

CYPRESS FAIRBANKS

INDEPENDENT SCHOOL DISTRICT

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To: Matt Morgan
Assistant Superintendent of Support Services

From: Kristine Johnston
Director of Purchasing

Date: June 16, 2016

Re: Athletic/All Activities Student Accident Insurance
Annual Contract #16-05-4932RFP

<u>Item Description</u>	<u>The Brokerage Store, Inc.</u>
Athletic/All Activities Student Accident Insurance	<u>\$345,000.00</u>

Recommendation: The Brokerage Store, Inc.

Funding: Athletic Revenues and Parents

Estimated Expenditure: \$345,000.00

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Memo

To: Kristine Johnston

From: Karen Smith

Date: June 9, 2016

Subject: **Athletic/All Activities Student Accident Insurance Request for Proposal #16-05-4932RFP Contract Award Recommendation**

The District issued a Request for Proposal (RFP) for Athletic/All Activities Student Accident Insurance, Individual Voluntary Student Accident Insurance and Athletic Catastrophic Student Accident Insurance with the goal to obtain equivalent or improved coverage and terms while maintaining a reasonable premium.

Proposals were received from the incumbent insurance agent and four other agents for the Athletic/All Activities Student Accident Insurance, the Athletic Catastrophic Insurance, and the Individual Voluntary Student Accident Insurance. The proposals varied in their terms and conditions and premiums. Attached is the evaluation of proposals based on the RFP criteria and detail analysis sheet for your review.

For the Athletic/All Activities Student Accident Insurance, I recommend the District accept the proposal from The Brokerage Store, underwritten by National Guardian Life Insurance Company. I also recommend the District accept the proposal from The Brokerage Store for The Voluntary Accident Plan, underwritten by Security Life Insurance Company, and the Athletic Catastrophic Insurance, underwritten by Zurich American Life Insurance Company. The same agent on both the Athletic/Activities and the Catastrophic Accident coverage will allow them to be able to expedite claims for our claimants if necessary. The District currently utilizes The Brokerage Store and continues to have a good working relationship with them. Their proposal for a premium of **\$345,000** for the Athletic/All Activities Student Accident Insurance was the lowest and provides equivalent coverage and terms as the expiring policy for the District. This proposal provided the best value for the services requested. Additionally, the Individual Voluntary Student Accident Insurance policy will serve as primary insurance regardless if the student has other coverage. The agency will work to coordinate both policies so that the voluntary plan will pay up to the **\$750** deductible that is applicable to all injuries covered by the Athletic/All Activities Student Accident Insurance policy.

Feel free to contact me if you have any questions. Thank you.

cc: Stuart R. Snow, Jr., Matt Morgan, Mark Flores

Cypress-Fairbanks I.S.D. 16-05-4932RFP

May 2016

Evaluation of Proposals using RFP Criteria		Athletic & Voluntary Insurance Proposers					
		Agent	David Cates	John D. Gutschlag	Greg White	Keith Cargile	Jo Ann Barnard
Managing General Agent			The Brokerage Store, Inc	Student Insurance Plans	Monarch Management Corporation	Health Special Risk Inc.	Alliant Insurance Services, Inc.
Third Party Administrator			Student Assurance Services, Inc	Global Benefits Group	Achieve Financial Group	Health Special Risk Inc.	Alliant Insurance Services, Inc.
Insurance Company			National Guardian Life Insurance	Catlin Insurance Co.	Axis	Mutual of Omaha	The Hartford
Proposal #			1	1	1	1	1
Comparison Criteria		Max Value					
A	Overall cost proposed to perform the requested services	40	39	37	38	37	30
B	Capability of the proposer to support the services quoted	25	25	24	24	25	24
C	References	15	15	13	13	14	10
D	Compliance with the RFP basic requirements and forms	10	10	10	10	7	7
E	Experience with political subdivisions	10	9	6	8	10	7
TOTAL		100	98	90	93	93	78

