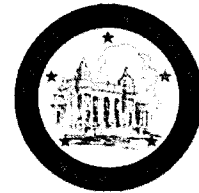


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.14
(ID # 9986)

MEETING DATE:
Tuesday, July 2, 2019

FROM: HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Ratify and approve the Group Policy Amendment No. 3 to The Standard Group Policy 641685-E and the Experience Rating Refund Agreements; All Districts [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Group Policy Amendment No. 3, Group Policy 641685-E with Standard Insurance Company (Standard), effective June 30, 2016 (Attachment A);
2. Ratify and approve the Experience Rating Refund Agreement for Group Policy 641685-E (Noncontributory), effective January 1, 2016 (Attachment B);
3. Ratify and approve the Experience Rating Refund Agreement for Group Policy 641685-E (Contributory), effective January 1, 2016 (Attachment C);
4. Ratify and approve the Experience Rating Refund Agreement for Group Policy 641685-C, effective July 1, 2016 (Attachment D);
5. Ratify and approve the Request for Group Insurance Amendment to Policy 641685-C (Effective July 1, 2011), 641685-E and 641685-F, effective July 1, 2019 (Attachment E);
6. Authorize the Chairperson to sign three (3) copies of Attachment A, B, C, D and E on behalf of the County; and
7. Direct the Clerk of the Board to retain one (1) copy of the signed documents and return two (2) copies of the documents to Human Resources for distribution.

ACTION:Policy

Brenda Diederichs
Brenda Diederichs, Assistant CEO / Human Resources Director 6/18/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Perez and Hewitt
Nays: None
Absent: Spiegel and Washington
Date: July 2, 2019
xc: HR

Kecia R. Harper
Clerk of the Board
By: *[Signature]*
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$0	\$0	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS:			Budget Adjustment:	No
			For Fiscal Year:	2016/17 – 2019/20

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Recommended changes to:

Group Policy Amendment No. 3 – 641685-E (Attachment A)

Effective June 30, 2016, the Group Policy is amended as follows:

- The Experience Rating Refund (ERR) Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependents Life Insurance) is terminated.
- A final ERR calculation will be performed as of June 30, 2016. Any amount in the CFR account will be transferred to the Experience Rating Refund Agreement and Claims Fluctuation Reserve Account in connection with Noncontributory Long-Term Disability (LTD) Insurance and Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependents Life Insurance) effective July 1, 2016.

Experience Rating Refund Agreements

The County's Basic Life (including employer paid Dependent Life), Accidental Life (including employee paid Dependent Life) and Long-Term Disability (LTD) each have separate Experience Rating Refund Agreements (Attachment B – D). The Experience Rating Refund Agreements provide a Claims Fluctuation Reserve (CFR) account. The CFR provides long term stabilization in the event of unexpected liability or claim experience fluctuation.

Group Policy 641685-E:

Attachment B - Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependent Life Insurance).

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

Attachment C - Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with Contributory Life Insurance (Plan 2 Life Insurance and Plan B Dependent Life Insurance).

Group Policy 641685-C:

Attachment D - Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with Subject Insurance. Subject Insurance means Noncontributory Long-Term Disability (LTD) Insurance and Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependent Life Insurance).

Request for Group Insurance Amendment (Attachment E)

Group Policy 641685-C:

Effective July 1, 2011, the Group Policy is amended as follows:

- Update the Long-Term Disability (LTD) Member Definition to include Service Employees International Union Supervisory Unit.

Group Policy 641685-E and 641685-F:

Effective July 1, 2019, the Group Policy is amended as follows:

- Add a one-time limited enrollment period beginning May 13, 2019 and ending June 7, 2019 with elections made during this period becoming effective July 1, 2019. Members may increase or elect coverage not to exceed \$50,000 or the Guarantee Issue Amount without providing Evidence of Insurability. Members currently enrolled for amounts equal to or above the guarantee issue may increase coverage by one increment (\$10,000) not to exceed the plan maximum. Members currently enrolled with Spouse Life coverage may increase coverage by one increment (\$5,000) not to exceed the plan maximum. Evidence of Insurability is required for those whose Evidence of Insurability was not approved by Standard during any prior period of eligibility (prior declines remain declined).
- Change the Child Life schedule to allow Member to elect \$5,000, \$10,000, \$15,000 or \$20,000.

