

Employee Benefits Advisory Committee

Minutes from the April 19, 2007 Meeting
MCC, Room 462

In attendance:

Chris Arab (Chairperson)	Steve Bowers (Resource)
Ron Allen (APC)	Yvonne Horner (Resource)
Bill Barfield (APC)	Janet Meigs (Minutes Recorder)
Steve Milczanowski (Faculty Alt.)	Sonya Polke (Resource)
Mark Peeples (Faculty)	Judy Robbins (Resource)
Robert Peeples (Career Alt.)	Dawn Swed (Resource)
Belinda Potts (Career)	Elaine Tisdale (Resource)
Karl Schmidt (Career)	Jo Vosefski (Resource)
Larry Snell (APC Alt/Resource)	
Jack Spears (Retirees)	
Kenneth Whitten (Faculty)	

Absent:

None

The meeting commenced at approximately 2:03 p.m.

Approval of Minutes (2/26/07)

Motion: Approve the minutes as presented. (Motion made by Larry Snell and seconded by Jack Spears.) There being no discussion, the motion was approved by unanimous vote.

Health Insurance Subcommittee Report

- The proposal is for a single health insurance plan for all full-time employees (handout distributed).
- The greatest issue is how to implement the premium changes.
- Being proposed is the establishment of a closed benefit class for employees and retirees currently with HMO dependent coverage to allow for a gradual increase in premiums versus full absorption of the rate increase in 2008.
- The closed benefit class will be based on having a full-time hire date of on or before September 30, 2007 as offers are currently being extended for fall faculty.
- Full-time employees with a hire date of October 1, 2007 or later as well as all current PPO users will be assigned to the open benefits class.

- Discussed was the problem of this type of closed benefits class which would result in some employees paying 40% more in premiums than a coworker for the same benefit.
- Implementing one plan for all employees will lower the College subsidization amount by approximately \$200,000.
- Under the proposal, employees with PPO health insurance will no longer pay \$50 per month for single coverage.
- Those in the closed benefit class will see an increase in premiums every year until they reach the same premium level as those in the open benefits class.
- Employees will see minimal changes in coverage, especially if they follow their current physician visit pattern. The greatest difference will be seen if they are admitted to a hospital based on the tiered approach.
- Employees with PPO coverage will see a reduction in their premium contributions but HMO participants will see an increase in their premium contributions.
- The premiums reflected in the handout are based on what the Consortium charges and are only estimates at this point.
- St. Petersburg College has income dependent premiums with a much lower subsidy.
- Income dependent premiums do not address the issue of paying different premiums for the same plan.
- Increasing the subsidy level becomes a budget issue versus an equity issue.

A request was made of Judy Robbins to obtain data from BCBSFL showing all physicians currently participation in the BlueOptions plan.

The discussion continued with the following points made:

- National statistics show us that salary increases cannot keep up with rising medical costs.
- If when faced with the increased premiums for dependent coverage employees drop the coverage, the option always exists to return to the Board with different proposals.
- It may be time to revisit benefit offerings to determine the value and use of each plan. For example, in the last three years seven employees took advantage of long-term disability.
- The Consortium connected dental and vision to the hospital so others could opt out.
- In terms of a “cafeteria plan” where employees are provided with a lump sum to allocate how best suits their needs, the market has not gone that route and market comparables are needed for whatever plan is chosen.
- Improved health equals lower claims costs equal lower premiums. It might be helpful, for example, to offer an incentive to stop smoking. Blood pressure management and addressing obesity could also reduce claims.
- The use of Life Scan by College employees is being explored.

Other Items for Discussion

- The CEC asked that EBAC meetings not be scheduled for the same day/time as the CEC meetings.

The health insurance sub-committee was asked to consider the elements of the discussion and to revisit multiple facets of the proposal as well as to bring amended proposals or new proposals to the May meeting.

There being no further business, the meeting adjourned at approximately 3:30 p.m.