

INSURANCE COMMITTEE
1990 Convention Meeting
Chair: Mike Laux; Recorder: Jane Moore

I. Review of liability insurance-drastric rate increase

The proposed rate increase has not yet been confirmed, but is an estimate based on adverse claims from previous years which have now been closed. Loss ratio (premiums/costs) for 1985-86 was 88%, for 1986-87 710%, and for 1987-88 1070%. Premiums at the time of losses were lower so overall insurance has received more than paid out. One current claim is in process with a \$25,000 reserve. The claimant states there is no intention to sue USMS but only City College for bad starting block. City College could bring in USMS as a defendant, but there is no evidence that USMS is listed as an additional insured. All settled claims were under the previous \$250 deductible. Now there is a \$10,000 deductible; this includes the current claim. Premium estimates are for a 50% increase in liability and a 30% increase in overage liability. This increase is based on experience not an industry trend. There is a limited market for the type of coverage involved. A firm bid for the premium should be available in about 30 days.

U.S. Swimming is currently self-insured at a cost of \$10 per swimmer with 155,000 swimmers per year. Management fees amount to about 8% of that amount each year (ours are 30-40%). Self-insurance could be considered if the cost of the premium became equal to the benefit. We could also consider gradually increasing the reserve fund to cover primary insurance and purchase overage coverage. It should be required in the bid package that information on claims be shared with USMS.

It was moved, seconded and approved to recommend that the finance committee budget \$90,000 for primary liability and \$35,000 for overage liability for a total of \$125,000 for liability insurance.

There should currently be \$40,000 in the insurance reserve fund.

II. Accident/medical insurance-review limitations

The current secondary personal accident policy has a \$250 deductible or is secondary to other health insurance. It provides coverage of \$25,000, with \$250 per tooth, \$1000 for teeth per occurrence, and accidental death benefit of \$50,000. The policy costs \$1 per swimmer. No previous claims have been greater than \$1400. Total claims paid in 1989 were \$11,188.49. Through August, 1990 \$1126.00 has been paid. A decrease in coverage per incident would not decrease premium costs significantly. This medical coverage may decrease liability exposure. Moved to continue this policy as is; seconded and approved.

III. Directors & Officers Insurance

This year's cost is \$3850.00 a \$350.00 increase from last year due to added coverage. This policy covers the Board of Directors of USMS, Inc. and U.S. Masters Local Swimming Committees. Coverage is for \$1 million with a \$1000 deductible per person for wrongful acts committed or alleged. Coverage will be added for a board of review. Independent contractors must have their own coverage for actions as an independent contractor; if they are also a member of the board, they will be covered for actions performed as a board member. There have been no claims filed. Moved, second, approved to continue this policy.

IV. Bonding for Treasurer, Executive Secretary, Registrar, and Controller

\$500 was budgeted last year, but policies are not currently in effect. Estimated cost is \$750 to \$1500 for coverage to \$100,000. Moved, seconded, and approved to obtain such coverage at a maximum cost of \$1500.

V. Review Insurance section LMSC Handbook

Proposals were reviewed and approved.

VI. One Day, One Event, Short Term Registration

Moved, seconded, and approved not to allow one day registration fee.

VII. Sanctioned versus Approved Meets

At approved meets, liability insurance is in force for USMS individual members only, not for USMS registered clubs. Clubs will not have liability coverage for approved meets unless procedures outlined in the LMSC handbook for covered meets are followed. These procedures require obtaining a certificate of insurance for non-USMS clubs and having each non-USMS swimmer sign a medical/liability release form (also from insurance company).

VIII. Certificate of Insurance

No changes should be made to the certificate of insurance when presented to facilities or others. If changes are requested, they should be sent to the insurance company, and must be approved by USMS before acceptance.

IX. Report of Occurrence Form

New form has been prepared and will be in use this year.

X. Review present waiver language

Waiver should be printed in prominent type. Language should be changed to add practice after training (training, practice and competition).

No modification of waiver is allowed. Registration applications with modifications to the language of the waiver should be refused. Motion to this effect made, seconded and approved.

UNITED STATES MASTERS SWIMMING CONVENTION
SEPTEMBER 19-24, 1990
PITTSBURGH, PA

COMMITTEE Insurance

CHAIRMAN Mike Haux

RECORDER Jane Moore

VOTING MEMBERS PRESENT:

Jane Moore

Mahler Tzyan : New England

John Maguire

Doug Bryan : Lake Erie

Bob Merrick So. Pacific

John Deopy

JACK BOHANNAN COLORADO

NON-VOTING MEMBERS: VOICE AT OPTION OF THE CHAIR.

Julie Pague Pacific

Stephanie Walsh

Sandi Blumit - Jardine Insurance Brokers

Ed Hartz - New Eng.

Betsy Owens - Adirondack

Kim Shaw - Southwestern

Betty Bany - Niagara

Barbara Bauer - Southern

Carolyn Cunningham - P.M.S.

Paul Fortoul Metropolitan

Ian Wilson PUMSC

David Munnis KY-CMSC

Jay Caldwell Alaska

Bill Ulrich Florida

Roy Abramowitz Oregon

Patrick Connor
Skip Thompson - Michigan

Please attach a copy of the Minutes of your meeting to this form and return it as soon as possible to Mel Goldstein, USMS Secretary. It must be handed in before you leave the Convention.

All Committee actions require approval of the House of Delegates. Any such actions must be handed to Mel Goldstein prior to the House of Delegates meetings.

