

Ofelia San Pedro, Deputy Superintendent
Business Operations

**SUBJECT: REQUEST FOR AUTHORITY TO PAY FOR STUDENT
PROFESSIONAL LIABILITY INSURANCE FOR
SECONDARY STUDENTS ENROLLED IN HEALTH
SCIENCE PROGRAMS WITH CLINICAL SETTINGS**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL
RELATIONS**

**LINK TO DISTRICT IMPROVE FINANCIAL SERVICES
STRATEGIC PLAN:**

Miami-Dade County Public School's (M-DCPS) Health Science Department prepares students to become competent workers who meet the needs and demands of the changing health-care industry. They accomplish this mission by providing planned learning experiences, which include placing students in clinical settings as an integral and critical component of health science education.

In order to provide student training and education in clinical settings, the district has entered into various affiliating agreements with healthcare providers including hospitals and clinics. A contractual requirement for students to be able to participate in these programs is that they are covered by professional liability insurance.

In previous years, students have been required to purchase this coverage at their own expense. Based upon recent direction from the School Board Attorney's Office to the Health Science Education Department, the district cannot continue to require students to use their own funds to purchase this coverage. Therefore, it is necessary for the Board to procure this required coverage on behalf of the students for whom this requirement is in place.

The Office of Risk and Benefits Management has identified a coverage solution to adequately protect the students and the Board which also meet the Board's contractual obligations. This program consists of a blanket Student Professional Liability program with coverage limits of \$1 million per occurrence/\$3 million annual aggregate. Staff is recommending purchase of this program pursuant to the authority under State Board Rule 6A-1.012(11), which provides authorization for a district School Board when purchasing insurance, entering into risk management programs, or contracting with third party administrators to make such acquisitions through the bid process, or by direct negotiations and contract.

The recommended program is as follows:

Insurer: Chicago Insurance Company (A.M. Best A XV)
Rating Base: \$9.42/student for non-first responder programs
\$39.62/student for first responder programs

Premiums: 1654 students x \$ 9.42 = \$15,580.68
250 students x \$39.65 = \$ 9,912.50
Sub Total: \$25,493.18

The policy will be written with the named insured as "The Students of The School Board of Miami-Dade County, Florida". In order to endorse the policy for the School Board to be named as an additional insured, there is a 25% premium surcharge per student's premium. Therefore, based upon the above-referenced premium, the additional premium for this is \$6,373.30. State required insurance guarantee fund fees total \$796.66.

Total recommended premium for this program, based upon current student count is \$32,663.14. In order to allow for fluctuation in the number of students enrolled in these programs, staff is recommending that the Board authorize purchase of this program, with expenditures for the 2007-2008 school year not to exceed \$40,000.

RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize purchase of Student Professional Liability Insurance coverage through Arthur J. Gallagher & Co. from Chicago Insurance Company (A.M. Best A XV) with coverage limits of \$1 million per occurrence/\$3 million annual aggregate, with the district to be named as an additional named insured to cover students enrolled in a program through the Health Science Department where proof of coverage is required, with total premiums for such coverage, including all premiums and state required fees not to exceed \$40,000 for the 2007-2008 school year, with such premiums to be paid from the Board's liability premium budget.

OSP:sc