

Lyon County School District Board Memo

Date: June 25, 2025

To: Board of School Trustees

From: BillieJo Hogan, Executive Director of Human Resources

Re: Workers' Compensation contract approval

Recommendation

The Board of Trustees approve the three-year contract of the District's Workers' Compensation Third Party Administrator, Cannon Cochran Management Services, Inc. (CCMSI) for \$11,000 annually. An increase of \$2,000 from the previous three-year agreement.

Background Information

Cannon Cochran Management Services, Inc. (CCMSI) began administering workers' compensation claims for the District on August 15, 2016. In that time, CCMSI has established excellent communication with both LCSD management and our injured workers. CCMSI's claim system allows us to monitor every aspect within each claim and actively participate in the process. We can now create quick snapshots and detailed reports that provide information such as: affected body parts(s), mechanism of injury, types of injuries, month/day of week, lost time, etc. This information allows us to identify potential issues based on historical data and make necessary adjustments.

Since the Board approved CCMSI as our third party administrator (TPA) on June 28, 2016, there has been a substantial change to the District's workers' compensation program. Reducing the average cost per claim to a manageable level was a major factor in the decision of replacing the former TPA. The current contract expires July 31, 2025.

Budget Considerations

There is an increase in our administrative fee of \$1,000 annually for an annual administration fee of \$8,500. There is a new charge for ICE (proprietary claims management software) in the amount of \$1,000. A new Enhanced/Complex Medical Only claim surcharge of \$350 will apply to any medical only claims that have 6 or more paid medical transactions and total paid dollars greater than \$2,500. Changes are effective August 1, 2025. The CCMSI contract is a three year contract ending July 31, 2028.

Discussed at Previous Meeting

Initial approval of CCMSI as new TPA was June 28, 2016
Renewal approved by the board June 28, 2022

Attachment(s)

Cannon Cochran Management Services, Inc. (CCMSI) invoice

***Mission Statement** Lyon County School District fosters learning for life, empowers connected learners, promotes student ownership, and encourages discovery learning for success in a rapidly evolving world.*