

RESOLUTION NO. 2018- 271

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO ACCEPT THE QUOTE AND ENTER INTO A LEGALLY SUFFICIENT AGREEMENT FOR EMPLOYER PAID LIFE AND AD&D, EMPLOYER PAID LONG TERM DISABILITY, VOLUNTARY SHORT TERM DISABILITY INSURANCE WITH THE STANDARD.

RECITALS:

WHEREAS, MFB, Inc, the County's medical insurance broker, conducted a market analysis for Employer-Paid Basic Life and AD&D, Employer-Paid Long Term Disability, Voluntary Life and Voluntary Short Term Disability Insurance to The Standard; and

WHEREAS, at the July 9, 2018 meeting of the St. Johns County Insurance Committee the results of the analysis were presented with The Standard as the number one ranked firm; and

WHEREAS, the Committee unanimously approved the recommendation to move Employer-Paid Basic Life and AD&D, Employer-Paid Long Term Disability, Voluntary Life and Voluntary Short Term Disability Insurance to The Standard with an effective date of January 1, 2019; and

WHEREAS, the County will review the terms, provisions, conditions and requirements of the proposed agreement and finds that entering into agreements to complete the work services serves a public purpose; and

WHEREAS, the agreement will be finalized after negotiations but will be in substantial conformance with the County's requirements and regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, Florida, as follows:

Section 1. The above recitals are incorporated into the body of this Resolution and such Recitals are adopted as findings of fact.

Section 2. The County Administrator, or designee, is hereby authorized to award service agreements with The Standard to provide the services set forth therein effective January 1, 2019.

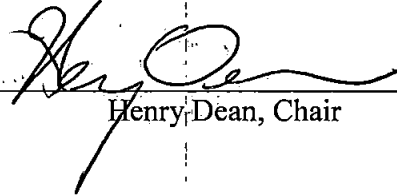
Section 3. Upon Board approval, the County Administrator, or designee is authorized to execute agreements on behalf of the County for Employer-Paid Basic Life and AD&D, Employer-Paid Long Term Disability, Voluntary Life and Voluntary Short Term Disability insurance. The County Administrator, or designee, is also authorized to execute any amendments, applications, or

documents to the agreements that are administrative in nature, and do not materially impact the terms of the agreements.

Section 4. To the extent that there are typographical and/or administrative errors that do not change the tone, tenor, or concept of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, State of Florida, this 21st Day of August 2018.

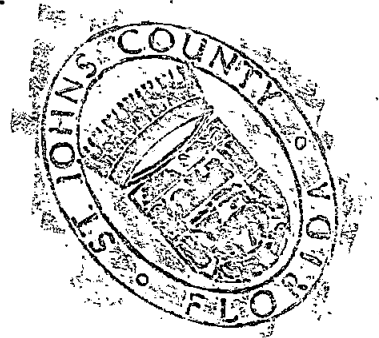
**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

By: 
Henry Dean, Chair

**ATTEST: ST. JOHNS COUNTY, FL
CLERK OF COURT - Hunter S. Conrad, Clerk**

By: 
Deputy Clerk

RENDITION DATE 8/24/18



St. Johns County
Scoring Sheet

Life and Disability Administration	Total Available	Sun Life	The Standard	Reliance Standard	Voya	Hartford	Lincoln Financial	CIGNA	UNUM	Prudential	Met Life
Cost	40	25.50	33.60	27.50	28.00	19.50	23.80	14.00	17.00	11.40	21.40
Administration/Customer Service	22	20.50	22.00	19.50	15.50	16.50	20.00	22.00	18.00	19.50	1.50
Value Added Services	8	7.00	8.00	7.00	8.00	8.00	7.00	8.00	8.00	8.00	2.00
Claims	16	15.00	15.00	15.00	13.75	15.00	13.75	14.50	13.50	15.00	2.50
References and Retention	9	7.00	8.00	4.00	5.00	6.00	4.00	5.00	6.00	4.00	0.00
Reporting	5	5.00	5.00	3.50	5.00	5.00	1.25	5.00	5.00	5.00	3.00
TOTAL	100	80.00	91.60	76.50	75.25	70.00	69.80	68.50	67.50	62.90	30.40

