

**ORANGE COUNTY
BOARD OF EDUCATION
AGENDA ITEM ABSTRACT**

Meeting Date: June 19, 2014

AGENDA ITEM No. 14-06-(2)-13

ACTION ITEM: (Y/N) Y

SUBJECT: Student Insurance Approval 2014-2015

INFO. CONTACT Donna Brinkley PHONE: (919) 732-8126

ATTACHMENTS:

- 1) Blanket/Catastrophic/Voluntary Student Accident Insurance Summary
- 2) Blanket Student Accident Insurance Cost 2014-15 Memo
- 3) Catastrophic Student Accident Insurance Cost 2014-2015 Memo
- 4) 24 Hour Voluntary Student Accident Insurance Cost 2014-15 Memo

PURPOSE: To approve continuation of Orange County Schools' student accident insurance for 2014-2015 with the Young Group, Inc.

BACKGROUND: The Young Group has provided school accident insurance for Orange County Schools since 1988. Details regarding this coverage are listed below:

- The current blanket student accident coverage pays up to \$50,000 and includes full daytime coverage for each student enrolled.
- This coverage is for all students on school premises during the hours and days when classes are in session and while participating in or attending any school sponsored and supervised activity (including football and all other athletics supervised by the school) or field trip.
- Students are covered away from the school grounds if participating in school sponsored and supervised activity, including athletics and field trips.
- Students are covered when commuting directly and without interruption to and from their residence and school for regular school day sessions, and traveling to and from any school sponsored supervised activity, including athletic events, in a school authorized vehicle.

Catastrophic Student Accident Insurance was provided by the Young Group beginning with the 2009-2010 school year.

- Catastrophic accident insurance begins paying once a claim reaches \$25,000 and then pays up to the policy maximum of \$5,000,000.
- All PreK-12 students are covered for any school sponsored and supervised activity.
- All Middle School athletes – including football – are covered for all accidents related to athletics.

FINANCIAL IMPACT:

The Blanket Student Accident Insurance will cost Orange County Schools \$3.19 per student or \$25,221.50 in total.

The Catastrophic Student Accident Insurance will cost Orange County Schools \$.90 per student or \$7,064.30 in total.

RECOMMENDATION: The Superintendent recommends the Board of Education approve The Young Group, Inc. to continue coverage for Student Accident Insurance and Catastrophic Insurance for 2014-2015.

ORANGE COUNTY SCHOOLS

6/10/2014

BLANKET/VOLUNTARY STUDENT ACCIDENT INSURANCE 2014 / 2015

Provided by Gerber Life Insurance Co. - The Young Group Endorsed

Blanket Student Accident Insurance - 100% Student Participation

(Purchased by Orange County Schools)

Effective: 7/1/2014 to 7/1/2015

Coverage Includes:

- Regular Hours of School Day
- In Transit Directly To and From School
- Attending any School Sponsored and School Supervised Activity after Hours

All PreK-12 Student Base Coverage

Pays up to \$50,000

\$2.00 per PreK-12 student

All 6-12 Athletic - Includes Interscholastic Football

Pays up to \$50,000

\$10.50 based on 70% of High School Athletes

\$5.50 based on 70% of Middle School Athletes

Voluntary Student Accident Coverage - (Selected and Paid by the Student or Parent)

Effective: Date of Purchase to First School day of Following School Year

- Includes 24 Hour Coverage
- All Sports other than Interscholastic Sports (sports between schools)

2014 application has not been printed

Voluntary PreK-12 Application will include Schedule of Benefits

Annual Premiums will be list at bottom of Voluntary Application

24 Hour Student Accident Dental will be included on Voluntary Application

Annual Premiums will be listed at bottom of Voluntary Application

All Voluntary Coverage can be purchased at any time of year

STUDENT CATASTROPHIC ACCIDENT INSURANCE 2014 / 2015:

Provided by: Gerber Life – The Young Group Endorsed

All PreK-12 Student Participation including Middle School Athletes (Purchased by Orange County Schools)

Effective: 7/1/2014 to 7/1/2015

Any Time of Day as long as School Sponsored and Supervised Activity

Pays from \$25,000 up to \$5,000,000

Provided by: North Carolina High School Athletic Association

High School Athletes Only

\$3.75 per Athlete

Any Time of Day as long as School Sponsored and Supervised Activity

Pays from \$25,000 up to \$2,000,000



Orange County Schools

200 East King Street
Hillsborough, NC 27278

Donna Brinkley
Chief Finance Officer

(919) 732-8126 Telephone
(919) 732-2609 Fax
www.orange.k12.nc.us

To: Donna Brinkley

From: Cathy Gillispie

Date 6/10/2014

Re: BLANKET STUDENT ACCIDENT INSURANCE COST 2014-2015

This is an estimate for Blanket Accident Insurance Coverage for all Students, Athletes and Volunteer Coaches for the 2014-2015 school year. Base Accident Insurance covers \$.01 - \$50,000 in claims.

