

Student/Athletic Insurance

July 9, 2012

SUMMARY:

This item requests approval of the Student/Athletic Insurance Proposal for 2012-2013.

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 14, 2011, the Board recommended approval of Wilson Sports Insurance Services as the company providing student insurance with Hartford and Mutual of Omaha as carriers with John Wilson 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:

Four proposals were received for Student Accident Insurance. Three proposals included coverage for heat exhaustion. Proposals received from:

- Wilson Sports Insurance Services
- Scarbrough, Medlin & Associates/Monarch Management
- Texas Kids First (Did not include heat exhaustion coverage.)
- The Brokerage Store

FISCAL IMPLICATIONS:

The premium offered by Wilson Sports Insurance Services is \$138,953 (\$133,052 plus \$5,901 for catastrophic coverage). The rate for 2011-2012 was \$96,516. This is an increase of \$42,286 over the premium rate for 2011-2012. The premium offered by The Brokerage Store (Value Plan) is \$118,823 (\$112,550 plus \$6,273 for catastrophic coverage), an increase of \$22,307 over the premium rate for 2011-2012. The premium for Wilson Sports Services is \$20,130 more than the premium offered by The Brokerage Store (Value Plan).

The Student Insurance Selection Committee: Sally Havey, Insurance Coordinator and Debbie Monschke, Executive Director of Administrative Services determined that heat exhaustion was an important item to be included in the schedule of benefits. Of the three companies that offered coverage for heat exhaustion, The Brokerage Store (Value Plan) provided coverage most comparable to the current coverage at the best rate. In addition, The Brokerage Store (Value Plan) offers parents a list of providers that are in a no balance billing network. This is beneficial for families that have no primary medical insurance for their students.

BENEFIT OF ACTION:

Provide coverage for 2012-2013 school year.

PROCEDURAL AND REPORTING IMPLICATIONS:

Coverage is required for August 1, 2012.

ALTERNATIVES:

Approve one of the alternate companies to provide student insurance.

SUPERINTENDENT'S RECOMMENDATION:

Recommend approval of The Brokerage Store (Value Plan) as the company providing student insurance with Columbian Life and Zurich American Insurance Company as the carriers with Jeff Johnson as agent. The premium offered by The Brokerage Store (Value Plan) is \$118,823 (\$112,550 plus \$6,273 for catastrophic coverage).

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Executive Director of Administrative Services
Sally Havey, Insurance Coordinator

ATTACHMENT:

Bid Tabulation
Response to Questions

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____

Comments: _____