

Board Office Use: Legislative File Info.	
File ID Number	18-1419
Introduction Date	June 27, 2018
Enactment Number	18-1059
Enactment Date	6/27/18 os



Memo

To Board of Education

From Tara Gard, Chief Talent Officer
Rebecca Littlejohn, Risk Management Officer *RL*

Date June 27, 2018

Subject Catastrophic Accident Insurance for Students – Premium for 2018-19 – Risk Management

Action Requested Authorization to support funding of Catastrophic Accident Insurance

Background

Myers-Stevens & Toohy & Company Inc. has arranged Catastrophic Student Accident Insurance coverage (underwritten by ACE American Insurance Company – a CHUBB company) at a cost of \$9,258.88 (for Class I) and \$44,280.00 (for Class II).

Unfortunately there are inherent risks of serious or even fatal injuries to students while participating in school sponsored activities, including playing sports, participating in field trips, or even simply being on campus during an act of violence. Providing Catastrophic Accident coverage can help seriously injured students and families ease their financial concerns and provide access to the care they need while promoting healing of the community as a whole. For the District, providing this type of coverage can help reduce any potential liability cost.

Catastrophic Accident Insurance provides a \$1,000,000 Accident Medical Maximum with a 10 year benefit period from the time of the accident. In addition, there is up to \$500,000 in additional monies for assistance (depending on the severity of the injury). The plan also includes \$50,000 for Crisis Management for students and staff

Class I and Class II options would provide coverage for families where their student's injuries exhaust the limits of coverage available under Basic Student Accident Insurance.

Class I covers all students athletes, student managers, student trainers, student coaches, cheerleaders, majorettes and band members who participate in school sponsored and supervised interscholastic athletic activities.

Class II covers all students from pre-kindergarten through the twelfth (12th) grade while they are attending regular schedule classes and taking part in all school sponsored and directly supervised activities, including official school to work activities, ROTC programs and off-season athletic training and conditioning (except for interscholastic athletics).

Providing this type of catastrophic accident insurance aligns with the OUSD mission of a Full Service Community District.



Discussion

State Law (EC 35330) and District policy (AR 6153) require that school districts conducting field trips or excursions provide or make available medical and/or hospital services for students injured while participating in field trips or excursions. Both state law (EC 32221 and District policy (AR 6153) also require that students participating in certain high risk activities, including but not limited to interscholastic athletic activities have insurance coverage. Further, both law and District policy provide that students may not legally be excluded from activities due to an inability to pay.

The coverage offered by Myers-Stevens & Toohey & Company is a low per pupil cost and is more comprehensive, providing coverage to students for injuries that occur during school hours and days when school is in session and while attending or participating in school sponsored and supervised activities on or off school premises. In addition, the coverage includes all school sponsored interscholastic sports (such as tackle football).

The District continues to expand opportunities for students to participate in work based learning off site as well as inception of the Middle School Sports League, which allows middle school students to participate in interscholastic athletic activities. These are exciting opportunities for students, however they carry increased risk of injuries to students, some of which could result in significant costs for medical treatment.

There is also a growing concern related to certain playground and sports injuries such as head injuries and concussions and this coverage would provide a significant benefit to students suffering those injuries and could decrease government code claims filed by families who cannot afford medical expenses.

Both the District and our families are better served by the assurance of some accident insurance to cover all students. Requiring families who do not have medical insurance to pay for accident insurance can pose a significant financial hardship for many of our families. This is also out of step with changes in the law generally prohibiting pupil fees in public schools and with our mission to serve the whole child, including facilitating access to healthcare and eliminating inequity. This coverage would significantly benefit our students while enabling the District to comply with its legal and policy requirements at a low per pupil cost.

Recommendation

Authorize Risk Management to support funding of Catastrophic Student Accident Insurance 2018-2019

Fiscal Impact

\$53,538.88 \$0 Deductible with 100% Usual and Customary charges)

Attachments

2018-2019 School Year Coverage Request Form



Myers-Stevens & Toohy & Co., Inc.
 26101 Marguerite Parkway
 Mission Viejo, CA 92692-3203
 T: 949.348.0656 F: 949.348.2630

**Catastrophic Accident Insurance for
 Students and Volunteers**

Underwritten by ACE American Insurance Company; Philadelphia, PA 19106

2018-2019 School Year Coverage Request Form

Name of School/District Oakland Unified School District Address 1000 Broadway, Suite 680
 City Oakland St CA Zip 94607 Phone _____ Fax _____

