

## **Committee on Group Insurance Programs (COGIP) 2013 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.

## **2013 YEAR-END ASSESSMENT**

The following is a summary of COGIP's activities in 2013 that furthered its charge:

### **Group Insurance Programs**

The committee held four quarterly meetings, including an overnight planning session in November 2013. The committee performed an actuarial review of the program on an as-needed basis to evaluate the program loss ratio and profitability. In addition, each program is reviewed with the partners on a quarterly basis.

### **Group Insurance Programs – New Admittee Program**

Now in our second year offering this product, the Simplified issued Life Insurance program was marketed directly to new admittees of the bar.

### **Group Insurance Programs- Healthcare**

In light of the health care reforms, including the Affordable Care Act, members are requesting assistance to navigate and understand the health care insurance market ever more frequently.

In response, COGIP endeavored to address this need and in March 2013, the Committee presented to the Board of Trustees, its recommendation to establish a State Bar Sponsored Healthcare Program. The proposal was approved and the Committee issued a dual award for Healthcare Broker Administrators in Fall 2013. The program helps California lawyers gain access to healthcare coverage and serves solo practitioners and firms of all sizes.

### **Group Insurance Programs- Life Insurance**

In Revision of the overall Master Agreement between the Bar and the carrier. A subset of COGIP was assigned to work with outside counsel on this task. The Agreement was ratified, effective June 2013.

### **Renewal of Broker Agreement - Workers' Compensation**

In October 2013, the Committee renewed the broker agreement with the incumbent Managing Broker, providing members access to the market to secure workers' compensation coverage. It is a an insurance requirement by the state for any business. This program is marketed through the Managing Broker and included in targeted marketing to law corporations and limited liability partnerships as

### **Market Review**

COGIP monitors the insurance market to ensure the availability of coverage to members and adequacy of policy features for all benefit programs. In addition, the Committee reviews the sales and promotional material for all of the approved programs, focused on messaging and branding.

To further this charge, a marketing plan is established for each product line annually and attached to the broker administrator that provides oversight. An update on the progress of

each plan is provided at the 4 meetings of the full committee. The Committee continues to look for opportunities to educate new attorneys of the need for coverage early in their career.

### **Education**

In its second year participating in formal education programs, the Education subcommittee continues to educate the membership regarding the benefits of insurance coverage. Members of the committee conducted MCLE credit approved seminars at State Bar's Solo and Small Firm Summit and the State Bar Annual Meeting. The presentations focused on how insurance coverage may protect your law firm and how the Affordable Care Act impacts solos and small firms.

In addition to these courses, a member of COGIP produced a self-study article on market reform changes and employer obligations as a result of Healthcare Reform.

### **Revenue**

The sponsored insurance program generated approximately \$900,000 in 2013. These funds were used in part to directly support State Bar programs and the operating budget of COGIP.