Cypress-Fairbanks I.S.D. 16-05-4932RFP

Evaluation of Proposals using RFP Criteria		Catastrophic Insurance Propers					
Agent			David Cates	John D. Gutschlag	Greg White	Keith Cargile	Jo Ann Barnard
Managing General Agent			The Brokerage Store, Inc	Student Insurance Plans	Monarch Management Corporation	Health Special Risk Inc.	Alliant Insurance Services, Inc.
Third Party Administrator			None	Global Benefits Group	Achieve Financial Group	Health Special Risk Inc.	Alliant Insurance Services, Inc.
Insurance Company			Zurich American Life Ins Co	Catlin Insurance Co.	Axis	Mutual of Omaha	The Hartford
Proposal #			1	1	1	1	1
Comparison Criteria		Max Value					
A	Overall cost proposed to perform the requested services	40	40	38	36	36	n/a
B	Capability of the proposer to support the services quoted	25	25	24	24	25	n/a
C	References	15	15	13	13	14	n/a
D	Compliance with the RFP basic requirements and forms	10	10	10	10	7	n/a
E	Experience with political subdivisions	10	9	6	8	10	n/a
TOTAL		100	99	91	91	92	0

Cypress-Fairbanks I.S.D. Athletic/All Activities Student Accident Insurance RFP#16-05-4932RFP

