The meeting was called to order at 1:35 p.m.

**Approval of Minutes**
Minutes for meeting of December 07, 2009
Moved in favor: Sherri Lee-Lewis
Seconded: Al Vasquez
Vote: Unanimous

**Reports and Discussion**
Karen Perry of the Marblestone Group made a presentation on Long Term Care Insurance. [www.marblestonegroup.com](http://www.marblestonegroup.com) / email:kerry@marblestonegroup.com
Ms. Perry’s experience is in geriatric care & in the non-profit world. About 5 years ago she made the transition to insurance, specializing in Long Term Care insurance (LTCi). She has worked with community college districts across the State of California.

**Presentation**
Long Term Care, what is it? LTC is care that is needed for someone with a prolonged illness, disability or cognitive impairment. “Long term” is typically defined as 90 days or more in duration, and is someone who needs help with at least 2 of the following daily living activities:
• Toileting activities
• Bathing activities
• Dressing
• Eating
• Transferring
• Continence

Care given for the above activities is considered custodial care, as opposed to skilled nursing care.

Paying for LTC-
Options include the following:
• Medicare-
  o Pays Health insurance when in an approved facility
  o Home Care- must be skilled or rehab services
  o Adult Day Care- does not pay
  o Assisted Care- does not pay
  o Skilled Nursing Home – yes, but only for 100 days and only if skilled or rehab services are provided
  o Custodial Care- no coverage
• Medi-Cal - This is a welfare option if you qualify will provide
  o Skilled or rehab services in an approved facility
  o Home Care: yes for skilled or rehab services only
  o Adult Day Care – yes, for approved facilities
  o Assisted Care – almost nothing
  o Skilled Nursing Home- yes, for approved facilities
• Self funding – to cover for 3 years of benefits:
  o $150/day of benefits 20 years from 2010, must put $248,000 into a stable, interest bearing account
  o $200/day of benefits 20 years from 2010, must put $332,000 into a stable, interest bearing account
• Long Term Care Insurance

Definitions of Employer Plans:
• True Group
  o Employer paid, carrier driven solicitation & enrollment
  o No health screening
  o Basic policy
• Multi Life
  o Individuals receive policies
  o Discounted rates
  o Voluntary
  o Employee paid
  o No cost to district
  o Agent/broker oversight
  o Protects retirement income
  o LTCi can be offered to employees and family members
  o Core Buy up Plans available- if District wanted to pay $___/day, employee pays balance
  o Executive Carve Out Plans- identified individuals have different plans
Who are the players?
- CalPERS LTC Program
- John Hancock Corporate Solutions
- MetLife VIP2
- Prudential

Regarding CalPERS, in recent years there have been rate increases due to increased payoffs:
- 2003 – 17%
- 2007 – 30-43%
- 2010 – 15-22% projected

What to look for in a LTCi policy?
- Benefit cost of $200/day average ($50-300) Average benefit paid out for 2 years, 7 months
- Elimination Period 0-730 days
- Inflation Protection – 5% simple compounded
- Comprehensive Coverage – payout same no matter where you receive care
- Simplified Underwriting – limited health questions

Premiums- affected by Age and Health

Sample:
- Age at 55 years old
- Benefit Amt: $150/day
- 3 year benefit plant
- 90 day elimination
- Standard rating
- No inflation

Premium cost:
- John Hancock: $63/mo
- MetLife: $77/mo
- Prudential: $95.47/mo

With inflation protection, for example, the John Hancock premium would go from $63/mo to $140/mo.

**How to Choose?**
- Financial Strength
- Durability
- Track Record in Management and paying out of claims
- Reasonable underwriting

Ms. Perry suggests John Hancock is the better company at this time.

John Hancock has:
- Corporate Solutions
- Preferred Industry Discount
College-wide Benefits Committee
Minutes: January 20, 2010
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- Rate Stability
  - Eligible employees offered simplified underwriting

Implementation – at least 90 days:

- Final decision
- Census completed (salary, DOB, 30+ hours per week employed)
- Communication & Education of employees – 30 days
  - Series of education seminars
- Enrollment Period – 60 days
  - Offered with individualized consultation

650-224-9204

**Questions**
Part time Faculty (work less than 30 hours/week) – Sponsored Group Program – Full underwriting with modified health questions, phone interview, may or may not want to look at health records

LTCi is portable- employee is able to take it to new employer
Payroll deduction available
No increase of premium due to aging

End of Presentation and Questions

**Discussion**
MW: Not a District expense
KP: No minimum requirement; a group of 10 people would work
FC: perhaps we should offer information on 2 companies; one on John Hancock, one on CalPERS.
MW: CalPERS does offer LTCi
FC: Does CalPERS come out to speak?
MW: it is a service offered; we could ask for more information
WB: What if we bring in MetLife or Prudential for a presentation?
FC: We should get the perspective of another company.
DF: We have employees who have CalPERS, and we should think about bringing in someone to talk from CalPERS.
FC: Sherri, can you talk to CalPERS? I want to make sure we are not shutting out the competition.
MW: We will put through the request.

**Next Meeting**
Either of two dates:
1\textsuperscript{st} choice: March 03, 2010 – Wednesday, 1:30pm-2:45pm; Location: HR Staff Lounge, 2714 Pico Blvd., 2\textsuperscript{nd} floor,
OR
2\textsuperscript{nd} choice: February 24, 2010 – Wednesday, 1:30pm-2:45pm

**Adjournment: 3:05p.m.**