

# Employee Benefits Advisory Committee

Minutes from the August 14, 2013 Meeting  
ATC, Room 116

## In attendance:

Dan Richardson (Chairperson)	Judy Robbins (Resource)
Stan Jurewicz (Resource)	Yvonne Horner (Retiree)
Gerald Orso (Career)	Stephen Milczanowski (Faculty)
Sonya Polke (Resource)	Cleve Warren (Resource)
Dawn Swed (Resource/ Career Alt.)	Steve Stanford (Resource)
Denise Giarrusso (APC)	Larry Snell (Resource/ APC Alt.)
Chris Arab (Resource)	Mia Jeckel (Resource/ Note Taker)
John Robinson (Resource)	Bob Mark (APC guest substitute)

## Absent:

M. Kathy Ebener (APC)  
Ken Witten (Faculty)  
Belinda Potts (Career)  
Peggy Boord (Resource)  
John Fields (Faculty Alt.)

## Public:

Dennis Blank

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The meeting commenced at 2:00PM EDT. A quorum was confirmed to be present.

## **Introduction of New Participants** (Richardson)

Dan Richardson welcomed everybody and introduced himself as the new EBAC chairperson. Mr. Richardson also introduced John Robinson from RobinsonBush. Mr. Richardson let us know that Mr. Robinson's consulting firm comes highly recommended and Mr. Robinson will be assisting the College with health care reports and will speak to the Affordable Care Act.

## **Approval of Minutes** (Richardson)

Minutes from the August 6, 2012 and the March 21, 2013 meetings were provided to those in attendance to review. Mr. Richardson noted that some corrections were submitted via e-mail prior to the meeting and those corrections will be made. The motion to approve the minutes with corrections was approved by unanimous vote. (Moved by Snell, Seconded by Milczanowski)

## **Reports and Discussion** (Snell/ Blank) (Handout distributed)

EBAC subcommittees have this summer worked on Request for Proposals (RFP) for Long Term Disability, Employee Assistance Program (EAP), Dental and Vision Insurance. Mr. Snell provided

a handout that compared the current plan to the proposed plan. Mr. Snell said that if the EBAC accepted the subcommittee recommendations they would then be submitted to the September Board of Trustees Meeting for action. Clarification was asked related to the EBAC voting process. It was clarified that only EBAC members vote, not resources. Dr. Arab said she would provide the APM via e-mail after the meeting (attached). Voting members at today's meeting were: Larry Snell, Denise Giarrusso, Steve Milczanowski, Gerald Orso, Dawn Swed, and Yvonne Horner.

#### RFP Group Fully Insured Long Term Disability (LTD) Insurance

Mr. Snell reviewed the handout. A subcommittee comprised of Stan Jurewicz, Steve Milczanowski, and Gerald Orso, facilitated by Larry Snell publicly issued a Request for Proposal (RFP) and pursued a provider to provide a fully insured Long Term Disability Plan. The subcommittee's recommendation is to award the RFP and a 3 year fixed rate contract to The Hartford Life and Accident Insurance Company as the top ranked proposer which will be at a significant > 50% annual cost savings. Some discussion ensued. It was clarified that employees to qualify for LTD would still have to be out 6 months before this insurance would kick-in. The goal of this RFP was to match the current benefits offered under our current contract.

**Motion:** Approve the EBAC subcommittee recommendation of Long Term Disability Insurance as presented. The motion was approved by unanimous vote. (Moved by Snell, Seconded by Orso)

#### RFP Group Self Insured Vision Insurance

Mr. Snell reviewed the handout. An EBAC subcommittee comprised of Dan Richardson, Judy Robbins, and Steve Stanford, facilitated by Marilyn Merrill (Purchasing Agent II) publicly issued a RFP and pursued a provider to provide third party administration for the Colleges self-insured vision plan. The EBAC subcommittee recommendation was to consider the proposal from the incumbent Comp Benefits Company/ CompBenefits Insurance Company Humana as the top ranked proposer . It was noted that this is the same incumbent company the College is using for the current plan year, although their company name has changed. Mr. Richardson asked for discussion. There was none.

**Motion:** Approve the EBAC subcommittee recommendation of Vision Insurance as presented. The motion was approved by unanimous vote. (Moved by Snell, Seconded by Giarrusso)

#### RFP Employee Assistance Program (EAP)

Mr. Snell reviewed the handout. An EBAC subcommittee comprised of Lisa Moore, Mia Jeckel, and M. Kathy Ebener, facilitated by Dennis Blank publicly issued a RFP and pursued a provider to provide an Employee Assistance Program plan. The EBAC subcommittee recommendation was to consider the proposal from the incumbent Corporate Care Works as the top ranked proposer. It was asked if the two proposals received were comparable. It was stated that the services were comparable, but, the prices were not. It was stated that the second proposal came in at more than double the cost while the incumbent proposal was at a reduced cost to the current fees/cost .

