

**SCHOOL EMPLOYEES LOSS FUND
Workers Compensation Program**

Member Proposal of Insurance
July 1, 2026 to June 30, 2027

Presented to:

Prospect Heights SD #23

Dated:

May 5, 2026

SELF

Presented by:

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SELF Executive Summary (2026-2027)

The SELF workers compensation renewal for 2026-2027 continues to show increased loss developments amid the hardening trend of Workers Compensation. Loss development continues to rise, at a controlled level, due to the continuous increase in overall payroll, average cost per claim, and claimant litigation rate. Despite the challenging trends in the current market, SELF remains its premier performance as an overall program.

In preparing for the 7/1/2026-2027 renewal SELF and the Executive Committee rely on several key items including:

- Program Loss Development – the SELF actuary reviews total pool losses from the current and prior years to predict the “ultimate” cost to SELF. Using this ultimate loss calculation the actuary can select or pick the loss rate needed to fund losses for the coming 2026-2027 period. With in-depth analytics on loss performances, SELF then adopts additional programs (like Nurse Triage) and enhance program inefficiencies (through our TPA RFP) to help our members and program proactively improve in the long run.
- Member Loss Development – the cost of open claims is on the rise due to increasing medical costs and the litigious culture. SELF uses a “loss sensitive” approach when calculating individual member contributions. As in previous years, member losses from the most recent three complete years are used to calculate the Individual district “Experience Modification” factor.
- SELF Fixed Costs – these costs include claims administration, program administration, excess insurance premium, loss control and various legal and professional fees. For 2026-2027, the SELF Executive Committee completed a TPA RFP for SELF’s Claims Administration to replace Sedgwick with Comprehensive Risk Services (CRS). The RFP was deemed necessary due to negative member feedback on Sedgwick’s communication, along with additional operational oversights and team structuring inefficiencies. Over months of careful reviews, the SELF Executive Committee has selected CRS (out of four candidates) effective 7/1/2026 to replace Sedgwick, given their dedicated team structure, K-12 expertise, strong client references, and aligned business model.
- Excess Insurance – SELF continues to purchase stop loss protection excess of a \$1,000,000 retention. For 2026-2027, SELF remains with our current insurance provider, Safety National Casualty Corporation, for their excess insurance. Coming off a very favorable two-year rate lock, SELF negotiated another rate lock at an additional 5% reduction despite the increase trend in the market, and the waiving of estimated payroll structure effective 2027.
- Investment Income – SELF’s unique structuring allows the program to retain investment income. As SELF continues to return surplus to offset our member premiums, investment income becomes hugely beneficial as it also helps initiate value-added programs that greatly improve our member losses in the long run.
- Loss Fund Confidence Levels – with stable investment income and increasing loss development SELF continues to fund future losses at a 60% confidence level in 2026-2027. This results in a total pool loss fund of \$9,119,332.

SELF’s member equity, or surplus, remains very strong with around \$28 million as of March 2026. Member equity is achieved through lower-than-expected losses in previous years and interest income. Over the years, SELF has returned member equity to active members in the form of a premium offset.

SELF’s commitment and high importance that it places on risk management and other cost reduction programs continues to contribute to the favorable financial results of the pool. Several of these programs have been in place now for many years and are having a significant impact on minimizing members’ total cost of risk. Programs include:

- Safety Grant Program – this program assists member districts through providing funds to purchasing loss conscious equipment specifically designed to reduce loss leading injuries. The individual member allowance for the program was further increased in 2025 to help place new safety equipment in schools and improve different areas of losses for our members. SELF Grant Program achieved a **99%** member participation in 2025-2026.
- Monthly claim roundtable and settlement meeting – this arrangement continues to result in favorable settlement and case wins. SELF members are invited to attend these meetings to review open claims in their District.
- Nurse Triage claim reporting – As of 7/1/2026, SELF is mandating Nurse Triage as its primary form of claims reporting. The Nurse Triage Piloting Districts produced undeniable results over the past year, with an average lag time of 1.2 days. This enhancement will revolutionize our members’ ease and timely reporting and have proven results in lowered claim costs, faster Return-to-Work, and more efficient adjudication.
- Educational Resources – education and training continue to be provided by SELF. Districts have access to GCN educational webinars and bi-annual in-person loss control seminars to help inform and educate members on market updates and rising perils. Better protecting our members from a holistic view.

