



Finance Committee

Meeting Date: February 14, 2023

Workers Comp Excess Insurance Renewal

Department:	Finance – Risk Management Division
Presenter:	Donna Williams
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 \$510,620.
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 worker's 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>Corvel received the following quotes from the following companies: Safety National Casualty</p> <p>The following companies declined to provide an offer: Midwest Employers Arch Buffer Market – Fortegra (not competitive, verbal indication only)</p>
Financial Impact:	Maintaining the SIR of \$1,000,000 offers the greatest value to Augusta-Richmond County government.
Alternatives:	<p>) Increase current level of coverage to \$1,250,000 per claim at a cost of \$457,445 or</p> <p>2) Drop coverage accepting full exposure/cost for any catastrophic job-related injury.</p>
Recommendation:	Approve coverage with Safety National Casualty (lowest premium quote) with SIR of \$1,000,000 for all positions with Statutory Limit for a deposit premium of \$510,620.

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