



DuPage Water Commission

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AGENDA

**ADMINISTRATION COMMITTEE
THURSDAY, SEPTEMBER 17, 2015
6:15 P.M.**

**600 EAST BUTTERFIELD ROAD
ELMHURST, IL 60126**

COMMITTEE MEMBERS

L. Crawford - Chair
J. Broda
J. Fennell
D. Novotny
J. Zay

- I. Roll Call
- II. Approval of Minutes of the August 20, 2015 Regular Committee Meeting
- III. Resolution No. R-27-15: A Resolution Authorizing the DuPage Water Commission Participation in the Long-Term Care (LTC) Program for Illinois Municipal Retirement Fund Members and Retirees
- IV. Discussion regarding the Commission's Employee Handbook
- V. Other
- VI. Adjournment

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All visitors must present a valid drivers license or other government-issued photo identification, sign in at the reception area and wear a visitor badge while at the DuPage Pumping Station.

**MINUTES OF A MEETING OF THE
RESCHEDULED ADMINISTRATION COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, AUGUST 20, 2015
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS 60126**

The meeting was called to order at 5:30 P.M.

Committee members in attendance: L. Crawford, J. Fennell, D. Novotny, and J. Zay (arrived 5:35 P.M.)

Committee members absent: J. Broda

Also in attendance: J. Spatz, F. Frelka, and J. Rodriguez

Commissioner Fennell moved to approve the Minutes of the June 18, 2015 Administration Committee meeting. Seconded by Commissioner Novotny and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Regarding the Request for Board Action to authorize the execution of a consulting agreement with Rory Group, LLC, General Manager Spatz explained that this a renewal of the contract that was presented to the board last year at this time.

Commissioner Fennell asked General Manager Spatz to prepare a summarization memo of what Rory Group, LLC has completed for the Commission since some municipal customers have been inquiring. General Manager Spatz replied that it will not be a problem and went on to describe some of the actions that Rory Group, LLC have completed in the past for the Commission.

Commissioner Novotny inquired as to the number of hours that the consultant utilized on Commission business per year. Discussion pursued regarding the amount of work the consultant performs.

Commissioner Crawford inquired as to how much longer the Commission would likely be using Rory Group, LLC. General Manager Spatz replied that once these last items are finalized, he does not foresee utilizing their services much beyond this contract.

Chairman Zay stated that he would like to use Rory Group, LLC. to review other Lake Michigan water users' contracts to make sure the Commission has obtained the best deal since that is stated in the Commission's contract.

It was the consensus of the Committee members present to recommend to the full board to authorize the execution of a Consulting Agreement with Rory Group, LLC.

Regarding the Commission's Employee Handbook, General Manager Spatz stated that he expects the collaborative review of the Commission's Employee Handbook with Reach HR and staff to be completed before September's board meeting. He added that he would like a

legal firm to review the handbook to make sure that the handbook is in compliance with any current legal changes. He also noted that he will have senior staff review the handbook to see if they have any comments and then, possibly, next month the handbooks will be distributed to all employees.

He then noted that Commission employees had completed a salary survey and they contacted similar organizations with similar job descriptions and that HR Reach will now conduct their independent review. In October an update on this project's progress will be brought to the Administration Committee. The plan is to complete the salary comparison by the end of January 2016 and present it to the board before budget discussions begin.


Regarding the consulting agreement with Rory Group, LLC., Commissioner Novotny confirmed with General Manager Spatz that the contract is indeed for an amount of \$18,000.00 for a one year period with the option to cancel the contract at any time.

With no further items to discuss, Commissioner Novotny moved to adjourn the meeting at 5:45 P.M. Seconded by Commissioner Fennell and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

