

Captive Insurance Agency

Table RJ0-1

Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Approved	FY 2026 Proposed	% Change from FY 2025
OPERATING BUDGET	\$9,450,177	\$10,941,467	\$11,371,699	\$11,732,526	3.2
FTEs	5.7	7.2	6.0	6.0	0.0
CAPITAL BUDGET	\$0	\$0	\$0	\$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

The mission of the Captive Insurance Agency (“the Captive”) is to provide medical malpractice insurance for local non-profit health centers, and to procure real property insurance for District government real property assets, personal property insurance for District personal property assets, liability insurance to protect the District against loss arising out of a legal liability to others, and such other insurance policies as the Chief Risk Officer determines necessary to minimize the risk of loss to the District. The Captive is administered by the Chief Risk Officer, Office of Risk Management (ORM). The liability of the agency is limited to the funds available to the Captive's participants.

The agency's FY 2026 proposed budget is presented in the following tables:

FY 2026 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table RJ0-2 contains the proposed FY 2026 budget and proposed Full-Time Equivalents by revenue type compared to the FY 2025 approved budget. It also provides FY 2023 and FY 2024 actual data.

Table RJ0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2023	Actual FY 2024	Approved FY 2025	Proposed FY 2026	Change from FY 2025	% Change*	Actual FY 2023	Actual FY 2024	Approved FY 2025	Proposed FY 2026	Change from FY 2025	% Change
GENERAL FUND												
Local Funds	9,208	10,449	10,522	10,887	365	3.5	3.7	5.2	4.0	4.0	0.0	0.0
Special Purpose												
Revenue Funds	242	493	850	846	-4	-0.5	2.0	2.0	2.0	2.0	0.0	0.0
TOTAL FOR GENERAL FUND	9,450	10,941	11,372	11,733	361	3.2	5.7	7.2	6.0	6.0	0.0	0.0
GROSS FUNDS	9,450	10,941	11,372	11,733	361	3.2	5.7	7.2	6.0	6.0	0.0	0.0

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private) and Special Purpose Revenue type, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2026 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2026 Proposed Operating Budget, by Account Group

Table RJ0-3 contains the proposed FY 2026 budget at the Account Group level compared to the FY 2025 approved budget. It also provides FY 2023 and FY 2024 actual expenditures.

Table RJ0-3

(dollars in thousands)

Account Group	Actual FY 2023	Actual FY 2024	Approved FY 2025	Proposed FY 2026	Change from FY 2025	Percentage Change*
701100C - Continuing Full Time	501	624	473	554	82	17.3
701200C - Continuing Full Time - Others	105	191	174	98	-76	-43.6
701300C - Additional Gross Pay	25	2	0	0	0	N/A
701400C - Fringe Benefits - Current Personnel	135	180	157	157	-1	-0.4
SUBTOTAL PERSONNEL SERVICES (PS)	766	997	804	809	5	0.6
711100C - Supplies and Materials	-1	3	1	1	0	0.0
713100C - Other Services and Charges	8,681	9,942	10,566	10,922	356	3.4
715100C - Other Expenses	4	0	0	0	0	N/A
SUBTOTAL NONPERSONNEL SERVICES (NPS)	8,684	9,945	10,567	10,923	356	3.4
GROSS FUNDS	9,450	10,941	11,372	11,733	361	3.2

*Percent change is based on whole dollars.

FY 2026 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table RJ0-4 contains the proposed FY 2026 budget by division/program and activity compared to the FY 2025 approved budget. It also provides FY 2023 and FY 2024 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table RJ0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2023	Actual FY 2024	Approved FY 2025	Proposed FY 2026	Change from FY 2025	Actual FY 2023	Actual FY 2024	Approved FY 2025	Proposed FY 2026	Change from FY 2025
(GO0064) CAPTIVE OPERATIONS										
(O06401) Medical Liability Insurance	0	0	100	100	0	0.0	0.0	0.0	0.0	0.0
(O06403) Property, Personal and Liability Insurance/Oversight	8,679	9,689	9,983	10,344	361	0.0	0.0	0.0	0.0	0.0
(O06404) Subrogation Activity	771	1,253	1,288	1,289	0	5.7	7.2	6.0	6.0	0.0
SUBTOTAL (GO0064) CAPTIVE OPERATIONS	9,450	10,941	11,372	11,733	361	5.7	7.2	6.0	6.0	0.0
TOTAL PROPOSED OPERATING BUDGET	9,450	10,941	11,372	11,733	361	5.7	7.2	6.0	6.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity**. For detailed information on this agency's Cost Center structure as reflected in the District's Chart of Accounts, please see **Schedule 30-CC FY 2026 Proposed Operating Budget and FTEs, by Division/Office**. The schedules can be found in the **FY 2026 Operating Appendices** located on the Office of the Chief Financial Officer's website. Additional information on this agency's interagency agreements can be found in **Appendix H** in the **Executive Summary, Volume 1**.

