



**College-wide Benefits Committee  
Minutes of the Meeting  
April 25, 2013**

**I. Call to Order**

The meeting was called to order at 1:30pm.

**II. Committee Members**

Present

Fran Chandler, Co-Chair  
Marcia Wade, Co-Chair

Al Vasquez	Robert Villanueva
Anna Rojas	Sherri Lee-Lewis
Linda Sinclair	Willis Barton

Absent

Dennis Frisch

Guests

Charlie Yen (substitute for Management)  
Tom Chen (substitute for Dennis Frisch/Faculty)

Assistants

Laurie Heyman, HR AA-III-Confidential  
Heather Memarian, Benefits Support Technician

**III. Review and Approval of the Minutes From Prior Meetings**

1. Minutes for the meeting of February 25, 2013

Motion to approve made by:	Willis Barton
Seconded by:	Linda Sinclair
Vote: Aye:	6
No:	0
Abstain:	3

**IV. Old Business**

1. Discussion of life insurance policy options as presented by Arash Kouhi, OBS, LLC, on behalf of Karen Perry of Marblestone Insurance Services, LLC, during the February 25, 2013 meeting. Conference call with Mr. Kouhi resulted in the following information:

- a. **Existing district SunLife Life Insurance policy** rate (\$8.20/month tenthly) is currently well below market. Any change in the policy will result in a re-examination of the policy rates and a likely increase.

Recommendation by Mr. Kouhi is to leave the current policy in place, and use supplemental policies to increase coverage.

- b. **New Life Insurance Options.** Two options were presented in the February meeting:
- TransLegacy Universal Life (permanent life insurance)
  - TransSelect 10 (group term life insurance)

Both policies are **voluntary, employee paid** life insurance and comprise the following:

1. Guarantee Issue to eligible employees; i.e., no medical exams.
2. Full-time and part-time employees are eligible for both programs.
3. Function as stand-alone policies or as supplemental policies to the existing SunLife Life Insurance policy *and* to the TransAmerica Long-term Care Insurance policy offered during the fall of 2011.
4. Could be used together; i.e., the permanent, TransLegacy, side-by-side with the temporary, TransSelect 10.
5. The following is incorporated into both policies:

Accelerated Death Benefit (ADB) for Terminal Illness

This benefit allows an insured to take advantage of the life insurance death benefit to help pay for long-term illness care. ADB under the Long-term Care Illness rider may only be triggered by a diagnosis certified by a licensed physician that the insured is chronically ill.

Long-term Care Illness Rider

LTC rider provides payment for LTC expenses.

Example: \$100,000 life insurance policy with LTC Rider

- a. 4% = \$4,000 per month for 25 months for Nursing Home expenses
- b. 2% = \$2,000 per month for 50 months for Home Health Care

In addition:

- Cost of administrative time spent by the district for mailings, will be paid for by the insurance company. No administrative cost to the district for these programs.
- Direct bill to employee. Policies are fully portable (i.e., policy is owned by the employee, not the district)

- Fall 2013 roll-out anticipated, with initial email communication at end of spring semester and home mailing before beginning of Fall 2013 semester.
- Employee paid option with group rate advantage results in much more attractive rates than rates an individual could get without the group advantage.

Summary of life insurance options (from Minutes of February 25, 2013):

**TransSelect 10 (Group Term Life insurance)**

1. 10-year Term w/ renewal for another 10 years
2. \$125,000 coverage w/no health questions for FT/PT staff
3. Spouses can elect \$15,000 w/no health questions
4. Sample rate (non-smoker) 60 yr old/\$50,000 coverage = \$88.54/tenthly; see attached rate chart

**TransLegacy Universal Life (Permanent Life insurance)**

1. Premiums locked and guaranteed at issue age to age 100
2. \$125,000 coverage w/no health questions for FT/PT staff
3. Spouse guarantee issue at \$15,000 w/no health questions
4. Sample rate (non-smoker) 60 yr old/\$50,000 coverage = \$210.25/tenthly; see attached rate chart
5. Number of health questions based on coverage amount
6. Doubles as a supplement for long-term care insurance

2. Cost of proposed district paid \$100,000 life insurance policy - \$17.40/tenthly month
  1. The full cost analysis included:
    - a. Life Insurance amounts greater than \$50,000 must be declared as taxable income to employee
    - b. Income taxes (federal and state) as well as Social Security and payroll taxes would have to be paid on extra \$50,000
  2. The consensus was that the better option would be for employees to buy one of the life insurance options being offered.

Motion:

"The College-wide Benefits Committee recommends that the District maintain its existing **District paid** \$50,000 life insurance policy for all eligible employees. This policy is contracted by the District with Sun Life Insurance Company.

Additionally, the Committee recommends that all benefits eligible employees be offered **voluntary, employee paid** insurance options, through TransAmerica Insurance Company programs: **TransSelect 10** (Group Term Life Insurance) and **TransLegacy Universal Life** (Permanent

Life Insurance). Both voluntary insurance options have Long-term Care Illness and Accelerated Death for Terminal Illness Riders.”

Motion to approve made by: Linda Sinclair  
Seconded by: Sherri Lee-Lewis  
Vote: Aye: 9  
No: 0  
Abstain: 0

3. L. Heyman shall email to the committee members the 2013 Renewal and Benefit Discussion presented by Alliant. Members will review these before the next meeting.
4. H. Memarian shall email to the committee members information comparing the Delta Dental PPO Premier to Enhanced network of dentists.
5. District HR staff are directed to be ready with all information needed by the committee to determine the advisability of part-time faculty and project managers being able to opt for the following:

**Remaining with current Kaiser medical insurance policy or opting to move to the PERS Kaiser policy and/or to the family of PERS medical insurance plans.**

#### **V. New Business**

1. Anticipated impacts of Health Care Reform. This topic to be included for discussion starting Fall 2013; Elements of the Health Care Reform that will impact the District, and the employee; education of district staff to be included in discussion.

#### **VI. Next Meeting**

~~Thursday, March 14, 2013 1:30pm – 3:00pm BUS 111 Meeting Cancelled~~

Thursday, May 09, 2013 1:30pm – 3:00pm BUS 111

Agenda: Review vendor information for recommendation/action

- i. Vision re: coverage and vendor recommendation

Thursday, May 30, 2013 1:30pm – 3:00pm BUS 111

Agenda: Review vendor information for recommendation/action

- i. Dental re: coverage and vendor recommendation; Medical coverage for the part-time faculty re: coverage and policy recommendation
- ii. Medical for PT Faculty (Kaiser options)

Thursday, June 06, 2013 1:30pm – 3:00pm BUS 111

Agenda: Review vendor information for recommendation/action

- i. Medical for PT Faculty (Kaiser options) Medical coverage for the part-time faculty re: coverage and policy recommendation

#### **VII. Adjournment**

Meeting adjourned at 2:45pm