DATE: September 1, 2015

REQUEST FOR BOARD ACTION

AGENDA SECTION	Administration Committee	ORIGINATING DEPARTMENT	General Manager
ITEM	A Resolution Authorizing the DuPage Water Commission Participation in the Long-Term Care (LTC) Program for Illinois Municipal Retirement Fund Members and Retirees. Resolution No. R-27-15	APPROVAL	
Account No.: NA			
<p>Within the past year, the IMRF Board of Trustees endorsed a new, optional Long-Term Care (LTC) insurance program for IMRF members and retirees. The new program allows IMRF to be treated as a single-employer entity with certain LTC insurance providers. As a result, the program offers discounted rates, reduced medical underwriting, and in certain situations, guaranteed issue.</p> <p>This resolution would allow the Commission to opt-in to the program and Commission IMRF members and retirees would then be able to participate. The Commission will incur no cost or administrative burden by opting into the program. The employees pay all costs for the coverage.</p>			
MOTION: To adopt Resolution No. R-27-15			

DuPAGE WATER COMMISSION

RESOLUTION NO. R-27-15

**A RESOLUTION AUTHORIZING THE DuPAGE WATER COMMISSION
PARTICIPATION IN THE LONG-TERM CARE (LTC) PROGRAM FOR ILLINOIS
MUNICIPAL RETIREMENT FUND MEMBERS AND RETIREES**

WHEREAS, the Illinois Municipal Retirement Fund (IMRF) has endorsed an optional Long-Term Care (LTC) insurance program for IMRF members and retirees: and

WHEREAS, as a participating IMRF employer, the DuPage Water Commission (the "Commission") must opt-in to the program in order for Commission IMRF members and retirees to participate: and

WHEREAS, the LTC insurance program is administered by Doyle Rowe LTD in partnership with ASCIA Partners and,

WHEREAS, it is the recommendation that the Commission opt into the insurance program so that Commission IMRF members and retirees have the option of purchasing this optional insurance: and,

WHEREAS, Commission IMRF members and retirees who choose to purchase the insurance will be responsible for paying 100% of the cost of insurance products, without any contribution from the Commission; and

WHEREAS, the Commission staff is directed to work with ASCIA Partners and Doyle Rowe to offer the LTC insurance program during an initial open enrollment period in October 2015; and thereafter annually during an open enrollment period to be set by the General Manager.

NOW, THEREFORE, BE IT RESOLVED the Commission as an IMRF employer opts into the LTC insurance program.

Resolution No. R-27-15

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2015.

Chairman

ATTEST:

Clerk



Welcome to the IMRF endorsed Long Term Care Outreach and Education Program[®]

Long term care planning solutions provided by ACSIA Partners, LLC.



Doyle Rowe LTD

Today's Presenter

Mario Sestito

National Director of Worksite

ACSIA Partners, LLC



National Challenge: Long Term Care Planning

*A gap in health insurance coverage that
exposes a hole in the retirement planning
process....*



What is Long Term Care?

- The need for assistance with activities of daily living (ADL's) caused by:
 - Physical impairment – illness, injury, or aging
 - OR
 - The need for supervision due to a severe cognitive impairment such as Alzheimer's Disease
- ADL's include bathing, dressing, toileting, transferring, continence and eating.

This care can take place in:



Home

Home health aide - \$22.00/hour-Chicago

Home health aide - \$19.00/hour-Peoria

Home health aide - \$19.00/hour-Carbondale



Assisted Living Facilities

\$60,000 per year in Chicago

\$44,000 per year in Peoria

\$31,000 per year in Carbondale



Nursing Homes

\$92,000 per year in Chicago

\$75,000 per year in Peoria

\$69,000 per year in Carbondale

Long Term Care Myths

- LTC is not a young person's benefit—wait until older to purchase.
- Denial: “it will never happen to me” or “I’m never going to a nursing home.”
- LTC is covered by traditional health insurance or government programs like Medicare or Medicaid.
- Disability insurance pays for LTC.
- Long term care insurance is very expensive.

Why is IMRF endorsing this program?

- LTC coverage is in high demand nationally.
- More people wish to remain in their homes.
- Accessing affordable coverage is becoming more challenging due to aging population and longer life expectancy.
- IMRF members have experienced a high long term care insurance decline rate due to medical reasons.
- Carriers are eliminating gender neutral rating for non-employer entities:
 - Resulting in significantly higher rates for females.
 - IMRF has a high percentage of female members.



Why is IMRF endorsing this program?

