



BELLVILLE INDEPENDENT SCHOOL DISTRICT

Meeting of the BISD Board of Trustees

July 21, 2020

Subject:	Consider Approval of Workers Compensation 5 Year Interlocal Addendum
Presenter:	Dennis Jurek
Board Policy:	
BISD Goal:	<ol style="list-style-type: none">1. Develop and attain local standards for high levels of integrated learning and performance. [LEARNING]2. Foster a connected, collaborative, and strategic approach to continuous improvement for the district. [LEADERSHIP]3. Create a culture that attracts, develops, and retains exceptional individuals to be part of our district and community. [HUMAN CAPITAL]4. Cultivate connections in our schools and community to ensure all feel safe, valued, and engaged in meaningful ways. [COMMUNITY]

Summary:	<p>Workers Compensation Insurance is being provided by Workers Compensation Solutions (WCS) through an Interlocal Agreement, fulfilling our purchasing requirements under Texas Education Code, Chapter 44, Subchapter B, Section 44.031.</p> <p>WCS is a partially self-funded program. BISD pays for fixed cost up front for administrative, district services, excess insurance, and student/staff programs. The remaining Maximum Loss Fund is Bellville ISD's potential maximum loss if claims are incurred during the program year before the WCS pool takes over the claim(s) cost. The self-funded portion of the insurance allows BISD to retain those funds if no claims are filed as opposed to a fully funded insurance where the costs are all up front.</p> <p>WCS's 5 Year Renewal offers Bellville ISD with the best savings and rate lock guarantee. The estimated 1st year renewal savings are \$12,057.29, and a rate lock guarantee for the next five years.</p>
Attachments:	<ul style="list-style-type: none">▪ Workers Compensation Proposal
Recommendation:	I recommend the board approve the Workers Compensation Solutions 5 year proposal.

BELLVILLE BRAHMAS
LEARNERS TODAY. LEADERS TOMORROW.



*Public Entity Insurance
& Risk Management*



Workers' Compensation 2020 Client Proposal

Bellville ISD

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North American Solutions
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nasrisk.com



Renewal Proposal Summary

Bellville ISD

Rate Guarantee: 5 Years (2020 – 2025)*
Effective Date: 9.1.2020

Current Payrolls

7380 – Bus Drivers	\$	486,305.25
8810 – Clerical	\$	359,833.83
8868 – Professional	\$	13,632,873.43
9101 – Other	\$	1,377,750.98
Total	\$	15,856,763.49

Member Benefits

A+ Rated Specific & Aggregate Excess Insurance	Medical Bill Reviews
Texas-Based Claims Administrator	Bi-Lingual Claims Adjusters
On-Site Loss Prevention Services	Personal Protective Equipment
Safety Incentives	Wellness Program

Coverage Provider	Funding Summary	Current Program	New 5 Year*
	Fixed Benefits Cost	\$ 54,010.01	\$ 52,127.09
	Claims Deposit (10% of MLF)	\$ 8,773.74	\$ 7,756.30
	9.1.2020 Initial Contribution	\$ 62,783.75	\$ 59,883.39
	Year 1 Savings		\$ 12,057.29
	Total Savings		\$ 60,286.45
	<i>Maximum Loss Fund (MLF) =</i>	<i>\$ 87,737.37</i>	<i>\$ 77,563.00</i>

* Subject to acceptance of the attached 5 year Addendum



*Public Entity Insurance
& Risk Management*

Bellville I
Interlocal Addendum



5 Year Interlocal Addendum

WORKERS' COMPENSATION SOLUTIONS
Bellville Independent School District
5 Year Addendum to the Interlocal Agreement

Normal Premium Fixed Cost Rate: 15.78%
Normal Premium Maximum Loss Fund Rate: 23.48%

1. The Workers' Compensation Solutions Program (WCS) hereby agrees to provide Bellville ISD the fixed cost and maximum loss fund rates for 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25.
2. If the District provides notice of cancellation prior to the end of this five-year agreement, a short-term cancellation contribution of 20% of fixed cost for all years will be charged and payable within 30 days after notice is received.
3. The initial contribution payment is due by the effective date of this coverage, September 1, 2020, and will include the fixed costs for 2020-21, plus 10% of the District's estimated maximum loss fund for 2020-21.
4. The District agrees to abide by the WCS Definitions and Guidelines as approved by the WCS Board of Directors.
5. This Addendum is subject to annual appropriations by the District. This Addendum may be terminated by the District on any successive renewal date by giving written notice no later than sixty (60) days prior to the renewal date. If the District terminates for any reason prior to the end of this Addendum, a short-term cancellation contribution as stated in #2 will apply.
6. This Addendum and the Original Interlocal Agreement, completed on June 12, 2006, shall represent the entire agreement and may not be amended or altered without the written consent of both parties.

