

Request for Board of Commissioners' Action

From: Faye Hughes, County Administrator Date: October 30, 2017

Subject: ACCG-Firefighter Cancer Coverage Item Number: VIII-E

ACCG has created the ACCG-IRMA Georgia Firefighters' Cancer Benefit Program specifically to help counties satisfy the new requirement of providing firefighters with cancer benefits. This new law was created by HB146 (2017) and is effective January 1, 2018. The coverages being offered are designed specifically to be compliant with the provisions of HB 146 (2017).

We have attached a Proposal with the cost of the two (2) components of coverage required by HB 146:

- 1) Lump Sum Cancer Benefit
- 2) Long-Term Disability (Income Replacement)

Advantages of ACCG-IRMA Program:

- Coverage is being offered with a **three (3) year rate guarantee**, which provides stability in the county's budgeting process.
- In the event of a firefighter's death, the Lump Sum Cancer Benefit is paid to his/her estate.
- The Lump Sum Cancer Benefit does not have maximum age restrictions.
- Long-Term Disability does not stop if a firefighter departs from employment while out on a claim.
- Long-Term Disability does not require that a firefighter be totally disabled during the elimination period and/or throughout the benefit duration. This may allow a firefighter to partially return to work and still receive benefits.
- Long-Term Disability does not cease if a firefighter has a workers' compensation award or unemployment benefit, but it does coordinate with other sources of income.
- As required by law, the firefighter is given the opportunity to continue **both** coverages if they depart from service.
- Upon conversion, the firefighter is offered coverage in The Hartford's **group** plan, which is likely less expensive than an individual plan.

There may be other plans in the marketplace that do not meet the criteria outlined above. Please be sure that any plan your county chooses to purchase is compliant with all aspects of HB 146.

Motion made by _____

Second made by _____

Any discussion: _____

Votes _____ yes _____ no

Motion carried/ failed



ACCG-IRMA Firefighters' Cancer Benefit Program Proposal for Coverage

Effective Date: January 1, 2018

Anniversary Date: January 1

County Name: Cook County

County FCC ID Number: 1500

Insurer: Hartford Life and Accident Insurance Company

There are two coverage components required by House Bill 146 (2017) effective January 1, 2018:

- 1) Lump Sum Cancer Benefit
- 2) Long-Term Disability (Income Replacement)

The ACCG-IRMA Lump Sum Cancer Benefit and Long-Term Disability (Income Replacement) coverage components are designed to comply with House Bill 146 when purchased together. However, a county is permitted to purchase only one component if desired.

Estimated annual premiums are based on the Eligible Firefighter census data provided by the county. Premiums for Long-Term Disability (Income Replacement) differ based on whether a firefighter is employed or is a volunteer. While the premiums below are estimated annual amounts, the county will be billed on a quarterly basis in an amount that reflects the county's updates to the census.

Component 1: Lump Sum Cancer Benefit – All Firefighters	
Maximum Benefit each diagnosis:	\$6,250 (less severe forms of cancer)
	\$25,000 (severe forms of cancer)
Lifetime Benefit per firefighter:	\$50,000
Lump Sum Cancer Benefit Only - Estimated Annual Premium for All Firefighters:	\$4,444
Component 2: Long-Term Disability (Income Replacement)	
Employed Firefighters	
Monthly benefit:	60% of pre-disability firefighter earnings
Maximum monthly benefit per firefighter:	\$5,000
Estimated Annual Premium for Employed Firefighters:	\$0
Volunteer Firefighters	
Monthly Benefit per firefighter:	\$1,500
Estimated Annual Premium for Volunteer Firefighters:	\$1,798
Long-Term Disability Only (Income Replacement) – Estimated Annual Premium for All Firefighters:	\$1,798
Estimated Annual Premium for Components 1 & 2: Lump Sum Cancer Benefit + Long Term Disability (Income Replacement):	\$6,242

This proposal is valid for 30 days after proposal is issued or until the effective date, whichever is later.
This overview is not a part of the policy(ies) and does not provide or explain all provisions of the policy(ies).

**ACCG - INTERLOCAL RISK MANAGEMENT (ACCG-IRMA)
FIREFIGHTER CANCER COVERAGE APPLICATION AND PARTICIPATION AGREEMENT**

Employers eligible to participate in ACCG-IRMA (hereinafter a “Participating Employer” or “Employer”) shall complete this Application and Participation Agreement in order to purchase firefighter cancer coverage fully insured by The Hartford under the ACCG-IRMA Master Policy for Lump Sum Cancer Benefit or Master Policy for Long-Term Disability (Income Replacement) or under both Policies. Once approved by ACCG-IRMA’s Program Administrator, the Participating Employer will receive a one-page Schedule of Benefits identifying the purchased coverage(s) and a link to the Policy for the purchased coverage(s), so it may make these available to Eligible Firefighters.

Who Does What?

