

Employee Benefits Advisory Committee

Minutes from the August 24, 2015 Meeting

AO, Room 403A

In Attendance:

Mark Lacey (Chairperson)	Jametoria Burton (APC)
Denise Giarrusso (APC)	Belinda Potts (Career)
Amanda Miller (Career)	Dawn Swed (Resource/Career Alternate)
Christina Goodell (Faculty)	Steve Milczanowski (Faculty)
George Coleman (Faculty Alternate)	Carmen Anchia (Resource/Note Taker)
Denis Blank (Resource)	Anita Bozic (Resource)
Stan Jurewicz (Resource)	Al Little (Resource)
Judy Robbins (Resource)	Larry Snell (Resource /APC Alternate)
Cleve Warren (Resource)	

The meeting commenced at 3:01 pm EST. A quorum was confirmed to be present.

Introduction of Members (Lacey)

Chair Lacey welcomed everyone and asked each person to introduce themselves and say which group they represent.

Approval of Minutes (Lacey)

Chair Lacey asked if anyone wanted to make a motion to approve the minutes from the September 4, 2014 meeting as presented.

Motion to approve made by Ms. Giarrusso, seconded by Ms. Potts.

Discussion: To clarify why there were so many abstentions; Faculty stated that the decision presented to the Committee was to choose the Consortium, or either raise the employee contribution from \$30/month to \$200/month or change the coinsurance from 90/10 to 50/50. This from Al Little who was not able to be exact because he had not investigated the possibility of continuing the plans.

The motion passed with a unanimous vote with the clarification noted.

Revisions to the APM 02-1911 Employee Advisory Committee (EBAC) (Lacey) (HANDOUT)

Major changes include no longer having a retiree representative on the Committee, and requiring only one meeting per year, changed from 4 previously. If more meetings are necessary, they can certainly have them but the requirement is to hold only one.

Discussion: On the rationale for removing the retirees from the group, and the possibility of having Yvonne Horner be a liaison for the retiree group when decisions are being made that have an impact on retirees. She brings a wealth of knowledge and the Committee would certainly benefit from her participation.

Faculty wanted to know what percent of the population of the group was made up of retirees.

The group also wanted clarification on what constituted a quorum.

Mr. Little recognizes the positive input from Ms. Horner and explained that because this is an employee benefits Committee and not a retiree Committee, the administration thought it would be best to only have employees participate. He agreed that if a request is made for a special type of group to participate, it can certainly be considered.

Ms. Robbins believes there are approximately 100 or so retirees participating in the plan out of 1400 employees.

Chair Lacey explained that the section of the APM covering quorum was not changed or updated. He confirmed that if one member from each group is represented they can vote accordingly, but if one group is not represented then it would take a 4 to 0 vote to pass.

Reports and Discussions

Health Insurance Plan Update (Little)

Mr. Little briefly reviewed the latest national trend on premium increases are running 9 – 10%. The Consortium has tentatively told us to expect a 5.5% increase in 2016 premiums. Although it would be preferable to have no premium increase, the expected increase is much better than the national average for industry standard plans that are ACA compliant. At the next scheduled meeting on Monday, 8/31/15, he would like to have representative(s) from the Consortium and Florida Blue talk to the group about any kind of design change.

Discussion: The 5 year average increase the Consortium quoted to the Committee last year was 4.27%, and the group wants to understand why the increase for 2016 will be 5.5%.

All group members expressed concern about whether the administration will be taking into consideration that employees have not received a pay increase when determining premium increase for 2016. Career employees as a group, have been hardest hit proportionally with the higher costs associated with the Consortium plans.

Various members expressed dissatisfaction with the Consortium plans in comparison with the plans the College previously offered.

Increased dependent coverage premiums, changes in the pharmacy formularies, and higher out-of-pocket maximum were other issues raised by the group.

Faculty wants to know if the Consortium has plans available with lower out-of-pocket maximums. One member believes that Santa Fe College has a plan with a \$2,000 out-of-pocket maximum, and believes that from the faculty's perspective, the College could have done better had it gone through a bid process instead of going through the Consortium. Faculty would like to know if the plan with the lower

maximum out-of-pocket can be offered to our employees; and would like to see a simple analysis of the cost per individual.

One member wanted to know if the College is offering industry standard benefit plans, whether Career employee salaries are at industry standards as well.

A request was made to see if it would be possible to assist employees with making plan election choices during open enrollment. Specifically, to have one-on-one consultations with Florida Blue representative(s) to review prescription and other health care costs.

Mr. Little explained that the figure given to the group last year was in fact a 5-year average and not a prediction of future rate increases. The College could not continue the plans being offered and went to the best plans available. Further, benefits are not tied to a salary increase, and the administration does the best it can to provide coverage that is affordable to its employees. Regarding increases, the budget has limited funds to operate under for the population of employees, and when there are no funds available to sustain an increase there is nothing that can be done.

Mr. Little assured the group that the College is already subsidizing dependents, in fact is one of only two schools in the state to subsidize dependent coverage for lower paid employees. He asked Mr. Stanford for an approximate figure for that subsidy. Mr. Stanford thought it was well over a million dollars. Mr. Little also explained that the costs for dependent coverage with the Consortium had decreased; and the administration had to look at the overall plan while making decisions for employee benefits. He went on to assure the group that the changes in prescription formularies are made by Florida Blue and would have occurred regardless of whether the College changed to the Consortium or not.

He explained that there was no time last year to go through a bid process, and that the College has a three year contract with the Consortium. Mr. Little believes 2016 could be the first year that the Consortium is phasing out plans that are not ACA compliant. The Consortium is invited to the next meeting to speak to the group and they could ask them to discuss the availability of lower out-of-pocket maximums plans.