Rank: Sun Life (2), The Standard (1), Reliance Standard (3), Voya (4), Hartford (5), Lincoln Financial (6), CIGNA (7), UNUM (8), Prudential (9), Met Life (10)

Combined Premiums

	CURRENT Sun Life	RENEWAL Sun Life	The Standard	Reliance Standard	Voya	Hartford	Lincoln Financial	CIGNA	UNUM	Prudential	Met Life
Employer-Paid											
Life and AD&D	\$131,435	\$113,975	\$117,716	\$111,480	\$111,480	\$161,367	\$130,817	\$143,840	\$173,838	\$131,435	\$131,435
Long Term Disability	\$253,980	\$214,208	\$153,000	\$204,000	\$243,780	\$199,920	\$163,200	\$224,400	\$193,800	\$253,980	\$210,120
Total Annual ER Cost	\$385,414	\$328,174	\$270,716	\$315,480	\$355,260	\$361,286	\$294,016	\$368,240	\$367,638	\$385,414	\$341,554
Net Increase/Decrease		-15%	-30%	-18%	-8%	-6%	-24%	-4%	-5%	0%	-11%
Notes											
Employee-Paid											
Voluntary Life	\$556,171	\$556,171	\$530,746	\$556,171	\$543,497	\$556,171	\$556,171	\$556,171	\$556,171	\$556,171	\$500,362
Voluntary Short Term Disability	\$171,922	\$156,292	\$137,537	\$171,922	\$86,691	\$99,220	\$146,342	\$171,922	\$171,922	\$171,922	\$92,341
Total Annual EE Cost	\$728,093	\$712,463	\$668,284	\$728,093	\$630,188	\$655,391	\$702,513	\$728,093	\$728,093	\$728,093	\$592,703
Net Increase/Decrease		-2%	-5%	2%	-12%	-8%	-1%	2%	2%	2%	-17%
Notes											

Combined Recommendation
Life
Disability
Total Annual ER/EE Cost
Net Increase/Decrease

Carrier
The Standard
The Standard
Premium
\$648,462
\$290,537
\$938,999

The Standard will offer \$1.90 PEPM Plan Source subsidy for being selected and retained as the Life and AD&D, Long Term and Short Term administrator. This equates to approximately \$3,800 monthly or \$45,600 annually. Plan Source administration totals \$54,000 annually.