- ACCG-IRMA is the Policyholder of two firefighter cancer coverage policies insured by The Hartford: Lump Sum Cancer Benefit and Long-Term Disability (Income Replacement), (together, the “Firefighter Cancer Policies”). These coverages together are designed to meet the requirements of Georgia House Bill 146 (2016-2017), an Act effective January 1, 2018.
- The Association County Commissioners of Georgia (“ACCG”) is the Program Administrator for ACCG-IRMA. ACCG uses information from the Eligible Firefighter census data provided by the Participating Employer to bill for the Firefighter Cancer Policies, and maintains (either directly or through the broker for the Firefighter Cancer Policies) Participating Employers’ Application and Participation Agreements.
- Participating Employers are responsible for identifying all Eligible Firefighters, submitting complete and accurate census data to ACCG, paying premiums to ACCG-IRMA, communicating with Eligible Firefighters about the coverages it provides, providing the Schedule of Benefits and links to the applicable Policies to Eligible Firefighters, and providing all requested information and documentation to The Hartford when an Eligible Firefighter makes a claim under one or both of the Firefighter Cancer Policies.
- The Hartford evaluates and pays claims under the Firefighter Cancer Policies. All claims for benefits must be submitted to The Hartford. Neither ACCG-IRMA nor ACCG have any role in claim determination or payment.
- The Hartford provides tax services related to payments under the Long-Term Disability (Income Replacement) Policy.

Definition of Eligible Firefighter: An “Eligible Firefighter” is a recruit or a trained individual who is a full-time employee, part-time employee, or volunteer for a legally organized fire department of the Participating Employer and as such has duties of responding to mitigate a variety of emergency and nonemergency situations where life, property, or the environment is at risk, which may include without limitation fire suppression; fire prevention activities; emergency medical services; hazardous materials response and preparedness; technical rescue operations; search and rescue; disaster management and preparedness; community service activities; response to civil disturbances and terrorism incidents; nonemergency functions including training, preplanning, communications, maintenance, and physical conditioning; and other related emergency and nonemergency duties as may be assigned or required; provided, however, that a firefighter's assignments may vary based on geographic, climatic, and demographic conditions or other factors including training, experience, and ability. A firefighter is an “Eligible Firefighter” as soon as he or she meets the description above, even though coverage under the Firefighter Cancer Policy(ies) does not become effective until completion of a waiting period as set forth in O.C.G.A. § 25-3-23.

Employer Obligations:

- Employer shall not require any kind of contribution from Eligible Firefighters for the coverage(s) provided under the Firefighter Cancer Policies.
- Employer is solely responsible for identifying all Eligible Firefighters (as defined above) and providing correct and complete information to ACCG.
- Employer shall submit initial Eligible Firefighter census data to ACCG in the form requested, and must update this census data as needed in order to ensure that all Eligible Firefighters are identified.
- The Employer's cost for coverage under the Firefighter Cancer Policy(ies) will be based on the most recent census data at the time of billing.
- A claim by an Eligible Firefighter may be denied if the Eligible Firefighter was not timely listed in the census data.
- Employer shall provide the Schedule of Benefits and a link to the applicable Policy(ies) to Eligible Firefighters at no charge, and shall provide a copy of the applicable Policy(ies) to an Eligible Firefighter upon request.
- When a firefighter submits a claim to The Hartford, Employer shall provide The Hartford the information requested so that The Hartford may evaluate the claim, and shall affirm that this information is accurate and complete.

If the Employer is purchasing Long-Term Disability (Income Replacement) coverage, the Employer agrees as follows.

Employer Authorization for Tax Services: By completing this Application and Participation Agreement, Employer authorizes The Hartford to report, withhold and deposit the taxes described below, and agrees to provide The Hartford with accurate and timely information to provide these tax services. Employer acknowledges that The Hartford, ACCG-IRMA, and ACCG, singularly and collectively, shall have no responsibility for any liability in connection with these tax services that may result from inaccurate, untimely or incomplete information provided by Employer to any of them, including but not limited to fines or penalties.

- The Hartford will withhold and deposit applicable and properly elected additional United States federal income taxes (FIT) and state income tax (SIT) as well as applicable Employee FICA taxes from disability benefits/sick pay. The Hartford will make timely filings with the appropriate United States federal and state agencies. The Hartford will deposit the taxes using The Hartford's tax identification number and will timely notify the Employer of these payments. This notification is provided on the EOB (Explanation of Benefits).
- The Hartford will prepare Forms W-2 for payees and pay the Employer's share of FICA taxes, and submit such forms and payments to the appropriate United States federal and state agencies. The Hartford will postmark by January 31st of each year, or such other date required by law, Forms W-2 containing disability benefits/sick pay information to payees and make information return filings in accordance with Federal and State requirements regarding income tax, Social Security, and Medicare tax. The Hartford will issue Forms W-2 using The Hartford's tax identification number. If the Policy is terminated, The Hartford will continue to provide Forms W-2 and make information return filings for disability benefits/sick pay payments on all claims incurred prior to termination of the Policy.
- The Hartford assumes no responsibility for any other payroll or employment related tax, fee, premium or the like including Federal Unemployment Insurance (FUTA) and State Unemployment Insurance (SUTA), State Disability Insurance, State or Local Occupational Taxes, other jurisdictional taxes such as municipal, city or county taxes, or any Workers' Compensation Tax which may be applicable to the disability benefits The Hartford is paying.
- The Hartford will prepare and deliver to Employer the annual summary reports of benefits paid.

