Procurement of Workers Compensation Insurance

Procurement of Workers Compensation—

Pursuant to <u>Utah Code § 63g-6a-107(1)(c)</u>, the Utah Procurement Code does not apply to contracts between procurement units. The Board determines that it is not advantageous to the District to procure workers compensation insurance for employees of the District through standard procurement processes. Rather, the Board elects to secure workers compensation insurance coverage through joining a pool of other school districts in the state.

The Board determines that procurement of workers compensation insurance through standard procurement processes is not advantageous to the District because insurance available through those means does not provide the opportunity to closely control and monitor the costs of insurance claims, or the opportunity to develop and implement safety programs for District employees with more direct and immediate impact upon insurance cost savings.

By procuring workers compensation insurance through participation in a pool of school districts from the state, the District will be able to more directly control and monitor its insurance costs. The District will be able to develop and implement safety programs tailored specifically to the needs and characteristics of its employees. These tailored safety measures will have a more immediate impact on savings to the District.

On cost savings to the districts, by joining the pool and obtaining workers compensation insurance through this means, the District will be grouped with other similar risks rather than with other types of dissimilar businesses. For these reasons, the Board finds that procurement of workers compensation insurance through standard procurement processes would not be advantageous to the District.

Utah Code § 63G-6a-107(1)(c) (2016)