

Committee on Group Insurance Programs (COGIP)
2009 Year-End Assessment

BACKGROUND

The Committee on Group Insurance Programs (COGIP) is composed of 15 attorney members with expertise and experience in insurance law and the business aspects of insurance, particularly group and association plans. COGIP acts as a counselor and advisor to the Board of Governors. Currently State Bar sponsored group insurance programs include: 10 and 20 Year Term Life Programs, Auto/Homeowners, Accidental Death & Dismemberment, Long Term Care, Individual Disability Income, Group Long Term Disability and Workers' Compensation. 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 to the Board of Governors for ways and means of increasing non-dues revenue.

2009 YEAR-END ASSESSMENT

The following is a summary of COGIP's activities in 2009 that furthered its charge:

Group Insurance Program

- The committee held four quarterly meetings, including a planning session in October 2009.
- Each program is reviewed with the partners on a quarterly basis. Every five (5) years, COGIP conducts a full review of the program.
- COGIP continues to monitor the insurance market to ensure the availability of coverage to members and adequacy of policy features for all benefit programs.
- On an ongoing basis, COGIP conducts a review of sales and promotional material for all of the approved programs.

Committee Highlights

Auto and Homeowners

- This program was implemented in 2005 and has grown steadily. In 2009, there was an increase of approximately 33% in comparison to 2008 in the number of new policies sold.
- The implementation of CalBar Connect into the marketing of the insurance programs has raised awareness and sales.

Life Insurance

- New Admittees were issued "no cost" life insurance at a \$50,000 benefit level for the fourth year in 2009. This program provides coverage to new members at no cost for the first 6 months of State Bar membership.
- COGIP and staff negotiated an extension to the Integrated Life Insurance Production and Administration Agreement with the broker. The Committee on Member Involvement and Relations Services and the Board at its December 2009 meeting approved the contract renewal. The extension adds an additional 5 years until 2015 at the same terms and conditions.

Workers Compensation

- During the third quarter of 2008, the Board approved the award of the bid to Marsh to offer the Worker's Compensation program through The Hartford.
- During the first quarter of 2009, The Department of Insurance granted approval us to offer this sponsored product.
- With The Harford, State Bar members have benefited from a premium reduction of approximately 30% in comparison to the program provided by the State Fund. It is anticipated that this premium reduction will increase participation in the program.
- In April 2009 this program was made available and marketing focused on solo and small sized firms.

Member Recruitment

- The committee gained two members this year. Committee members continue to actively seek new volunteers with the appropriate insurance expertise.

Revenue

- The sponsored group insurance programs generated \$900,600.86 in 2009. These funds were used to support the Member Service Call Center.
- The Committee Budget for 2009 is \$35,000.