



THOMAS McGEE
GROUP

June 3, 2025

Alysia Townsend
City of Lee's Summit, Missouri
220 SE Green
Lee's Summit, MO 64063

RE: 2025 WORKERS' COMPENSATION EXCESS RENEWAL POLICY

Dear Alysia:

In preparation for the Excess Workers' Compensation renewal, we have approached the key insurance carriers and have found that Midwest Employer's remains the most competitive for the City of Lee's Summit. Currently, for renewals with Police and/or Fire class codes, we are seeing rate increases of 3-5%, with good loss experience.

The City received approval from the Missouri Division of Workers' Compensation to allow a higher Self-Insured Retention (SIR) in 2021. The SIR for Police and Fire class codes increased to \$750,000 that year. All other Classification Codes remained at the \$500,000 SIR. We will not be required to increase the SIR for the renewal term.

Below is a summary of the renewal terms offered by Midwest Employers:

	Midwest Employers	
	Expiring	Renewal
		Option 1
Payroll	\$55,973,761	\$64,413,932
Manual Premium	\$1,487,816	\$1,657,076
Self-Insured Retention	\$500,000 All Others \$750,000 Police & Fire	\$500,000 All Others \$750,000 Police & Fire
Specific Limit	Statutory	Statutory
E. L. Limit	\$1,000,000	\$1,000,000
Aggregate Retention	\$3,124,711	\$3,238,921
Min. Aggregate Retention	\$3,062,217	\$3,174,142
Aggregate Limit	\$2,000,000	\$2,000,000
Policy Term	1 Year	1 Year
Deposit Premium	\$138,516	\$161,068
Minimum Premium	\$124,664	\$144,961
Rate Per \$100/payroll	\$0.247	\$0.250
Percentage Rate Change		1.0%



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The responses from the other insurance companies providing Excess Worker's Compensation protection were as follows:

- **Safety National** – Would not be competitive with the target premium provided. Safety further indicated its minimum Self-Insured Retention would need to be \$850,000 for law enforcement and fire, and \$600,000 for all other employees. Their indicated premium was in the \$180,000 range.
- **Chubb** – Minimum premium of \$150,000, subject to a minimum SIR of \$500,000. When Law Enforcement is included, the minimum SIR is \$1,000,000.
- **Arch** – Does not provide Aggregate coverage. The rate without the Aggregate coverage was similar to Midwest Employers.

Midwest Employers would only provide one option for the next term due to three current open claims approaching or exceeding the City's retention. It is our recommendation that the City accept Option #1 from Midwest Employers for the deposit premium of \$161,068.

Please review and call to discuss further.

Sincerely,

A handwritten signature in black ink, appearing to read "Garrett Beichley".

Garrett Beichley
Account Executive
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