ATHLETES AND VOLUNTEER COACHES

Middle School Student Athlete estimate:

A.L. Stanback	197
C.W. Stanford	269
Gravelly Hill	<u>193</u>
Total	$659 \times 70\% = 461 \times \$5.50 = \$2,535.50$

Middle School Volunteer Coach

4
7
<u>8</u>
$19 \times \$2.00 = \38.00

High School Student Athlete estimate:

CRHS	454
OHS	<u>472</u>
Total	$926 \times 70\% = 648 \times \$10.50 = \$6,804.00$

High School Volunteer Coach

6
<u>9</u>
$15 \times \$2.00 = \30.00

Combined Student Total

Middle Schools	\$2,535.50
High Schools	<u>\$6,804.00</u>
Total Athletes	\$9,339.50

Combined School Volunteer Coach

Middle Schools	\$38.00
High Schools	<u>\$30.00</u>
Total Volunteer Coach	\$68.00

ALL STUDENTS

All Students School Time cost set at \$2.00 per student

Student Estimate $7907 \times \$2.00 = \$15,814.00$

Student Athlete	\$ 9,339.50
Volunteer Coach	\$ 68.00
All Student	<u>\$ 15,814.00</u>
Total	$\$ 25,221.50 / 7907 = \3.19 estimated cost per student/coach

- 70% to account for multi-sport athletes
- Cost for all volunteer coaches based on estimate of 34 total volunteer coaches 6 – 12th grade.
- Cost for all students based on estimate of 7907 total students PreK - 12th grade.

GERBER LIFE INSURANCE COMPANY
1311 Mamaroneck Avenue, White Plains, New York 10605

Blanket Accident Insurance Application

Name of Policyholder Orange County Schools Policy Number 33-0821-14
(as it should appear on the Policy)

Mailing Address 200 East King Street Hillsborough NC 27278
(City) (State) (Zip Code)

Insurance Contact Name Donna Brinkley Title Chief Finance Officer

Phone 919-732-8126 x 13010 Fax 919-732-2609 Email Address donna.brinkley@orange.k12.nc.us

Policy Effective Date* July 1, 2014 Policy Expiration Date July 1, 2015
(*This will be the effective date if enrollment form and premium are received)

Covered Activities and Rates

MANDATORY COVERAGES

SCHOOL-TIME COVERAGE (please select coverage and plan type)

Includes All Interscholastic Sports with Football
 Includes All Interscholastic Sports – No Football No Interscholastic Sports

Plan Selected: Gold Silver Bronze Copper

Insured Person (options)	Number & Class of Persons to be Insured		Rate	=	Total Premium for grade level
Grades Pre K – K	_____	X	_____	=	_____
Grades 1 – 8	_____	X	_____	=	_____
Grades 9 – 12	_____	X	_____	=	_____
Grades Pre K – 12 (PreK-12 Districts Only)	<u>7907</u>	X	<u>2.00</u>	=	<u>\$15,814.00</u>
			Total Premium	=	<u>\$15,814.00</u>

ALL ATHLETIC COVERAGE (please select coverage and plan type)

Includes All Interscholastic Sports with Football
 Includes All Interscholastic Sports – No Football Interscholastic Football Only

Plan Selected: Gold Silver Bronze Copper

Insured Person (options)	Number & Class of Persons to be Insured		Rate	=	Total Premium for grade level
Grades Middle School	<u>461</u>	X	<u>5.50</u>	=	<u>\$2,535.50</u>
Grades High School	<u>648</u>	X	<u>10.50</u>	=	<u>\$6,804.00</u>
			Total Premium	=	<u>\$9,339.50</u>

ADDITIONAL COVERAGES

Please write the Plan being Selected (Gold, Silver or Bronze) next to the Insured Person. Platinum 1 is not available.

