

Student/Athletic Insurance

May 24, 2016

SUMMARY:

This item requests approval of the Student/Athletic Insurance Proposal for 2016-2017.

BOARD GOAL:

VI. Growth, Change and Fiscal Responsibility...demonstrate effective and efficient management of District resources.

PREVIOUS BOARD ACTION:

On June 24, 2014, the Board recommended approval of Texas Student Resources/Health Special Risk, Inc. as the company providing student insurance with Liberty Mutual as carrier with Kent Holbert as agent for a period of 12 months with an option to extend the proposal for 1 additional 12 month period. On May 26, 2015, the Board approved the option to extend for the 2015-2016 school year.

BACKGROUND INFORMATION:

According to Attorney General Opinion DM418 (1996) insurance is included in the term "personal property". Purchases in excess of \$50,000 must be purchased according to the purchasing methods available in section 44.031 of the Education Code.

SIGNIFICANT ISSUES:

9 proposals from 6 carriers were received for Student Accident Insurance. Proposals received from:

- The Brokerage Store, Inc. – 3 proposals
- Texas Student Resources – 1 proposal
- Texas Kids First – 2 proposals
- Student Insurance Plans – 1 proposal
- Wilson Sports Insurance Services – 1 proposal
- Achieve Financial Group – 1 proposal

FISCAL IMPLICATIONS:

The proposal offered by Texas Student Resources/Health Special Risk, Inc. (Starr Insurance Premier Plan), is \$115,373 (\$108,896 plus \$6,477 catastrophic coverage). The combined premium for 2015-2016 through Texas Student Resources/Health Special Risk, Inc. was \$134,591. This is a decrease of \$19,218.00 for 2016-2017. Texas Student Resources (Starr Insurance Premier Plan) provided coverage most comparable to the current coverage offered for the last two years. In addition, Health Special Risk, Inc. will recruit providers for a Denton ISD No Balance Bill Network based on referrals from Athletic Trainers & Coaches. This is beneficial for families that have large deductibles, co-pays, or no primary medical insurance for their students.

BENEFIT OF ACTION:

Provide coverage for 2016-2017 school year.

PROCEDURAL AND REPORTING IMPLICATIONS:

Coverage is required for August 1, 2016.

ALTERNATIVES:

Approve one of the other companies to provide student insurance.

SUPERINTENDENT’S RECOMMENDATION:

Recommend approval of Texas Student Resources/Health Special Risk, Inc. as the company providing student insurance with Starr Insurance Premier Plan as the carrier with Kent Holbert as agent, for a period of 12 months with an option to extend the proposal for two additional 12 month periods, with governing body approval. The premium offered by Texas Student Resources/Health Special Risk, Inc. (Starr Insurance Premier Plan) is \$115,373 (\$108,896 plus \$6,477 for catastrophic coverage).

STAFF PERSONS RESPONSIBLE:

Student Insurance Selection Committee:
Karen Almon, Director of Risk Management
Eric Lokey, Assistant Athletic Director
Martha Crep, Athletics Secretary
Sherry Arrington, Admin Services Secretary

ATTACHMENT:

Proposal Tabulation and Response to Questions
Proposal Ranking

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____