ensuring adequate administrative resources are in place to manage unanticipated surges in claim volume, thereby safeguarding County operations and maintaining essential public services.

The Honorable Board of Supervisors

12/2/2025

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Respectfully submitted,



Joseph M. Nicchitta

Acting Chief Executive Officer

JMN:JG:DC

RUC:KSJ:AT:OS:JT:er

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller

**COUNTY OF LOS ANGELES**  
**CLAIMS ADMINISTRATION AND LITIGATION SUPPORT SERVICES**  
**CONTRACT NO. AO-24-404**  
**AMENDMENT THREE**

THIS AMENDMENT is made and entered into by and between

and

COUNTY OF LOS ANGELES  
(hereinafter "COUNTY"),

GEORGE HILLS  
(hereafter "CONTRACTOR")

Business Address:  
30401 Agoura Road, Suite 120  
Agoura Hills California 91301

**Recitals**

**WHEREAS**, on January 23, 2024, the Board of Supervisors (Board) authorized the Chief Executive Officer (CEO) to enter into contract No. AO-24-404 "Contract" with Contractor to provide claims administration and litigation management support services for the County, for an initial term of five years from July 1, 2024 through June 30, 2029 with a Maximum Contract Sum of \$10,966,005.50, and the Board delegated authority to the CEO, or her designee, to execute amendments to increase the annual Contract Sum by no more than 15 percent to address unanticipated and emergency workload increases; and

**WHEREAS**, on March 19, 2024, the CEO exercised this delegated authority to execute the Contract; and

**WHEREAS**, pursuant to Paragraphs 8.1.1 and 8.1.2 of the Contract, the CEO is authorized to: 1) execute amendments and change notices; and 2) add and/or change provisions required by the County's Board; and

**WHEREAS**, on June 24, 2024, Amendment One was executed due to unanticipated workload increases resulting from California Child Victims Act (AB 218) claims, and the County added 2 claims specialists to the current staffing model of 11 claims specialists to further administer and provide incident, claims, and litigation management and support services. The CEO exercised its delegated authority to both increase the maximum contract sum by up to fifteen percent (15%), an increase of \$1,649,400.83, for a maximum contract sum of \$12,645,406.33, and also add and/or change applicable Board provisions; and

**WHEREAS**, on June 25, 2025, Amendment Two was executed to 1) memorialize the Contractor as solely responsible for Contract, and 2) update technical exhibits, and update approval Board provisions as required; and

**WHEREAS**, County and Contractor agree that it is to their mutual benefit to amend the contract to provide additional As-Needed Claims Services for the greatly increased volume of claims resulting from the January 2025 Wildfires at a rate of \$330 per claim, retroactively from January 28, 2025 through June 30, 2026; and

**NOW THEREFORE**, in consideration of the mutual benefits derived therefrom, it is agreed between the County and Contractor that Contract No. AO-24-404 is amended as follows:

1. This Amendment Three shall be effective upon execution.
2. Section 5.0, Contract Sum, Paragraph 5.1, Total Contract Sum, Subparagraph 5.1.2, is revised to read as follows:

“5.1.2 The Maximum Contract Sum of this Contract shall be \$25,845,406.33 for the Term of this Contract, with any costs incurred to complete this project, in excess of the Maximum Contract Sum, to be borne by Contractor. If County does not accept work under and in accordance with this Contract, no payment shall be due to Contractor for such work.”
3. SOW Technical Exhibits cover page is updated to add Exhibit A-11, Claims and Caseload Data Report for the Wildfires of January 2025.
4. Exhibit A-11, Technical Exhibit to the Statement of Work (Claims Administration – January 2025 Wildfire), is attached hereto and incorporated herein by reference.
5. Exhibit B-1, Pricing Schedule, is deleted in its entirety and is replaced by Exhibit B-2 (Pricing Schedule), attached hereto, and incorporated herein by reference. All references to Exhibit B-1 will hereafter refer to Exhibit B-2.
6. Exhibit C-1, County’s Administration, is deleted in its entirety and is replaced by Exhibit C-2 (County’s Administration), attached hereto, and incorporated herein by reference. All references to Exhibit C1- will hereafter refer to Exhibit C-2.
7. Except as expressly provided in this Amendment, all other mutual promises, covenants, terms and conditions of the Contract will remain the same and in full force and effect.

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**IN WITNESS WHEREOF**, the parties hereto have authorized this Amendment to be executed on its behalf by its duly authorized officials:

**COUNTY OF LOS ANGELES:**

**CONTRACTOR:**

GEORGE HILLS COMPANY, INC.

