

Student/Athletic Insurance

June 22, 2010

SUMMARY:

This item requests approval of the Student/Athletic Insurance Proposal for 2010-2011.

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 23, 2009, the Board recommended approval of GM-Southwest, Inc as the company providing student insurance with Pan American and AIG as the carriers with John Gutschlag 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:

Five proposals were received for Student Accident Insurance. One proposal was rejected as the RFP Proposal Response Forms were incomplete. All proposals covered heat exhaustion as any injury. Companies considered were:

- GM-Southwest, Inc.
- Wilson Sports Insurance Services
- Scarbrough, Medlin & Associates
- Texas Kids First

FISCAL IMPLICATIONS:

The premium offered by GM-Southwest, Inc. is \$96,667 (\$89,900 plus \$6,767 for catastrophic coverage). The rate for 2009-2010 was \$87,767. This is an increase of \$8,900 over the premium rate for 2009-2010. The premium offered by Wilson Sports Insurance Services is \$94,452 (\$87,975 plus \$6,477 for catastrophic coverage), a difference of \$6,685 over the premium rate for 2009-2010. The premium for GM-Southwest, Inc. is \$2,215 more than the premium offered by Wilson Sports Insurance Services.

The Student Insurance Selection Committee, Jamie Wilson, Deputy Superintendent, Sally Havey, Insurance Coordinator and Jo Davis, General Account, consulted athletic personnel regarding services offered by GM-Southwest, Inc. Orthopedic services have not been an issue, as they were in 2008-2009. GM-Southwest, Inc. has been easy to contact and the District has not received any parent calls regarding the services. In addition, GM-Southwest, Inc. offers to the parents two choices of plans for the volunteer products and extended dental coverage.

BENEFIT OF ACTION:

Provide coverage for 2010-2011 school year.

PROCEDURAL AND REPORTING IMPLICATIONS:

Coverage is required for August 1, 2010.

ALTERNATIVES:

Approve one of the alternate companies to provide student insurance.

SUPERINTENDENT'S RECOMMENDATION:

Recommend approval of GM-Southwest, Inc. as the company providing student insurance with Pan American and National Union Fire Insurance Company as the carriers with John Gutschlag as agent. The premium offered by GM-Southwest, Inc. is \$96,667 (\$89,900 plus \$6,767 for catastrophic coverage).

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Executive Director of Budget and Finance
Jamie Wilson, Deputy Superintendent
Sally Havey, Insurance Coordinator
Jo Davis, General Accountant

ATTACHMENT:

Bid Tabulation
Response to Questions

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____

Comments: _____