

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

Meeting Date: August 12, 2013

AGENDA ITEM No. 13-08-08

ACTION ITEM: (Y/N) Y

SUBJECT: Student Insurance Approval 2013-2014

INFO. CONTACT: Donna Brinkley, Finance Director

PHONE: 919-732-8126

ATTACHMENTS:

- 1) Blanket/Catastrophic/Voluntary Student Accident Insurance Summary
- 2) Blanket Student Accident Insurance Cost 2013-14 Memo
- 3) Catastrophic Student Accident Insurance Cost 2013-2014 Memo
- 4) 24 Hour Voluntary Student Accident Insurance Cost 2013-14 Memo and Application

PURPOSE: To approve continuation of Orange County Schools' student accident insurance for 2013-2014 with the Young Group, Inc. All student insurance will be re-bid for FY 2014-15.

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 \$1,000,000.
- 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 \$3.08 per student or \$23,592.00 in total.

The Catastrophic Student Accident Insurance will cost Orange County Schools \$.93 per student or \$7,077.42 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 2013-2014.

BLANKET/VOLUNTARY STUDENT ACCIDENT INSURANCE 2013/2014

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

Blanket Student Accident Insurance - 100% Student Participation

(Purchased by Orange County Schools)

Effective: 7/1/2013 to 7/1/2014

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)

See Attached:

Voluntary PreK-12 Application which includes Schedule of Benefits

Annual Premiums listed at bottom of Voluntary Application

24 Hour Student Accident Dental included on Voluntary Application

Annual Premiums listed at bottom of Voluntary Application

All Voluntary Coverage can be purchased at any time of year

STUDENT CATASTROPHIC ACCIDENT INSURANCE 2013/2014:

Provided by: Mutual of Omaha – The Young Group Endorsed

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

Effective: 7/1/2013 to 7/1/2014

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

Pays from \$25,000 up to \$1,000,000

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
Finance Director

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

To: Donna Brinkley

From: Cathy Gillispie

Date 7/22/2013

Re: BLANKET STUDENT ACCIDENT INSURANCE COST 2013-2014

This is an estimate for Blanket Accident Insurance Coverage for all Students, Athletes and Volunteer Coaches for the 2013-2014 school year. Base Accident Insurance covers \$.01 - \$50,000 in claims.

ATHLETES AND COACHES

<u>Middle School Student Athlete estimate:</u>		<u>Middle School Volunteer Coach</u>	
A.L. Stanback	191		4
C.W. Stanford	263		11
Gravelly Hill	<u>191</u>		<u>3</u>
Total	645 x 70% = 452 x \$5.50 = \$2,486.00		18 x \$2.00 = \$36.00
<u>High School Student Athlete estimate:</u>		<u>High School Volunteer Coach</u>	
CRHS	386		12
OHS	<u>385</u>		<u>10</u>
Total	771 x 70% = 540 x \$10.50 = \$5,670.00		22 x \$2.00 = \$44.00
<u>Combined Student Total</u>		<u>Combined School Volunteer Coach</u>	
Middle Schools	\$2,486.00	Middle Schools	\$36.00
High Schools	<u>\$5,670.00</u>	High Schools	<u>\$44.00</u>
Total Athletes	\$8,156.00	Total Volunteer Coach	\$80.00

ALL STUDENTS

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

Student Estimate 7678 x \$2.00 = \$15,356.00

Student Athlete	\$ 8,156.00
Volunteer Coach	\$ 80.00
All Student	<u>\$ 15,356.00</u>
Total	\$ 23,592.00/ 7678 = \$3.08 estimated cost per student/coach

- 70% to account for multi-sport athletes
- Cost for all students based on estimate of 7678 total students PreK - 12th grade.



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To: Donna Brinkley

From: Cathy Gillispie

Date 7/22/2013

Re: CATASTROPHIC STUDENT ACCIDENT INSURANCE COST 2013-2014

This is an estimate for Catastrophic Accident Insurance Coverage for all students for the 2013-2014 school year. High School Athletes covered separately with NCHSAA. Catastrophic Accident Insurance covers \$25,000 - \$1,000,000 in claims.

Middle School Athlete estimate:

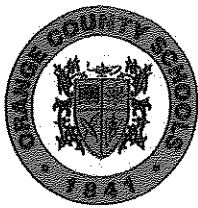
A.L. Stanback	191
C.W. Stanford	263
Gravelly Hill	<u>191</u>
Total	645 x \$1.46 = \$941.70

All Students cost set at per student price as follows:

PreK - 8 students no sports	5408 x \$.74 = \$4,001.92
9-12 students no sports	<u>2270 x \$.94 = \$2,133.80</u>
Total	7678 \$6,135.72

Athletic	\$ 941.70
All Student	<u>\$ 6,135.72</u>
Total	\$ 7,077.42/ 7678 = \$.93 estimated cost per student

Cost for all students based on estimate of 7678 total students PreK - 12th grade.



