



**Human Resource Services**

February 28, 2012

Honorable Board of Supervisors  
County of Alameda  
1221 Oak Street, Suite 536  
Oakland, CA 94612-4305

**Subject: Adoption of 2012 Voluntary Benefit Plan Liberty Mutual Hold Harmless Agreement**

Dear Board Members:

**Recommendations:**

It is recommended that your Board:

1. Approve the 2012 Voluntary Benefit Plan for Liberty Mutual, Hold Harmless Agreement (Principle: Roland Cote, Assistant Vice President, Location: Boston, MA) effective June 1, 2012, for eligible employee and dependent access to Group Auto and Home Insurance.
2. Authorize the President to sign the 2012 Voluntary Benefit Plan for Liberty Mutual, Hold Harmless Agreement.

**Summary/Discussion:**

After conducting a formal Request for Proposal, we will offer to eligible employees the Liberty Mutual Auto & Home, as part of the new County Voluntary Benefit Plans.

**Group Home and Auto Insurance:** Employees and their dependents will have access to group home and auto insurance for: personal automobiles, insurance for homeowners and renters, property coverage for non-owner occupied rental property, identity fraud protection, recreational water vehicles (e.g. boats), and earthquake and flood insurance. The cost of this insurance will vary depending on the insurance selected and the individual's circumstances; however, the individual will benefit from the group discount.

This agreement for this offering is effective June 1, 2012 and is perpetual until it is terminated as stated in the agreement.

**Selection Criteria/Process:**

The Health and Welfare Benefits Consulting Services contract with Hay Group, Inc. was awarded by your Board on June 15, 2009. As part of the Hay Group's scope of services, they provide consulting and management of the RFP process to add additional voluntary benefits. The County of Alameda (COA) worked with Hay Group, Inc. to conduct a voluntary benefit plan request for proposal (RFP). Based on the plans and services of interest to COA, Hay Group prepared and distributed RFP's. Outlined below are the RFP key dates, the carriers invited to participate, the criteria used to choose a carrier and the winning carrier of each RFP. The RFP was developed and issued to two responding vendors on March 23, 2011. The RFP response deadline to submit was April 6, 2011 and the results were presented to COA on May 6, 2011. RFP responses were received from, MetLife and Liberty Mutual. No local carriers responded to the RFP.

Once the RFP responses were received, Hay Group and COA used the following criteria to select the winning carrier.

Home/Auto
<ul style="list-style-type: none"><li>• Financial Ratings</li><li>• Coverage Available</li><li>• Multiple Insurers Offered</li><li>• Enrollment Capabilities</li><li>• Local Agents</li><li>• Cost</li></ul>

**Finalist Presentations**

The finalist presentations were held on June 13, 2011 for Home and Auto.

**Winning Carrier: Liberty Mutual**

Liberty Mutual proved to be the best choice because they simply had a better call center and claims handling capabilities as well as the availability of 12 Bay Area offices to service COA employees. Liberty Mutual does not have a rate guarantee. Their group rates will fluctuate based on market variables, insurance selected and individuals circumstances.

**Financing:**

There is no County cost for the Liberty Mutual Plan as this group benefit is 100% employee paid.

Very truly yours,



Mary Welch, Interim Director  
Human Resource Services

cc: Susan Muranishi, County Administrator  
Patrick O'Connell, Auditor-Controller  
Donna Ziegler, County Counsel

February 24, 2012

Ms. Ava Lavender  
Manager, Employee Benefits & Service Center  
Alameda County HRS  
1405 Lakeside Drive  
Oakland CA 94612

RE: County of Alameda – Liberty Mutual Group Savings Plus® Program

Dear Ms. Lavender,

Thank you for the opportunity to provide you with the Liberty Mutual Hold Harmless Agreement for our Group Savings Plus® Program. Enclosed please find copies of the agreement, in addition to the electronic copy provided to Ms. Rissa Bowman via email on February 12<sup>th</sup>, there are four hard copies as requested by the County.

The Group Savings Plus Program®, marketed and underwritten by Liberty Mutual, is a voluntary personal insurance program through which eligible employees are able to purchase Insurance products (the "Program"). The Group Discount under this Program shall be offered to the eligible employees in addition to Liberty's standard discounts; which are approved for use in the relevant jurisdiction.

I have enclosed the Hold Harmless Agreement confirming the relationship between The County of Alameda and Liberty Mutual Insurance Company, dated June 1, 2012 to continue in perpetuity (may be terminated by either party with sixty (60) calendar days advance written notice.

Please review the contracts and return one signed copy of the signature page as provided. We look forward to our ongoing relationship with you and the County.

Thank you again for the opportunity to work with you and to be of service to your employees.