Cypress-Fairbanks I.S.D. 16-05-4932RFP, May 2016

ATHLETIC & ACTIVITIES ACCIDENT PLAN	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL
AGENT	David Cates	John D. Gutschlag	Greg White	Keith Cargile	Jo Ann Barnard
MGA	The Brokerage Store, Inc	Student Insurance Plans	Monarch Management Corporation	Health Special Risk, Inc.	Alliant Insurance Services Inc.
TPA	Student Assurance Services, Inc	Global Benefits Group	Achieve Financial Group	Health Special Risk, Inc.	Alliant Insurance Services Inc.
COMPANY	National Guardian Life Insurance	Catlin Insurance Company	Axis	Mutual Of Omaha	The Hartford
BEST RATING	A Excellent	A	A+	A+	A
NETWORK NAME	Lonestar, USAMCO	ISANSMS	MultiPlan & SAN	Health Special Risk Networks	none
TEXAS GUARANTY FUND	Yes		Yes	Yes	Yes
Plan Name	Texas U&C	Texas U&C	Custom Plan * Match *	Cy-Fair Plan	
Maximum Benefit per Injury	\$25,000 per Injury	\$25,000	\$25,000	\$25,000 per Injury/ \$5,000 per Motor Veh injury	\$25,000
Benefit Period	52 Weeks	52 Weeks	52 Weeks from date or Injury	52 Weeks	
Deductible	\$750 per Injury	\$750	\$750	\$750	\$1,000
Deductible Accumulation	52 Weeks		Within Benefit Period	52 Weeks	
Primary or Excess	Excess	Excess	Excess	Excess	Excess
Pre-existing Conditions	6 months	N/A	Covered	If Doctor has released, no pre-existing	
Primary PPO Out of Area Denial	NO/NA	NO	Not Applicable/Not denied out of Network	None, included for any discounts	n/a
Physician Benefits					
Inpatient per Day	Usual & Customary Charges	U&C	U&C	100 % of Allowable Expense / 1 visit per day	
Outpatient per Day	U & C; up to maximum 5 visits	U&C UP TO 5 VISITS	U&C UP TO 5 VISITS	100 % of Allowable Expense up to 5 visits	
Hospital Benefits					
Room & Board	Semi-Private Room Charge	Semi-Private Room Charge	Semi-Private Room Charge	Semi-Private Room Charge	
Intensive Care	1.5 Times Semi-Private Room Charge	1.5 Times Semi-Private Room Charge	1.5 Times Semi-Private Room Charge	1.5 Times Semi-Private Room Charge	
Hospital Miscellaneous Expenses:				100% of Allowable Expense, max \$10,000	
Outpatient Surgery	U & C, Up to \$5,000	U & C, Up to \$5,000 PER INJURY	U&C, Max \$10,000	100% of Allowable Expense up to \$2,500 per Injury	
Inpatient Surgery	U & C to \$5,000	U & C, Up to \$5,000 PER INJURY	U&C up to \$5,000-Limited to primary procedure	100% of Allowable Expenses up to \$5,000 max	
Assistant Surgeon	25% of Surgery Benefit	25% of Surgery ALLOWANCE	25% of Surgery Allowance	25% of Surgeon's Allowance	
Day Surgery (facility Charge)	U&C up to \$3,500	U & C, Up to \$2,500	U & C, Up to \$2,500	100% of Allowable Expense up to \$2,500 per Injury	
MRI or Cat Scan	U & C, up to \$1,200; \$50 for reading	U & C, Up to \$500	U & C, Up to \$600	Up to \$600 per Injury	
Emergency Room	U&C, up to 500	U & C, Up to \$500 PER INJURY	U & C, Up to \$250	Up to \$500 per Injury	
Ambulance	U&C, up to \$1,000	Up to \$1,000 PER INJURY	U & C, Up to \$1,000	100% of Allowable Expense, Max \$1,000 per Injury	
Additional Services					
Outpatient Physical Therapy	\$50 per Visit; 20 Visit Maximum	\$50 per Visit; MAX OF 20 Visits	Non post surgical: \$50 per visit max	\$50 per Visit; MAX OF 20 Visits	
Dental Treatment	U & C, up to \$5000	U & C, up to \$5000 PER INJURY	U&C up to \$5,000 to sound natural teeth	100% of Allowable Expense, Max \$5,000 per Injury	
Orthotics - In	U & C, up to \$500	up to \$500	U & C, Up to \$500	up to \$1,200 per injury	
Orthotics - Out	U & C, up to \$500	up to \$500	U & C, Up to \$500	up to \$500 per injury	
Durable Medical Equipment	U & C, up to \$300	Up to \$150 PER INJURY		Up to \$150 per injury	
Heat, Fainting, Dehydration	covered	covered	covered	Covered as nominal accident, \$25,000	
Life Insurance, AD&D					
Death	\$2,000	\$5,000	\$2,000	\$10,000	
Activities Covered					
UIL sports, intramural sports, cheerleaders, Managers, Trainers, All K-12 activities, UIL competitions, day and overnight field trips, vocational classes, automotive shop and physical education classes. Also includes Soccer Start Program (6-8), High School Daycare labs ages 6 weeks to 4 years. Early Learning Centers ages 6 weeks to 5 years of age, and Club Rewind before and after school care. (Yes or No)	YES Physical Education classes are covered under the catastrophe plan ONLY	YES	Yes	YES	Yes
Rate Guarantee Year One (\$750 deductible)	\$ 345,000.00	multi-year agreement enclosed	Yes	\$383,500	\$403,467
Year Two (\$750 Deductible)	\$ 345,000.00	multi-year agreement enclosed	multi-year agreement	will strive to keep the premium w min rate adjusts	
Year Three (\$750 Deductible)	No More Than 10% Increase	multi-year agreement enclosed	multi-year agreement	will strive to keep the premium w min rate adjusts	
Primary Provisions (yes or no)					
Excess over other insurance	Yes	YES	Yes	Yes	Yes
Explain any pre-existing condition clause	Covered after 6 months treatment free	NONE	No	If Dr. has released, no pre-existing	
Covers These Activities:					
All UIL Activities	YES	YES	YES	YES	
Vocational	YES	YES	YES	YES	
Field Trips	YES	YES	YES	YES	
Power Lifting	YES	YES	YES	YES	
Diving	YES	YES	YES	YES	
Rodeo	NO	YES	NO	No, but possibly added with additional fee	
7 on 7 Football	Yes	YES	Yes	Yes	
Pre-certification required?	No	NO	No	No	
Individual underwriting required?	No	NO	No	No	
Is there any reduction in benefits from current plans?	No	NO	No	No	
Define U&C or R&C: (basis of payment & Percentile)	Percentile is 80% but with our contracts bills will be paid at 100%	Percentile is 75 % of usual charge for medical service in a geographical area	75% of captive coding: standard charge for services in particular geographic area	Charges are determined by an avg charge in the zip codes surrounding the school district	
Annual Premium					

Cypress-Fairbanks I.S.D. Athletic/All Activities Student Accident Insurance RFP#16-05-4932RFP