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To: Donna Brinkley

From: Cathy Gillispie

Date 7/22/2013

Re: 24 HOUR VOLUNTARY STUDENT ACCIDENT INSURANCE COST 2013-2014

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 included on attached 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.

2013 – 2014 NORTH CAROLINA STUDENT ACCIDENT INSURANCE COVERAGE*

Dear Parent,

Your School chose to carry medical insurance for students injured in accidents on school premises. The School has also approved a medical and dental accident insurance plan worthy of your consideration to add to coverage purchased. This coverage will extend the hours your child is covered and also may cover your child during certain activities not covered in the school purchased plan. We urge you to consider the benefits described in this brochure.

OPTIONAL 24-HR ACCIDENT COVERAGE (EXTENSION) – Insurance coverage is extended to provide for covered injuries that occur other than during the hours and days when school is in session and/or while attending or participating in school sponsored and supervised activities on or off school premises. The Extended Accident Coverage provides coverage during the weekends and Vacation periods, including the entire summer. No coverage is provided for participation in interscholastic tackle football. No coverage is provided for participating in Interscholastic Sports or school sponsored/supervised activities covered under the Student Accident Insurance Program purchased by the school.

Annual Premium: Gold – \$115.00 Silver – \$66.00 Bronze – \$40.00

OPTIONAL 24-HOUR DENTAL COVERAGE (Can be purchased separately or with other coverage) – Insurance coverage is in effect 24-hours a day. Injury must be treated within 60 days after the Accident occurs. Benefits are payable within 12 months after the date of Injury. The maximum eligible expenses payable per covered injury is \$25,000. In addition, when the dentist certifies that treatment must be deferred until after the Benefit Period, deferred benefits will be paid to a maximum of \$1,000. The Student must be treated by a legally qualified dentist who is not a member of the student's Immediate Family for Injury to teeth. Coverage is limited to treatment of sound, natural teeth.

Annual Premium: \$8.00

COVERAGE PERIOD – Coverage under the Extended Accident Coverage begins on the date of premium receipt but not before the start of the school year activities. Extended Accident Coverage and Dental Coverage ends when school reopens for the following school year. Coverage is available under the plan throughout the school year at the premiums quoted (no pro rata premiums available). *Coverage available in North Carolina only.

SCHEDULE OF BENEFITS			
Coverage for Injuries due to Accident only			
Maximum Benefit:	GOLD	SILVER	BRONZE
24-Hour Option (Extension)	\$100,000	\$75,000	\$50,000
Injuries Involving Motor Vehicles	\$ 10,000	\$10,000	\$10,000
Death Benefit/Double Dismemberment	\$ 10,000	\$10,000	\$10,000
Single Dismemberment	\$ 5,000	\$ 5,000	\$ 5,000
Loss Period	Treatment must begin within 60 days from the date of Injury		
Benefit Period	1 Year	1 Year	1 Year
Coverage	Primary	Primary	Primary
Hospital/Facility Services - Inpatient			
Hospital Room and Board (Semi-Private Room Rate)	100% RE*	100% RE*	80% RE* / \$200 Maximum**
Hospital Intensive Care	100% RE*	100% RE*	80% RE* / \$200 Maximum**
Inpatient Hospital Miscellaneous	\$1,000 1 st day/ \$500 each thereafter / \$10,000 Maximum	\$750 1 st day/ \$375 each thereafter / \$7,500 Maximum	\$500 1 st day/ \$250 each thereafter / \$5,000 Maximum
Hospital/Facility Services - Outpatient			
Outpatient Hospital Miscellaneous (Except physician services and x-rays paid as below)	\$750 Maximum	80% to \$500 Maximum	\$250 Maximum
Free-standing Ambulatory Surgical Facility	\$2,000 Maximum	80% to \$1,000 Maximum	\$500 Maximum
Hospital Emergency Room Physician	\$75 Maximum	\$50 Maximum	\$25 Maximum
Hospital Emergency Room	\$500 Maximum	80% to \$350 Maximum	80% to \$150 Maximum
Physician's Services			
Surgical	80% RE* to \$3,000 Maximum	80% RE* to \$2,000 Maximum	80% RE* to \$1,000 Maximum
Assistant Surgeon	25% of Surgical Benefits	25% of Surgical Benefits	25% of Surgical Benefits
Anesthesiologist	25% of Surgical Benefits	25% of Surgical Benefits	25% of Surgical Benefits
Physician's Non-surgical Treatment (Except as below)	\$60/Visit	\$40/Visit / \$500 Maximum	\$25/Visit
Physician's Outpatient Treatment in connection with Physical Therapy and/or Spinal Manipulation	\$75/Visit / 5 Visits Maximum	\$40/Visit / 5 Visits Maximum	\$25/Visit / 5 Visits Maximum
Other Services			
Registered Nurses' Services	100% RE*	100% RE*	80% RE*
Prescriptions - outpatient	100% RE*	100% RE*	80% RE*
X-rays, includes interpretation - outpatient	\$300 Maximum	\$250 Maximum	\$200 Maximum
Diagnostic Imaging (MRI, CAT Scan, etc) includes interpretation - outpatient	\$1,000 Maximum	\$750 Maximum	\$300 Maximum
Ground Ambulance	\$500 Maximum	\$400 Maximum	\$200 Maximum
Air Ambulance	\$1,500 Maximum	\$1,000 Maximum	\$400 Maximum
Durable Medical Equipment (includes Orthopedic Braces & Appliances)	\$500 Maximum	\$300 Maximum	\$150 Maximum
Replacement of eyeglasses, hearing aids, contact lenses, if medical treatment is also received for the covered injury.	\$700 Maximum	\$500 Maximum	\$150 Maximum
Dental Treatment to sound, natural teeth due to covered injury	\$600/Tooth	\$400/Tooth	\$200/Tooth
*RE means Reasonable Expense **Per Day			717097 05/23/13
			140-60 (NC-YG7)

