

No. \_\_\_\_\_



# UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

**TOPIC** Award of District Student Extra-Curricular Insurance Contract

**SUBMITTED BY:** Robert Chapa ~~\_\_\_\_\_~~ **OF:** Risk Management

**APPROVED FOR TRANSMITTAL TO SCHOOL BOARD:** \_\_\_\_\_

**DATE ASSIGNED FOR BOARD CONSIDERATION:** July 25, 2007

**RECOMMENDATION:**

Staff has finalized a review and negotiations of proposals and is prepared to make it's recommendation.

**RATIONALE:**

The Student Extra Curricular insurance plan for current year will expire July 31, 2007.

**BUDGETARY INFORMATION**

Premiums included in the 2007-08 budget.

**BOARD POLICY REFERENCE AND COMPLIANCE:**



# UNITED INDEPENDENT SCHOOL DISTRICT

Robert Chapa  
Director of Risk Management

## Board of Trustees

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Member  
District 6

Date: July 25, 2007  
To: UISD Board of Trustees  
Re: Student Extra-Curricular Insurance

The Student Extra-Curricular Insurance Committee has finalized proposal reviews and negotiations for coverage and recommends awarding the coverage contract to the Robert Laurel Insurance Agency / The Brokerage Store utilizing the Columbian Life Insurance Company.

The award is for a 5 month period beginning August 1, 2007 and ending December 31, 2007 followed by 5 annual contracts to be negotiated annually based on loss run data.

The change to a calendar year alignment is being made to address recent legislative mandates. Effective 2007 and annually thereafter coaches, trainers, and activity sponsors will have to participate in training sessions related to AED's, CPR, and Steroid abuse among others.

Additionally there are now many more activities during the summer months thus allowing little time to effectively train staff in the proper procedures for injury claim processing.

By changing the plan year to calendar year staff will be able to concentrate fully on back to school activities and not have to worry about insurance procedures and training until December.

Attached you will find a spreadsheet with a comparison of the proposals submitted and considered.

**Roberto J. Santos**  
Superintendent

201 Lindenwood Drive  
Laredo, Texas 78045  
Phone: (956) 473-6219  
Facsimile: (956) 728-8691

# MEMORANDUM

TO: Robert Chapa  
Risk Management Department

Date: 07-06-07

FROM: Roger Garza  
Consultant

RE: Proposal-Student Extra-Curricular Insurance  
RFP Number: 052-2007

Attached you will find the final tabulations for the Athletic/Student Accident Insurance RFP 052-2007, as outline in the original response for the request for proposals for the Plan year 2007-2008. We received 5 different options from 4 carriers. After reviewing the different options, George Vipond and I are in agreement that the Columbian Life/AIG proposal offers the best value to the District in terms of coverage and cost.

- The Columbian Life proposal/ AIG were submitted in a manner that was completed, and it addressed all of the questions requested. In addition, they included a quote for a five (5) month rate (as requested by the RFP) and also gave options to renew for two (2) years.
- Columbian Life is an A- rated company, AIG is an A++ rated company and both are well respected within the industry.
- Premium cost will be a slight increase from the pervious year.
- The offered benefits are slightly more than last year.
- As a second option, should the district desire to continue its relationship with the current carrier, Nationwide also is offering slightly less in benefits with no AD&D benefits, however, the total premium costs are slightly lower.

Justification: Columbian Life's proposal is the recommended option since the aggregate cost to the district is approximately the same as the previous year in terms of the total cost of the coverage. This option would protect the district and the student body from a sudden, individual accident claim and would provide the individual student with coverage. In Addition, the proposal was professionally composed and easy to understand. It addressed the issues we'd ask for. United ISD has had previous experience with this company for nine (9) of the past twelve (12) years with no complaints, to our knowledge. The District can continue with the same current carrier (Nationwide) with slightly less benefits and no AD&D benefits, for slightly less cost. Please let us know should you have any questions.