**Motion:** Approve the EBAC subcommittee recommendation of the EAP plan as presented. The motion was approved by unanimous vote. (Moved by Snell, Seconded by Milczanowski)

### Group Life Insurance

2014 will be the last year of the current multi year fixed price contract with Minnesota Life for fully insured Group Life Insurance. Life insurance will need to be re-solicited by an EBAC subcommittee during 2014 for the 2015 plan year.

**Motion:** Renew group life insurance plan with Minnesota Life for 2014 at current rate guarantee. The motion was approved by unanimous vote. (Moved by Snell, Seconded by Giarrusso)

### RFP Fully Insured DHMO Dental Insurance

Mr. Snell reviewed the handout. An EBAC subcommittee comprised of Dan Richardson, Belinda Potts, and Sonya Polke, facilitated by Dennis Blank publicly issued a RFP and pursued a provider to provide a dental DHMO plan. The recommendation of the EBAC subcommittee was to award the RFP to Delta Dental (DD) as the top ranked responsive proposer. Discussion ensued.

Discussion Points Included:

- 33 people have doctors that would no longer be in-network with the switch to Delta Dental (DD). It was emphasized that DD is going to reach out to all of the providers of affected employees and try to get them to join their DHMO network. It was also highlighted that 6 of the 33 affected members' dentist retired on June 30<sup>th</sup> so they would need to find a new dentist, regardless. It was also mentioned that those employees who did not want to switch dentist could also switch to PPO dental insurance during open enrollment, where their dentist could possibly be in-network.
- The committee did receive references from Delta Dental and they came highly recommended.
- Many concerns were expressed because some employees had not heard of Delta Dental previously. It was noted that Delta Dental is America's Largest Dental Benefit Carrier.
- It was noted that the projected cost savings of switching plans is small (8%) but the additional cost of services to the employee seems larger. It was stated that the EBAC subcommittee did significantly more comparative analysis than listed on the 1 page meeting handout. In total, 7 pages of cost analysis were performed of over 300 different dental procedure codes. It was reiterated that DD seemed receptive to negotiating plan design to meet the College's needs.
- It was asked what the College's claims history shows as our top 5 most prevalent procedures. It was stated that analysis has not been conducted yet but we can ask the incumbent provider for which dental procedure codes they are and what the annual number of times employees used those procedures as we do have the cost per procedure information each proposer provided to the College to perform this analysis and can provide this additional data to the full EBAC as a follow-up.
- The EBAC subcommittee members also noted that they were impressed with DD's promptness and completeness and that they were very responsive to do all analysis that

were asked of them. It was also highlighted that DD provides 170 additional services that are not covered under the current DHMO plan.

- DHMO is currently covers adult orthodontics – this will stay the same with DD.
- Delta Dental does have online enrollment and the ability to order cards online. It was also added that they will come onsite to open enrollment if we want them to.
- It was highlighted that the goal during these economic times is to maintain the benefits, not to expand. For this reason, implants were not added as an additional service to minimize projected claims costs and premiums.

Mr. Richardson asked Mr. Snell to send the results of the weighted analysis of the 5 most prevalent procedures out to the EBAC. Mr. Snell confirmed he would send a chart and if the findings do not support DD, we will table taking action and take it to the next EBAC meeting in September and take it to the October board.

**Motion:** Approve recommendations, provided the weighted analysis of the 5 most prevalent DHMO procedures supports Delta Dental. The motion was approved by unanimous vote. (Moved by Milczanowski, Seconded by Giarrusso) It was later discussed and determined that this recommendation would not be submitted to the DBOT until the Dental PPO recommendation was ready to be taken to the board, so both dental recommendations could be presented together. It was later determined due to open enrollment approaching to submit to the September 10, 2013 board meeting a “golden rod” board agenda dental item that has blanks in it w/o referring to which company the College is recommending to be awarded the contract.

#### RFP Self-Insured PPO Dental Insurance

Mr. Snell reviewed the handout. An EBAC subcommittee comprised of Dan Richardson, Belinda Potts, and Sonya Polke, facilitated by Dennis Blank publicly issued a RFP and pursued a provider to provide third party administration services for a self-insured dental PPO plan. The recommendation of the EBAC subcommittee was to award the RFP to Delta Dental as the top ranked responsive proposer. Discussion ensued.

#### Discussion Points Included:

- Florida Combined Life (current provider) has two networks: In-network and out-of-network. Delta Dental has three networks: Premier network, PPO in-network, and out-of-network. This increases the number of licensed dentist either in-network or their Premier network providers from 323 under our current plan to 431 under DD’s proposed plan thus reducing the # of employees who today are balance billed by their out of network dentist.
- It was questioned what the dependent premium cost will be. This has not yet been decided because, being a self-insured plan, premiums are set by the College. Delta Dental and all proposers did provide actuarial premium recommendations and some of those numbers were shared. The College’s chart of dependent premium cost will be provided to the EBAC at a later time.