Insured Person (options)	Number & Class of Persons to be Insured		Rate	=	Total Premium for Option(s) Chosen
District Band Plan _____	Flat Premium		_____	=	_____
JROTC Plan _____	_____	X	_____	=	_____
JTPA Plan _____	_____	X	_____	=	_____
Before & After School Care Plan _____	_____	X	_____	=	_____
School Volunteers Plan <u>Bronze</u>	<u>34</u>	X	<u>\$2.00</u>	=	<u>68.00</u>
Other Option _____	_____	X	_____	=	_____
<input type="checkbox"/> Gold <input type="checkbox"/> Silver <input checked="" type="checkbox"/> Bronze			Total Premium for all Insured Persons:	=	<u>25,221.50</u>

Fraud Statement

For residents of Arkansas, Louisiana and West Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

For residents of Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

For residents of the District of Columbia: **WARNING:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

For residents of Florida: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

For residents of Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

For residents of Maine, Tennessee, Virginia and Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

For residents of Maryland: Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

For residents of New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

For residents of New Mexico: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

For residents of New York: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

For residents of Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

For residents of Oklahoma: **WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

For residents of Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.



Orange County Schools

200 East King Street
Hillsborough, NC 27278

Donna Brinkley
Chief Finance Officer

(919) 732-8126 Telephone
(919) 732-2609 Fax
www.orange.k12.nc.us

To: Donna Brinkley

From: Cathy Gillispie

Date 6/10/2014

Re: CATASTROPHIC STUDENT ACCIDENT INSURANCE COST 2014-2015

This is an estimate for Catastrophic Accident Insurance Coverage for all students for the 2014-2015 school year. High School Athletes covered separately with NCHSAA. Catastrophic Accident Insurance covers \$25,000 - \$5,000,000 in claims.

Middle School Athlete estimate:

A.L. Stanback	197
C.W. Stanford	269
Gravelly Hill	<u>193</u>
Total	659 x \$1.38 = \$909.42

All Students cost set at per student price as follows:

PreK - 8 students no sports	5481 x \$.76 = \$4,165.56
9-12 students no sports	<u>2426 x \$.82 = \$1,989.32</u>
Total	7907 \$6,154.88

Athletic	\$ 909.42
All Student	<u>\$ 6,154.88</u>
Total	\$ 7,064.30 7907 = \$.90 estimated cost per student

Cost for all students based on estimate of 7907 total students PreK - 12th grade.

GERBER LIFE INSURANCE COMPANY
1311 Mamaroneck Avenue, White Plains, New York 10605

Blanket Accident Insurance Application

Name of Policyholder Orange County Schools Policy Number _____
(as it should appear on the Policy)

Mailing Address 200 East King Street Hillsborough NC 27572
(City) (State) (Zip Code)

Insurance Contact Name Donna Brinkley Title Chief Finance Officer

Phone 919-732-8126 x 13000 Fax 919-732-2609 Email Address donna.brinkley@orange.k12.nc.us

Effective Date* July 1, 2014 Expiration Date July 1, 2015
(*This will be the effective date of coverage if enrollment form and premium are received)

Covered Activities and Rates

- Class 1: All students including interscholastic athletes, intramural sports participants, student coaches, student managers and student trainers.
- Class 2: All interscholastic athletes, cheerleaders, band members, majorettes, student coaches, student managers and student trainers.
- Class 3: All interscholastic athletes, cheerleaders, band members, majorettes, intramural sports participants, gym class participants, student coaches, student managers, student trainers and student participants of school sponsored non-sport extracurricular activities.
- Class 4: All students and intramural sports participants, excluding coverage for interscholastic athletes.

Please select one box indicating the Covered Sports for the desired plan and select one box indicating the desired Class.

