



COLLIN COUNTY

Human Resources
2300 Bloomdale Road
Suite 4117
McKinney, Texas 75071
(972) 548-4606 phone
(972) 547-5735 fax
www.collincountytx.gov

Date: August 31, 2021
To: Cynthia Jacobson, HR Director
From: Jessica Gramly, Risk Manager
RE: FY2022 Excess Workers' Compensation Insurance Renewal

Collin County's current contract with our Excess Workers' Compensation Insurance will expire on October 1, 2021. I recommend that we renew with Arthur J. Gallagher (Midwest Employers Casualty).

The proposed policy renewal premium is \$129,396, an increase of approximately 20% over last year's premium of \$108,137. The increase in premium is due to our payroll exposure increasing by approximately 14% and our rate increasing by approximately 5%. As a result of the overall market, our liability limit for FY2022 has been reduced from \$2,000,000 to \$1,000,000 and retention for Police Officers has increased from \$500,000 to \$600,000. Midwest Employers Casualty has also indicated that retention for Police Officers will be increasing to \$750,000 for FY2023.

The Excess Workers' Compensation premium is based on an estimated payroll. This payroll estimate is audited each year to ensure the appropriate premium is paid. If the audit shows the payroll lower than estimated, the county will be reimbursed a portion of the premium. If the audit shows the payroll higher than estimated, the County will pay an additional premium.

The new policy will be in effect from October 1 2021, to September 30, 2022. Please use account 5501-03020-0018-41-30-0000-615905.