



TO: SOUTHERN NEVADA DISTRICT BOARD OF HEALTH **DATE:** June 25, 2026

RE: *Approval of Workers’ Compensation Insurance Agreement renewal between the Southern Nevada Health District and Risk Administration Services (RAS) for policy period 07/01/2026-06/30/27*

PETITION #35-26

That the Southern Nevada District Board of Health *approve the renewal of workers’ compensation insurance policy agreement between the Southern Nevada Health District and Risk Administration Services (RAS).*

PETITIONERS:

Cassius Lockett, PhD, District Health Officer *[Signature]*
Renee Trujillo, Chief Human Resources Officer *[Signature]*

DISCUSSION:

In July 2024, the Health District changed its provider for workers’ compensation insurance to utilize Risk Administration Services (RAS). The Health District is requesting to renew this policy agreement for continued coverage in fiscal year 2026.

The premium for policy period 07/01/2025-06/30/2026 was \$254,681. The 2026 premium quote for 07/01/26-06/30/27 is \$235,727 representing an \$18,954 decrease year over year.

FUNDING:

Coverage:	Workers’ Compensation	
Limits:	Bodily Injury By Accident	\$1,000,000 Each Accident
	Bodily Injury By Disease	\$1,000,000 Policy Limit
	Bodily Injury By Disease	\$1,000,000 Each Employee
Annual Cost:		\$235,727



Workers' Compensation Proposal

Insured 74231
 Southern Nevada Health District
 280 S Decatur Blvd Attn: Human Resources Benefits
 Las Vegas, NV 89107
 (702) 759-1000

Quote No. 476536
 Effective Date: 7/1/2026
 Expiration Date: 7/1/2027
 Quote Date: 5/15/2026
 Quote Good Through: 7/1/2026

Agent 1012-1628
 Connell Insurance Inc DBA Higginbotham Insurance Agency
 Inc.
 PO Box 1840
 Branson, MO 65615

Employers Liability
 Bodily Injury By Accident \$1,000,000 Each Accident
 Bodily Injury By Disease \$1,000,000 Policy Limit
 Bodily Injury By Disease \$1,000,000 Each Employee

Proposal Summary

Policy Unit	Remuneration	Total Estimated Premium and Surcharges
1 - Southern Nevada Health District - Nevada	\$28,754,847	\$235,727
Grand Total	\$28,754,847	\$235,727

This is an estimate only and based on information received at the time prospecting. If an installment payment plan is offered, a \$10 installment charge per invoice will apply. The installment charge is waived if the paperless option is selected.

Please see the following page(s) for detailed Unit information.



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Unit 1 - Southern Nevada Health District	Nevada
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Rating Period: 7/1/2026 - 7/1/2027

Classifications	Code No.	Premium Basis Total Estimated Remuneration	Rate Per \$100 of Remuneration	Estimated Premium
CLERICAL OFFICE EMPLOYEES NOC	8810	\$7,740,000	0.272	\$21,053
PHYSICIAN & CLERICAL	8832	\$7,010,847	0.538	\$37,718
HOME, PUBLIC, AND TRAVELING HEALTHCARE--ALL EMPLOYEES	8835	\$2,916,000	1.799	\$52,459
BUILDING OR PROPERTY MANAGEMENT - ALL OTHER EMPLOYEES	9015	\$1,440,000	3.695	\$53,208
MUNICIPAL, TOWNSHIP, COUNTY OR STATE EMPLOYEE NOC	9410	\$9,648,000	2.488	\$240,042
Total Manual Premium				\$404,480
\$1,000,000/1,000,000/1,000,000			1.1%	\$4,449
Subject Premium				\$408,929
Unmodified Premium				\$408,929
Experience Mod		0.63		(\$151,304)
Modified Premium				\$257,625
SCHEDULE DEBIT/CREDIT			1%	\$2,576
Standard Premium				\$260,201
Premium Discount			11.7%	(\$30,444)
Expense Constant				\$220
Terrorism Act			1%	\$2,875
DTEC Act			1%	\$2,875
Policy Premium				\$235,727

Total Premium and Surcharge(s): \$235,727

This is a quotation only and is not a binder of insurance or a guarantee of insurability.



