

Income Continuation Insurance Reserve Balance Policy Review

Group Insurance Board
May 18, 2022

Jim Guidry, Director, Benefit Services Bureau





Action Items

ETF recommends the Board approve the Income Continuation Insurance Program Reserve Policy and also approve maintaining the current reserve target of 135% of plan liabilities for the state ICI plan and 150% for the local ICI plan.

Income Continuation Insurance

Voluntary disability income replacement program payable to enrolled participants

- Separate state and local plans
- Short-term and long-term benefits payable to age 65
- 75% of salary - monthly
- Unable to perform duties of current position (short-term)
- Unable to perform duties of any position (long-term)

ICI Reserve Policy Objective

Provide the Board with guidance in establishing program reserve target

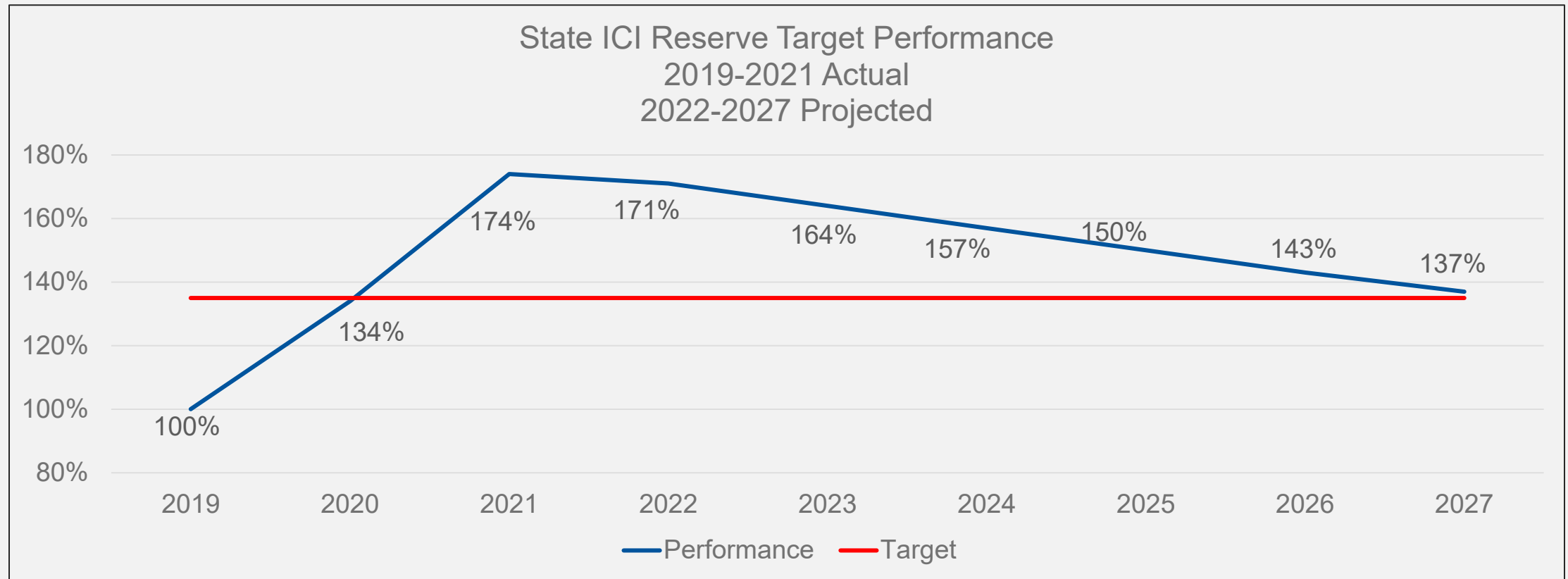
- Sufficient to fund plan liabilities
- Maintain fiscal integrity
- Maintain premium rate adequacy and stability

LAB Recommendation

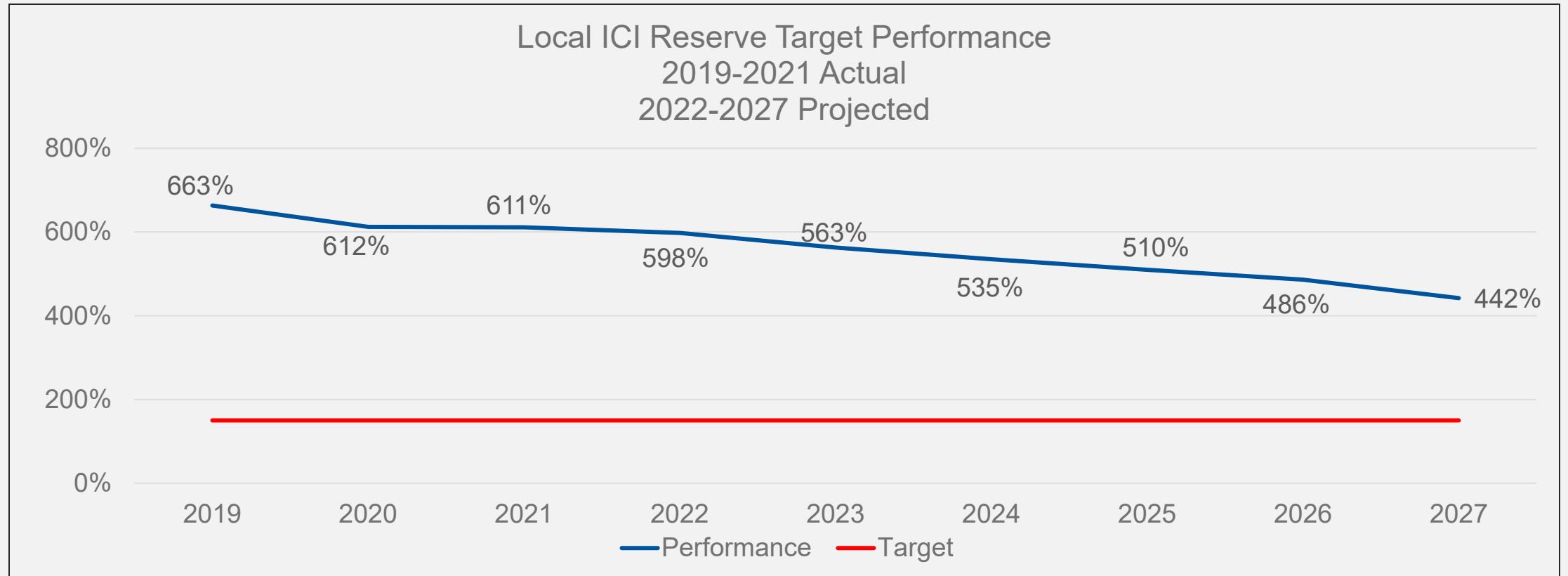
ICI Reserve Policy

- Approved by Board Nov – 2019
- Minimum 3-year reviews
- Board sets reserve target
- Policy establishes target range
 - +/- 5% of target

State ICI Reserve Performance



Local ICI Reserve Performance





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Questions?

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