

## Pros and Cons for Nickel & Saph insurance proposal

### **Pros:**

Pure Insurance program

Premium was lowest offered among qualified proposers

Showed the most flexibility in the City choosing its own defense attorney

Insurance company being proposed had an A rating

### **Cons:**

Program is not a pool based system. Risks are not shared by all the members in the pool.

City could face policy termination if claims are excessive in any one year.

Good risk performance or excess earnings are not distributed back to member.

Claims adjusters located out of state. Not clear if this will result in slower processing time frames.

City lacks experience with their administration and claim processing.