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Billing Unit 1 - Southern Nevada Health District

Billing Payment Mode: 12-12-Month Installment (\$10.00 installment charge)

Initial Payment Total to Remit \$19,752.00

Installment Schedule:

Post Date	Due Date	Description	Amount
6/11/2026	7/1/2026	Installment	\$19,752.00
7/12/2026	8/1/2026	Installment	\$19,645.00
8/12/2026	9/1/2026	Installment	\$19,645.00
9/11/2026	10/1/2026	Installment	\$19,645.00
10/12/2026	11/1/2026	Installment	\$19,645.00
11/11/2026	12/1/2026	Installment	\$19,645.00
12/12/2026	1/1/2027	Installment	\$19,645.00
1/12/2027	2/1/2027	Installment	\$19,645.00
2/9/2027	3/1/2027	Installment	\$19,645.00
3/12/2027	4/1/2027	Installment	\$19,645.00
4/11/2027	5/1/2027	Installment	\$19,645.00
5/12/2027	6/1/2027	Installment	\$19,645.00

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Simpler. **Faster.** Enhanced Eligibility.

Enhancements to the DTU SSA Program

Dakota Truck Underwriters (DTU) is enhancing its Subscriber program to **simplify the structure** and **return value to Subscribers faster**. These enhancements continues DTU's long-standing philosophy to rewarding profitable performance and tenure while making qualification simpler and payouts faster.

\$30M
returned to
Participating
Subscribers over
past 10 years.

2026 Program Highlights

- ✓ New Subscriber Award Program beginning January 1, 2026
- ✓ Simplified eligibility structure
- ✓ Faster payouts tied to program performance
- ✓ Up to 95% return on SSA balances for renewing Subscribers

New Subscribers

- More than \$50,000 in premium eligible to participate in Award Plan B based on premium and loss ratio.
- Payouts under New Award Plan will occur within 9 months of expiration.

Active Subscribers (Who Renew in 2026)

- Eligible for accelerated payout of their SSA balance of up to 95% of their SSA balance within approximately 120 days of their 2026 renewal date.
- **Active Subscribers with an SSA balance** – eligible for New Award Plans regardless of premium size.
- **Active Subscribers without SSA balance** and have minimum of \$50,000 in annual premium are eligible for New Award Program based on tenure, premium, and loss ratio.

Previous Program	Enhanced 2026 Program
SSA balances held for longer periods	Up to 95% of SSA balances returned after renewal
Required 5 years tenure to receive payouts	New subscribers can participate annually (with eligibility requirements)
Only top 25% of profitable subscribers received allocations	Simplified eligibility structure
More complex structure	New Subscriber Award Program with simplified structure and faster payouts

Subscriber Award Program

Starting January 1, 2026, DTU introduced a new Subscriber Award Program designed to simplify how rewards are earned and distributed. Active Subscribers renewing in 2026 may qualify for up to 95% return of their SSA balance and be eligible for additional awards based on earned premium, loss performance, and other program eligibility criteria.

Award Plan A	Award Plan B
Subscribers with 5+ years tenure	Subscribers with <5 years tenure
Enhanced reward opportunity	Entry level opportunity

Premium Requirements

Requirement	Who It Applies To
\$50,000 Premium Minimum	New Subscribers and Active Subscribers without SSA balance.
No Minimum Premium	Active Subscribers with SSA balance (reward tenure).

Why RAS?

- Long-term work comp program stability
- Strong underwriting, claims, and loss control expertise
- Ease of doing business
- Profit-sharing options

To learn more, contact your RAS Business Development Manager.



FAQ

Understanding DTU Reciprocal Insurance and 2026 SSA Program Enhancements

2026 ENHANCEMENTS TO DTU SSA PROGRAM

New for 2026, DTU is updating and enhancing its SSA Program to be more responsive to the most recent results of its subscribers. We will continue to reward profitable and tenured Subscribers along with distributing a majority of SSA balances to active Subscribers with the 2026 policy renewals.

NEW SUBSCRIBERS

New to DTU with policy effective date January 1, 2026, and after.

Subscribers with more than \$50,000 in final audited premium will be eligible to participate in the Program through Award Plan B. Once 5 years of tenure is reached, Subscribers will be eligible for Award Plan A.