Impact on Residents and Businesses

There is no direct impact to residents or private businesses in the County of Riverside.

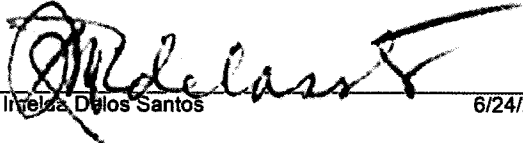
Contract History and Price Reasonableness

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

Since January 2001, the Standard has partnered with County of Riverside to offer Basic and Supplemental Life and LTD insurance coverage for employees and their eligible dependents. Standard continues to provide outstanding service to the County. There is no rate impact to the County for this recommendation.

ATTACHMENTS

- A. Group Policy Amendment No. 3 – 641685-E
- B. Experience Rating Refund Agreement – Group Policy No. 641685-E (Noncontributory)
- C. Experience Rating Refund Agreement – Group Policy No. 641685-E (Contributory)
- D. Experience Rating Refund Agreement – Group Policy No. 641685-C and 641685-E
- E. Request for Group Insurance Amendment – Group Policy No. 641685-C, 641685-E and 641685-F


Inez D. Santos 6/24/2019



Gregory H. Priamos, Director County Counsel 6/20/2019


GROUP POLICY AMENDMENT NO. 3

Attached to and made a part of Group Policy 641685-E issued to County of Riverside as Policyholder.

Effective June 30, 2016, the Group Policy is amended as follows:

- 1. The Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependents Life Insurance) is terminated.
- 2. A final ERR calculation will be performed as of June 30, 2016. Any amount remaining in the CFR account will be transferred to the Experience Rating Refund Agreement and Claims Fluctuation Reserve Account in connection with Noncontributory Long Term Disability Insurance and Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependents Life Insurance) effective July 1, 2016.

By  Dated 4-16-19
 Kevin Erdahl
 2nd Vice President – Risk & Medical Underwriting, Employee Benefits Underwriting

By  Dated 7/2/19
 Authorized Representative of County of Riverside

STANDARD INSURANCE COMPANY

By

ATTEST:

KECIA R. HARPER, Clerk

By 
 DEPUTY



Chairman, President and CEO



Corporate Secretary

FORM APPROVED COUNTY COUNSEL

BY  19 June 2019
 DAVID M. MCCARTHY DATE

EXPERIENCE RATING REFUND AGREEMENT

A part of group policy 641685-A (replaced by group policy 641685-E effective January 1, 2016) (Group Policy) issued to County of Riverside as Policyholder.

Standard and the Policyholder hereby adopt this Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with **Noncontributory** Life Insurance ((Plan 1 Life Insurance and Plan A Dependents Life Insurance) under the Group Policy in accordance with the following provisions. This Experience Rating Refund Agreement amends and restates the Experience Rating Refund Agreement effective September 1, 2001, which has been applied to the Group Policy.

CALCULATING THE EXPERIENCE RATING REFUND

The Experience Rating Refund is the lesser of the following amounts:

Amount for all Computation Periods = $(A \times C) - D + E$; and

Amount for the current Computation Period = $B \times C$; where:

A = The Balance for All Computation Periods, which is:

Earned Premium for all Computation Periods, minus the sum of:

Paid Claims for all Computation Periods
Claims Reserves at the end of the current Computation Period
Conversion Charges for all Computation Periods
Retention for all Computation Periods

B = The Balance for the Current Computation Period, which is:

Earned Premium for the current Computation Period, minus the sum of:

Paid Claims for the current Computation Period
Net change in Claims Reserves during the current Computation Period
Conversion Charges for the current Computation Period
Retention for the current Computation Period

C = Credibility Factor. The Credibility Factor is determined by the credibility formula currently adopted by Standard.

D = The Experience Rating Refunds, if any, which have been paid for any Computation Period.

E = The amount of any withdrawals by Standard from a CFR Account, if any.

DEPOSITS AND WITHDRAWALS

If the calculation results in a positive amount, Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund in the CFR Account. Any amount not so deposited will be paid to the Policyholder.

If the calculation results in a negative amount, Standard may, at its sole discretion, make a withdrawal from the CFR Account and apply it as additional premium for the Computation Period.

