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Human Resources, Evaluation and Technology

SUBJECT: RENEWAL OF STUDENT PROFESSIONAL LIABILITY INSURANCE FOR SECONDARY STUDENTS ENROLLED IN HEALTH SCIENCE PROGRAMS WITH CLINICAL SETTINGS

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES

The Health Science Education Division of Career & Technical Education of Miami-Dade County Public Schools prepares students to become competent workers who meet the needs and demands of the changing healthcare 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 must be covered by professional liability insurance.

Based upon direction from the School Board Attorney's Office to the Health Science Education Division last year, the District cannot require students to use their own funds to purchase this coverage. Therefore, at the Board meeting of October 17, 2007, the Board authorized purchase of Student Professional Liability insurance coverage to protect the enrolled students and the district. This item is recommending renewal of such coverage with an effective date of October 17, 2008.

The renewal program consists of a blanket Student Professional Liability program with coverage limits of \$1 million per occurrence/\$3 million annual aggregate. Staff is recommending renewal 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.

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The recommended program is as follows:

Insurer: Chicago Insurance Company (A.M. Best A XV)
Rating Base: \$11.60/student for non-first responder programs
\$48.80/student for first responder programs

Estimated Premiums: 1891 students x \$11.60 = \$21,935.00
450 students x \$48.80 = \$21,960.00
\$43,895.00
FLIGA (State mandated guarantee fund fee) 351.16
Total Estimated Premium based on enrollment \$44,246.16

Basic premiums for this coverage are the same as expiring, although the number of students enrolled in these programs has increased from approximately 1904 to 2341. Staff is recommending that the renewal program include The School Board of Miami-Dade County, Florida as an additional insured unlike the expiring policy which has "The Students of the Schools of The School Board of Miami-Dade County, Florida as the only named insured.

The inclusion of additional students and the additional insured endorsement will result in a premium increase from last year's premium of \$32,663.14 (estimated) to \$44,246.16 (fixed). Staff has negotiated a fixed cost premium for this policy based upon the number of students enrolled at the time of the renewal, with any additional students to be added at no additional cost. Premiums for this program will be paid from the Board's liability premium budget.

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 Education Division of Career & Technical Education where proof of coverage is required, with total premiums for such coverage, including all premiums and state required fees of \$44,246.16, with additional student added during the year to be at no additional cost, effective October 17, 2008 to October 17, 2009.

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