

2011 COGIP Yr-End Assessment July 2012

Committee on Group Insurance Programs (COGIP) 2011 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 Trustees. Currently State Bar sponsored group insurance programs include: 10 and 20 Year Term Life Programs, and Adjustable term Life, 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 Trustees concerning insurance law aspects of its recommendations.
6. Perform such other functions relevant to the committee's subject area as the Board of Trustees may from time to time assign.
7. Make recommendations to the Board of Trustees for ways and means of increasing non-dues revenue.

2011 YEAR-END ASSESSMENT

The following is a summary of COGIP's activities in 2011 that furthered its charge:

Group Insurance Programs

The committee held four quarterly meetings, including a planning session in October 2011. Each program is reviewed with the partners on a quarterly basis. The committee performs an actuarial review of the program on an as-needed basis to evaluate the program loss ratio and profitability.

Market Review

COGIP monitors the insurance market to ensure the availability of coverage to members and adequacy of policy features for all benefit programs.

Marketing of the Programs

COGIP reviews the sales and promotional material for all of the approved programs. A subcommittee oversees the marketing communication, focused on messaging and branding.

Education

In 2011, a subcommittee was formed in order to educate the membership regarding the benefits of insurance coverage. Members of the committee conducted a MCLE credit approved seminar offered at State Bar's Solo and Small Firm Summit and the State Bar Annual Meeting. The presentation focused on how insurance may protect your law firm and how to be a more informed buyer of coverage.

In addition to these courses, a member of COGIP produced a white paper on Healthcare Reform to response to member request for information on health insurance coverage.

Life Insurance Programs

COGIP took on initiatives in regards to the Life Program. The first was the introduction of Simplified issued Life that was marketed directly to new admittees of the bar. The second was the revision of the overall Master Agreement between the Bar and the carrier. A subset of COGIP is assigned to work with outside counsel on this task.

Accidental Death and Dismemberment

This program offers an alternative to the traditional Life insurance offering and in 2011 continued to increase in the number of attorneys covered.

Workers' Compensation

In 2011, the committee continued the work it began in 2009 with the addition of a new carrier. The program continues to place policies with the help of a series of cross marketing campaigns.

Long Term Care

In early 2011 the incumbent carriers exited the market and the committee worked with the broker to identify replacements. Two new carriers were approved and products were launched late 2011.

Disability Program

In early 2011, at the urging of the carrier, the committee evaluated whether to provide a dividend to existing policyholders in the form of a premium holiday. At the completion of the actuarial review the committee recommended that the Board approve the premium holiday. The Board concurred and approved the dividend in late 2011.

Auto and Homeowners

In 2011, the committee recommended and the Board approved a renewal of the contract with carrier for a 5 year term. This allows COGIP to continue to provide access to Auto and Homeowners insurance products not previously offered to the membership.

Revenue

The sponsored insurance program generated approximately \$900,000 in 2011. These funds were used in part to directly support the State Bar Member Call Center and operating budget of COGIP.