

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

823



FROM: Human Resources Department

SUBMITTAL DATE:
April 24, 2012

SUBJECT: 2012 Resident Physicians Basic Life, Accidental Death and Dismemberment, and Long Term Disability Insurance Renewal Statement

RECOMMENDED MOTION: That the Board of Supervisors approve the renewal of the American Medical Association Agreement for the Resident Physician's (a) \$50,000 Basic Life Insurance (Basic Life) and Accidental Death and Dismemberment Insurance (AD&D); and (b) Long-Term Disability Insurance (LTD) up to \$2,500 per month (Attachment A), effective July 1, 2012 through June 30, 2014.

BACKGROUND: On May 19, 2009, Item 3.26, the Board approved Basic Life, Accidental Death and Dismemberment (AD&D), and Long-Term Disability (LTD) insurance for Resident Physicians employed at Riverside County Regional Medical Center enrolled in a Graduate Medical Education (GME) Family Medicine Residency Program.

Departmental Concurrence

FORM APPROVED COUNTY COUNSEL
BY: TANNY LIEU DATE: 5/3/12

Barbara A. Olivier

Barbara A. Olivier
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

SOURCE OF FUNDS: Riverside County Regional Medical Center Departmental Budget	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Stephanie Fersi*
Stephanie Fersi

County Executive Office Signature

- Policy
- Policy
- Consent
- Consent

Dept's Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 04/26/2011, 3.33 | **District:** All | **Agenda Number:**

3.17

Form 11 – Resident Physicians Basic Life, AD&D and Long Term Disability Insurance

April 24, 2012

Page 2

BACKGROUND (continued):

The American Medical Association's (AMA) Med Plus Advantage products are uniquely suited to the needs of Resident Physicians and has been strategically designed to meet the Accreditation Council for Graduate Medical Education (ACGME) requirements for residency programs to provide adequate and affordable health insurance to Resident Physicians.

While the AMA administers the underwriting and premium process for the Basic Life, AD&D and LTD plans, Standard Insurance Company (Standard) manages the claims and maintains the business relationship with the County. There are approximately 91 Resident Physicians employed at Riverside County Regional Medical Center (RCRMC).

The current rate for Basic Life insurance is \$17 per member per year (PMPY); \$8 PMPY for AD&D; and \$125 PMPY for LTD. For this renewal period, the AMA instituted a two year rate guarantee which includes a 31.6% decrease in the LTD premium. The Basic Life and AD&D premium will remain unchanged and the LTD premium will decrease to \$95 PMPY. In addition to the rate guarantee, the AMA included a 5% premium credit for each plan which will be reflected on the FY 2012-13 monthly invoices.

The cost to provide \$50,000 Basic Life and AD&D benefits for 91 Resident Physicians is \$2,275 per year and \$8,645 per year to provide LTD benefits. If approved, the cost will be paid from the RCRMC departmental budget. The estimated cost for FY 2012-13 is \$10,920.

**2012 RESIDENT PHYSICIANS
BASIC LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT, AND LONG-TERM
DISABILITY INSURANCE RENEWAL STATEMENT**

ATTACHMENT A

County of Riverside
Policy #644248
2012-2014 Renewal
Medical Resident

- **New MPA Homepage for Residents**
- **2 Year Rate Guarantee**
- **5% Premium Credit for 2012-2013**
- **Now on Twitter @MedPlusAdv and www.facebook.com/medplusadvantage**

Schedule of Benefits: Disability Income

Coverage Certificates and Member ID cards for Residents available on MyMedPlusAdvantage at www.medplusadvantage.com by entering 644248

- \$2,500 Monthly Benefit
- 90 Day Elimination Period
- 6 month /12 month Pre-Existing Condition
- Length of Benefit - Social Security Normal Retirement Age (SSNRA)
- Double Benefit: at the end of 12 months of permanent and total disability
- 24 Month Limit: mental & nervous disabilities and substance abuse limited to 24 months of benefits
- \$5,000 income offset, \$10,000 with permanent and total disability
- \$5,000 Lump Sum after 12 months of permanent and total disability
- 5 Year Resident Definition: unable to perform duties of a resident in good standing
- School Loan Provision: up to \$200,000 benefit available at the end of 12 months for permanent & total disability

Annual Premium		Coverage Period	07/01/2012 - 06/30/2014
Disability	\$ 95.00		
Life	\$ 25.00		
Rate Mode:	<u>Monthly</u>		

Changes & Amendments

ADD (circle):

COLA

QMC

Lifetime Security Benefit

Notes:


Other:

New Monthly Benefit:

New Rate:

As an authorized representative of the Group Sponsor, I request that Standard Insurance Company ("The Standard") amend the above Group Sponsor's coverage under the Group Policy to make the change(s) outlined above under changes & amendments. The amendment will be effective on the plan anniversary date. I understand that the amendment will not become effective unless approved and issued by The Standard. I request that the amendment be approved by The Standard subject to The Standard's usual underwriting requirements. I understand that the amendment, if approved by The Standard, will be issued in the policy language that has been approved and is the last regular day before the scheduled effective date of the amendment will be deferred until the first day after the Member completes one full day of Active participation. I request that the amendment, if approved and issued by The Standard, become effective by its terms without any further acceptance by the Group Sponsor, and that a copy of this Request for Group Insurance Amendment form be attached to and made a part of the amendment. The Schedule of Benefits is a summary of coverage for verification purposes and the Certificate of Insurance shall be the final determinant of actual coverage and claims administration.

Administrative or Broker Contact Change (Circle One)	
Name:	MARY E WHITE
Title:	SR. HR ANALYST
Address:	4080 Lemon St. 1st Floor
City/State	Riverside, CA 92501 ZIP
Phone:	951-955-9589

	Date
N/A	N/A
Broker Signature	Date
AMA Representative Signature (will be signed after submitted)	Date

AMA Insurance Agency, Inc. 888-627-6618 * Professional Benefit Consultants, Inc. 866-960-6337
Standard Insurance Company