\$0 Deductible					
\$750 Deductible	\$345,000	\$410,000	\$357,460	\$383,500	\$403,467
ATHLETIC CATASTROPHIC COVERAGE	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL
AGENT	David Cates	John D. Gutschlag	Greg White	Keith Cargile	Jo Ann Barnard
MGA	The Brokerage Store, Inc.	Student Insurance Plans	Monarch Management Corporation	Health Special Risk, Inc.	Alliant Insurance Services Inc.
TPA	none	Global Benefits Group	Achieve Financial Group	Health Special Risk, Inc.	Alliant Insurance Services Inc.
COMPANY	Zurich American Life Ins Co	Catlin Insurance Company	Axis	Mutual of Omaha	Did not submit a quote
BEST RATING	A Excellent	A	A+	A+	
TEXAS GUARANTY FUND	Yes		Yes	Yes	
CATASTROPHIC ACCIDENT PLAN		CLASS II	Class III		Did not submit a quote
Maximum Benefit	\$7,500,000	\$7,500,000	\$6,000,000	\$7,500,000	
Injury to Loss Requirement-Days	2 years	90 DAYS	180 days	730	
Benefit Period	10 Years	10 YEARS	10 Years	10 Years	
Catastrophic Cash Benefit	\$500,000, optional	\$500,000 optional	\$500,000 optional	\$10,000	
Deductible	\$25,000	\$25,000	\$25,000	\$25,000	
Basis of Payment	Paid by Carrier	Monthly	Excess	As reported	
Life Insurance, AD&D					
Death	\$20,000	\$10,000	\$10,000	\$10,000	
Dismemberment	\$20,000	\$20,000	\$10,000	\$10,000	
Covers all UIL Activities	Yes	YES	Yes	Yes	
Annual Catastrophic Cost	\$19,138	\$17,399	\$18,708	\$19,788	n/a
Annual Cost if no Basic	\$19,138	NOT AVAILABLE	Same	\$19,788	n/a
Rate Guarantee Year One	\$19,138	Rates determined yearly	Yes	\$19,788	n/a
Year Two		Rates determined yearly	Yes		
Year Three		Rates determined yearly	Yes		
Total Basic & Catastrophic Cost	\$364,138	\$427,399	\$376,168	\$403,288	n/a
Athletic Department Questions					
What activities are covered?	ALL UIL & PE Activities	Duplicating current covered activities	All UIL Activities	All UIL athletes and school sponsored non-sport extracurricular activities	
What activities are NOT covered?	Classroom and playground activiites	Duplicating current excluded activities	Participation in any activity not authorized and supervised by the school.	Playground or regular classroom activities	
VOLUNTARY ACCIDENT PLAN	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL	CURRENT PROPOSAL
TPA	Student Assurance Services, Inc	Global Benefits Group	Achieve Financial Group	Health Special Risk, Inc.	Alliant Insurance Services Inc.
COMPANY	Security Life	Catlin Insurance Company	Axis	Mutual Of Omaha Ins Co	Did not submit a quote
Maximum Benefit	\$25,000	\$25,000	\$25,000	\$25,000	
Physician Visit	\$50 per visit; 10 visit maximum	Up to \$40 per visit / 1 visit per day	100% U&C up to \$40 per visit/ 1 per day	Up to \$40 per visit / 1 visit per day	
Coinsurance	NONE	100%	Yes	none	
Hospital Room & Board	Semi-Private Room Charges	Semi-Private Room Rate	Semi-Private daily room rate	Semi-Private Room Rate	
Inpatient Surgery	U&C up to \$3,000	UP TO \$2,000	75% U&C Charges up to \$3,750 maximum	75 % of Allowable Expenses up to \$3,750 max	
Hospital Expense	Semi-private plus \$5,000	UP TO \$2,000	100% U&C Charges up to \$1,250 per covered injury	Up to \$250 per day, max of \$5,000	
Primary up to	\$25,000	\$150	\$25,000	\$25,000 / \$5,000 for motor vehicle injuries	
Accidental Death	\$2,000	\$10,000	\$2,000	\$10,000	
Does voluntary coordinate to eliminate the Athletic/Activities' Deductible?	YES	YES - 24 HOUR AND FOOTBALL PLAN	Yes	Cannot be gauranteed but it will be close	
Annual Premium	NO UIL			Premier Voluntary	Did not submit a quote
24 Hour	\$105	\$35/\$90	\$195 Sports or \$95 No Sports	\$167 / \$175 with dental	
At School	\$25	\$20/\$30	\$93 Sports or \$20 No Sports	\$ 80 / \$88 with dental	
24 hr dental	\$9	included	\$9	see above	
Excess over other insurance?	No, Primary	No	Yes	Yes	
Services					
Claims paid by:	SAS	Mutual Of Omaha Ins Co	Web TPA	Mutual Of Omaha Ins Co	
TPA school clients in Texas - #	230	25+	121	285	
Blanket plans- #	230	25+	121	285	
Catastrophic plans - #	230	25+	121	285	
How many years has primary company underwritten this plan in Texas?	20 years	4	Axis has been underwriting in Texas for 5 years	5	