Notes

**St. Johns County
Life Analysis**

Effective 1/1/2019	Sun Life	Sun Life	The Standard ¹
	Basic and Voluntary Life	Basic and Voluntary Life	Basic and Voluntary Life
BASIC BENEFIT SUMMARY	CURRENT	REVISED RENEWAL	OPTION 1
Basic Life/AD&D Amounts	Class 1 - \$75,000 / \$500,000 Class 2 - \$75,000 / \$75,000 Class 3 - \$50,000 / \$50,000	Class 1 - \$75,000 / \$500,000 Class 2 - \$75,000 / \$75,000 Class 3 - \$50,000 / \$50,000	Class 1 - \$75,000 / \$500,000 Class 2 - \$75,000 / \$75,000 Class 3 - \$50,000 / \$50,000
Guaranteed Issue Amount	Benefit Amount 65% at age 65 50% at age 70 35% at age 75	Benefit Amount 65% at age 65 50% at age 70 35% at age 75	Benefit Amount 65% at age 65 50% at age 70 35% at age 75
Age Reduction Schedule			
Spouse Benefit	\$5,000	\$5,000	\$5,000
Child Benefit	\$2,000	\$2,000	\$2,000
Retiree Benefit	\$5,000	\$5,000	\$5,000
Portability	Included for Employees	Included for Employees	Included for Employees
Conversion	Included	Included	Included
Child Eligibility	14 days to age 26	14 days to age 26	Birth to age 26
Spouse Eligibility	To age 70	To age 70	No limit
Volume			
Employee Life	\$102,675,000	\$102,675,000	\$102,675,000
Employee AD&D	\$103,376,250	\$103,376,250	\$103,376,250
Spouse Life	729	729	729
Dependent Life	859	859	859
Retiree Life	\$1,255,000	\$1,255,000	\$1,255,000
Basic Life Premium/\$1,000	\$0.076	\$0.062	\$0.065
Employee AD&D Premium/\$1,000	\$0.020	\$0.020	\$0.020
Spouse Life Premium	\$1.000	\$1.000	\$1.000
Child Life Premium	\$0.300	\$0.300	\$0.300
Is Imputed Income Required?	Yes (Spouse Life, Employee Life >\$50,000)	Yes (Spouse Life, Employee Life >\$50,000)	Yes (Spouse Life, Employee Life >\$50,000)
Estimated Monthly Premium	\$10,953	\$9,498	\$9,810
Increase/Decrease		-13%	-10%
Rate Guarantee	1/1/2019	1/1/2022	1/1/2022
VOLUNTARY BENEFIT SUMMARY			
Benefit	Increments of \$10,000 to \$500,000 maximum \$300,000 under age 60 \$40,000 age 60-69 \$20,000 age 70-79	Increments of \$10,000 to \$500,000 maximum \$300,000 under age 60 \$40,000 age 60-69 \$20,000 age 70-79	Increments of \$10,000 to \$500,000 maximum
Guaranteed Issue	\$1,000 age 80+ 65% at age 65 50% at age 70	\$1,000 age 80+ 65% at age 65 50% at age 70	\$300,000 65% at age 65 50% at age 70
Employee Age Reduction Schedule	35% at age 75	35% at age 75	35% at age 75
Spouse Benefit	Increments of \$5,000 to \$150,000, not to exceed 100% of employee amount	Increments of \$5,000 to \$150,000, not to exceed 100% of employee amount	Increments of \$5,000 to \$150,000, not to exceed 100% of employee amount

St. Johns County
Life Analysis

Effective 1/1/2019	Sun Life	Sun Life	The Standard ¹
	Basic and Voluntary Life	Basic and Voluntary Life	Basic and Voluntary Life
BASIC BENEFIT SUMMARY	CURRENT	REVISED RENEWAL *	OPTION 1
Spouse Guaranteed Issue	\$25,000 under age 60 \$10,000 age 60+	\$25,000 under age 60 \$10,000 age 60+	\$25,000 65% at age 65 50% at age 70 35% at age 75
Spouse Age Reduction Schedule	None	None	Increments of \$2,000 to \$10,000
Child Benefit	Increments of \$2,000 to \$10,000 maximum	Increments of \$2,000 to \$10,000 maximum	Increments of \$2,000 to \$10,000 maximum
Portability	Included for Employees	Included for Employees	Included for Employees
Conversion	Included	Included	Included
Child Eligibility	14 days to age 26	14 days to age 26	Birth to age 26
Spouse Eligibility	To age 70	To age 70	No limit
Is Imputed Income Required?	No	No	No
RATING ANALYSIS			
Monthly Rate per \$1,000			
0-24	\$0.070	\$0.070	\$0.067
25-29	\$0.070	\$0.070	\$0.067
30-34	\$0.080	\$0.080	\$0.080
35-39	\$0.110	\$0.110	\$0.105
40-44	\$0.170	\$0.170	\$0.162
45-49	\$0.310	\$0.310	\$0.295
50-54	\$0.470	\$0.470	\$0.447
55-59	\$0.700	\$0.700	\$0.665
60-64	\$1.010	\$1.010	\$0.960
65-69	\$1.500	\$1.500	\$1.425
70-74 (Employee Only)	\$2.740	\$2.740	\$2.603
75+ (Employee Only)	\$2.740	\$2.740	\$2.603
Child Rate	\$0.120	\$0.120	\$0.120
Estimated Monthly Premium	\$46,348	\$46,348	\$44,229
Increase/Decrease		0%	-5%

DTQ
Liberty Mutual
Mutual of Omaha
Guardian
Principal

¹The Standard will offer \$0.55 PEPPI Plan Source subsidy for being selected and retained as the Life and AD&D administrator.

