

Student/Athletic Insurance

June 24, 2014

SUMMARY:

This item requests approval of the Student/Athletic Insurance Proposal for 2014-2015.

BOARD GOAL:

VI. Growth & Change.....In pursuit of excellence, the District will:

- a. Review and adjust policies and procedures effectively to address the challenges of rapid growth and changing demographic characteristics while maintaining and enhancing our strong sense of community

PREVIOUS BOARD ACTION:

On June 11, 2013, the Board recommended approval of The Brokerage Store as the company providing student insurance with Columbian Life and Zurich American as carriers with Jeff Johnson as agent.

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:

Nine proposals from 5 carriers were received for Student Accident Insurance. Proposals received from:

- The Brokerage Store, Inc. – 3 proposals
- Texas Kids First – 1 proposal
- Texas Monarch Management – 1 proposal
- Texas Student Resources – 4 proposals (2 proposals from 2 different carriers)

FISCAL IMPLICATIONS:

The proposal offered by Texas Student Resources/Health Special Risk, Inc. (Liberty Mutual Premier Plan), is \$129,664 (\$123,187 plus \$6,477 catastrophic coverage). The combined premium for 2013-2014 through The Brokerage Store was \$124,662. This is an increase of \$5,002 over the premium for 2013-2014. Texas Student Resources (Liberty Mutual Premier Plan) provided coverage most comparable to the current coverage at the best rate. 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 2014-2015 school year.

PROCEDURAL AND REPORTING IMPLICATIONS:

Coverage is required for August 1, 2014.

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 Liberty Mutual as the carrier with Kent Holbert as agent, for a period of 12 months with an option to extend the proposal for one additional 12 month period. The premium offered by Texas Student Resources/Health Special Risk, Inc. (Liberty Mutual Premier Plan) is \$129,664 (\$123,187 plus \$6,477 for catastrophic coverage).

STAFF PERSONS RESPONSIBLE:

Student Insurance Selection Committee:
Debbie Monschke, Assistant Superintendent of Administrative Services
Karen Almon, Director of Risk Management
Kathy Arrington, Purchasing Agent
Joey Florence, Athletic Director
Eric Lokey, Assistant Athletic Director
Martha Crep, Athletics Secretary
Sherry Arrington, Admin Services Secretary

ATTACHMENT:

Bid Tabulation
Response to Questions

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____

Comments: _____