

## CITY OF RAPID CITY

## RAPID CITY, SOUTH DAKOTA 57701-2724

## Risk Management

300 Sixth Street 605-394-6620 (fax 394-2232)

## **MEMORANDUM**

DATE:

December 9, 2013

TO:

Legal and Finance Committee Rapid City Common Council

FROM:

Keith L'Esperance

Risk Management

SUBJECT:

Berkley Risk Administrators (BRAC) Contract Amendment

Attached is the 2014 pricing amendment to the BRAC city worker compensation third party claims administrations (TPA) contract. The increases are as follows:

2013 - medical only claims \$199 per claim

2014 - medical only claims \$203 per claim

1.9% increase

The impact on a 5-year average claim count of 113 is \$452

2013 - indemnity (lost time) claims \$1235 per claim

2014 - indemnity (lost time) claims \$1260 per claim

1.9% increase

The impact on a 5-year average claim count per year of 8.4 is \$210

The remainder of the contract is unchanged. Since 1999, the City has had and continues to have a very good, strong working partnership with BRAC for the City's employee injury claims in which medical intervention occurs. It is recommended that Legal and Finance and City Council approve this contract amendment effective January 1, 2014.

Attachment

