

*Yours Truly*

# City of Lee's Summit, Missouri Property & Liability Insurance

Insurance Options and  
FY 2021 Projections

# Savings Initiatives

- Starting 2012...
  - Law Department to oversee Property & Liability Insurance.
  - Convert from Agent to Broker Relationship for Insurance Procurement
    - Increased annual savings
  - Increased \$25,000 per occurrence deductible → \$50,000 per occurrence SIR → \$100,000 SIR with \$500,000 Stop Loss
  - Internally process and manage all claims
  - Managed various claims involving litigation in-house, reducing litigation expenses and deductible payments

# First Year with States

- Starting FY2020, moved to States Self-Insures Risk Retention Group, Inc.
- Member owned and operated, with broad coverage
- Increasing SIR
  - FY20: \$100,000; FY21: \$150,000; FY22: \$200,000; FY23: \$250,000
- Set up to benefit entities with good risk management plans and procedures
- Non-assessable
- Dan White appointed to States' Audit & Finance Committee

# Liability Insurance Premiums FY 2016 to Present

- FY2016: \$356,444
- FY2017: \$339,818
- FY2018: \$341,710
- FY2019: \$392,850
- FY2020: \$209,316
- Est FY2021: \$217,643

# Claims Processing

Fiscal Year	Internal	TPA
2015-16	123	N/A
2016-17	125	N/A
2017-18	192	N/A
2018-19	202	2
2019-20 (to date)	177	1

# Historical Loss Data

- FY 2017 Historical Loss Data
  - Largest Claim Paid: \$40,000
  - Claims Paid over \$100K SIR: 0; Claims over Paid \$250K SIR: 0
- FY 2018 Historical Loss Data
  - Largest Claim Paid: \$100,000
  - Claims Paid over \$100K SIR: 1; Claims Paid over \$250K SIR: 1
- FY 2019 Historical Loss Data
  - Largest Claim Paid: \$76,7561.11
  - Claims Paid over \$100K SIR: 0; Claims Paid over \$250K SIR: 0
- FY 2020 (to date)– No liability claims submitted to insurance
  - Largest Claim Paid: \$16,000
  - Claims Filed over \$100K SIR: 1; Claims over \$250K SIR: 1

# Continued Cost Reduction Initiatives

- Resources readily available In-House to manage claims and litigation for a variety of matters
- Continued management and review of all claims internally
- Continued subrogation and restitution efforts for damage to City owned property and resources
- Use third-party administrator for complex claims