



SACHEM

CENTRAL
SCHOOL
DISTRICT

Board of Education 2017-2018

Student Accident Insurance

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Kenneth E. Graham, Ed.D., Superintendent of Schools

John J. O'Keefe, Assistant Superintendent for Business and Operations



What is Student Accident Insurance?

- Student Accident Insurance is an optional policy that can be purchased by school districts.
 - Parental health insurance remains as primary coverage.
 - Student accident insurance is supplemental.
- This insurance provides benefits for injuries that occur during school hours and/or school-sponsored and supervised activities, such as:
 - Interscholastic Athletics
 - Gym Class
 - Playground Activities
 - Field Trips



Why Provide this Supplemental Coverage?

- Helps Sachem families by reducing or potentially eliminating out-of-pocket expenses not paid by primary coverage, including copays and deductibles.
 - There is an increasing trend of high deductible plans, and more of the cost share is shifting to the insured.
- Provides primary protection when parents do not have health insurance.
- Helps to shield the District from being sued as a result of parental financial burdens incurred from student related injury expenses.
 - May decrease claims submitted against the school's general liability insurance policy.
 - Could result in reduced general liability premiums.



History of Coverage here in Sachem

- Student accident insurance coverage was provided at District expense through the 2014-15 school-year.
 - Since 2015-16 it has been offered as an optional, parentally paid policy.
- In the six year period 2009-10 through 2014-15 the average insurance premium was \$200K per year.
- From 2012-13 through 2014-15 the average claims paid out on behalf of Sachem families was \$172K per year*.
 - * Does not include any claims administration fees.

District payment of Student Accident Insurance as a General Fund expenditure is authorized by policy # 8700

We are Sachem!



Coverage at other Long Island Districts

Sachem's General Liability Insurance Policy is with the New York Schools Insurance Reciprocal (NYSIR)

- NYSIR represents 118 of the 124 districts across Long Island.
 - Of the 118, a total of 117 have student accident coverage.
 - Sachem is the only district they represent on Long Island without some level of student accident insurance.

Local District Survey	Approx. Annual Premium	Approx. Cost Per Pupil
Smithtown	\$ 135,900	\$ 13.80
Comsewogue	\$ 60,000	\$ 16.99
Middle Country	\$ 171,500	\$ 17.11
Three Village	\$ 118,200	\$ 18.77
Patchogue Medford	\$ 143,300	\$ 18.80
Mount Sinai	\$ 49,000	\$ 20.19
Connetquot	\$ 119,300	\$ 20.40
William Floyd	\$ 190,000	\$ 22.00
	Average:	\$ 18.51



Evaluating Proposals from Carriers

Annual Premiums are based on Number of Pupils Insured, as well as the District's Experience Rating, but there are other factors, such as:

- Maximum Medical Coverage (typically \$25,000 or \$50,000)
- Insurance Coverage (as a % of "usual & customary")
- Deductible (varies ... \$0, \$100, \$250, or \$500)
- Orthopedic Appliances, Medications (as a % of "usual & customary")
- Glasses and Contacts (damaged as direct result of injury)
- Dental Coverage (varies ... \$3,500, \$25,000, \$50,000, 100% of "U&C")
- Catastrophic Medical Claims Coverage (typically \$1,000,000)



Projected Cost to Reinstate Coverage

Results of Recent Request for Proposals:

- Eleven different proposals received from four carriers
 - AIG, Pupil Benefits, Starr, and Zurich
- Quotes based on 13,379 students
 - Census broken down by student age ranges, as well as detailed tally of sports participants at the MS and HS levels.
- Premiums ranged from: **\$190,474** to **\$301,861** per year
- Equates to per pupil rates of: **\$14.24** to **\$22.56** per year
 - This is an average per pupil rate of **\$18.47**, which is very much in line with other local districts