Trending Benefits in the Public Sector – NCPERS Survey Findings

OCTOBER 25, 2016
Agenda

• About the survey

• Survey participants

• Findings

• Observations
About the Survey

- NCPERS continues to strive to support the needs of member systems, trustees and their members.
- Core mission – financial security and protection.
- Evolving landscape.
  - Litigation.
  - Cyber threats.
- NCPERS response – variety of offerings designed to address the mission and evolving trends.
- Questions – Awareness? Value? Interest?
Current NCPERS Offerings

**NCPERS life insurance plan**

- Decreasing term life insurance
- Additional accidental death & dismemberment, spouse and child benefits
- No pre-existing conditions – guarantee issue
- Available to retirees upon initial rollout, and upon retirement, if enrolled as an active
- Over 150,000 covered lives
Current NCPERS Offerings

- **Fiduciary liability insurance**
  - Designed to protect trustees on a personal level against claims of breach of fiduciary liability

- **Cyber liability insurance** – designed to:
  - Cover losses against claims of failure to protect personally sensitive information
  - Provide support and cover costs relative to breach notification
  - Provide broad network of resources - data forensics, mitigation, restoration
  - Monetary damage – extortion, regulatory fines and penalties

- **Identity theft protection and mitigation**
  - Designed for members – active and retired
  - Ongoing, comprehensive monitoring for potential breaches
  - Telephonic support around mitigation
  - Reimbursement of some losses, up to $1,000,000
Survey Participants

- A total of 59 respondents
- Primarily trustees, along with plan administrators
Survey Participants

- Fund size – roughly 2/3 have more than 1,000 participants
NCPERS Life Insurance Plan

Among survey respondents:

- Less than 10% currently offer the program
- Over 80% are not at all familiar with the program
- Less than 20% indicated they already offer a term life insurance program
- Less than 10% indicated that they cannot offer a program without conducting an Request for Proposal (RFP)
- Less than 10% were concerned about the administrative burden
NCPERS Fiduciary Liability Insurance

Among survey respondents

- Nearly 90% believe it is necessary
- Over 80% currently purchase it
- About 40% are aware of the NCPERS program
- Nearly 2/3 indicated that RFP is required
NCPERS Cyber Liability Insurance

Among survey respondents

- Two-thirds believe it is necessary
- One third currently purchase it
- About 10% are aware of the NCPERS program
- Nearly 2/3 indicated that RFP is required
NCPERS Identity Theft Program

Among survey respondents

- 60% believe it would be a valuable benefit for members
- Less than 10% currently offer it
- About 10% are aware of the NCPERS program
- Nearly 2/3 indicated that RFP is required
Observations

• NCPERS seems to have a pulse on the needs of its members

• Efforts around creating awareness are required, and will continue to be a focus

• A better understanding, and awareness, surrounding RFPs may be of value – both to NCPERS and its members

• NCPERS and Gallagher welcome ideas/input as to other programs that are of interest/importance to its members – and/or *their* members
Thank You

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