AGENDA ITEM

ITEM IV.A
2007 Year-End Assessment – Committee on Group Insurance Programs

DATE:	April 23, 2008
TO:	Members, Board of Governors Members, Board Committee on Member Oversight
FROM:	Colin McRae, Committee Chair Starr Babcock, Senior Executive Member Services
SUBJECT:	Committee on Group Insurance Programs (COGIP) 2007 Year-End Assessment
ATTACHMENT:	Attachment 1: Committee on Group Insurance Programs (COGIP) 2007 Year-End Assessment

EXECUTIVE SUMMARY

The following is the year-end assessment of all activities under the COGIP for the 2007 Committee year.

Board members with questions or concerns may contact Starr Babcock, 415/538-2070 or starr.babcock@calbar.ca.gov

BACKGROUND

The Committee on Group Insurance Programs is composed of 12 attorney members with expertise and experience in insurance and insurance law, in dealing with brokers and insurance carriers and in understanding insurance policies and the business aspects of insurance particularly group and/or association plans. The committee acts as a counselor and advisor to the Board of Governors. Currently State Bar sponsored group insurance programs include: Accidental Death & Dismemberment, Auto/Homeowners, Life, Individual Disability Income and Group Long Term Disability, Workers' Compensation and Long Term Care. The charge of the committee is as follows:

1. Studies and makes recommendations on new, member group insurance programs to be sponsored by the State Bar and proposes changes in existing programs; recommends actuarial and other consulting studies as needed.

2. In making recommendations, considers premium rates, benefits, limitations, exclusions and other contract provisions in relation to the needs of the members of the State Bar generally and provisions designed to achieve program stability.
3. Works with the administrator/broker, carrier, general counsel's office and designated State Bar staff to prepare contracts for new programs and revisions to existing programs.
4. Monitors ongoing approved programs and reviews sales literature for all approved programs on an ongoing basis.
5. Provides legal advice to the Board of Governors concerning insurance law aspects of its recommendations.
6. Perform such other functions relevant to the committee's subject area as the Board of Governors may from time to time assign.
7. Make recommendations and assist on request, the Board of Governors for ways and means of increasing non-dues revenue.

COMMITTEE ON GROUP INSURANCE PROGRAMS (COGIP) 2007 YEAR-END ASSESSMENT

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The following is a summary of Committee activities in 2007 that furthered its charge.

Life Insurance

- The Committee approved an additional 5% premium discount on the franchise life insurance program, effective March 1, 2008.
- New Group Term life insurance products were introduced to the membership in October 2007. These include a 10-year and 20-year level premium plans.
- New Admittees were issued "free" life insurance at a $50,000 benefit level for the 2nd year in 2007. This program provides coverage to new members at no cost for the first 6 months of membership to the Bar.

Employment Practices Liability Insurance

- The Committee issued an RFP for this potential new program. After an initial review of the proposal submissions, the Committee determined that a new RFP will be issued during the 2008 Committee year.

Workers Compensation

- This program provided by State Compensation Insurance Fund (State Fund) was evaluated and an RFP was issued in October 2007. Members of the Property and Casualty sub-committee reviewed submissions from bidders, including State Fund. The bid was awarded to Marsh Affinity Group services. Carrier negotiations are ongoing.

Market Review:

- The committee continued to monitor the insurance market to insure the availability of coverage to members and adequacy of policy features for all benefit programs. On an ongoing basis, the Committee reviews sales and promotional material for all the approved programs.