Withdrawals from the CFR Account are limited as follows:

- a. The amount withdrawn by Standard to serve as additional premium for a Computation Period shall not exceed the lesser of the following amounts:
 - (1) The negative amount resulting from the Experience Rating Refund calculation;
or
 - (2) The amount in the CFR Account at the end of the Computation Period.
- b. Effective as of the first day of the calendar month next following 30 days written notice to Standard and a subsequent Experience Rating Refund calculation, the Policyholder may withdraw any part of the amount on deposit in excess of one-half the total annual premium for Noncontributory Life Insurance for the contract year ending on the preceding anniversary of the Group Policy Effective Date.

TERMINATION OF GROUP POLICY

An Experience Rating Refund calculation will be performed after the Group Policy terminates, and again 12 months following termination of the Group Policy.

If either Experience Rating Refund calculation results in a negative amount, Standard may, at its sole discretion, make a withdrawal from the CFR Account and apply it as additional premium for the Computation Period.

If the Experience Rating Refund calculation initially performed after the policy terminates results in a positive amount, Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund in the CFR Account.

If the Experience Rating Refund performed 12 months following termination of the Group Policy results in a positive amount, no additional deposits will be made to the CFR Account and such amounts will not be paid to the Policyholder.

Any amount remaining on deposit in the CFR Account following the final Experience Rating Refund will be paid to the Policyholder.

If any premium due under the Group Policy remains unpaid at the termination of the Group Policy, a portion of the amount in the CFR Account sufficient to pay such premium will be applied automatically to pay such premium. Any amount thereafter tendered to pay such premium shall be credited to the amount on deposit in the CFR Account.

DEFINITIONS

Earned Premium equals $a + b - c$, where:

- a = Paid premiums
- b = Increase or decrease in uncollected premium
- c = Increase or decrease in advance premium

Paid Claims equals a + b, where:

- a = Claims paid
- b = legal fees, expenses, settlements and judgments paid in connection with lawsuits relating to claims

Claims Reserves equals reserves for a + b + c + d, where:

- a = IBNR: claims incurred but not reported
- b = Claims approved under the Waiver Of Premium provision
- c = Outstanding claims: claims or portions of claims which have been reported but have not been paid
- d = Pending claims under the Waiver Of Premium provision

Conversion Charges means the amount charged for converting Noncontributory Life Insurance to an individual life insurance policy under the Right To Convert provision.

Retention equals a + b + c + d, where:

- a = Commissions paid
- b = Premium tax incurred
- c = Expenses and charges as determined according to the formulae adopted by Standard and any other variable expenses incurred and applied to this Group Policy
- d = Risk and contingency charges as determined according to the formulae adopted by Standard


Computation Period means the Initial Rate Guarantee Period and each successive renewal period thereafter. If the renewal date is changed by amendment, the Computation Period will be adjusted accordingly. A Computation Period automatically ends on the date the Group Policy terminates. A final Computation Period is the 12 month period following termination of the Group Policy.

CONDITIONS

1. An Experience Rating Refund calculation will be performed at the end of each Computation Period.
2. Any change in the claims reserves formula and the Conversion Charge formula will bear a direct relationship to Standard's actual claims experience or to published insurance industry claim experience.
3. If, for the Initial Rate Guarantee Period or for any succeeding Computation Period, the Experience Rating Refund is zero or a negative figure, no Experience Rating Refund will be paid for that Computation Period.
4. Payment of the Experience Rating Refund (if applicable) will be made by Standard on or before the later of the following dates:
 - a. 60 days after the end of the Computation Period.
 - b. The date upon which all outstanding premium due has been received by Standard.
5. Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund into a claims fluctuation reserve or premium deposit account.
6. Funds held on deposit in the CFR Account shall constitute a part of Standard's general corporate funds to be so used and invested by Standard.

7. The amount on deposit in the CFR Account shall earn interest annually at such rate as Standard may declare on such funds. Each deposit will begin to bear interest on the date it is deposited, and interest will be added to and become a part of the amount on deposit at such time as may be determined by Standard but not less than once each year.
8. Except as provided in 9. below:
 - a. Standard shall make deposits to, and withdrawals from, the CFR Account only in accordance with the provisions of this Agreement; and
 - b. The Policyholder may make withdrawals from the CFR Account only in accordance with the provisions of this Agreement.
9. Either the Policyholder or Standard may at any time make a deposit, or withdraw all or any part of the amount on deposit, upon mutual agreement evidenced in writing and signed by the Policyholder and Standard.
10. Except as provided in this Agreement, all terms of the Group Policy apply.
11. Standard will provide the Policyholder detailed information concerning the component formulae of the Experience Rating Refund upon written request.