Summary: The program consists of the following benefits:	OPTION I	OPTION II
Excess Accident Medical Expense (100% of U&C) with 10 year benefit paid up to	\$1,000,000	\$5,000,000
Accident Medical Expense Deductible (waived for Presumptive Disability - see brochure)	\$25,000	\$25,000
Accidental Death and Dismemberment - principal sum	\$25,000	\$50,000
Double Dismemberment	\$50,000	\$100,000
Catastrophic Losses payable in addition to accident medical benefits up to	\$500,000	\$1,000,000
Seatbelt and Airbag - 10% of principal sum up to	\$5,000	\$5,000
Crisis Management Benefit	\$100,000	\$200,000
Cosmetic Disfigurement from Burns Benefit - up to a maximum of	\$150,000	\$150,000
Special Adaptation Expense Benefit (vehicle and home, respectively) - up to a maximum of	\$75,000	\$75,000
Traumatic Brain Deficit Benefit - up to a maximum of	\$250,000	\$250,000

Coverages Available:

Class I - Interscholastic Athletics
 Covers students while participating in school sponsored and directly supervised games and official practice sessions of interscholastic sports and supporting activities (band, cheerleaders, majorettes, student coaches, student trainers, and student managers) and while traveling directly and without interruption between school and the site of such activities, provided that such travel is arranged by and is at the direction of the school.

Class II - Student Activities
 Covers students while on premises when school is in session and while participating in school sponsored and directly supervised activities (except interscholastic athletics), and while traveling directly and without interruption between school and the site of such activities, provided that such travel is arranged by and is at the direction of the school, and while traveling directly and without interruption between home and school to attend regularly scheduled classes (includes one hour immediately before and after regularly scheduled classes).

Class III - Religious Education Activities
 Covers elementary level students while attending church or school sponsored and directly supervised religious education activities and while traveling directly and without interruption between the school and the site.

Class IV - Youth Ministry Activities
 Covers students while attending church or school sponsored and directly supervised youth ministry activities and while traveling directly and without interruption between the school and the site of such activities, provided that such travel is arranged by and is at the direction of the school.

Class V - Adult/Parent Volunteers
 Covers adult/parent volunteers while participating as a school volunteer in any school sponsored activity, and while traveling, as a volunteer, directly and without interruption between school and the site of such activities, provided that such travel is arranged by and is at the direction of the school.

Class VI - Summer Sports and Conditioning
 Covers students while participating in school sponsored and directly supervised sports and conditioning activities conducted during the summer, and while traveling directly and without interruption between school and the site of such activities, provided such travel is arranged by and is at the direction of the school.

CHOOSE: Class(es) and Option(s):	OPTION I \$1,000,000 MAX	OPTION II \$5,000,000 MAX
Class I - Interscholastic Athletics (All interscholastic athletes and non-competing participants)	2,368 # Participants x \$3.91 = \$9,258.88	# Participants x \$5.95 =
Class II - Student Activities (All students enrolled in school/district)	36,900 # Total Enrollment x \$1.20 = \$44,280.00	# Total Enrollment x \$2.03 =
Class III - Religious Education Activities (All students enrolled in Religious Education Program)	# Total Enrollment x \$0.65 =	# Total Enrollment x \$0.98 =
Class IV - Youth Ministry Activities (All students enrolled in Youth Ministry Program)	# Total Enrollment x \$1.23 =	# Total Enrollment x \$1.87 =
Class V - Adult/Parent Volunteers (Use 10% of total school enrollment for # of Volunteers)	# Volunteers x \$0.52 =	N/A
Class VI - Summer Sports and Conditioning (All Participants)	# Participants x \$1.19 =	N/A

MINIMUM PREMIUM ALLOWED: \$350 **Total Premium Due = \$53,538.88**

Effective date of this coverage will be the first day of school and/or the first official day of interscholastic athletics practice (if applicable), or the date the Coverage Request Form and premium are received by Myers-Stevens & Toohy & Co., Inc., whichever is later.

Coverage Effective Date: July 1, 2018 through June 30, 2019

We hereby request a Catastrophic Accident Insurance Policy. We understand that Insurance will be in force if this Coverage Request Form is accepted by the Company and the required premium is received by the Company when due.

Name of person authorized to contract for the School/District _____ Title _____
 Signature _____ Date _____

Coverage Request Form must be completed in its entirety and received by MYERS-STEVENS & TOOHEY & CO., INC., prior to the effective date required.



Myers-Stevens & Toohy & Co., Inc.
 26101 Marguerite Parkway
 Mission Viejo, CA 92692-3203
 T: 949.348.0656 F: 949.348.2630

**Additional Benefits for
 Catastrophic Accident Insurance
 Students and Volunteers
 2018-2019 School Year Coverage Request Form**

Underwritt ACE American Insurance Co Philadel A 19106

Summary: The program consists of the following benefits:

Cosmetic Disfigurement from Burns Benefit

If, as a result of a Covered Injury, an Insured suffers third or fourth degree burns in one or more areas of the body, benefits will be paid as determined by the formula specified in the policy, up to a maximum benefit of \$150,000.

