

REPORT TO CITY COUNCIL

DATE: NOVEMBER 8, 2017

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER *GR*

BY: NATHAN HAMBURGER, ASSISTANT CITY MANAGER *NH*
CELESTE BIRD, ADMINISTRATIVE ANALYST *CB*

SUBJECT: REQUEST TO APPROVE A PARTICIPATION AGREEMENT AND EMPLOYER GROUP INSURANCE APPLICATION WITH THE HARTFORD, TO PROVIDE LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE AND AUTHORIZE THE CITY MANAGER TO SIGN THE AGREEMENT

The City provides Life and Accidental Death & Dismemberment (AD&D) Insurance as a negotiated benefit to all full-time employees. Employees also have the option to purchase supplemental insurance for themselves and their dependents through the same provider. The current life and AD&D Insurance provider, Zurich American Life Insurance Company, recently informed the City that they would be discontinuing all of their group life benefit programs, effective December 1, 2017.

In order to avoid a lapse in coverage, City staff obtained proposals from multiple life insurance providers, and, after a thorough comparison and review of the proposals, staff found the life and AD&D insurance benefits of The Hartford to be comparable to our existing life insurance policy with Zurich, at a reduced rate that is also guaranteed for two years. The rates for optional supplemental coverage, beyond the City-provided benefit, would be offered at a lower rate as well.

RECOMMENDATION

Staff respectfully recommends the City Council approve the Participation Agreement and the Employer Group Insurance Application with The Hartford for Life and Accidental Death and Dismemberment Insurance and authorize the City Manager to sign on behalf of the City.

Attachment: Participation Agreement between the City of Agoura Hills and The Hartford

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
P.O. Box 2999
Hartford, CT 06104-2999
NAIC Number 70815



Hartford Life

GROUP INSURANCE APPLICATION

Application is hereby made to Hartford Life and Accident Insurance Company ("HLA") on the basis of the information contained in this application, the group risk specifications, the enrollment data, and available experience data. The application in its entirety, and any required additional information, is subject to Home Office approval before insurance can become effective.

If this application is approved by HLA's Home Office, it will be attached to and made part of the Group Policy(ies). Insurance will become effective on the requested effective date shown below, unless HLA sends written notice of a different effective date.

If this application is not approved by HLA's Home Office, no insurance is in effect at any time, and any deposit premium HLA has received will be returned.

This application is made with the following deposit premium. The premium amount is estimated, as the amount due for the first month, and will be applied toward the first premium on the proposed Group Policy(ies): \$ 2,250.00

If any insurance requires employee contributions, any underwriting requirements for enrollment must be met before insurance can become effective.

Requested effective date: 12/01/2017

Coverages being applied for:

Life AD&D Short Term Disability Long Term Disability

Other: _____

W-2 Services Option (for Short Term Disability and Long Term Disability coverage only)

- Option 1: Withhold state and federal income taxes, and the employee's portion of FICA. Prepare and file W-2 Forms.
- Option 2: Withhold federal income taxes, and the employee's portion of FICA. Applicant waives W-2 Forms services.

A detailed description of the W-2 services elected by applicant pursuant to this application will be sent to the applicant via mail. Such services will be performed in accordance with the above election and established standard procedures.

Are there any companies that are subsidiaries or affiliates of the applicant, which are also to be insured? If yes, please furnish a listing, giving the name, address, effective date of coverage, and number of employees for each such company. Yes No

Is the benefit plan, for which insurance is being requested, subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended? Yes No

If yes, identify the Plan Number: _____

Sales Representative for HLA: Dave Murphy

Regional Office: _____

Name of Agent/Broker: Vance Linge

For Applicant: City of Agoura Hills

Legal Name of Entity

November 1, 2017

Signature

Date

Greg Ramirez, City Manager

95-3797990

Name and Title of Authorized Signer

Employer Tax ID No.

GR-12100-0 HLA (L/D)

Please see the next page for important information on disclosure

Group Benefits Disclosure Notice

The Hartford compensates both internal and external producers for the sale and service of our products. In most cases, producers are paid a commission, which is fixed or based on a percentage of the premium. In addition, producers may be eligible for various forms of incentive compensation, including contingent commission and other non-cash awards. Incentive compensation is based upon a variety of factors that may include the level of premium written, retention and growth of premium, overall profitability, or other performance measures. Some of our producers elect not to accept some or all forms of compensation from The Hartford. Please direct specific questions regarding your insurance producer's compensation directly to your insurance producer. For specific questions on The Hartford's internal producers, please contact our Customer Service 800 number (800-523-2233).