Program Description

The Captive Insurance Agency operates through the following program:

Captive Operations – funds the management and insurance policies of the Captive Insurance Agency.

This program contains the following 3 activities:

- **Medical Liability Insurance** – The Office of Risk Management underwrites and administers medical malpractice insurance policies to non-profit community health centers and offers gap insurance to Federally Qualified Health Centers for claims that are not covered by the Federal Tort Claims Act. It also collects premiums and distributes payments related to medical malpractice insurance.
- **Property, Personal and Liability Insurance/Oversight** – The agency procures real property insurance for District government real property assets, personal property insurance for District personal property assets, liability insurance to protect the District against loss arising out of a legal liability to others, and such other insurance policies as the Chief Risk Officer determines necessary to minimize the risk of loss to the District; and
- **Subrogation Activity** – Collects revenue and distributes payments and interest related to subrogation activity.

Program Structure Change

The Captive Insurance Agency has no program structure changes in the FY 2026 approved budget.

FY 2025 Approved Budget to FY 2026 Proposed Budget, by Revenue Type

Table RJ0-5 itemizes the changes by revenue type between the FY 2025 approved budget and the FY 2026 proposed budget. For a more comprehensive explanation of changes, please see the FY 2026 Proposed Budget Changes section, which follows the table.

Table RJ0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2025 Approved Budget and FTE		10,522	4.0
No Change		0	0.0
LOCAL FUNDS: FY 2026 Recurring Budget		10,522	4.0
Increase: To align personnel services and Fringe Benefits with projected costs	Captive Operations	6	0.0
Decrease: To realize savings in nonpersonnel services	Captive Operations	-298	0.0
Enhance: To support operational requirements	Captive Operations	367	0.0
Enhance: To support professional service fees and contracts (one-time)	Captive Operations	292	0.0
Reduce: To reflect the proposed one-time reduction of step increases and associated fringe benefit costs	Captive Operations	-2	0.0
LOCAL FUNDS: FY 2026 Mayor's Proposed Budget		10,887	4.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2025 Approved Budget and FTE		850	2.0
Reduce: To reflect the proposed one-time reduction of step increases and associated fringe benefit costs	Captive Operations	-4	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2026 Mayor's Proposed Budget		846	2.0
GROSS FOR RJ0 - CAPTIVE INSURANCE AGENCY		11,733	6.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for interagency projects funded within this agency, please see **Appendix H, FY 2026 Interagency Budgets, of the Executive Summary, Volume 1** located on the OCFO's website.

FY 2026 Proposed Operating Budget Changes

Table RJ0-6 contains the proposed FY 2026 budget by fund compared to the FY 2025 approved budget.

Table RJ0-6

Appropriated Fund	FY 2025 Approved	FY 2026 Proposed	% Change from FY 2025
Local Funds	\$10,521,699	\$10,886,937	3.5
Special Purpose Revenue Funds	\$850,000	\$845,589	-0.5
GROSS FUNDS	\$11,371,699	\$11,732,526	3.2

Mayor's Proposed Budget

Increase: In Local funds, the proposed budget includes a net increase of \$6,305 in the Captive Operations program to align the personnel services budget for salary and Fringe Benefit adjustments with projected costs.

Decrease: The proposed Local funds budget reflects cost savings of \$298,218 in nonpersonnel services, primarily for professional service fees.

Enhance: In Local funds, the proposed budget includes an increase of \$367,000 for critical insurance coverage for the District of Columbia. Additionally, the Local funds budget also reflects a one-time increase of \$291,913 to support professional service contracts.

Reduce: The budget submission reflects a proposed one-time reduction of \$1,762 in Local funds and \$4,411 in Special Purpose Revenue funds to step increases and associated fringe benefit costs in the Captive Operations program.