



# CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

## Risk Management


300 Sixth Street

605-394-6620

### MEMORANDUM

DATE: December 26, 2012

TO: Legal and Finance Committee  
Rapid City Council

FROM: Keith L'Esperance  
Risk Manager 

SUBJECT: Berkley Risk Administrators (BRAC) Contract Amendment

Attached is the 2013 pricing amendment to the BRAC city worker compensation third party claims administration contract. The increases are as follows:

2012 – medical only claims \$194 per claim  
2013 – medical only claims \$199 per claim  
2.5% increase  
The impact on a 5-year average claim count of 113 is \$565

2012 – indemnity (lost time) claims \$1222 per claim  
2013 – indemnity (lost time) claims \$1235 per claim  
1.0% increase  
The impact on a 5-year average claim count of 8 is \$104

Since 1999, the City has had and continues to have a very good, strong working partnership with BRAC on the City's employee injury claims. A few years ago, the City went out to market and accepted requests for proposal bids for its work comp TPA contract. BRAC remained very competitive so the contract was continued.

It is recommended that Legal and Finance and City Council approve this contract amendment effective January 1, 2013.



EQUAL OPPORTUNITY EMPLOYER