Alameda County

Liberty Mutual Insurance Group

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

*Roland Cote* \_\_\_\_\_  
Signature

*2/27/12* \_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

Roland Cote  
Assistant Vice President

**Approved as to Form**

**DONNA R. ZIEGLER, County Counsel**

By *M E Gormley* \_\_\_\_\_  
Print Name *M Gormley* \_\_\_\_\_

**GROUP SAVINGS PLUS ®  
HOLD HARMLESS AND MARKETING AGREEMENT**

The purpose of this Agreement is to confirm the relationship between The County of Alameda with its primary address at: 1405 Lakeside Drive, Oakland, CA 94612 (“Employer”), and Liberty Mutual Insurance Company and its affiliates and subsidiaries, with its primary office located at 175 Berkeley Street, Boston, Massachusetts 02116-5066 (“Liberty”).

**DEFINITIONS**

“Eligible Employees” means for active employees, early retirees, and retirees deemed eligible for the Program by the Employer.

“Insurance Products” means auto, home, and other personal insurance products offered to the Eligible Employees in connection with the Program (the Program is defined in Section 1).

“Group Discount” means the discounted rate Liberty Mutual agrees to provide for specified Insurance Products to an Eligible Employee pursuant to this Agreement.

“Participating Employee” means an Eligible Employee who purchases an Insurance Product.

“Indemnified Parties” means Employer, its officers, directors, and employees.

**1. GROUP SAVINGS PLUS ® PROGRAM**

The Group Savings Plus ® Program, marketed and underwritten by Liberty, is a voluntary personal insurance program through which Eligible Employees are able to purchase Insurance Products (the “Program”). The Group Discount under this Program shall be offered to the Eligible Employees in addition to Liberty’s standard discounts; which are approved for use in the relevant jurisdiction. The Group Discount will be offered so long as allowed by law and as long as Liberty, in its sole discretion, deems rates adequate to support such a discount. The Program and the offering of the Insurance Products shall be subject to Liberty’s underwriting standards and rates and subject to Liberty’s sole discretion in making business decisions regarding states in which it offers coverage.

**2. PROGRAM PARTICIPATION**

Election to purchase any of the Insurance Products offered through the Program will be at the option of the Eligible Employee. A Participating Employee shall have the option to select one of the following payment options: direct bill, electronic funds transfer through their checking account, or if applicable, payroll deduction. Employer will not be considered an agent of Liberty Mutual for any purpose, including the collection of premiums.

**3. INDEMNIFICATION**

Liberty agrees to indemnify and hold harmless the Indemnified Parties for, from, and against, any and all liability, damage and costs (including reasonable attorney fees) arising out of any claim or action brought against the Indemnified Parties which arise as a result of acts or omissions of Liberty or their employees in the performance of this Agreement. The Indemnified Parties agree that Liberty may, at its option and expense, direct the defense, compromise, or settlement of any such claim and employ attorneys of its own selection to defend, compromise, or settle the same. In addition, Employer agrees to notify Liberty in writing within 15 days of any suit or claim made against the Indemnified Parties. This section shall survive the termination of this Agreement.

**4. PRIVACY**

In accordance with applicable state and federal laws and regulations, including but not limited to provisions of Gramm-Leach-Bliley Title V, Liberty and Employer agree to hold in confidence any and all non-public personally identifiable information relating to the Eligible Employees which may be obtained from one another in performance of this Agreement. Liberty warrants that it is in compliance with federal and state privacy laws and agrees not to sell, release, or distribute any information relating to the Eligible Employees to any third party except for those third parties providing services integral to the performance of this Agreement.

**5. TERM AND TERMINATION**

This Agreement, dated 6/1/2012, shall continue in perpetuity and may be terminated by either party, at any time, by providing the other party with sixty (60) calendar days advance written notice.

**6. PROGRAM COMMUNICATION**

The promotion of the Program to the Eligible Employees will consist of a mutually agreed upon communication plan. The communication plan may include some or all of the following promotional activities: on-site sales consultation, interoffice mail and desk drops, electronic mail announcements, links or ads placed on Employer's intranet, information placed in Employer's new hire benefit package, or direct mail. Upon approval by both parties, promotional activities not listed in this section may be used in connection with the communication of this Program.

Employer wishes to offer the Groups Savings Plus ® Program to the Eligible Employees and the parties execute this Agreement with the authorized signatures below.

**Alameda County**

**LIBERTY MUTUAL INSURANCE COMPANY**

By: \_\_\_\_\_

By: Roland Cote

Name: \_\_\_\_\_

Name: Roland Cote

Title: \_\_\_\_\_

Title: AVP

Date: \_\_\_\_\_

Date: February 27, 2012

Approved as to Form

DONNA R. ZIEGLER, County Counsel

By Margellia Gormley

Print Name M Gormley