

Phi Kappa Sigma International Fraternity
Insurance Allocation Methodology
Category Information

Category: Chapter 5 Year Claim History

Definition

Chapter Claim History reflects open or closed insurance claims paid in support of a chapter and/or its members for a period of 5 years. This surcharge is on a 'per claim' basis. In addition, certain thresholds must be exceeded before a surcharge will apply. Data for these thresholds will come from the insurance company's Loss Run Report as of July 31st of the year in question.

Thresholds are as follows:

- Indemnity (security against damage, loss, or hurt) claims paid greater than \$1,000
- Expense claims / reimbursements paid greater than \$5,000.

Element of Risk

Chapter's that have had insurance claims made against the chapter and/or its members and/or the International Organization above certain thresholds have been shown to be of greater risk than chapters without claims.

Surcharge Trigger(s)

- Claims against a chapter or its members above the thresholds on a 'per claim' basis will be surcharged 25% on the following policy year's Chapter Insurance Base Rate.

Actions to Reduce/Eliminate the Surcharge

- Conduct the operations of the chapter in a safe, risk-free environment. Ensure members are familiar with Federal, State and Local laws as well as University and Fraternity policies.
- To reduce the possibility of a claim in the future, should an incident occur, promptly notify emergency personnel if needed and report the incident both verbally and in writing to the proper authorities (police, insurance company, University and International Fraternity) as appropriate. Prompt notification along with open and honest communication with appropriate parties may lead to expedited handling and/or avoidance of a possible future claim.