2013- 2014 ENROLLMENT APPLICATION (please print or type)

Student's Last Name _____	Student's First Name _____	Student's Middle Initial _____	Grade _____
Address _____		City _____	State _____ Zip _____
Telephone Number _____	Birthdate _____		
School System _____	Name of School _____		
Check your selection:	GOLD <input type="checkbox"/> 24-Hour Accident \$115.00	<input type="checkbox"/> 24-Hour Dental \$8.00	
	SILVER <input type="checkbox"/> 24-Hour Accident \$ 66.00	<input type="checkbox"/> 24-Hour Dental \$6.00	
	BRONZE <input type="checkbox"/> 24-Hour Accident \$ 40.00	<input type="checkbox"/> 24-Hour Dental \$8.00	
Please make check payable to Sentry Life Insurance Company			
Signature of Parent or Guardian _____			Total Enclosed: _____
Date _____			

PRIMARY COVERAGE PROVISION Benefits are payable for covered medical expenses from the first dollar of expense incurred. Benefits are paid in addition to and without regard to payments from other insurance.

MEDICAL BENEFITS When a covered Injury to a student results in treatment by a legally qualified Physician or surgeon (other than a member of the immediate family or person retained by the school) or is Hospital confined, and treatment begins within 60 days from the date of Injury, the Company will pay benefit as shown in the Schedule of Benefits, subject to the full Primary Coverage Provision above. Only eligible medical expenses incurred by the Insured within 52 weeks from the date of the Accident are covered. Benefits for any one Accident shall not exceed in the aggregate the maximum stated in the Medical Benefit plan purchased. Expenses incurred after one year from the date of Injury are not covered, even though the service is a continuing one, or one that is necessarily delayed beyond one year from the date of Injury.

ACCIDENTAL DEATH, DISMEMBERMENT AND LOSS OF SIGHT When a covered Injury results in any of the Losses to the student, We will pay the benefit stated in the Schedule of Benefits. The Loss must be sustained within 365 days from date of Injury. The Maximum Benefit payable under this provision is stated in the Schedule of Benefits: 1) Life; 2) Both Hands or Both Feet or the Sight of Both Eyes; 3) One Hand and One Foot; 4) One Hand and the Sight of One Eye; or 5) One Foot and the Sight of One Eye.

Half of the Double Dismemberment benefit, in the schedule will be paid for the Loss of One Hand, One Foot or the Sight of one eye.

Loss of hand or foot means the actual and complete severance through or above the wrist or ankle. Loss of sight means irrecoverable loss of sight. These Losses will be considered total and irrecoverable if such loss cannot be restored or corrected by medical or surgical treatment. If the Insured suffers more than one of the above covered losses as a result of the same Accident the total amount We will pay is the Maximum Benefit.

DEFINITIONS Injury means bodily injury caused by an Accident. Injury does not include conditions that are related to or caused by a hereditary, functional or structural disease or disorder. The Injury must occur while this Policy is in force and while the Insured is covered under this Policy. The Injury must be sustained as stated on the face page of this Policy, except where specifically stated otherwise in this Policy. Accident means a sudden, unexpected and unforeseen, identifiable event producing objective symptoms of an Injury within 72 hours of the Injury. The Accident must occur while the Insured is covered under the Policy. **Reasonable Expense** means the usual, reasonable and customary fee or charge for the services rendered and the supplies furnished in the area where and at the time such services are rendered or supplies furnished, as determined by Us. Such services and supplies must be recommended and approved by a Physician. This Policy may base its determination of Reasonable Expense on the 80th percentile of charges under the prevailing healthcare charge system.