St. Johns County
Long Term Disability Analysis

Effective 1/1/2019	Sun Life Employer-Paid LTD	Sun Life Employer-Paid LTD	The Standard ¹ Employer-Paid LTD
BENEFIT SUMMARY	CURRENT	REVISED RENEWAL	OPTION 1
% of Monthly Earnings	60%	60%	60%
Progressive Income Benefit ¹	N/A	N/A	N/A
Maximum Monthly Benefit	\$5,000	\$5,000	\$5,000
Elimination Period	180 Days	180 Days	180 Days
Benefit Duration	SSNRA/ADEA 1	SSNRA/ADEA 1	SSNRA/ADEA 1
Definition of Disability	Own Occupation	Own Occupation	Own Occupation
Own Occupation Period	24 Months	24 Months	24 Months
Mental & Nervous Disorder	24 Months	24 Months	24 Months
Substance Abuse Treatment	24 Months	24 Months	24 Months
Pre-Ex Limitation	3/12	3/12	3/12
Zero Day Residual	Included	Included	Included
Survivor Benefit	3 months	3 months	3 months
Waiver of Premium	Included	Included	Included
Partial Disability	80% Own Occ/60% Any Occ	80% Own Occ/60% Any Occ	80% Own Occ/60% Any Occ
Work Incentive	Included	Included	Included
Worksite Modification	Up to \$5,000	Up to \$5,000	\$25,000
Managed Rehabilitation	Mandatory; 10% benefit	Mandatory; 10% benefit	10% benefit
FICA Match	Included	Included	Included
W-2 Services	Included	Included	Included
RATING ANALYSIS			
Monthly Rate per \$100	\$0.249	\$0.210	\$0.150
Monthly Covered Payroll	8,499,984	8,499,984	8,499,984
Approximate Monthly Premium	\$21,164.96	\$17,849.97	\$12,749.98
Increase/Decrease		-16%	-40%
Rate Guarantee	1/1/2019	1/1/2022	1/1/2022

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Mutual of Omaha
Guardian
Principal

¹The Standard will offer \$0.65 PEPM Plan Source subsidy for being selected and retained as the LTD administrator.