Plan	<input type="checkbox"/> A		<input type="checkbox"/> B		<input type="checkbox"/> C		<input type="checkbox"/> D		
Accident Medical Maximum Benefit	\$1,000,000		\$1,000,000		\$5,000,000		\$5,000,000		
Benefit Plan	Enhanced		Medical and AD&D		Enhanced		Medical and AD&D		
Benefit Period	10-Year		10 - Year		10-Year		10-Year		
Covered Sports (Not applicable under Class 4)	<input type="checkbox"/> All Sports	<input type="checkbox"/> All Sports- No Football	<input type="checkbox"/> All Sports	<input type="checkbox"/> All Sports - No Football	<input type="checkbox"/> All Sports	<input type="checkbox"/> All Sports- No Football	<input checked="" type="checkbox"/> All Sports	<input type="checkbox"/> All Sports- No Football	
<input type="checkbox"/> Class 1	Grades PreK-8	\$1.18	\$1.00	\$0.77	\$0.66	\$1.38	\$1.19	\$0.90	\$0.78
	Grades 9-12	\$3.09	\$1.91	\$2.01	\$1.23	\$3.64	\$2.24	\$2.36	\$1.46
<input checked="" type="checkbox"/> Class 2	Middle School or Jr. High	\$1.81	\$1.13	\$1.17	\$0.73	\$2.13	\$1.33	\$1.38	\$0.86
	Senior High	\$4.03	\$2.06	\$2.61	\$1.34	\$4.74	\$2.43	\$3.07	\$1.58
<input type="checkbox"/> Class 3	Middle School or Jr. High	\$2.05	\$1.35	\$1.32	\$0.88	\$2.40	\$1.59	\$1.55	\$1.04
	Senior High	\$4.26	\$2.30	\$2.77	\$1.49	\$5.01	\$2.70	\$3.26	\$1.75
<input checked="" type="checkbox"/> Class 4	Grades PreK-8	\$1.00	\$1.00	\$0.65	\$0.65	\$1.17	\$1.17	\$0.76	\$0.76
	Grades 9-12	\$1.08	\$1.08	\$0.70	\$0.70	\$1.27	\$1.27	\$0.82	\$0.82
Minimum Premium	\$500.00	\$500.00	\$500.00	\$500.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00

	Estimated # of Students		Rate per Student		Total Premium for Grade Level
Classes 1 & 4					
Grades PreK-8	<u>5481</u>	x	<u>\$.76</u>	=	<u>\$ 4,165.56</u>
Grades 9-12	<u>2426</u>	x	<u>\$.82</u>	=	<u>\$ 1,989.32</u>
Classes 2 & 3	Estimated # of Athletes		Rate per Athlete		
Middle School or Jr. High	<u>659</u>	x	<u>\$ 1.38</u>	=	<u>\$ 909.42</u>
Senior High (Grades 9-12)	_____	x	\$ _____	=	\$ _____
TOTAL PREMIUM DUE* (for the benefits shown above)					<u>\$ 7,064.30</u>

(The Premium Due is fully earned and nonrefundable on the effective date of coverage)

*Any account with Total Premium Due of \$10,000.00 or more must have underwriter review/approval prior to acceptance and binding.

Please make check payable to: Special Markets Insurance Consultants, Inc.
Mail the application to your Agent or to: Special Markets Insurance Consultants, Inc.
1265 Main Street, Suite 202
Stevens Point, WI 54481

We hereby enroll with Gerber Life Insurance Company for the plan(s) of insurance selected. We understand that insurance will be in force if this application is accepted by the Company, and the required premium is received by the Company when due. We represent that the information contained in this application is true and correct and forms the basis of the requested insurance.

Donna Brinkley

Signature of Official Authorized to Contract for the Policyholder

Printed Name

Date Signed

Local/Regional Representative of Policyholder

Agency Name: The Young Group, Inc.

Representative Name: Doug Young

Address: 256 W. Millbrook Road

City, State, Zip: Raleigh, NC 27609

Phone Number: (888) 574-6288

Email Address: info@younggroup.biz

Signature: _____
(Policyholder Representative)

Date: _____

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For residents of New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

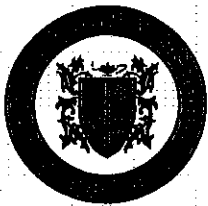
For residents of New Mexico: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

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To: Donna Brinkley

From: Cathy Gillispie

Date 6/10/2014

Re: 24 HOUR VOLUNTARY STUDENT ACCIDENT INSURANCE COST 2014-2015

This is for 24 hour Voluntary Student Accident Insurance Coverage – **Selected and Paid by the Student or Parent.**

All Voluntary Coverage can be purchased at any time of year.

Effective:

Date of purchase to First School day of following School year.

All Students K-12 annual rates per selection: (no pro rata premiums available)

Gold	24 hour accident	\$ 115.00	24 hour Dental	\$8.00
Silver	24 hour accident	\$ 66.00	24 hour Dental	\$8.00
Bronze	24 hour accident	\$ 40.00	24 hour Dental	\$8.00

Schedule of Benefits will be included on application.

Dental Insurance can be purchased separately or with other coverage.

No coverage is provided for participation in interscholastic tackle football or interscholastic sports or sponsored/supervised activities covered under the Student Accident Insurance Program purchased by the school.