IN WITNESS WHEREOF, the undersigned agrees to the Addendum to the Interlocal.

EXECUTED, _____, 2020 and effective as of September 1, 2020.

Bellville ISD

By: _____

Title: _____

WORKERS' COMPENSATION SOLUTIONS

By: _____ Date: _____

Chair Person, Workers' Compensation Solutions

Experience



\$8 BILLION
Family of Companies



3,500
Public Schools in the U.S.

Private and independent = more flexibility for you.

Focus

- 100% of our time is devoted to serving public entities and providing access to the most competitive options
- Specialization nurtures expert assistance in the unique issues that schools face each day – active shooter, tort immunity, cyber liability, etc.



Purchasing Power = More Choices for You

More

- NAS is the largest insurance broker in Texas specializing in schools
- Represents more than 100 insurance markets worldwide; **plus**
- Proprietary access to programs not available to any other insurance broker in Texas – PCAT, WCS, CPAT and others

Peace of Mind

Public entity risk managers are responsible for managing taxpayer's dollars in a manner that produces the best long-term result. We help clients navigate their options and produce a risk management strategy providing optimal safety, stability and the lowest long-term cost.

Our Mission

Deliver the lowest long-term cost and the highest quality client experience. The cornerstones of our delivery are:

- Global Insurance Market Access
- Risk Management Resources & Training
- Comprehensive Claims Management & Recovery

Core Values

Integrity

Our reputation is one of honesty and integrity. We fulfill commitments and keep promises. Our decisions will be made based on the motto, "Do what is right."

Attitude

Positive attitudes are contagious. We will have fun and enjoy our work — Laughing is required. 'Can-do' attitudes produce success, and we will celebrate our successes.

Purpose

We sincerely care about our clients, colleagues and partners. Every job and function has purpose. We will continually strive for improvement. Therefore, we can be proud of our accomplishments.

Partners

People are judged by the company they keep. North American Solutions partners with risk management and insurance associations to develop the expertise and resources that truly make a difference in the safety and operation of public entities.





Texas School Workers' Compensation Program



Mission

WCS | Workers' Compensation Solutions provides Member districts with a modified self-insurance workers' compensation program that allows schools to proactively manage long-term costs associated with providing care and recovery for employees with on-the-job injuries. WCS helps achieve the lowest long-term cost for schools by providing comprehensive loss prevention programs to eliminate physical and policy exposures, while providing expert claims analysis and stop-loss limits to manage claims expenses.

Governance

WCS is a non-profit, Member owned-and-governed program. WCS Members elect a Board of Directors from their peer districts to ensure the program is continuously aligned with the needs of its Members.

Loss Prevention

The best kinds of claims are the ones that never happen. Years of school accident analysis has enabled WCS to strategically invest in Member loss prevention training and materials designed specifically to improve safety by reducing risks in the school environment.

Claims Analysis

Getting injured employees back to work in a healthy and expeditious manner is the goal of all schools. WCS medical professionals conduct evaluations to help ensure an appropriate and effective use of medical and therapeutic treatment to best bring the employee back into the workplace.

Partnership

Effective workers' compensation management requires a long-term strategy. WCS provides multi-year agreements to provide rate stability. WCS also works directly with each school to develop specific loss prevention, claims analysis, and fund retention plans to ensure a healthy workforce, safe environments, and proper program fiscal management, year after year.



Bellville ISD 2020/2021 Renewal Estimate

Class Codes	NP Rates Per Class	2019/2020 Current Estimate	2020/2021 Renewal Estimate	2020/2021 5 Year Renewal Estimate
7380	9.6407	481,490.35	486,305.25	486,305.25
8810	0.5564	356,271.12	359,833.83	359,833.83
8868	1.1021	13,497,894.49	13,632,873.43	13,632,873.43
9101	9.523	1,364,109.88	1,377,750.98	1,377,750.98
	Total Payroll	15,699,765.84	15,856,763.50	15,856,763.50
	Normal Premium	327,065.81	330,336.47	330,336.47
	Expenses % of NP	53,475.26 16.35%	54,010.01 16.35%	52,127.09 15.78%
	Maximum Loss Fund % of NP	86,868.68 26.56%	87,737.37 26.56%	77,563.00 23.48%
	Maximum Cost	140,343.94	141,747.38	129,690.09
	Max Cost Rates Per Class		2020/2021 Estimate	2020/2021 Estimate
	7380	4.1368	4.1368	3.7849
	8810	0.2388	0.2388	0.2184
	8868	0.4729	0.4729	0.4327
	9101	4.0863	4.0863	3.7387