St. Johns County
Short Term Disability Analysis

Effective 1/1/2019	Sun Life		Sun Life ¹					The Standard ¹				
	Vol STD Plan 1	Vol STD Plan 2	Vol STD Plan 1	Vol STD Plan 2	Vol STD Plan 1	Vol STD Plan 2	Vol STD Plan 1	Vol STD Plan 1	Vol STD Plan 2	Vol STD Plan 1	Vol STD Plan 2	Vol STD Plan 1
BENEFIT SUMMARY	CURRENT		REVISED RENEWAL		ALTERNATE #1		ALTERNATE #2	OPTION 1 - CURRENT		OPTION 1 - ALTERNATE #1		OPT 1 - ALT #2
% of Weekly Earnings	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Maximum Weekly Benefit	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Elimination Period	14/14	29/29	14/14	29/29	14/14	59/59	14/14	14/14	29/29	14/14	59/59	14/14
Benefit Duration	24 weeks	22 weeks	24 weeks	22 weeks	24 weeks	17 weeks	24 weeks	24 weeks	22 weeks	24 weeks	17 weeks	24 weeks
Class Definition	Class 1: All Eligible Deputies, Comm Operators, Corrections Control Operators, Firefighters and Communication Employees		Class 1: All Eligible Deputies, Comm Operators, Corrections Control Operators, Firefighters and Communication Employees Class 2: All Other Eligible Employees					Class 1: All Eligible Deputies, Comm Operators, Corrections Control Operators, Firefighters and Communication Employees Class 2: All Other Eligible Employees				
Definition of Disability	Own Occupation		Own Occupation					Own Occupation				
Pre-Ex Limitation	None		8/12 during one-time special enrollment period/Otherwise, none.					None				
Annual Open Enrollment	Included Year 1		Not included					Will negotiate upon being selected as a finalist				
Maternity	6 weeks / 8 weeks c-section		6 weeks normal delivery and 8 weeks c-section					6 weeks normal delivery and 8 weeks c-section				
Portability	Not included		Not included					Not included				
Offset Income	Sick Leave up to 100%		Sick Leave up to 100%					Sick Leave up to 100%				
Telephonic Claims Reporting	Included		Included					Included				
Participation Requirement	Waived		18%					17%				
Current Participation	11%	6.5%	11%	6.5%				11%	6.5%			
RATING ANALYSIS												
Monthly Rate per \$10												
<25	\$0.670	\$0.530	\$0.609	\$0.482	\$0.505	\$0.400	\$0.713	\$0.536	\$0.424	\$0.536	\$0.277	\$0.536
25-29	\$0.830	\$0.650	\$0.755	\$0.591	\$0.626	\$0.491	\$0.883	\$0.664	\$0.520	\$0.664	\$0.340	\$0.664
30-34	\$0.610	\$0.480	\$0.555	\$0.436	\$0.460	\$0.362	\$0.649	\$0.488	\$0.384	\$0.488	\$0.251	\$0.488
35-39	\$0.600	\$0.470	\$0.545	\$0.427	\$0.453	\$0.355	\$0.638	\$0.480	\$0.376	\$0.480	\$0.246	\$0.480
40-44	\$0.690	\$0.540	\$0.627	\$0.491	\$0.521	\$0.407	\$0.734	\$0.552	\$0.432	\$0.552	\$0.282	\$0.552
45-49	\$0.810	\$0.640	\$0.736	\$0.582	\$0.611	\$0.483	\$0.862	\$0.648	\$0.512	\$0.648	\$0.334	\$0.648
50-54	\$1.010	\$0.800	\$0.918	\$0.727	\$0.762	\$0.604	\$1.075	\$0.808	\$0.640	\$0.808	\$0.418	\$0.808
55-59	\$1.380	\$1.090	\$1.255	\$0.991	\$1.041	\$0.823	\$1.468	\$1.104	\$0.872	\$1.104	\$0.569	\$1.104
60-64	\$1.910	\$1.510	\$1.736	\$1.373	\$1.441	\$1.053	\$2.032	\$1.528	\$1.208	\$1.528	\$0.789	\$1.528
65-69	\$1.980	\$1.560	\$1.800	\$1.418	\$1.494	\$1.177	\$2.106	\$1.584	\$1.248	\$1.584	\$0.815	\$1.584
70+	\$2.020	\$1.590	\$1.836	\$1.445	\$1.525	\$1.200	\$2.148	\$1.616	\$1.272	\$1.616	\$0.831	\$1.616
Estimated Monthly Premium	\$14,327		\$13,024		\$10,763		\$8,599	\$11,461		\$10,111		\$7,567
Increase/Decrease	-100%		-9%		-25%			-20%		-6%		-12%
Rate Guarantee	1/1/2019		1/1/2022		1/1/2022		1/1/2022	1/1/2022		1/1/2022		1/1/2022

*6% and 12% lower, respectively, than Sun Life Revised Renewal Alternate #1 and #2

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Guardian
Principal

¹Sun Life will discuss Plan Source subsidies based on selected plan design and enrollment strategy for STD. The Standard will offer \$0.70 PERM Plan Source subsidy for being selected and retained as the STD administrator.