

Business Operations
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: REQUEST FOR AUTHORIZATION TO AWARD REQUEST
FOR PROPOSALS (RFP) #047-HH10, STUDENT
ACCIDENT AND ATHLETIC ACCIDENT INSURANCE
COVERAGES**

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

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

At the Board meeting of February 13, 2008, the Board authorized the release of Request For Proposals (RFP) #047-HH10, Student Accident And Athletic Accident Insurance Coverages. Proposals were received on March 26, 2008 from the following companies:

Student Accident Insurance

Fowinkle School Insurance Agency – National Union Fire Insurance Co.
Hilb, Rogan & Hobbs – Nationwide (Life) Insurance Co.
Insurance for Students – United HealthCare Insurance Co.
*School Insurance of Florida – Reliance Standard Life Insurance Co.

Football Accident Insurance

Arthur J. Gallagher Risk Management Services – National Union Fire Insurance Co.
Hilb, Rogan & Hobbs – Nationwide (Life) Insurance Co.
*McKinley Financial Services – Life Insurance Company of North America
Insurance for Students – United HealthCare Insurance Co.
School Insurance of Florida – Reliance Standard Life Insurance Co.

Catastrophic Athletic Insurance

*Arthur J. Gallagher Risk Management Services – National Union Fire Insurance Co.
Hilb, Rogan & Hobbs – Nationwide (Life) Insurance Co.
School Insurance of Florida – ACE America Insurance Co.

*indicates incumbent agent/insurer

Pursuant to School Board Rule 6Gx13- 3F-1.022, "Professional Service Contracts for Insurance or Risk Management Programs – Policy", the Superintendent's Ad-Hoc Insurance Committee met on May 14, 2008 to review proposals and make recommendations for award. The following outlines the ad-hoc committee's recommendations for award:

Student Accident Insurance

The committee felt that the best proposal for this coverage, including core dental benefits which was previously optional, was received by UnitedHealthcare Insurance Company (A.M. Best A XV), through Insurance for Students, Inc. The recommended award of this coverage is for a two-year period, effective August 1, 2008 to July 31, 2010, at the following rates which are guaranteed for both years:

	New/Recommended Rates/School Year	Expiring Rates/School Year
School Time Pre-K to 6 th	\$11.00	\$14.00
School Time 7 th to 12 th	\$13.00	\$15.00
24-Hour Pre-K to 12 th	\$33.00	\$38.00

Based upon current enrollment numbers of 30,000 for school time (Pre-K – 6); 17,000 for school time (7-12), and 5,500 for 24-hour coverages, savings for students who purchase this coverage is approximately \$303,000 (\$151,500 annually) from the expiring program.

Catastrophic Athletic Insurance

The committee felt that the best proposal for this coverage was received by National Union Fire Insurance Co. of Pittsburg, PA (A.M. Best A+ XV) through Arthur J. Gallagher Risk Management Services.

The recommended award of this coverage is for a two-year period, effective August 1, 2008 through July 31, 2010, with each year's flat annual premium \$80,809. Purchase of this coverage is a requirement of the Florida High School Activities Association (FHSAA), Article 3.1.2.

Football Accident Insurance

The committee felt that the best proposal for this coverage, including core dental benefits which was previously optional, was received by UnitedHealthCare Insurance Company (A.M. Best A XV), through Insurance for Students, Inc. The recommended award of this coverage is for a two-year period, effective August 1, 2008 to July 31, 2010, at the following rates which are guaranteed for both years:

	New/Recommended Rates/School Year	Expiring Rates/School Year
Fall Premium	\$140.00	\$147.55
Spring Premium	\$ 35.00	\$ 36.50

Based upon current enrollment numbers of 3,700 football athletes in the fall season and 2,200 football athletes in the spring season, total savings over the expiring program is \$100,000 (\$50,000 annually).

Football Contribution Plan:

The football contribution which has been in place for the past three years is as follows:

	Total Premium Per School Year	Student Athlete Pays Per School Year	District Pays Per School Year
Fall Football:	\$147.55	\$42.00 (28.5%)	\$105.55 (71.5%)
Spring Football	\$ 36.50	\$18.00 (50%)	\$18.50 (50%)

Total Annual Minimum Premium for the expiring program is: \$645,000.

The recommended contribution for school years 2008-2009 and 2009-2010 are as follows:

	Total Premium Per School Year	Student Athlete Pays Per School Year	District Pays Per School Year
Fall Football:	\$140.00	\$45.00 (32%)	\$95.00 (68%)
Spring Football	\$ 35.00	\$18.00 (51%)	\$17.00 (49%)

No Annual Minimum Premium is required.

RECOMMENDED: That the School Board of Miami-Dade County, Florida:

1. award the Student Accident Insurance coverage pursuant to the terms of Request for Proposals (RFP) #047-HH10, Student Accident and Athletic Accidents Insurance Coverages, to United HealthCare Insurance Company (A.M. Best A XV), through Insurance for Students, Inc., for a two-year period, effective August 1, 2008 to July 31, 2010, at the following rates per student/school year:

School Time (PK -6)	\$11.00
School Time (7-12)	\$13.00
24-Hour	\$33.00

2. award the Catastrophic Athletic Insurance coverage pursuant to the terms of Request for Proposals (RFP) #047-HH10, Student Accident and Athletic Accidents Insurance Coverages, to National Union Fire Insurance Co. (A.M. Best A+ XV), through Arthur J. Gallagher Risk Management Services for a two-year period, effective August 1, 2008 to July 31, 2010 with each year's flat annual premium of \$80,809:

3. award the Football Accident Insurance coverage pursuant to the terms of Request for Proposals (RFP) #047-HH10, Student Accident and Athletic Accidents Insurance Coverages, to United HealthCare Insurance Company (A.M. Best A XV), through Insurance for Students, Inc., for a two-year period, effective August 1, 2008 to July 31, 2010, at the following per student/school year rates:

Fall Premium - \$140.00
Spring Premium - \$35.00; and

4. authorize expenditures for the Board subsidy for fall and spring football season's insurance premiums with the Board paying \$95.00 and the athlete paying \$45.00 equaling a total fall football premium of \$140.00 for the 2008-2010 football seasons; and the Board paying \$17.00 and the athlete paying \$18.00 equaling a total spring football premium of \$35.00 for the 2008-2010 spring football seasons. Funding for the Board's contribution will be taken from the Football Insurance Budget (Fund 0100, Object 5321, Location 9112, Program 9883, Function 7730).

OSP:sc