Midpeninsula Regional Open Space District

R-25-132
Meeting 25-29
October 22, 2025

AGENDA ITEM 7

AGENDA ITEM

Change in Provider for Employee Life Insurance, Accidental Death & Dismemberment (AD&D) and Long-Term Disability (LTD) Insurance

GENERAL MANAGER'S RECOMMENDATION

Adopt a Resolution authorizing the Midpeninsula Regional Open Space District to Purchase Employee Life Insurance, Accidental Death & Dismemberment (AD&D) and Long-Term Disability (LTD) Insurance through the Public Risk Innovation, Solutions, and Management Authority (PRISM) via Voya Financial, Inc.

SUMMARY

Midpeninsula Regional Open Space District (District) offers multiple health benefits to its employees. These benefits include life insurance, accidental death & dismemberment insurance, and long-term disability insurance. The District has had a direct contract with The Lincoln National Life Insurance Company (Lincoln) for these benefits since October 1, 2006. Human Resources (HR) staff recently received competitive quotes for these benefits, and there is a cost savings and slight enhancement to benefits by switching providers.

DISCUSSION

In early 2025, Alliant Insurance Services, Inc., (Alliant) the broker of record for the District's employee benefit insurance program, requested quotes for life, AD&D and LTD insurance coverage for District employees through the Public Risk Innovation, Solutions, and Management (PRISM) (formerly California State Association of Counties - Excess Insurance Authority (CSAC-EIA), a property, casualty and employee benefit public entity risk pool formed in 1979. Lincoln and Voya are both participating insurance providers in PRISM. The District is already a member of PRISM (R-22-121, minutes) for dental and vision insurance.

Competitive quotes were received for the current benefit plan design.

Line of Coverage	Current Lincoln Direct	Proposed PRISM via Voya
Life and AD&D (District Paid)	$88,673	$81,242
LTD (Employee Paid)	$75,022	$67,065
Total Annual Premium	$163,695	$148,307
Annual $ Change	**$0**	**-$15,388**
Annual % Change	**0%**	**-9.4%**

PRISM life and disability premium renewals since 2009 have either been a rate pass (no change to premiums) or a decrease in premiums, presenting a strong track record in keeping premium costs at a constant or reduced long-term rate.

Voya Financial, Inc., is a leading U.S.-based retirement, investment, and employee benefits company. Voya Financial and its insurance subsidiaries are evaluated by major independent rating agencies, which have consistently affirmed the company's financial strength and ability to meet obligations. Current ratings (as of 2024) are:

- A.M. Best: A (Excellent) – reflects strong balance sheet, operating performance, and enterprise risk management.
- Moody's Investors Service: A2 (Good) – indicates low credit risk and strong financial position.
- Standard & Poor's (S&P): A+ (Strong) – denotes strong capacity to meet financial commitments.
- Fitch Ratings: A+ (Strong) – stable outlook based on capital strength and disciplined business profile.

The switch to PRISM via Voya for life, AD&D, and LTD insurance coverage:

- Maintains the existing benefits for employees, including value-added services such as estate planning, funeral planning, travel assistance, and legal guidance.
- LTD benefits through Voya increase the monthly maximum benefit of $7,500 compared to the current monthly maximum benefit of $7,000 with Lincoln.
- Decreases the costs for both employees and the District (District pays premiums for Life, AD&D, employees pay premiums for LTD via payroll deductions)
- Streamlines associated administrative functions for these benefits (enrollment, billing, etc.)

This change does not affect the additional life insurance benefits the District provides through contracts with Santa Clara County, which includes $25,000 in basic life insurance and voluntary life insurance.

FISCAL IMPACT

Changing to PRISM via Voya would result in approximately $15,388 in annual savings, shared by the District and employees.

PRIOR BOARD AND COMMITTEE REVIEW

This item was not previously reviewed by a Board Committee.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act

CEQA COMPLIANCE

This item is not a project subject to the California Environmental Quality Act.

NEXT STEPS

Upon Board approval, Human Resources staff will work with Alliant and PRISM to implement the change in benefit provider, including re-communicating the change to all employees. This proposed change was presented earlier to all staff at a regular All Staff meeting.

Attachment:

1. Resolution Authorizing the General Manager to Purchase Life And Disability Insurance Through The Public Risk Innovation, Solutions, And Management Authority (PRISM)

Responsible Department Head:
Stefan Jaskulak, CFO/Administrative Services Director
Candice Basnight, Human Resources Manager

Prepared by/Contact person:
Rebecca Wolfe, Human Resources Supervisor

RESOLUTION NO. 25-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING THE GENERAL MANAGER TO PURCHASE LIFE AND DISABILITY INSURANCE THROUGH THE PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT AUTHORITY (PRISM)

WHEREAS, on October 26, 2022, the Board of Directors approved a Joint Powers Authority Agreement and a Memorandum of Understanding to join the Public Risk Innovation, Solutions, and Management Authority (PRISM) to purchase dental and vision insurance for employees through PRISM; and

WHEREAS, the District worked with Alliant Insurance Services, Inc., the broker of record for the District's employee benefit insurance program, to obtain quotes for life insurance, accidental death and dismemberment insurance, and long-term disability insurance for District employees through the Public Risk Innovation, Solutions, and Management (PRISM) risk pool; and

WHEREAS, the District wishes to purchase life insurance, accidental death and dismemberment insurance, and long-term disability insurance through PRISM.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Midpeninsula Regional Open Space District does hereby resolve the following:

1. The General Manager is authorized to purchase life insurance, accidental death and dismemberment insurance, and long-term disability insurance for District employees through the Public Risk Innovation, Solutions, and Management (PRISM) risk pool.

2. Except as to actions that must be approved by the Board of Directors of the Midpeninsula Regional Open Space District, the General Manager of the Midpeninsula Regional Open Space District is hereby authorized to act in all matters related to administration of the District's continued participation in PRISM's life and disability insurance programs.

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PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on October 22, 2025, at a regular meeting thereof, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Zoe Kersteen-Tucker, Secretary
Board of Directors

APPROVED:

Jed Cyr, President
Board of Directors

APPROVED AS TO FORM:

Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

Maria Soria, District Clerk