

**ISD 709 Duluth Public Schools
Property / Casualty Insurance
Risk Management Services
Executive Summary for 2015 Renewal**

I. 2014 Key Accomplishments – Total Cost of Risk

- Replacing Liberty Mutual with Riverport for Property/Liability/Auto/Umbrella/E&O insurance effective 8/1/2014 achieved premium savings for the district in excess of \$175,000
- Implementing \$2500 Medical Only Deductible for Workers Compensation with RAS effective 8/1/2014 has achieved year to date savings of \$150,697 (Premium savings of \$181,337 - \$30,640 of year to date deductible expense)
- Total program savings (all lines of p/c insurance) - \$325,697
- Added a more comprehensive Cyber Liability insurance program to improve coverage in this area for the district in 2014
- Marsh & McLennan Agency has access to all viable insurance carriers currently writing public school districts in Minnesota. We continue to monitor market conditions and when it makes sense, review other options for the district as market conditions dictate. For 8/1/2015 renewal, we do not anticipate adverse renewal offers from the in-force insurance carriers. Since coverage just moved to a new carrier last year, we recommend remaining with current carriers that are in place.

II. Current risk management service initiatives and key areas to explore for further consideration

- Evaluate nurse triage program coming soon from Work Comp carrier (RAS). Evaluate the district's 1st report of injury packet and information injured employees bring with to treating physician. Make sure treating physician is aware of ISD 709's return to work policy.
- Continue to engage risk management resources available through Marsh & McLennan Agency, Riverport, and RAS to drive total cost of risk in favorable direction
- Continue quarterly Work Comp and Liability claim reviews with Marsh & McLennan Agency including Work Comp experience mod audit and check for accuracy
- Explore possibility of implementing pre-employment physicals for job classifications that are driving work comp loss history

- Consider RAS's training on preventing injuries to Para Professionals from combative students
- Partner with MMA to develop a Loss Prevention service calendar – coordinate with carriers and have 2015-16 service objectives mapped out
- Benchmark ISD 709's performance on total cost of risk vs other Minnesota public school district's as Marsh & McLennan's data base and stats become available for comparison purposes. MMA will develop metrics to compare and benchmark your district against your peers to help establish Best Practices for risk management and safety.
- Look for ways to create more department accountability with ISD 709 to create a culture of safety throughout the district. Help support Kerry Leider, Jason Barsness, Betty Berndt, and the entire risk management team at ISD 709 to actively promote pro-active risk management and safety initiatives and how driving cost of risk as low as possible creates more dollars to spend on education.

III. Marsh & McLennan Agencies – Our Account Service Team

- Bob St. Arnold – Risk Management Consultant
- John Simenson – Risk Management Consultant
- Lynda Mustonen – Client Executive
- Lindsey Hanson – Risk & Safety Consultant
- Dawn Araya – Claims Manager
- Dan Nyberg – Claims Analyst
- Angela Wheeler – Claims Consultant
- Beth Watkins – Client Advisor & Team Lead – Cyber Coverage

IV. Marsh & McLennan Agencies - Compensation

- MMA receives standard commission on each line of coverage placed with the respective insurance carriers. All agents that place business for schools in the public sector in Minnesota that are paid by the insurance carrier via commission receive the following commission for each line of coverage for the carriers currently enforce for ISD 709:

Workers Compensation	6%
Package (Property / Liability / Crime / E&O)	15%
Auto	15%
Umbrella	12.5%
Cyber	20%