ACTIVE SUBSCRIBERS

Subscribers with a 2025 in-force policy and renew their policy in 2026.

Active Subscribers WITH an SSA balance as of 12/31/2025

Up to 95% of their SSA balance will be returned within approximately 120 days of their 2026 policy renewal date for regulatory purposes. (Exception is for SSA balances being held as collateral for loss sensitive programs). A small portion of SSA balances will be maintained to support pro rata Subscriber voting rights of the reciprocal. Interest will accrue on the SSA balances held. Subscribers renewing their 2025 policy in 2026, will then be governed by the 2026 DTU SSA Policies. Non-renewing Subscribers will continue to be governed by the 2025 DTU SSA Policies in effect as of their 2025 policy issuance date.

Renewing Subscribers will also be eligible to participate in the **NEW Subscriber Award Program ("Program")** beginning January 1, 2026. The Program is based on earned premium, direct incurred losses, and other eligibility requirements. The Program will also reward tenure for Subscribers insured at least 5 years with DTU and no longer has SSA excess loss offset components. **There are no Program minimum premium eligibility requirements for Active Subscribers with an SSA balance as of 12/31/2025.**

Subscribers having 5 or more consecutive years of tenure with DTU will be eligible for Award Plan A. Other Subscribers will be eligible for Award Plan B. Once 5 years of tenure is reached, Subscribers will be eligible for Award Plan A. [See Program Plans attached.](#)

Active Subscribers WITHOUT an SSA balance as of 12/31/2025

Subscribers may still be eligible for the Program but must meet Program eligibility requirements including annual premium of at least \$50,000. Those Subscribers with 5 or more years of tenure with DTU will be eligible for Award Plan A, while other Subscribers will be eligible for Award Plan B. Once 5 years of tenure is reached, Subscribers will be eligible for Award Plan A.

INACTIVE SUBSCRIBERS

Subscribers whose policy has either terminated or terminates on or before 12/31/2025.

Inactive Subscribers will continue to be governed by the approved DTU SSA Policy in effect as of December 31, 2025. If a Subscriber has contributed initial surplus, their initial surplus contribution is eligible for return in the year following termination. Any remaining SSA balance may be held for up to 5 years following the year-end of the year of termination pending final determination of loss ratio with final payouts not to extend longer than 10 years from the date of termination. During the 5-year holding period, DTU may make allocations to terminated Subscribers' SSA balances. SSA funds are also subject to offset for losses that exceed a 65% loss ratio (45% for large deductible accounts) and subject to any other Subscriber obligations to DTU.

What is Dakota Truck Underwriters (DTU) and who is RAS? DTU is a reciprocal insurance company owned by the policyholders known as Subscribers. DTU operates through Risk Administration Services, LLC ("RAS"), which serves as the attorney-in-fact as appointed by the Subscribers under the terms of the Subscriber Agreement & Power of Attorney.

What is the Subscriber Agreement? The Subscriber Agreement is entered into by a Subscriber upon binding their policy with DTU. Through the act of payment of policy premium, the Subscriber appoints RAS as its attorney-in-fact, sets the general authority for RAS over the reciprocal, provides RAS the authority to exchange insurance contracts among other Subscribers, and incorporates the DTU Operating Guidelines including the SSA Policies.

How is DTU governed? Annually, the Subscribers elect members to the Advisory Committee, which is responsible for overseeing the finances of the reciprocal and ensuring DTU is managed in accordance with the Subscriber Agreement and DTU Operating Guidelines. The DTU Operating Guidelines are the operational rules for DTU and RAS, provide guidance for the day-to-day management of DTU, and outline the general supervisory powers of the Advisory Committee of DTU.

What is a Subscriber Surplus and Savings Account ("SSA")? DTU is a reciprocal insurance company whose equity is mostly comprised of its Subscribers' surplus contributions and savings allocations.

Can I be assessed for losses of DTU? No. DTU is a non-assessable reciprocal insurance company.

All allocations and distributions of surplus and savings are subject to the terms and provisions of the Subscriber Agreement, DTU Operating Guidelines, and, where applicable, the approval of the South Dakota Division of Insurance.