- The program enables IMRF to be treated as a single employer entity with highly rated carriers Lifesecure Insurance Co. and Combined Insurance Co.
- A significant number of active IMRF members and their working spouses will be eligible for guaranteed issue, conditional guaranteed issue or simplified underwriting.
- Certain retirees will also be eligible for simplified underwriting.
- Rates are gender neutral and discounted.



IMRF Members Have Two Options

- **Traditional Long Term Care Insurance**
 - Members with \$75,000 or more in assets
 - Ages 40+
 - No need for a death benefit
- **Long Term Care Insurance with a Death Benefit**
 - Members with additional unprotected risks
 - Family would need assistance to replace the members monthly income
 - Family would need financial assistance to pay for funeral and debts
 - Members seeking a guaranteed payout



Long Term Care Solutions for IMRF Members

Traditional Long Term Care Insurance

- Underwritten by Lifesecure Ins. Co.
- Comprehensive coverage
- Fully portable plans
- Tax-qualified, benefits are tax-free
- Multi-life discount
- Spousal discount – 30%
- Simplified Underwriting
- Spouses and extended family are eligible
- No gender based pricing – savings for females
- Direct billing



Long Term Care Solutions for IMRF Members

Simplified Underwriting

- Actively-at-work employees, at least 20 hours per week
- Spouses, with W-2 employment status
- Ages 18-65
- Reduced health questions
- No medical record review
- No telephone or face-to-face interview

Standard Underwriting

- Extended family members – ages 18-79
- Retirees



Long Term Care Solutions for IMRF Members

Long Term Care with Life Insurance

- Underwritten by Combined Ins. Co.
- Underwriting Criteria/Coverage Limits – Ages 19-70
 - Guaranteed Issue - \$100,000
 - Conditional Guaranteed Issue - \$101,000-\$150,000
 - Simplified Issue
 - \$150,000 for employees ages 19-70
 - \$75,000 for spouses ages 19-70
 - \$50,000 for employees ages 71-80
 - \$75,000 for retirees ages 40-55
 - \$50,000 for retirees ages 56-70
 - \$25,000 for retirees ages 71-80
- Payroll deducted OR employee EFT
- Fully portable



Long Term Care Solutions for IMRF Members

Long Term Care Benefit

- Automatically included
- Available to employees and spouses ages 19-70
- Pays 4% of current death benefit for up to 75 months
 - If death occurs within 25 months, remainder is paid as a death benefit
 - Example – If an insured has \$100,000 of protection and has an LTC event, the plan would pay \$4,000 a month for 25 months. If, the insured were to pass away after 12 months, his/her beneficiary would receive \$52,000.



How does the Program Work?

- Underwriting concessions are available on a one time basis.
- Employers must “opt-in” to one of the two remaining 90 day open enrollment periods,
 - July 1, 2015
 - October 1, 2015
- Employers must communicate program to employees.



Communication Details

Communication to Employees Provided by ACSIA Partners

Email announcement to all employees

- Outlines the program and available options
- Details eligibility rules for Simplified and Guaranteed Issue Underwriting
- Invites employees to attend an educational webinar



Individual Consultation

- In person or via screen sharing appointment
- Agent conducts fact finder and needs analysis
 - Financial suitability
 - Health qualification
- Explain how coverage works
- Plan design based on individual needs and budget
- Review timeline of approval process
- Submit all forms to carrier
- Monitor approval process
- Communicate with employee on status



Summary

The IMRF Endorsed Long Term Care Outreach and Education[®] Program Provides:

- Beneficial education on planning options
- Retirement asset protection
- Comprehensive plan options
- Portability
- Simplified health approval process
- Discounts
- Gender neutral rates



Plan Highlights, FAQ s & Sample Rates

These materials as well as a copy of the presentation slides may be downloaded by visiting www.endorsedltc.com and clicking on the Downloadable Forms Tab

You may also request them by emailing david.doyle@doylerowe.com and typing LTCFAQ in the subject line.



Long Term Care Solutions for IMRF Members

Next Steps

- Complete the survey at the end of the webinar.
- You must opt-in within 20 days of an upcoming open enrollment period
- To immediately “opt-in” to the program click on “yes” and select an open enrollment period. To “opt-in” at a later date call 866-767-1329 or email david.doyle@doylerowe.com





QUESTIONS?