- Adult Orthodontics will not be included in this PPO plan. (Not a change from current plan)
- It was reiterated that the least amount of change with minimal economic impact is what we are looking for, for the employees.
- There was a request for a comparison of the negotiated rates for the procedures of the winning bid vs. the current plan. It was also noted that there were fewer procedures in the 80/20 category than in the current plan.
- Currently 204 dentist providers being used that are out of network. Under DD's RFP, 96 providers our employees are currently using would not be in either their Premier network or PPO in-network. An analysis has not been done yet to see if these 96 are part of the same 204, or if this is a different 96. This additional analysis will be performed and the results will be shared with EBAC at the next meeting.
- It was noted that Delta Dental has 34% of the national dental provider market, compared to Florida Combined Life's 11% market share. Information was not provided on the percentage of the Florida market specifically. Mr. Snell said he would bring this information back to the next EBAC meeting.

With all of the discussion, it was stated that it appeared we were not ready to move forward with dental DHMO or PPO recommendation. Mr. Snell pointed out that the current contract with Florida Combined Life would expire on December 31, 2013. He stated he was aware of only a few options if we do not want to accept Delta Dental's PPO proposal are to reject all proposals OR set negotiation objectives to negotiate with DD and if negotiations are unsuccessful to move to the second ranked proposal which was from Aetna as re-soliciting proposals at this late date is not an option as open enrollment starts in late November. Mr. Snell further clarified that he was not aware how we can stay with Florida Combined Life because they are not the 2<sup>nd</sup> ranked proposal but the 4<sup>th</sup> ranked proposer and not even a finalist and their current contract is in its final contract year ending 12/31/13.. At that point, Mr. Snell asked for guidance from the EBAC committee for the purchasing department. It was reiterated that Florida Combined Life being ranked 4<sup>th</sup> by the EBAC sub-committee is not an option so we need to look at the concerns and review the Aetna proposal. One individual expressed concern with going to Aetna based on previous personal experiences. Mr. Snell said that he had a number of EBAC requested takeaways being: Define Delta Dental's Network presence in the State of Florida, completing the requested top 5 procedure weighted cost analysis and sharing what each proposer included for their recommended Spouse/Family/Dependent Premium Price Chart. Dr. Arab recommended that we take both dental recommendations together to the Board of Trustees as golden rod agenda items. Mr. Snell requested and was approved to work with John Robinson our independent health insurance consultant to independently complete an analysis of both the 4 proposers' proposals and the EBAC subcommittee's recommendations and present his observations and recommendations at the next EBAC meeting.

**Motion:** Approve the EBAC subcommittee recommendation of Dental PPO as presented. (Moved by Snell, Seconded by Giarrusso) This motion was tabled by Richardson and will be revisited at the September EBAC meeting.

## **Update on Affordable Health Care Act**

This topic was moved to the September meeting due to time constraints.

## **Discussion on Health Care Cost (Cost projections for 2013-14)** (Jurewicz/ Robinson) (Handout distributed)

Mr. Jurewicz provided and reviewed a handout on cost projections. During and after the review of the handout, a general Q&A session ensued. Much discussion revolved around the guiding principal to not give something to the employee (referring to the \$1000 salary increase the Board of Trustees awarded most full-time employees this year) and then take it away through increased insurance premiums. An overview and benefits /advantages of an HMO plan were also discussed, as well as how to drive employees to this plan by making it more appealing. It was stated that the keys to drive employees to an HMO option would be education and consumerism. It was added that HMO spouse/family premiums will also have to be attractive. The possibility of increasing co-pays for emergency room visits and decreasing co-pays for walk-in clinics was suggested. It was asked if we were looking at a HMO option to be ready for the 2014 plan year's open enrollment and the response was yes that Mr. Robinson is working with us on this and looking at what is driving cost which will be discussed in more detail at the next EBAC meeting.

## **September DBOT Agenda Items** (Richardson)

An additional EBAC meeting was scheduled for September 4, 2013 at 12:30PM. This will provide another opportunity to get additional information to render a decision regarding the DHMO and PPO dental RFP in time to present a recommendation to the DBOT at the September 10<sup>th</sup> meeting for discussion. Dr. Arab said she would support a placeholder on the DBOT agenda for the RFP. Mr. Richardson said he would schedule the additional EBAC meeting.

## **Adjournment** (Richardson)

At approximately 4:15PM a fire alarm sounded. Mr. Richardson adjourned the August EBAC meeting at this point.