By \_\_\_\_\_  
JOSEPH M. NICCHITTA  
Acting Chief Executive Officer

By \_\_\_\_\_  
JOHN CHAQUICA  
Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By *Jason C Carnevale*  
JASON C. CARNEVALE  
Deputy County Counsel

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## **CLAIMS ADMINISTRATION – JANUARY 2025 WILDFIRE**

### **A. DEFINITION**

January 2025 Wildfire Claims are defined as claims categorized under Catastrophe Code: Fires Windstorms and Sub-Catastrophe Code: Palisades Fire or Eaton Fire.

### **B. CLAIMS ADMINISTRATION**

Claims shall be administered per contract terms, with the exception that claims shall not be sent to Departments for investigation. Departments will receive reports internally in lieu of individual notices from the contractor.

Claims administration services are separate from litigation management support services. The former applies to submissions that are in the claim state, while the latter applies to lawsuits.

## PRICING SCHEDULE

TERM	ANNUAL FIXED FEE	15% INCREASE EXERCISED VIA AMENDMENT ONE*	MAXIMUM ANNUAL FEE (INCLUDING OPTIONAL 15% INCREASE)
07/01/2024 - 06/30/2025	\$1,990,000.00	\$298,500.00	\$2,288,500.00
07/01/2025 - 06/30/2026	\$2,089,500.00	\$313,425.00	\$4,691,425.00
07/01/2026 - 06/30/2027	\$2,193,975.00	\$329,096.25	\$7,214,496.25
07/01/2027 - 06/30/2028	\$2,303,673.00	\$345,550.95	\$9,863,720.20
07/01/2028 - 06/30/2029	\$2,418,857.50	\$362,828.63	\$12,645,406.33
<b>Maximum Contract Sum for Base (Initial) Term</b>	\$10,996,005.50	\$1,649,400.825	<b>\$12,645,406.33</b>
<b>OPTIONAL EXTENSION TERM</b>	<b>ANNUAL FIXED FEE</b>	<b>-</b>	<b>TOTAL CONTRACT SUM</b>
07/01/2029 - 06/30/2030	\$2,539,800.00	-	\$15,185,206.33
07/01/2030 - 06/30/2031	\$2,666,790.00	-	\$17,851,996.33
07/01/2031 - 06/30/2032	\$2,800,129.50	-	\$20,652,125.83
<b>Maximum Contract Sum for all Optional Extensions</b>	\$8,006,719.50	-	

### \*AB 218 Claims Administration

The County Program Monitor will review and verify service fees related to additional staffing required to administer AB 218 claims. The "additional staffing" shall mean two (2) additional claims specialists above the currently staffed eleven (11). Such charges shall be billed in arrears and subject to proof of actual additional staffing for the applicable service month.

\*\*\*\*\*

### January 2025 Wildfire Claims Service Period: July 1, 2025, through June 30, 2026

SERVICE TYPE	SERVICE RATE	# OF CLAIMS	TOTAL AMOUNT
As-Needed Claims Services**	\$330 per claim	Approximately 40,000	\$13,200,000

\*\*County Project Manager will review and verify as-needed claim(s) before approving invoice(s) for payment. Services are for claims resulting from the January 2025 wildfires.

## COUNTY'S ADMINISTRATION

**CONTRACT NO. AO-24-404**

**COUNTY CONTRACT ADMINISTRATOR (CCA):**

Name: DESTINY CASTRO

Title: BRANCH MANAGER, CHIEF EXECUTIVE OFFICE - RISK MANAGEMENT  
BRANCH

Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013

Telephone: (213) 351 – 5346

E-Mail Address: [dcastro@ceo.lacounty.gov](mailto:dcastro@ceo.lacounty.gov)

**COUNTY PROJECT DIRECTOR:**

Name: ANTHONY TARAS

Title: MANAGER, CEO

Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013

Telephone: (213) 351 – 6405

E-Mail Address: [ataras@ceo.lacounty.gov](mailto:ataras@ceo.lacounty.gov)

**COUNTY PROJECT MANAGER:**

Name: OLGA SVITLYNETS

Title: CHIEF PROGRAM SPECIALIST

Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013

Telephone: (213) 351 – 6628

E-Mail Address: [osvitlynets@ceo.lacounty.gov](mailto:osvitlynets@ceo.lacounty.gov)

**COUNTY CONTRACT PROJECT MONITOR:**

Name: JUNE TAI

Title: PROGRAM SPECIALIST IV

Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013

Telephone: (213) 639 – 6368

E-Mail Address: [jtai@ceo.lacounty.gov](mailto:jtai@ceo.lacounty.gov)