**THE  
BROKERAGE  
STORE**



7/10/07

George, Roger & Robert:

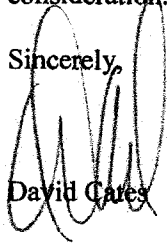
I talked to A.I.G. about the Catastrophe Plan for United I.S.D. and they have agreed to write a policy from 8/1/07 to 12/31/07. The premium for that time will be \$7,102.00 for the \$5,000,000 Catastrophe benefit. The Catastrophe Coverage with the \$500,000 Cash benefit will be \$10,649.00. These are the premiums that we discussed today, 7/10/07.

I contacted Columbian Life Insurance Company and they have agreed to lower your initial premium from \$147,350.00 to \$143,760.00. This premium will be for the policy period 8/1/07 to 12/31/07. At that time all policies and new premium amounts will be reviewed.

At the termination of all these policies on 12/31/07 we will then issue "New" Policies with coverage beginning on 1/1/08 and ending 12/31/08. It is the intent of The Brokerage Store, United I.S.D. and their agent, Robert Laurel to renew coverage each and every year for a 5 year period. Coverage will be negotiated in the month of December of each year. At that time a complete overview of United I.S.D.'s Student/Athletic Accident insurance programs, benefits and claims experience will be discussed. We then will arrive at a new calendar year rate for this coverage.

If you have any questions please feel free to call me. Thank you for your time and consideration.

Sincerely,

  
David Gates

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(210) 366-4800 ♦ (800) 366-4810 ♦ FAX: (210) 366-1388