Mr. Little did not have the data on Career employee salaries, but knows the College tries to be competitive and certainly attracts applicants.

With regard to one-on-one consultation, Ms. Robbins noted that Florida Blue and the Consortium staff were at each site last open enrollment. At the meetings the representatives outlined what each plan would cover in-depth and what the new costs would be. They even met with people outside of the open enrollment meeting for those individuals who really needed to review their costs. Ms. Robbins said they can certainly be invited again this year.

Chair Lacey wanted to mention that employees do not necessarily need to wait until open enrollment to request this type of review and one-on-one discussion. Employees can talk to their health care providers and start reviewing costs in preparation to open enrollment.

Ms. Swed wanted to see if the group would consider as a cost savings measure, getting rid of one of the PPO plans because there is no significant difference between the Basic PPO and the PPO Plus. She believes employees choose the PPO Plus plan because they think it must be the better plan since the premium is an additional \$59 per month.

Mr. Little did not believe there would be any cost savings with this measure, and is concerned that it would reduce employee choices. He believes that the majority of the employees choose to buy up to the higher PPO, and he wants to continue to offer the option.

Chair Lacey explained that any change in the number of plans and design would require communications to go out to employees and is not something that they can really consider a month out.

The discussion was tabled until the next meeting.

Vision and Dental Updates (Jurewicz) (HANDOUT)

Mr. Jurewicz reviewed the vision comparison handouts to show the Consortium's and the current College plan. Reviewing the two, it looks like the College plans are better. There was a 12.5% increase paid by the College and 1.9% increase for dependent coverage. He wanted to make the group aware that there are Consortium plans out there, but they have higher premiums and, in some cases, lower benefits. He recommends no change.

Mr. Jurewicz reviewed the dental plan handouts and believes that overall the plans offered by the College are richer across the board. He reviewed the proposed premiums increases for employees of 6.6% and 24% for dependent coverage. He explained that his review indicated a decrease in the average number of participants which effects the overall costs of the plan.

Career wanted to confirm that there will be an increase for Vision, Dental, and Medical. Mr. Jurewicz pointed out the dental HMO premium costs will be kept the same.

Chair Lacey asked if there were any other questions and whether the voting members wanted to make a motion. Faculty would like to see it in Board item format. By way of informal polling, the consensus of the group is to wait.

Chair Lacey reviewed the change to the FSA where participants will now have the benefit for 2016 of rolling over up to \$500 of unused FSA money. The change was enacted in February and the plan revision was sent out to everyone in June.

One of the members asked if the \$500 rollover was included in the \$2500 maximum. Chair Lacey noted that effectively employees should look at the funds separately. Mr. Lacey reiterated that right now the maximum is \$2500.

One of the Faculty members wanted to inquire before the meeting ended, if the group would be going over health plan premiums. She would like to see more information ahead of the meeting, information on the wellness program, incentives and/or funds allocation for the wellness programs, and information on employee usage.

Chair Lacey suggested the group leave the health discussion for next week. He explained that while there are wellness options available to employees, the College did not have staff managing a wellness program; but it could be something to review in the future.

Vision Insurance vs. Health Insurance (Milczanowski)

Mr. Milczanowski wants to table the next item because it has actually resolved itself.

403B/457 Update (Lacey)

Chair Lacey hopes everyone is aware that the HR department is in the middle of an ERP project, and part of the process is looking at deductions and participation levels. In going through the process, he learned that the College has 10 or so 403(b) and 4 or 5 457(b) providers. These are very high numbers of providers, and really do not give the College economies of scale or purchasing discounts. As a result of the review, he has discovered that there are 5 or 6 companies that have 5 or fewer people enrolled. There are discussions occurring among all the state colleges, to conduct a procurement process for the 403(b) vendors, as was done a few years back. Going forward in the interim, the College is going to freeze new enrollments on the plans that only have 5 or fewer participants, but employees already contributing can continue to do so.

The Committee would like to be provided a list of the companies for which the College plans to freeze enrollments. Chair Lacey agreed and mentioned that the larger companies like TIAA-CREF, Voya, Met Life, and VALIC, will remain available to employees.

Benefits – Contract Status (Snell/Blank)

Mr. Snell reviewed the handout that outlines the other College-paid employee benefits.

New Business (Lacey)

Open enrollment will run from 10/19 through 10/31. He hopes that this will be the last year the College will be dealing with paper forms. The next meeting will be Monday, 8/31/15, 3:00-4:00 pm.

Ms. Giarrusso wanted to give kudos to Judy and her team for completing the dependent audit.

Next Meeting (Lacey)

The Consortium will attend the next meeting, and the group can have discussions on health plans, review the dental and vision rates, and get a list of the 403(b)/ 457(b) providers. He mentioned that the agreement with the Consortium was contractual and that a vote was not really necessary. He asked if there was anything for the Consortium to prepare for the next meeting.

Faculty wanted to note that the group may vote on an issue to subsidize the plan more as a Board recommendation, and the Board can choose not to follow the recommendation because the group is just an advisory Committee.

Another member wanted to remind the group that a request was made earlier for more information on the Consortium plan with the \$2000 max out of pocket.; with the understanding that there might not be enough time to do anything for this open enrollment.

Mr. Little confirmed that he will contact the Consortium and try to get more information on any plans available. He believes, however, that most of the plans are being phased out because they do not comply with Health Care Reform.

Adjournment (Lacey)

Chair Lacey adjourned the meeting at 4:15 p.m. and thanked everyone for their participation.