



Finance Committee Meeting

Meeting Date: 1/28/25 1:15pm

Excess Workers' Compensation Insurance Renewal

Department:	Finance – Risk Management Division
Presenter:	Timothy Schroer, Interim Finance Director
Caption:	Approve Excess Workers' Compensation Insurance with Safety National Casualty with statutory limits and a \$1,000,000 Self Insured Retention (SIR – otherwise known as the deductible) to cover all positions for a premium of \$573,929.
Background:	Excess Workers' Compensation coverage (a per occurrence policy) has been purchased in the past as a measure to cap any potential catastrophic loss against Augusta-Richmond County. Augusta's current SIR is \$1,000,000. Stated simply, each workers' compensation claim has the potential cost of \$1,000,000 to the government before the excess coverage policy takes effect.
Analysis:	<p>Past claim experience, current claim exposure, and potential future cost were considered. It was determined that an SIR of \$1,000,000 is appropriate for our level of risk. CorVel, our Workers' Compensation Third Party Administrator, was requested to obtain quotes from A or A+ companies.</p> <p>Through their broker, CorVel received the following quotes from the following companies:</p> <p>Safety National Casualty - \$1M SIR for \$573,929, 1.25M SIR for \$490,067 or \$1.5M for \$366,167</p> <p>Midwest Employers - \$1.5M SIR for \$424,987</p> <p>Arch – declined to provide a quote</p>
Financial Impact:	Maintaining SIR of \$1,000,000 offers the greatest value to Augusta-Richmond County government
Alternatives:	<ol style="list-style-type: none">1) Increase current level of coverage to 1,250,000 per claim at a cost of \$490,067 or2) Drop coverage accepting full exposure/cost for any catastrophic job related injury.
Recommendation:	Approve coverage with Safety National Casualty with SIR of \$1,000,000 for all positions with a Statutory Limit for a deposit premium of \$573,929.

Funds are available in 621 01 5233 55.21110 WC/Risk Management
the following accounts:

REVIEWED AND
APPROVED BY:

Finance

Law

Administrator

Clerk of Commission