Desired Coverage (See Attached Proposal for Estimated Annual Premiums):

Participating Employer is applying for and agreeing to purchase BOTH the Lump Sum Cancer Benefit & Long Term Disability (Income Replacement) coverages *unless* either of the following options is checked.

Lump Sum Cancer Benefit Only* OR

Long Term Disability (Income Replacement) Only*

*Alone, this coverage does NOT meet the requirements of HB146.

The coverage elected above automatically renews at each anniversary of the effective date, based on then current premiums established by the Administrator. Coverage may be terminated in accordance with the terms of the Firefighter Cancer Policy(ies) or for Employer's failure to comply with 1) the terms of this Agreement or 2) the terms for membership in ACCG-IRMA and/or the ACCG-IRMA Accident, Disability, and Supplemental Medical Fund.

On behalf of _____ [Name of Participating Employer], I submit this Application and Participation Agreement and agree to its terms.

Signature: _____ Date: _____

Print Name: _____ Title: _____

APPROVED BY ACCG-IRMA PROGRAM ADMINISTRATOR: _____

EFFECTIVE DATE OF COVERAGE: _____

RESOLUTION AUTHORIZING PARTICIPATION IN THE ACCG - INTERLOCAL RISK MANAGEMENT AGENCY SUPPLEMENTAL MEDICAL, ACCIDENT, AND DISABILITY FUND

WHEREAS, Article 9, Section 3, Paragraph 1 of the Constitution of Georgia authorizes counties and other political subdivisions to contract with each other for activities which the contracting parties are authorized by law to undertake; and,

WHEREAS, Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes counties to execute intergovernmental contracts to form, and become members of, an interlocal risk management agency for the purpose of sharing the risks of accident, disability, supplemental medical, general liability, motor vehicle liability, property damage, or any combination of such risks with those of other counties; and,

WHEREAS, counties within Georgia have found it increasingly difficult to obtain commercial insurance protection, and have found the costs of such protection often exceed the ability of a county to pay; and,

WHEREAS, counties in Georgia need a stable method for managing their risks to avoid the unpredictable and cyclical nature of the commercial insurance market; and,

WHEREAS, many Georgia counties do not have sufficient resources to self-insure their risks on an individual basis; and,

WHEREAS, through the Association County Commissioners of Georgia, Georgia counties have created an intergovernmental risk management agency so that the Georgia counties may insure and/or self-insure their risks; and, WHEREAS, the County of is an existing member of the Association County Commissioners of Georgia – Interlocal Risk Management Agency (hereafter referred to as ACCG-IRMA), an interlocal risk management agency formed pursuant to Chapter 85 of Title 36 of the Official Code of Georgia Annotated, and previously has entered into an intergovernmental contract for the purpose of joining ACCG-IRMA and participating in the ACCG-IRMA Property and Liability Fund; and,

WHEREAS, ACCG-IRMA has also established a Supplemental Medical, Accident, and Disability Fund for the purpose of protecting against certain other liabilities imposed upon Georgia counties by state law; and, WHEREAS, the governing authority of the County of finds that it is in the best interest of its citizens to participate in the ACCG-IRMA Supplemental Medical, Accident, and Disability Fund,

NOW THEREFORE, BE IT RESOLVED by the governing authority of the County of Cook, Georgia:

SECTION 1

The governing authority of the County of Cook hereby authorizes the County to become a participant in the ACCG-IRMA Supplemental Medical, Accident, and Disability Fund for the purpose of providing coverage for those risks imposed upon the County by state law and for which the Supplemental Medical, Accident, and Disability Fund has been established. The County's continuing participation in the ACCG-IRMA Property and Liability Fund is hereby confirmed.

SECTION 2

The Chairman of the County of Cook County is authorized to execute on behalf of the County any and all documents necessary and proper to become a participant in the ACCG-IRMA Supplemental Medical, Accident, and Disability Fund.

SECTION 3

The powers of ACCG-IRMA, unless the intergovernmental contract and ACCG-IRMA bylaws are amended, shall be limited to those authorized by Chapter 85 of Title 36 of the Official Code of Georgia Annotated, and the related Rules and Regulations of the Commissioner of Insurance of the State of Georgia.

SECTION 4

The continuing operations of ACCG-IRMA and the obligation of the County to fully participate in such operations shall be effectuated in accordance with the intergovernmental contract and ACCG-IRMA bylaws.

SECTION 5

The County Clerk is designated as the County's representative to ACCG-IRMA. The County may change its representative by informing ACCG-IRMA of the change in writing.

SECTION 6

This resolution shall be effective upon its passage and approval.

Adopted this 6th day of November, 2017.

COUNTY OF COOK

Dwight E. Purvis, Chairman

ATTEST:

Vicki S. Parrish, County Clerk

(Imprint County Seal)