

TO: Robert Kuntz

FROM: Denise Keller, Haley Morrison

DATE: October 15, 2013

RE: Group Life Insurance

An RFP for term group life insurance and AD&D insurance was sent to ten companies and posted on our city website. Bids were received from Minnesota Life, Unum, Lincoln National Life, Mutual of Omaha and Standard Life Insurance, our current carrier.

After review of qualifications and pricing, we are recommending that the bid be awarded to Minnesota Life as the company with the lowest and best bid. Changing our life insurance carrier to Minnesota Life will reduce our monthly group life premiums from \$1,411.00 to \$1,029.00, resulting in an annual savings of more than \$4,500.00. A savings will be seen on the voluntary life insurance side as well. Voluntary coverage is paid in full by the electing employee.

Minnesota Life has provided us with a three year rate guarantee. If approved, we will plan for a December 1 conversion.

**City of Ballwin
Group Life Insurance and AD&D
RFP Responses**

Carrier	Life Rate per \$1,000	AD&D Rate per \$1,000	Life Premium	AD&D Premium	Monthly Total	Rate Guarantee
Minnesota Life	\$0.15	\$0.03	\$882	\$147	\$1,029	3 Years
Mutual of Omaha	\$0.16	\$0.03	\$941	\$176	\$1,117	2 Years
UNUM	\$0.23	\$0.01	\$1,352	\$59	\$1,411	2 Years
Lincoln	\$0.17	\$0.04	\$1,000	\$235	\$1,235	3 Years
Standard	\$0.20	\$0.04	\$1,176	\$235	\$1,411	1 Year