



## Commission Meeting

February 21, 2023

### Workers Comp Excess Insurance Renewal

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<b>Department:</b>	Finance – Risk Management Division
<b>Presenter:</b>	Donna Williams
<b>Caption:</b>	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.
<b>Background:</b>	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.
<b>Analysis:</b>	<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>
<b>Financial Impact:</b>	Maintaining the SIR of \$1,000,000 offers the greatest value to Augusta-Richmond County government.
<b>Alternatives:</b>	1) Increase current level of coverage to \$1,250,000 per claim at a cost of \$457,445 or

2) Drop coverage accepting full exposure/cost for any catastrophic job-related injury.

**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 the following accounts:** 621 01 5233 55.21110 WC/Risk Management

**REVIEWED AND**

**APPROVED BY:**

Finance  
Law  
Administrator  
Clerk of Commission