

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

May 21, 2024

**FROM**

**MICHAEL BOWERS, Director, Human Resources Department**

**SUBJECT**

Life and Accidental Death & Dismemberment Insurance Carrier and Premium Rates

**RECOMMENDATION(S)**

1. Approve Minnesota Life Insurance Company as the life insurance provider for active employees and all eligible dependents, and the premium rates for the plan years of 2024-25 through 2028-29, as shown in Attachment A.
2. Authorize the Director of Human Resources, or Human Resources Division Chief of Benefits, in consultation with County Counsel, to finalize contracts with Minnesota Life Insurance Company for active employees and all eligible dependents.

(Presenter: Michael Bowers, Director, 387-5570)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The proposed rates will result in an estimated total premium increase of approximately \$7,600 over a five-year term for basic term life insurance, which is paid for by County departments via payroll deductions. Sufficient appropriation will be included in future recommended budgets.

The proposed rates will also result in an estimated total premium increase of approximately \$1,843,300 over a five-year term for voluntary supplemental life insurance, which is paid for by County employees via payroll deductions. There is no change in premium for Accidental Death & Dismemberment (AD&D) and Group Universal Life (GUL) insurances. AD&D premiums are paid by employees and GUL premiums are County and/or employee paid pursuant to the terms and conditions set forth in the San Bernardino County Exempt Group Working Conditions Ordinance.

**BACKGROUND INFORMATION**

On November 6, 2023, the Human Resources Department (HR) began the Request for Proposal (RFP) process to solicit vendor proposals for life insurance benefits for eligible County employees and their dependents. Eligibility is based on the employee's applicable Memorandum of Understanding (MOU), Compensation Plan, or Exempt Employee Compensation Ordinance.

**Life and Accidental Death & Dismemberment Insurance Carrier and Premium Rates**  
**May 21, 2024**

Approval of this item will establish rates between San Bernardino County (County) and Minnesota Life Insurance Company (Minnesota Life) to provide basic term life, supplemental term life, AD&D, and GUL insurance benefits for eligible County employees and dependents, as per the applicable MOU, Compensation Plan, an/or Salary Ordinance for the period of July 20, 2024, through July 20, 2029.

HR, the Employee Benefits Advisory Committee (EBAC), and the County’s contracted benefits consultants, Kennan & Associates (Keenan), with a collaborative effort and through a negotiation process, successfully secured the following life insurance benefits and premium rates with Minnesota Life:

- A guarantee of no premium rate increases for the five-year term.
- An enhanced employee engagement portal will be available to provide employees step-by-step guidance during the life insurance selection process.
- Personalized financial education including on-demand seminars, self-service tools, legal resources, and legacy planning resources.

Minnesota Life’s premium rates are listed in Attachment A.

HR is in the process of finalizing a contract with Minnesota Life. Minnesota Life is the County’s incumbent life insurance provider and has agreed, with minor exceptions, to the County’s updated contract terms and rates as part of its last, best and final RFP submission. The delay in the contract is due to the large size of the contract documents, including attachments, and the extensive review process by both the County and the life insurance carrier. The Minnesota Life contract for life insurance plans will be presented to the Board of Supervisors (Board) for approval prior to the expiration of the current contract on July 19, 2024.

**PROCUREMENT**

On November 6, 2023, HR issued RFP No. HRD223-HR2-5172 to solicit vendor proposals for Life Insurance, AD&D, and GUL benefits. The RFP was posted to the County’s Electronic Procurement Network (ePro) website and was distributed to 13 vendors. HR received four proposals by the deadline of December 6, 2023, from the following carriers, who all met the minimum proposer requirements:

<b>Carrier Name</b>	<b>Location</b>
Minnesota Life	Saint Paul, MN
Metropolitan Life Insurance Company	Park Avenue, NY
Life Insurance Company of North America	Philadelphia, PA
The Standard	Portland, OR

Keenan assisted HR with evaluating proposals received using the following criteria: proposed rates, underwriting requirements, coverage options, and value-added services. A detailed report of the comparative analysis was provided to the EBAC for review and consideration. After a thorough examination of the report, the EBAC determined that Minnesota Life’s proposal provided the best value in terms of customer service, cost, and plan design for employees and their dependents.

The EBAC recommended contracting with Minnesota Life as the County’s provider of basic term life, supplemental term life, AD&D, and GUL insurance benefits. The vendors not recommended

**Life and Accidental Death & Dismemberment Insurance Carrier and  
Premium Rates  
May 21, 2024**

for contract award were notified by email on February 26, 2024. No formal protests were received from the unselected vendors.

Purchasing supports this competitive procurement based on the formal solicitation described above.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Jose Mendoza, Deputy County Counsel, 387-5455) on May 9, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on May 9, 2024; Finance (Abigail Grant, Administrative Analyst, 387-4603) on May 10, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 10, 2024.

**Life and Accidental Death & Dismemberment Insurance Carrier and  
Premium Rates  
May 21, 2024**

Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman   Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.  
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 21, 2024



cc:     File - Human Resources Department w/attach  
CCM   05/24/2024