Proposals Response - Student Extra-Curricular Insurance RFP# 052-2007

Plan Type	Recommended Value Plan	Custom U&C	Premier Plus	Premier Plus Plan	Plan 5
Insurance Company	Columbian Life	United Health Care	United Health Care	Nationwide	QBE Insurance Corp.
AM Best Rating	A-	A	A	A+	A
Claims Administrator	Student Assurance Services	Student Resources	Student Resources	Beac-Marc, Inc.	Laonis Company
Address	P.O. Box 196, Stillwater, MN	P.O. Box 809027, Dallas, TX	P.O. Box 809027, Dallas, TX	6301 S.W. Blvd. #101, Ft. Worth, TX	850N. Park Rd., Wyomissing, PA.
Agent/Agency	The Brokerage Store, Inc./Roberto Laurel Insurance Agency	Texas Monarch Mgmt. Corp.	Texas Monarch Mgmt. Corp.	Beac-Marc, Inc.	Jeanette Bianchini
Address	4091 De Zavala Rd. #3 San Antonio, Tx. 78249	5030 Heathergreen Houston, TX	5030 Heathergreen Houston, TX	6301 S.W. Blvd. #101, Ft. Worth, TX	P.O. Box 88 Wadaco, TX.
Chain Processing Time	7-10 Days	13 Days	13 Days	10 Days	5 to 10 Days
<b>BASIC</b>					
Maximum Benefit	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
First Treatment by Dr.	90 Days	90 Days	90 Days	90 Days	90 Days
Benefit Period	52 Weeks	52 Weeks	52 Weeks	52 Weeks	52 Weeks
<b>BENEFITS</b>					
Room & Board	Semi Private Room Rate \$1000 1st Day; \$500 to \$5,000	U&C	Semi Private Room Rate \$750 1st Day; \$250 to \$5,000	U&C	U&C
Misc.	\$50 1st Day; \$40 to 10 visits	U&C	up to \$40 per visit	\$40/Day	\$70/visit
Physician	U&C up to 5 visits	U&C	90% U&C	90% U&C	U&C up to \$5,000
Surgery	\$2,000	U&C up to \$3,500 per injury	\$1,500	\$1,500	70% of U&C
Outpatient Surgery Misc	\$300/visit to 5 visits	up to \$50 per visit/20 visits	\$25/Day to \$250	\$25/Day to \$250	\$50 per visit, 20 max.
Physical Therapy	\$300	\$300	\$200	\$200	U&C
Medical Emergency	\$300	\$300	\$200	\$200	\$550
X-Ray	\$800	U&C up to \$1,200	\$750	\$750	\$1,500
Diagnostic Imaging	\$50	U&C	\$50	\$50	U&C
Lab	\$50	U&C	U&C	U&C	U&C
RX	\$1,000	U&C	U&C	U&C	U&C
Ambulance	\$300	Inpatient-\$1,200, Outpatient-\$600	\$500	\$500	\$700
Orthopedic Appliances	\$300	25% of Surgery Allowance	25% of Surgery Allowance	25% of Surgery Allowance	35% of Surgery Allowance
Asst Surgeon Expense	25% of Surgery Allowance	25% of Surgery Allowance	25% of Surgery Allowance	25% of Surgery Allowance	35% of Surgery Allowance
Anesthesia Expense	25% of Surgery Allowance	25% of Surgery Allowance	25% of Surgery Allowance	25% of Surgery Allowance	35% of Surgery Allowance
Dental	\$200/visit	U&C	U&C	U&C	U&C
AD&D Benefit	\$2,000-\$10,000	\$2,000-\$10,000	\$2,000-\$10,000	\$5000-\$5000	\$2,000 to \$40,000
<b>CAFESTROPHIC</b>					
Insurance Company	AIG	AIG	AIG	AIG	None offered
AM Best Rating	A++	A++	A++	A++	
Maximum Medical	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	
AD&D Benefit	\$5,000-\$20,000	\$5,000-\$20,000	\$5,000-\$20,000	\$10,000-\$20,000	
Deductible	\$25,000	\$25,000	\$25,000	\$25,000	
Deductible Period	2 Years	2 Years	2 Years	2 Years	
Benefit Period	10 Years	10 Years	10 Years	10 Years	
<b>ANNUAL PREMIUM</b>					
Basic	\$143,760 5Mo or \$179,700 12 month	\$233,980	\$198,980	\$181,480	
Catastrophic	\$10,649 or \$14,198	\$9,207	\$9,207	\$12,091	
<b>TOTAL</b>	\$154,409 or \$193,898	\$243,187	\$208,187	\$193,571	
		Notes	Notes	Notes	Notes
	Hernias, Blisters; Excluded Non Scheduled, non ULL events, e.g.; Covered "No Balance Bill" Network Orthopedic Appliance Benefit-\$500.00 w/no deductible 75% Eyeglasses, hearing aids and dental accidents are covered. Offers a 5-year renewal option Offers a 5 month extension as per RFP.	Heat Exhaustion, Stroke, Dehydration; Covered Hernias, Blisters, Orthodontics; Excluded Non Scheduled, non ULL events, e.g.; Covered 800 USD's 75% "No Balance Bill Network" Underwriting dept will be considering a 5 month extension of benefits; price not available	Heat Exhaustion, Stroke, Dehydration; Covered Hernias, Blisters, Orthodontics; Excluded Non Scheduled, non ULL events, e.g.; Covered 800 USD's 75% Two Year Guarantee for Base Plan Only "No Balance Bill Network" Underwriting dept will be considering a 5 month extension of benefits; price not available	Heat Exhaustion, Stroke, Dehydration; Covered Hernias, Blisters; Excluded; Orthodontics; Covered Non Scheduled, non ULL events, e.g.; Covered 200+ ISDs 75% *\$500,000 additional cash benefit Offers a One year renewal PPO network available Underwriting dept will be considering a 5 month extension of benefits; price not available	Orthodonts, blisters, heat exhaustion, and beria are not covered No catastrophic coverage Submitted 10 options with only 1 available to choose Underwriting dept will be considering extension of benefits; price not available

4. **UNDERWRITING INFORMATION**

a. Total number of students

Middle School (grades 7-8) and High School (grades 9-12)

**Extra- Curricular Enrollment**

<b>Sport</b>	<b>Middle and High School</b>	
	<b>Male</b>	<b>Female</b>
Baseball	176	
Basketball	179	170
Tennis	100	79
Football 6-8		
Football 9	180	
Football 10-12	444	
Golf	48	23
Gymnastics		
Power Lifting		
Soccer	216	169
Softball		135
Swimming	50	22
Cross Country	90	102
Track	190	171
Volleyball		179
Cheerleading		206
FFA		
ROTC		
Vocational Ed.		
Band	2500 (Combined M/F)	
Dance/Flag		
<b>TOTAL</b>	<b>* 5,429</b>	
<b># of Schools in District</b>	4 High Schools and 9 Middle Schools	

\*These numbers are close approximations.