

**INTRODUCTION BY:** John Bauer, County Manager **DATE:** 7/24/06 **ITEM NO:** 7

**Resolution Authorizing a Purchase Order for Medical Professional  
Liability Renewal Premium: \$15,380.52**

**SUBJECT AREA:** Purchases/Bids

**ACTION REQUESTED:**

The Board of Commissioners is requested to authorize a purchase order for The Snowden Company, LLC in the amount of \$15,380.52 for the yearly professional liability insurance premium.

**HISTORY/BACKGROUND:**

This provider is the group insurance provider for the NC Association of Local Health Departments through the Association of NC County Commissioners.

The health department provides basic outpatient primary health care, and must carry malpractice insurance. The limits of liability with this insurance are \$1 million dollars per person with a \$3 million dollar total limit on a shared limited basis. The coverage includes claims made by patients for miscellaneous liability.

In FY 06, the malpractice insurance premium was increased by 15%. In FY 07, the insurance package increased to \$15,380.52 (an increase of 48%), with the determining factors being: type of services, number of service providers, number of patient visits, and the inflation in economy. Pender County Health Department has an excellent history with no claims reported.

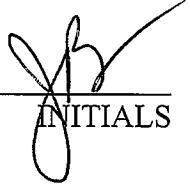
**EVALUATION:**

**The insurance premium is budgeted in the FY 2007 budget and is 95% county appropriations and 5% patient pay.**

The professional liability program has been coordinated through the NC Association of Local Health Department for several years to handle any form of malpractice allegations.

**MANAGER'S RECOMMENDATION:**

Respectfully Recommend Approval

  
INITIALS

**NOW, THEREFORE, BE IT RESOLVED** by the Pender County Board of Commissioners that a purchase order is authorized to The Snowden Company, LLC in the amount of \$15,380.52 for professional liability insurance coverage for the fiscal year 2007.

900	405400	Insurance (The Snowden Company, LLC)	12,000.00
900053	405400	Insurance (The Snowden Company, LLC)	1,704.26
900060	405400	Insurance (The Snowden Company, LLC)	<u>1,704.26</u>
		<b>TOTAL</b>	<b>\$15,380.52</b>

**AMENDMENTS:**

MOVED \_\_\_\_\_ SECONDED \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ UNANIMOUS

YEA VOTES: Holland \_\_\_\_\_ Meadows \_\_\_\_\_ Moore \_\_\_\_\_ Rivenbark \_\_\_\_\_ Williams \_\_\_\_\_

\_\_\_\_\_  
Steve Holland, Chairman 7/24/06  
Date

\_\_\_\_\_  
Attest 7/24/06  
Date