

Financial Services  
Mrs. Judith M. Marte, Chief Financial Officer

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

**COMMITTEE: FISCAL ACCOUNTABILITY**

**LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

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, 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. The Board has continued to authorize renewal of this coverage since the October 2007 Board Meeting.

Staff is recommending renewal of this program pursuant to the authority under State Board Rule 6A-1.012(15), 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.

**E-68**

## **RENEWAL PREMIUM SUMMARY**

At The School Board Meeting of October 7, 2014, the Board authorized purchase of Student Professional Liability insurance coverage through Arthur J. Gallagher Risk Management Services, Inc., from Chicago Insurance Company (A.M. Best A XV) with coverage limits of \$1 million per occurrence/\$6 million per educational institution annual aggregate, with the School Board to be named as an additional 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 of \$21,604 including all state required fees, with additional students added during the year to be at no additional cost, effective October 17, 2014 to October 16, 2015.

The current policy period is ending and the incumbent insurance company, Chicago Insurance Company has discontinued their program. As a result, staff through the Board's insurance broker Arthur J. Gallagher Risk Management Services, Inc. has remarketed the program. Numerous insurance companies were contacted and asked to provide quotes, however most declined to quote and those who responded with the exception of Medical Protective Company (A.M. Best A++, XV) were not competitive.

Medical Protective Company (A.M. Best A++, XV) an admitted carrier, provided the most competitive quote with coverage limits of \$1 Million per occurrence/ \$6 million per student and policy annual aggregate, with a \$0 deductible, with the School Board as a named insured (includes faculty); with students at each participating school listed as additional insured, to cover students enrolled in a program through the Health Science Education Division of Career & Technical Education where proof of coverage is required. Total annual premiums quoted for such coverage is \$24,063, including all state required fees, with additional students added during the year to be at no additional cost. The coverage effective date is October 17, 2015 to October 16, 2016.

Staff is recommending purchase of Student Professional Liability insurance coverage through Arthur J. Gallagher Risk Management Services, Inc., from Medical Protective Company (A.M. Best A++, XV) with coverage limits of \$1 million per occurrence/\$6 million per student and policy annual aggregate, with total premiums for such coverage of \$24,063 including all state required fees. Premiums for this program will be paid from the District'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 Risk Management Services, Inc., from Medical Protective Company (A.M. Best A++, XV) with coverage limits of \$1 million per occurrence/\$6 million per student and policy annual aggregate, with total premiums for such coverage of \$24,063 including all state required fees with the School Board to be a named insured; with students at each participating school listed as additional insured, to cover students enrolled in a program through the Health Science Education Division of Career & Technical Education; with additional students added during the year to be at no additional cost, effective October 17, 2015 to October 16 2016 with premiums for this program to be paid from the District's liability premium budget.

JMM:sbc