This Agreement is effective January 1, 2016.

By  Dated 7/2/19
 Policyholder

STANDARD INSURANCE COMPANY

By

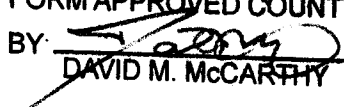
ATTEST:

KEGIA R. HARPER, Clerk

By 
 DEPUTY


 President


 Corporate Secretary

FORM APPROVED COUNTY COUNSEL
 BY  19 July 2019
 DAVID M. MCCARTHY DATE

EXPERIENCE RATING REFUND AGREEMENT

A part of group policy 641685-A (replaced by group policy 641685-E effective January 1, 2016) (Group Policy) issued to County of Riverside as Policyholder.

Standard and the Policyholder hereby adopt this Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with **Contributory** Life Insurance (Plan 2 Life Insurance and Plan B Dependents Life Insurance) under the Group Policy in accordance with the following provisions. This Experience Rating Refund Agreement amends and restates the Experience Rating Refund Agreement effective September 1, 2001, which has been applied to the Group Policy.

CALCULATING THE EXPERIENCE RATING REFUND

The Experience Rating Refund is the lesser of the following amounts:

Amount for all Computation Periods = $(A \times C) - D + E$; and

Amount for the current Computation Period = $B \times C$; where:

A = The Balance for All Computation Periods, which is:

Earned Premium for all Computation Periods, minus the sum of:

- Paid Claims for all Computation Periods
- Claims Reserves at the end of the current Computation Period
- Conversion Charges for all Computation Periods
- Retention for all Computation Periods

B = The Balance for the Current Computation Period, which is:

Earned Premium for the current Computation Period, minus the sum of:

- Paid Claims for the current Computation Period
- Net change in Claims Reserves during the current Computation Period
- Conversion Charges for the current Computation Period
- Retention for the current Computation Period

C = Credibility Factor. The Credibility Factor is determined by the credibility formula currently adopted by Standard.

D = The Experience Rating Refunds, if any, which have been paid for any Computation Period.

E = The amount of any withdrawals by Standard from a CFR Account, if any.

DEPOSITS AND WITHDRAWALS

If the calculation results in a positive amount, Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund in the CFR Account. Any amount not so deposited will be paid to the Policyholder.

If the calculation results in a negative amount, Standard may, at its sole discretion, make a withdrawal from the CFR Account and apply it as additional premium for the Computation Period.

Withdrawals from the CFR Account are limited as follows:

- a. The amount withdrawn by Standard to serve as additional premium for a Computation Period shall not exceed the lesser of the following amounts:
 - (1) The negative amount resulting from the Experience Rating Refund calculation; or
 - (2) The amount in the CFR Account at the end of the Computation Period.
- b. Effective as of the first day of the calendar month next following 30 days written notice to Standard and a subsequent Experience Rating Refund calculation, the Policyholder may withdraw any part of the amount on deposit in excess of one-half the total annual premium for Contributory Life Insurance for the contract year ending on the preceding anniversary of the Group Policy Effective Date.

TERMINATION OF GROUP POLICY

An Experience Rating Refund calculation will be performed after the Group Policy terminates, and again 12 months following termination of the Group Policy.

If either Experience Rating Refund calculation results in a negative amount, Standard may, at its sole discretion, make a withdrawal from the CFR Account and apply it as additional premium for the Computation Period.

If the Experience Rating Refund calculation initially performed after the policy terminates results in a positive amount, Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund in the CFR Account.

If the Experience Rating Refund performed 12 months following termination of the Group Policy results in a positive amount, no additional deposits will be made to the CFR Account and such amounts will not be paid to the Policyholder.

Any amount remaining on deposit in the CFR Account following the final Experience Rating Refund will be paid to the Policyholder.

If any premium due under the Group Policy remains unpaid at the termination of the Group Policy, a portion of the amount in the CFR Account sufficient to pay such premium will be applied automatically to pay such premium. Any amount thereafter tendered to pay such premium shall be credited to the amount on deposit in the CFR Account.

