



## ISESC Risk Management Program Workers' Compensation Proposal

Account Name: **Tipton Community School Corporation**  
Proposed Eff Date: **1/1/2022**

		<b>Annualized</b>		
		<u>Expected</u>	<u>Best Case</u>	<u>Worst Case</u>
<b><u>Program Administration Cost</u></b>				
Administration Fee		2,720	2,720	2,720
Loss Prevention		989	989	989
Claims Administration		3,504	3,504	3,504
Specific Reinsurance SIR 400K		6,686	6,686	6,686
Accounting, Reports, Legal		1,978	1,978	1,978
Independent Agent Fee		2,472	2,472	2,472
Aggregate Reinsurance		INCLUDED	INCLUDED	INCLUDED
Projected Aggregate Deductible		4,945	4,945	4,945
Service Center Fee		-	-	-
<b>Total Administration Costs</b>		<b>23,294</b>	<b>23,294</b>	<b>23,294</b>
<b>Expected Annual Losses</b>	<b>*</b>	<b>36,992</b>	<b>9,103</b>	<b>56,866</b>
<b>Estimated Annual Costs</b>		<b>60,286</b>	<b>32,396</b>	<b>80,160</b>

<u>Payment Options</u>		<u>Due Date</u>	
<u>Option #1</u>	One Time Up Front Payment	effective date	60,286
<u>Option #2</u>	Down Payment	effective date	23,294
	Loss Fund	90 days	12,331
	Loss Fund	90 days	12,331
	Loss Fund	90 days	12,331
	Total Payments		60,286
<u>Option #3</u>	Down Payment		23,294
Monthly Invoice for prior month payments due within 30 days of receipt.			

\* Final annual program cost will be determined based on actual paid losses. Maximum Losses are capped at 125% of audited NCCI manual premium 61,811

Maximum Program Cost if maximum loss paid 80,160

125% aggregate based on calendar year manual premium. If actual member effective date is different amounts will be pro rated to each calendar year.

2 year commitment is required to join the ISESC program.

Final manual premium based in NCCI rates in force on effective date of policy. Rates are subject to change.

Reinsurance has been structured to provide protection over this amount for each program participant.

Specific Limit	STATUTORY
Employers Liability Limit	1,000,000
Specific Retention	400,000

Up to 10% of Manual Premium is placed in WC deductible fund to Prefund Aggregate excess policy deductible in the event one member or several members exceed 125% of their manual premium in losses.

Loss Prevention Costs are at \$105 per hour

Claims Administration

Per Claim Charge:	Lost Time	1,366
	Medical Only	193
	Report Only	25



Exceeding Expectations

Designated Agent : \_\_\_\_\_

Approved:

PARTICIPANT:

By : \_\_\_\_\_

Date: \_\_\_\_\_

CMI:

By : \_\_\_\_\_

Date: \_\_\_\_\_

Member: **Tipton Community School Corporation**

**Cost Comparison to Prior Year**

	<u>Policy Period</u>		<u>Variance</u>	
	<u>1/1/2022</u>	<u>1/1/2021</u>	<u>Variance \$</u>	<u>%</u>
<b><u>Program Administration Cost</u></b>				
Administration Fee	2,720	2,803	(83)	-3%
Loss Prevention	989	1,019	(30)	-3%
Claims Administration	3,504	2,094	1,410	67%
Specific Reinsurance	6,686	9,594	(2,908)	-30%
Accounting, Reports, Legal	1,978	2,039	(61)	-3%
Independent Agent Fee	2,472	2,548	(76)	-3%
Aggregate Reinsurance	INCLUDED	INCLUDED		
Projected Aggregate Deductible	4,945	5,097	(152)	-3%
<b>Total Administration Costs</b>	<b>23,294</b>	<b>25,194</b>	<b>(1,900)</b>	<b>-8%</b>
<b>Manual Premium</b>	<b>49,449</b>	<b>50,966</b>	<b>(1,517)</b>	<b>-3%</b>
<b>Payroll</b>	<b>8,789,149</b>	<b>8,910,709</b>	<b>(121,560)</b>	<b>-1%</b>
<b>NCCI Class Code:</b>				
7380	2.88	2.75	0.13	5%
8868	0.3	0.30	-	0%
9101	2.5	2.31	0.19	8%
<b>Specific Reinsurance Rates:</b>				
7380	2.09	2.67	(0.58)	-22%
8868	0.22	0.29	(0.07)	-24%
9101	1.75	2.33	(0.58)	-25%
<b>Claim Costs:</b>				
Indemnity- Lost Time	1,366	1,366	-	0%
Medical Only	193	182	11	6%
Report Only	25	25	-	0%