2020-2025



Subscriber Surplus and Savings Account – Award Tables

Plan Eligibility

- DTU Subscribers with an SSA balance as of 12/31/2025 and a renewed 2026 DTU policy regardless of premium size.
- DTU Subscribers without an SSA balance as of 12/31/2025 and a renewed 2026 DTU policy with greater than \$50,000 in premium size.
- New DTU Subscribers with a 2026 DTU policy with greater than \$50,000 in premium size.
- As of 2026 DTU Policy effective date:
 - Tenure of 5 or more consecutive years for Award Plan A; and
 - Tenure of less than 5 consecutive years for Award Plan B.
- Policy must be in effect full term.
- Cancelled policies will not be eligible unless re-written by DTU. Policies cancelled by DTU for nonpayment of premium will not be eligible. Policies cancelled prior to the full policy term by the Subscriber will not be eligible for an Award Plan.
- All premiums must be paid in full, including audit premium, endorsements or any other premium charges.
- Subscriber must provide all necessary information for completion of premium audit.

Computation and Payment

- DTU will pay Award as outlined in the schedule based on earned premium and losses, subsequent to premium audit.
- Final premium and losses will be valued no earlier than 6 months after the expiration of the policy and at such time the Award calculation will be computed and paid timely thereafter.
- Losses include all paid indemnity, medical, rehabilitation, managed care and legal expenses and reserves for future payments of claims.
- RAS, as Manager, shall determine losses and reserves which shall be conclusive and binding upon the Subscriber.
- Once calculated and paid, the Award Plan will be considered closed and final.

Awards cannot be guaranteed and are payable at the discretion of RAS, as Manager, and the DTU Advisory Committee, conditioned upon regulatory approval.

Award Table A (≥ 5 years tenure)						
Incurred Loss Ratio	Under \$25,000 ⁽¹⁾	\$25,001 to \$50,000 ⁽¹⁾	\$50,001 to \$75,000	\$75,001 to \$100,000	\$100,001 To \$250,000	> \$250,001
0% to 5.0%	7.0%	8.0%	10.0%	13.0%	16.0%	20.0%
5.1% to 10%	6.0%	7.0%	9.0%	11.0%	13.0%	17.0%
10.1% to 15%	6.0%	7.0%	8.0%	9.0%	11.0%	14.0%
15.1% to 20%	5.0%	6.0%	7.0%	8.0%	10.0%	11.0%
20.1% to 25%	5.0%	5.0%	6.0%	7.0%	8.0%	9.0%
25.1% to 30%	5.0%	5.0%	5.0%	6.0%	7.0%	8.0%
30.1% to 35%	4.0%	4.0%	4.0%	5.0%	6.0%	6.0%
35.1% to 40%	4.0%	4.0%	4.0%	4.0%	5.0%	5.0%
40.1% to 45%	4.0%	4.0%	5.0%	4.0%	4.0%	4.0%
45.1% to 50%	3.0%	3.0%	3.0%	3.0%	4.0%	3.0%
50.1% to 55%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
55.1% to 60%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
> 60%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Award Table B (< 5 years tenure)						
Incurred Loss Ratio	Under \$25,000 ⁽¹⁾	\$25,001 to \$50,000 ⁽¹⁾	\$50,001 to \$75,000	\$75,001 to \$100,000	\$100,001 To \$250,000	> \$250,001
0% to 5.0%	3.0%	4.0%	5.0%	7.0%	8.0%	10.0%
5.1% to 10%	2.0%	4.0%	5.0%	6.0%	7.0%	9.0%
10.1% to 15%	2.0%	4.0%	4.0%	5.0%	6.0%	7.0%
15.1% to 20%	2.0%	3.0%	4.0%	4.0%	5.0%	6.0%
20.1% to 25%	2.0%	3.0%	3.0%	4.0%	4.0%	5.0%
25.1% to 30%	2.0%	3.0%	3.0%	3.0%	4.0%	4.0%
30.1% to 35%	2.0%	2.0%	2.0%	3.0%	3.0%	3.0%
35.1% to 40%	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%
40.1% to 45%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
45.1% to 50%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
50.1% to 55%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
55.1% to 60%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
> 60%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

¹ Existing DTU Subscribers with an SSA balance are grandfathered into the appropriate Award table based on their tenure as outlined above, regardless of premium size.