DEFINITIONS

Earned Premium equals $a + b - c$, where:

- a = Paid premiums
- b = Increase or decrease in uncollected premium
- c = Increase or decrease in advance premium

Paid Claims equals a + b, where:

- a = Claims paid
- b = legal fees, expenses, settlements and judgments paid in connection with lawsuits relating to claims

Claims Reserves equals reserves for a + b + c + d, where:

- a = IBNR: claims incurred but not reported
- b = Claims approved under the Waiver Of Premium provision
- c = Outstanding claims: claims or portions of claims which have been reported but have not been paid
- d = Pending claims under the Waiver Of Premium provision

Conversion Charges means the amount charged for converting Contributory Life Insurance to an individual life insurance policy under the Right To Convert provision.

Retention equals a + b + c + d, where:

- a = Commissions paid
- b = Premium tax incurred
- c = Expenses and charges as determined according to the formulae adopted by Standard and any other variable expenses incurred and applied to this Group Policy
- d = Risk and contingency charges as determined according to the formulae adopted by Standard


Computation Period means the Initial Rate Guarantee Period and each successive renewal period thereafter. If the renewal date is changed by amendment, the Computation Period will be adjusted accordingly. A Computation Period automatically ends on the date the Group Policy terminates. A final Computation Period is the 12 month period following termination of the Group Policy.


CONDITIONS

1. An Experience Rating Refund calculation will be performed at the end of each Computation Period.
2. Any change in the claims reserves formula and the Conversion Charge formula will bear a direct relationship to Standard's actual claims experience or to published insurance industry claim experience.
3. If, for the Initial Rate Guarantee Period or for any succeeding Computation Period, the Experience Rating Refund is zero or a negative figure, no Experience Rating Refund will be paid for that Computation Period.
4. Payment of the Experience Rating Refund (if applicable) will be made by Standard on or before the later of the following dates:
 - a. 60 days after the end of the Computation Period.
 - b. The date upon which all outstanding premium due has been received by Standard.
5. Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund into a claims fluctuation reserve or premium deposit account.
6. Funds held on deposit in the CFR Account shall constitute a part of Standard's general corporate funds to be so used and invested by Standard.

7. The amount on deposit in the CFR Account shall earn interest annually at such rate as Standard may declare on such funds. Each deposit will begin to bear interest on the date it is deposited, and interest will be added to and become a part of the amount on deposit at such time as may be determined by Standard but not less than once each year.
8. Except as provided in 9. below:
 - a. Standard shall make deposits to, and withdrawals from, the CFR Account only in accordance with the provisions of this Agreement; and
 - b. The Policyholder may make withdrawals from the CFR Account only in accordance with the provisions of this Agreement.
9. Either the Policyholder or Standard may at any time make a deposit, or withdraw all or any part of the amount on deposit, upon mutual agreement evidenced in writing and signed by the Policyholder and Standard.
10. Except as provided in this Agreement, all terms of the Group Policy apply.
11. Standard will provide the Policyholder detailed information concerning the component formulae of the Experience Rating Refund upon written request.

This Agreement is effective January 1, 2016.

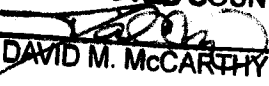
By  Dated 7/2/19
 Policyholder

ATTEST:
 KECIA R. HARPER, Clerk
 By 
 DEPUTY

STANDARD INSURANCE COMPANY
 By


 President


 Corporate Secretary

FORM APPROVED COUNTY COUNSEL
 BY  17 Jan 2019
 DAVID M. MCCARTHY DATE

EXPERIENCE RATING REFUND AGREEMENT

A part of group policy 641685-C and 641685-E (Group Policy) issued to County of Riverside as Policyholder.

Standard and the Policyholder hereby adopt this Experience Rating Refund Agreement and Claims Fluctuation Reserve Account (CFR Account) in connection with Subject Insurance under the Group Policy in accordance with the following provisions.

Subject Insurance means Noncontributory Long Term Disability Insurance, and beginning July 1, 2016, Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependents Life Insurance).

This Experience Rating Refund Agreement amends and restates all prior Experience Rating Refund Agreements that have been applied to group policy 641685-C.

