

AGENDA NOTE – HRPDC QUARTERLY COMMISSION MEETING

ITEM #13: FOR YOUR INFORMATION

A. Virginia Retirement System – Virginia Local Disability Program

The 2012 General Assembly created the Virginia Local Disability Program (VLDP) for political subdivision and school division employees who will be covered under the VRS Hybrid Plan effective January 1, 2014. The Hybrid Plan will apply to most new employees hired on or after January 1, 2014 and current employees who opt to switch to the plan. Coverage for employees is automatic under the VLDP unless a governing body elects to opt out and provide a comparable employer-paid program.

The VLDP provides income protection if an employee cannot work because of a non-work related or work-related illness, injury or other conditions and includes both short-term and long-term disability coverage. This places both an administrative and cost burden on smaller entities such as PDCs that participate in VRS. Employees who are grant funded are of particular concern. At this time, the HRPDC plans to participate in the VRS VLDP. However, the Virginia Association of Planning District Commissions (VAPDC) is exploring opportunities whereby PDCs may be able to pool resources and purchase a policy that would reduce the risk to any individual PDC. The HRPDC plans to request an extension from VRS of its decision of whether to opt out of the VLDP program and provide a comparable program.