For the 2026-2027 program period SELF remains committed to conserving member assets through risk management and loss reduction activities and protecting our members through this hardening workers compensation market.



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Coverage Summary

LIMITS	
Workers Compensation	Statutory
Employers' Liability	
• Bodily Injury by Accident, Each Accident	\$2,000,000
• Bodily Injury by Disease, Policy Limit	\$2,000,000
• Bodily Injury by Disease, Each Employee	\$2,000,000

COVERAGE ENHANCEMENTS
• Broad Form All States Endorsement – U.S.A. and District of Columbia
• Foreign Voluntary Workers Compensation Coverage
• Automatic Waiver of Subrogation – If Required by Written Contract
• Voluntary Compensation Endorsement



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Estimated Exposures

PAYROLL & RATE COMPARISON	07/01/2025 to 6/30/2026	7/01/2026 to 6/30/2027	% Change
8868 Professional Employees Estimated Payroll	\$16,484,615	\$16,937,942	2.8%
8868 Rate Per \$100	\$0.24	\$0.27	12.9%
9101 School – All Other Employees Estimated Payroll	\$1,009,804	\$1,037,574	2.7%
9101 Rate Per \$100	\$2.48	\$2.39	-3.7%
7380 Commercial Drivers Estimated Payroll	\$0	\$0	0.0%
7380 Rate Per \$100	\$6.33	\$6.46	2.1%
Total Estimated Payroll	\$17,494,419	\$17,975,516	2.8%

MODIFIERS	07/01/2025 to 6/30/2026	7/01/2026 to 6/30/2027	% Change
Experience Modification Factor (E-Mod)	0.84	0.75	-10.7%
SELF Pool Modification Factor (P-Mod)	0.94	0.92	-2.1%



QUOTATION
SCHOOL EMPLOYEES LOSS FUND

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July 1, 2026 to June 30, 2027

CLASSIFICATION	ESTIMATED PAYROLL ¹	RATE/\$100	MANUAL PREMIUM
8868: Professional Employees (This includes all teachers, teachers' aides, administrative personnel, clerical, cafeteria employees, lunchroom/classroom supervisors or monitors)	\$16,937,942	\$0.27	\$45,902
9101: School- All Others (Custodial or maintenance workers)	\$1,037,574	\$2.39	\$24,777
7380: Commercial Drivers (Full-time and part-time bus drivers)	\$0	\$6.46	\$0
Total Manual Premium		\$70,679	

PRICING FACTORS	2025-2026	2026-2027	% CHANGE
Total Payroll	\$17,494,419	\$17,975,516	2.8%
Experience Modification Factor	0.84	0.75	-10.7%
Total District Experience-Modified Premium	\$54,269	\$53,009	-2.3%
SELF Pool Experience-Modification Factor	0.94	0.92	-2.1%
Total P-Modified Premium	\$51,013	\$48,769	-4.4%
Member Percent of Pool for Contribution²	0.58%	0.52%	-10.2%

	POOL TOTAL	MEMBER CONTRIBUTION
Program Fixed Cost	\$2,341,884	\$12,168
SELF Loss Fund Contribution (60% Funding)	\$9,119,332	\$47,381
TOTAL CONTRIBUTION 2026-2027	\$11,461,216	\$59,549
Return of Contributions – FY 2004-2024	\$1,500,001	(\$1,295)
District Payroll Audit (Credit/Debit) from 2024-2025		(\$4,038)
TOTAL Estimated Deposit Contribution with Adjustments for 2026-2027		\$54,215

DO NOT PAY FROM THIS QUOTATION

YOUR 2026-2027 SELF INVOICE WILL FOLLOW WITH PAYMENT INSTRUCTIONS IN JUNE

¹ Auditable payroll

² Member P-mod premium compared to overall program total P-mod premium