EXCLUSIONS No Benefits are payable for Hospital and Professional Services for the following:

1. Injuries which are not caused by an Accident;
2. Treatment for hernia, regardless of cause, Osgood Schlatter's disease, or osteochondritis;
3. Injury sustained as a result of operating, riding in or upon, or alighting from a two-, three-, or four-wheeled recreational motor vehicle or snowmobile;
4. Re-Injury or complications of a condition for which medical advice or treatment was recommended by a Physician or received from a Physician within a 6 month period preceding the Policy Effective Date;
5. Injury sustained as a result of practice or play in interscholastic tackle football and/or sports, unless the premium required under the Football and/or Sports Coverage provision has been paid;
6. Any expense for which benefits are payable under a Catastrophic Accident Insurance Program of the State Interscholastic Activities Association;
7. Treatment performed by a member of the Insured's Immediate Family or by a person retained by the School;
8. Injury caused by war or acts of war; suicide or intentionally self-inflicted injury, while sane or insane; violating or attempting to violate the law; the taking part in any illegal occupation; fighting or brawling except in self defense; being legally intoxicated or under the influence of alcohol as defined by the laws of the state in which the Injury occurs; or being under the influence of any drugs or narcotic unless administered by or on the advice of a Physician;
9. Services or supplies for the treatment of an Occupational Injury or Sickness which are paid under the North Carolina Workers' Compensation Act only to the extent such services or supplies are the liability of the employee, employer or workers' compensation insurance carrier according to a final adjudication under the North Carolina Workers' Compensation Act or an order of the North Carolina Industrial Commission approving a settlement agreement under the North Carolina Workers' Compensation Act;
10. Expense incurred for treatment of temporomandibular joint dysfunction and associated myofascial pain.

RETAIN THIS DESCRIPTION FOR YOUR RECORDS

This is not a Policy, rather a brief description of the benefits provided under the master policy issued to the school. Please refer to the master policy for further details. If there is any conflict between this brochure and the Policy, the Policy will prevail. **IMPORTANT NOTICE** - This Policy does not provide coverage for Sickness. This brochure has been designed to illustrate the highlights of this insurance. All information in this brochure is subject to the provisions of Policy Form 180-1500(NC-VOL), underwritten by Sentry Life Insurance Company.

HOW TO FILE A CLAIM

- 1) Obtain claim form from your school office or the marketing agent and answer all questions in detail (including all signatures on the front end back of the form). A claim form needs to be completed for each accident.
- 2) Submit your claim to us along with **ITEMIZED BILLS** with diagnosis along with the fully completed claim form. **KEEP COPIES OF ALL CLAIM FORMS, BILLS AND CORRESPONDENCE FOR YOUR OWN RECORDS UNTIL YOUR CLAIM HAS BEEN PROCESSED.**
- 3) If you already paid the bill, include a paid receipt or a copy of your cancelled check. Otherwise payment will be made to the providers of service (Hospital, Physician or Others), unless a paid receipt statement accompanies the bill at the time the claim is submitted.
- 4) Mail all correspondence to Sentry Life Insurance Company, Policy Benefits, P.O. Box 8025, Stevens Point, WI 54481. The claim form must be sent within 90 days of the date you first received medical care. Any bills not filed with the claim form should be sent, within 90 days of the date you received medical care, to the Company identified with student's name, school district and date of Accident.
- 5) If you change your address, please notify Sentry Life Insurance Company by calling 1-800-426-7234 so that there is no delay in processing any claims. Please contact Sentry Life Insurance Company by calling 1-800-426-7234 if you would like to check the status of your claim or if you have any questions on how your claim was processed or the benefit paid.

UNDERWRITTEN BY:



MARKETING AGENT:

The Young Group, Inc.
256 West Millbrook, Inc.
Raleigh, NC 27609
(888) 574-6288

1800 North Point Drive, Stevens Point, WI 54481

To apply for coverage, please enroll on-line with a credit card at www.k12specialmarkets.com or cut along the dotted line, complete the form and mail it, along with your check or money order, to the Please Return To: address shown below.

Please Return To: The Young Group, Inc.
256 West Millbrook Road
Raleigh, NC 27609

Individual life insurance, annuities, pensions and group products are issued and administered by Sentry Life Insurance Company, Stevens Point, WI. Policies, coverages, benefits and discounts are not available in New York and in select other states. See policy for complete coverage details.