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For a comprehensive review of your current property & casualty insurance program:

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**Ohio School Plan** is designed specifically for public schools, developmental disability districts, educational services centers, career centers, and councils of government that fall under Section 2744 of the Ohio Revised Code.

**Ohio School Plan** is one of the largest and most successful alternative insurance programs in the state of Ohio.

## Benefits of Pooling

### Pool Definition

A **Pool** is a legal entity composed of public entity members joined together to finance risk. The financing mechanism for primary and/or excess coverage may be:

- Group purchase or group self-funding,
- A combination of the two above, or
- Other cooperative financing means.

According to the Association of Governmental Risk Pools (AGRiP), **“About 85% of U.S. Public Entities belong to Pools.”**

### Self Insurance Pools in Ohio

More than 50% of the public school districts in the State of Ohio belong to a Self Insurance Pool. Self Insurance Pools have been established for health insurance as well as property & casualty insurance.

Investing in the right Self Insurance Pool provides for short term & long term stability.

### How Self Insurance Pools Differ from Traditional Commercial Insurance Programs?

- Less vulnerable to “hard” & “soft” market swings
- Pools are typically Non-profit organizations
- “Profits” stay in Pool
- Provide more long term member benefits
- Save money over the long term.
- Smooth out market cycles.

- More control over insurance destiny
- Ensure consistent coverage.
- Belong with Members of similar interests.
- Underwriting profits, investment interest and membership fees build Members Equity
- Members Equity will provide additional services (now & future).
- Specialized claim service & legal defense
- Specialized risk management expertise
- Pools best know their Membership

### Benchmarks to Consider

- Does the Pool have comprehensive coverage?
- Is the pool assessable?
- Is Surplus (Equity) to Retention Ratio >10?
- Is the operating ratio less than 100%?
- Are Loss Reserves to Surplus <3.0-4.0?
- Is Liquidity <1.05?
- Are Net Premiums to Surplus <2.0-3.0?

### Insurance Cycle

The illustration below reflects the typical insurance cycle over time. Pool rates tend to provide more stability while insurance rates on the commercial side are typically driven by investment return and shareholder profits.

