

Denton ISD
Workers' Compensation Administrative Services Program and Excess Coverage
June 08, 2021

SUMMARY:

This item requests approval of the Workers' Compensation Administrative Services Program and Excess Coverage for Denton ISD effective July 1, 2021.

BOARD GOAL:

Growth & Management... In pursuit of excellence, we will:

- Adjust policies and procedures to address rapid growth and changing demographics, nurturing our strong sense of community
- Demonstrate effective and efficient management of district resources
- Provide leadership and/or oversight to ensure District meets all fiscal, legal and regulatory requirements

PREVIOUS BOARD ACTION:

On June 9, 2020, the Board approved the renewal of Texas Association of School Boards Risk Management Fund (TASB) as the District's insurance provider for this coverage.

BACKGROUND INFORMATION:

For 2020-2021, Excess Workers' Compensation coverage had a \$500,000 specific self-insured retention/\$1,000,000 aggregate retention and \$1,000,000 aggregate excess limit with a premium of \$125,463. The Administrative Services Only Program included Annual Actuarial Review Services and Loss Prevention Services for a premium of \$15,500

SIGNIFICANT ISSUES:

- The Fund expanded access to telemedicine options for Workers' Compensation members which makes seeking medical care easier for our employees.

FISCAL IMPLICATIONS:

Workers' Compensation Administrative Services Program and Excess Coverage:

Category	ANNUAL PREMIUM:	
	2021-2022	2020-2021
Administrative Services Only (includes Actuarial and Loss Prevention Services)	\$15,000	\$15,500
Excess Workers' Compensation Coverage	\$115,536	\$109,963
Total for Administrative Services and Excess Workers Compensation:	\$130,536	\$125,463
New Indemnity Claim – Rate Per Claim	\$775	\$775
New Medical Claim – Rate Per Claim	\$150	\$150
New Record Only Claim – Rate Per Claim	\$20	\$20

Total contribution for Administrative Services Only and Excess Workers' Compensation is \$130,536 which is an increase of \$5,073 over the 2020-2021 school year.

BENEFIT OF ACTION:

Approval of these coverages will provide security of the District's employees.

PROCEDURAL AND REPORTING IMPLICATIONS:

The District is required to complete, sign, and return the Workers Compensation prior to June 30, 2021, in order to avoid a lapse in coverage.

SUPERINTENDENT'S RECOMMENDATION:

Recommends the District approve the TASB Risk Management Fund proposal for the following coverage and term:

- Workers' Compensation – Administrative Services Only with optional services for Annual Actuarial Review and Loss Prevention Services. The law allows us to stop benefits for actual holiday breaks. Only those employees who were normally scheduled to work during these times will receive benefits.
- Safety National Casualty Corporation Excess Workers' Compensation Coverage with a \$500,000 specific self-insured retention and \$1,000,000 aggregate excess limit.

STAFF PERSONS RESPONSIBLE:

Dr. Scott Niven, Chief Financial Officer

Chris Bomberger, Executive Director of Risk Management, Benefits & Child Nutrition

ATTACHMENTS:

2021-06-08 Denton ISD 2021 Workers Compensation ASO CCS

2021-06-08 Excess Workers' Compensation Rate Comparison

2021-06-08 Alliant Excess Workers Compensation Insurance Proposal 2021-2022

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Leader: _____

Signature of Superintendent: _____