

Action Item D.2.b

Athletic/Student Accident Insurance for 2014/2015

Background: MISD extends bids each year for athletic/student accident insurance. This policy has acted as primary coverage for students without personal health insurance and as secondary health coverage for students with personal health coverage. Even though our claims history has improved this year, we did have a rate increase in the basic plan (80% usual and customary). The base plan and catastrophic plan increased \$3,347. The plan also offers no balance billing. All the plans offer this feature. The lowest priced plan is from Liberty Mutual. The premium is \$13,395 more than our current carrier.

One important feature is the voluntary plan we offer our students. Our present carrier is considerably less than the other comparable quote, but Liberty Mutual offers more benefits. No one purchased this coverage last year, so it may not be an issue with families.

We have 2 options:

- A) Stay with the company we are currently with (Catlin). They have a proven track record and take care of claims. I have \$50,000 budgeted which will take care of the premium (\$49,562). This would keep the money with a local agent.
- B) Go with the new company we know nothing about (Liberty Mutual). The premium is \$13,395 less which would help with the 14/15 deficit. The down side is that if parents chose to go out of network, it will cost them substantially more than with option A. This would send the money to an out of town agent.

Recommendation: This agenda item is to meet competitive bidding laws of the State of Texas as well as securing the best contract for the school district.

Sample Motion:

"I move the approval of Option ____ as the carrier for our Athletic/Student Accident Insurance and our Voluntary Student Program for 2014-2015.