Special Adaptation Expense Benefit

If an Insured suffers a "presumptive disability" from a covered Accident and requires a special housing adaptation or a special vehicle to accommodate the disability, benefits will be paid up to \$75,000 for the housing adaptation and/or up to \$75,000 for the special vehicle.

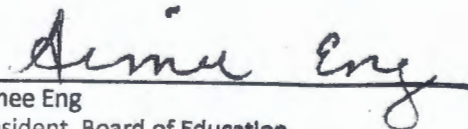
Benefits are not payable unless the Insured's physician certifies them as necessary.

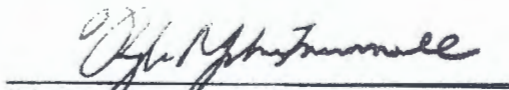
"Presumptive Disability" means the complete and irrecoverable loss of sight of both eyes, speech, hearing in both ears, or of any two limbs, hands or feet, provided the loss occurs within one year of the Covered Accident.

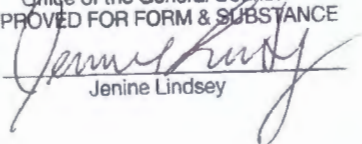
"Vehicle" means a private passenger land motor vehicle. It includes automobiles, vans, and four wheel drive vehicles. It does not include a vehicle used for farming, commercial business, racing or any type of competitive speed event.

Traumatic Brain Deficit Benefit

If an Insured suffers an injury to the brain which 1) occurs, and is diagnosed by a Doctor; 2) results in measurable, neurological deficit persisting for the lesser of at least 12 consecutive months or the time at which maximum recovery has been reached; 3) requires permanent daily personal supervision; and 4) results in the inability of the Insured to perform independently three or more of the following activities of daily living: a) transferring (moving in or out of a bed or chair); b) dressing; c) bathing; d) feeding; e) toileting; or f) continence, benefits will be paid up to a maximum of \$250,000.


 Aimee Eng
 President, Board of Education


 Kyla R. Johnson-Trammell
 Secretary, Board of Education

OAKLAND UNIFIED SCHOOL DISTRICT
 Office of the General Counsel
 APPROVED FOR FORM & SUBSTANCE
 By: 
 Jenine Lindsey



CONTRACT JUSTIFICATION FORM
This Form Shall Be Submitted to the Board Office
With Every Consent Agenda Contract.

Legislative File ID No. _____

Department: Risk Management

Vendor Name: Myers Stevens & Tohhey & Co, Inc.

Contract Term: Start Date: July 1, 2018 End Date: June 30, 2019

Annual Cost: \$ 53,538.88

Approved by: _____

Is Vendor a local Oakland business? Yes No

Why was this Vendor selected?

Comprehensive insurance coverage.

Summarize the services this Vendor will be providing.

Class I and Class II catastrophic accident insurance for all students and volunteers.
Class I covers students while participating in interscholastic athletics and supporting activities (band, cheerleaders, majorettes, student coaches, student trainers, and student managers).
Class II covers all students for catastrophic injuries while on premises when school is in session and while participating in school sponsored activities (except interscholastic athletics).

Was this contract competitively bid? Yes No

If No, answer the following:

1) How did you determine the price is competitive?

Reviewed other coverage.

2) Please check the competitive bid exception relied upon:

- Educational Materials**
- Special Services** contracts for financial, economic, accounting, legal or administrative services
- CUPCCAA exception** (Uniform Public Construction Cost Accounting Act)
- Professional Service Agreements** of less than \$86,000 (increases a small amount on January 1 of each year)
- Construction related Professional Services** such as Architects, DSA Inspectors, Environmental Consultants and Construction Managers (require a "fair, competitive selection process)
- Energy** conservation and alternative energy supply (e.g., solar, energy conservation, co-generation and alternate energy supply sources)
- Emergency** contracts
- Technology** contracts
 - electronic data-processing systems, supporting software and/or services (including copiers/printers) over the \$86,000 bid limit, must be competitively advertised, but any one of the three lowest responsible bidders may be selected
 - contracts for computers, software, telecommunications equipment, microwave equipment, and other related electronic equipment and apparatus, including E-Rate solicitations, may be procured through an RFP process instead of a competitive, lowest price bid process
 - Western States Contracting Alliance Contracts (WSCA)
 - California Multiple Award Schedule Contracts (CMAS) [contracts are often used for the purchase of information technology and software]
- "Piggyback" Contracts** with other governmental entities
- Perishable Food**
- Sole Source**
- Change Order for Material and Supplies** if the cost agreed upon in writing does not exceed ten percent of the original contract price
- Other, please provide specific exception**