**Illinois State**

**University**

Board of

**Trustees**

**Resolution No. 2016/07.20**

**Athletics Insurance Renewal**

**Resolution**

Whereas, the Board of Trustees of Illinois State University (Board of Trustees) has the authority to enter into contracts for the provision of goods of services to the University, and

Whereas, the Illinois State University Intercollegiate Athletics Department requires insurance coverage for injuries that might occur during practice, conditioning or competition to its student athletes and cheerleaders, and

Whereas, a competitive procurement process in 2008 determined that Aetna Student Health provides the insurance coverage most advantageous to the University:

Therefore, be it resolved that the Board of Trustees approves the renewal of insurance coverage for the Illinois State University Intercollegiate Athletics department with Aetna Student Health for the 2016 – 2017 policy year at a premium cost not to exceed $581,735.

Board Action on: Postpone:

Motion by: Amend:

Second by: Disapprove:

Vote: Yeas: Nays: Approve:

ATTEST: Board Action, July 22, 2016

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Secretary/Chairperson

**Board of Trustees**

**Illinois State University**

**Supplemental Information for the Athletics Insurance Renewal**

The Intercollegiate Athletics insurance policy is provided by Aetna Student Health which also provides the general student health insurance plan for Illinois State University students. Aetna Student Health was awarded the business as a result of a competitive process in 2008. The Athletics policy is restricted to injuries that occur during practice, conditioning or competition to student athletes and cheerleaders. It also covers injuries that occur during travel to and from a competition event. The policy has a NCAA mandated ceiling whereby claims that exceed the NCAA established threshold are covered by NCAA catastrophic insurance coverage. The NCAA claim ceiling for academic year 2016 is set at $90,000. The policy also has a retrospective premium arrangement similar to the student health plan in that certain levels of claim experience may result in refund of premium.

Claims processing is administered by the University Student Health Insurance Office and Intercollegiate Athletics.

The athletics plan claims experience is reviewed annually. Predicting annual claims volume is difficult as the number of injuries and severity of injuries vary year to year. Academic year 2015 had claims volume significantly higher than any of the previous five years.

The premium quote for the academic 2016 policy year is $581,735 which is an increase of 14.1% ($82,227) from the previous year due to the significant increases in claims paid for 2015.

**Source of Funds:**  Athletics Department Operating Revenues