CALCULATING THE EXPERIENCE RATING REFUND

The Experience Rating Refund is the lesser of the following amounts:

Amount for all Computation Periods = $(A \times C) - D + E$; and

Amount for the current Computation Period = $B \times C$; where:

A = The Balance for All Computation Periods, which is:

Earned Premium for all Computation Periods, minus the sum of:

Paid Claims for all Computation Periods
Claims Reserves at the end of the current Computation Period
Retention for all Computation Periods

B = The Balance for the Current Computation Period, which is:

Earned Premium for the current Computation Period, minus the sum of:

Paid Claims for the current Computation Period
Net change in Claims Reserves during the current Computation Period
Retention for the current Computation Period

C = Credibility Factor. The Credibility Factor is determined by the credibility formula currently adopted by Standard.

D = The Experience Rating Refunds, if any, which have been paid for any Computation Period.

E = The amount of any withdrawals by Standard from a CFR Account, if any.

DEFINITIONS

Earned Premium equals $a + b - c$, where:

a = Paid premiums
b = Increase or decrease in uncollected premium
c = Increase or decrease in advance premium

Paid Claims equals $a + b + c + d$, where:

- a = Claims paid, including benefits paid and costs incurred under any provision of the Group Policy
- b = Legal fees, expenses, settlements and judgments paid in connection with lawsuits relating to claims
- c = Payments of the Employer's share of Social Security and Medicare tax by Standard
- d = Conversion charges for converting to an individual life insurance policy under the Right To Convert provision (if applicable).

Claims Reserves equals reserves for $a + b + c + d$, where:

- a = IBNR: claims incurred but not reported
- b = Outstanding claims: claims or portions of claims which have been approved but have not been paid
- c = Active claims
- d = Pending claims

Retention equals $a + b + c + d$, where:

- a = Commissions paid
- b = Premium tax incurred
- c = Expenses and charges as determined according to the formulae adopted by Standard and any other variable expenses incurred and applied to this Group Policy
- d = Risk and contingency charges as determined according to the formulae adopted by Standard

Computation Period means the Initial Rate Guarantee Period for Noncontributory Long Term Disability Insurance and each successive renewal period thereafter. For the Computation Period commencing on July 1, 2016, Noncontributory Life Insurance (Plan 1 Life Insurance and Plan A Dependents Life Insurance) is now included. If the renewal date is changed by amendment, the Computation Period will be adjusted accordingly. A Computation Period automatically ends on the date the Group Policy terminates. A final Computation Period is the 12 month period following termination of the Group Policy.

DEPOSITS AND WITHDRAWALS

If the calculation results in a positive amount, Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund in the CFR Account. Any amount not so deposited will be paid to the Policyholder.

If the calculation results in a negative amount, Standard may, at its sole discretion, make a withdrawal from the CFR Account and apply it as additional premium for the Computation Period.

Withdrawals from the CFR Account are limited as follows:

- a. The amount withdrawn by Standard to serve as additional premium for a Computation Period shall not exceed the lesser of the following amounts:
 - (1) The negative amount resulting from the Experience Rating Refund calculation;
or
 - (2) The amount in the CFR Account at the end of the Computation Period.
- b. Effective as of the first day of the calendar month next following 30 days written notice to Standard and a subsequent Experience Rating Refund calculation, the Policyholder may withdraw any part of the amount on deposit in excess of one-half the total annual

premium for Noncontributory Long Term Disability Insurance and Noncontributory Life Insurance for the contract year ending on the preceding anniversary of the Group Policy Effective Date.

TERMINATION OF GROUP POLICY

An Experience Rating Refund calculation will be performed after the Group Policy terminates, and again 12 months following termination of the Group Policy.

If either Experience Rating Refund calculation results in a negative amount, Standard may, at its sole discretion, make a withdrawal from the CFR Account and apply it as additional premium for the Computation Period.

If the Experience Rating Refund calculation initially performed after the policy terminates results in a positive amount, Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund in the CFR Account.

If the Experience Rating Refund performed 12 months following termination of the Group Policy results in a positive amount, no additional deposits will be made to the CFR Account and such amounts will not be paid to the Policyholder.

Any amount remaining on deposit in the CFR Account following the final Experience Rating Refund will be paid to the Policyholder.


If any premium due under the Group Policy remains unpaid at the termination of the Group Policy, a portion of the amount in the CFR Account sufficient to pay such premium will be applied automatically to pay such premium. Any amount thereafter tendered to pay such premium shall be credited to the amount on deposit in the CFR Account.

