

Legislation Text

File #: BILL NO. 24-118, **Version:** 1

An Ordinance approving the FY2025 Workers' Compensation Excess Renewal Policy, authorizing the City Manager to enter into an agreement with Midwest Employers for the deposit premium of \$138,516, and authorizing the City Attorney to approve claim settlements in amounts not to exceed \$20,000.00 per claim and the City Manager to approve claim settlements up to \$75,000.00 per claim all as an emergency Ordinance pursuant to Sections 3.13 (F)(1) and (3) of the Charter for the City of Lee's Summit, Missouri.

Issue/Request:

The City is self-insured for standard Workers' Compensation claims. Our Self Insurance Reserve (SIR) for claims for police and fire employees is \$750,000. For all other employees the SIR is \$500,000. To ensure the availability of Workers' Compensation benefits for our employees in the event of a catastrophic injury involving lifetime permanent total disability payments with ongoing lifetime medical care, the City is required by the Missouri Division of Workers' Compensation to maintain this Workers' Compensation Excess Renewal Policy to cover those lifetime payments and medical costs. The City retains the Thomas McGee Group as our Third Party Administrator to manage our Workers' Compensation claims process. Thomas McGee Group has recommended the City accept this agreement with Midwest Employers for this coverage. Generally, the rate increases over last year are in the 5 to 8% range. This ordinance also provides for the City Attorney to have authority to settle claims up to \$20,000 and the City Manager to have authority to settle claims up to \$75,000.

Proposed City Council Motion:

FIRST MOTION: I move for second reading of an Ordinance approving the FY2025 Workers Compensation Excess Renewal Policy, authorizing the City Manager to enter into an agreement with Midwest Employers for the deposit premium of \$138,516, and authorizing the City Attorney to approve claim settlements in amounts not to exceed \$20,000.00 per claim and the City Manager to approve claim settlements up to \$75,000.00 per claim all as an emergency Ordinance pursuant to Sections 3.13 (F)(1) and (3) of the Charter for the City of Lee's Summit, Missouri.

SECOND MOTION: I move for adoption of an Ordinance approving the FY2025 Workers Compensation Excess Renewal Policy, authorizing the City Manager to enter into an agreement with Midwest Employers for the deposit premium of \$138,516, and authorizing the City Attorney to approve claim settlements in amounts not to exceed \$20,000.00 per claim and the City Manager to approve claim settlements up to \$75,000.00 per claim all as an emergency Ordinance pursuant to Sections 3.13 (F)(1) and (3) of the Charter for the City of Lee's Summit, Missouri.

Brian W. Head, City Attorney

Staff recommends approval.