CONDITIONS

1. An Experience Rating Refund calculation will be performed at the end of each Computation Period.
2. Any change in the claims reserves formula will bear a direct relationship to Standard's actual claims experience or to published insurance industry claim experience.
3. If, for the Initial Rate Guarantee Period or for any succeeding Computation Period, the Experience Rating Refund is zero or a negative figure, no Experience Rating Refund will be paid for that Computation Period.
4. Payment of the Experience Rating Refund (if applicable) will be made by Standard on or before the later of the following dates:
 - a. 60 days after the end of the Computation Period.
 - b. The date upon which all outstanding premium due has been received by Standard.
5. Standard may, at its sole discretion, elect to deposit all or a portion of the Experience Rating Refund into a claims fluctuation reserve or premium deposit account.
6. Funds held on deposit in the CFR Account shall constitute a part of Standard's general corporate funds to be so used and invested by Standard.
7. The amount on deposit in the CFR Account shall earn interest annually at such rate as Standard may declare on such funds. Each deposit will begin to bear interest on the date it is deposited, and interest will be added to and become a part of the amount on deposit at such time as may be determined by Standard but not less than once each year.
8. Except as provided in 9. below:

- a. Standard shall make deposits to, and withdrawals from, the CFR Account only in accordance with the provisions of this Agreement; and
 - b. The Policyholder may make withdrawals from the CFR Account only in accordance with the provisions of this Agreement.
9. Either the Policyholder or Standard may at any time make a deposit, or withdraw all or any part of the amount on deposit, upon mutual agreement evidenced in writing and signed by the Policyholder and Standard.
10. Except as provided in this Agreement, all terms of the Group Policy apply.
11. Standard will provide the Policyholder detailed information concerning the component formulae of the Experience Rating Refund upon written request.

This Agreement is effective July 1, 2016.

By  Dated 7/2/19
 Policyholder

STANDARD INSURANCE COMPANY

By

ATTEST:

KECIA R. HARPER, Clerk

By 
 DEPUTY



Chairman, President and CEO



Corporate Secretary

FORM APPROVED COUNTY COUNSEL

BY:  17 Jun 2019
 DAVID M. McCARTHY DATE



Request for Group Insurance Amendment

Standard Insurance Company
900 SW Fifth Avenue
Portland, OR 97204-1282

Employee Benefits Consultant: Brandon Stokes
Employee Benefits Service Representative: Teresa Lollar
Employee Benefits Sales and Service Office: Los Angeles

Policyholder: County of Riverside
Group Number: 641685

As an authorized representative of the Employer, I request that Standard Insurance Company ("The Standard") amend the above Employer's coverage under the Group Policy to make the following change(s):

641685-C:

- Effective 7/1/2011, Update the LTD Member Definition to include Service Employees International Union Supervisory Unit (SES).

641685-E and 641685-F:

- Effective 7/1/2019, add a One Time Limited Enrollment period beginning May 13, 2019 and ending June 7, 2019 with elections made during this period becoming effective July 1, 2019. Members may increase or elect coverage not to exceed \$50,000 or the Guarantee Issue Amount without providing Evidence of Insurability. Members currently enrolled for amounts equal to or above the guarantee issue may increase coverage by one increment (\$10,000) not to exceed the plan maximum. Members currently enrolled with Spouse Life coverage may increase coverage by one increment (\$5,000) not to exceed the plan maximum. Evidence of Insurability is required for those whose Evidence of Insurability was not approved by us during any prior period of eligibility (prior declines remain declined).

- Effective 7/1/2019, change the Child Life schedule to allow Members to elect \$5,000, \$10,000 \$15,000 or \$20,000.


I request that the amendment become effective on See Above. 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, including, if applicable, Evidence of Insurability or a Pre-existing Condition provision.


I understand that the amendment, if approved by The Standard, will be issued in the policy language customarily used by The Standard.

I understand that any increase in Insurance for a Member who is not Actively At Work all day on the Member's last regular work 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 Work.

I request that the amendment, if approved and issued by The Standard, become effective by its terms without any further acceptance by the Employer, and that a copy of this Request for Group Insurance Amendment form be attached to and made a part of the amendment.

Sign Name:  Title: CHAIRMAN, BOARD OF SUPERVISORS
Authorized Representative
Print Name: KEVIN JEFFRIES Date: 7/2/19

ATTEST:
KECIA R. HARPER, Clerk
By 
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY  19 Jun 2019
DAVID M. McCARTHY DATE