

# Employee Benefits Advisory Committee

Minutes from the June 21, 2007 Meeting  
MCC, Room 462

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**In attendance:**

Chris Arab (Chairperson)	Yvonne Horner (Resource)
Ron Allen (APC)	Stan Jurewicz (Resource)
Bill Barfield (APC)	Janet Meigs (Minutes Recorder)
Robert Peeples (Career Alt.)	Sonya Polke (Resource)
Belinda Potts (Career)	Judy Robbins (Resource)
Karl Schmidt (Career)	Dawn Swed (Resource)
Jack Spears (Retirees)	Elaine Tisdale (Resource)
Steve Milczanowski (Faculty)	

**Absent:**

Mark Peeples (Faculty)	Kenneth Whitten (Faculty)
Larry Snell (APC Alt/Resource)	Steve Bowers (Resource)

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The meeting commenced at approximately 2:03 p.m. Chris Arab confirmed a voting quorum was present. The Committee was advised that as a final budget was not able to be presented to the June meeting of the Board, decisions regarding the 2008 benefits plan design would not be made today as originally envisioned at the February retreat.

**Approval of Minutes (5/17/07)**

**Motion: Approve the minutes as presented.** (Motion made by Bill Barfield and seconded by Ron Allen.) Discussion included a question of clarification. With the question answered, the motion was approved by unanimous vote.

**Health Insurance Subcommittee Report**

At the last meeting, two requests were made of the Subcommittee: (1) to find about the inclusion of Mayo physicians in the BlueOptions plan, and (2) to rework Option B looking at a logical or natural break in salaries where the gap between the next step impacts the fewest number of employees.

With regard to the first request, the Subcommittee reported that:

- Mayo services continue to be treated like a traditional PPO plan in that employees will still be responsible for coinsurance until they reach their out-of-pocket maximum.

- While Mayo would still be an out-of-network facility in the BlueOptions plan, there would be no balance billing.

The following points were made with regard to the second request by the Subcommittee members:

- It is believed that the initial breakdown on salary is the best option based on the current rates as well as looking at the amount of College subsidy, and no additional review was undertaken.
- It's premature to bring anything else forward on a premium structure at this time.
- The subcommittee did not look at the impact if employees were to receive a 3% salary increase but could factor that in.

Other comments included:

- Al Waters (via Elaine Tisdale) advised the Committee to be sure to consider that whatever is decided doesn't make it more difficult or too expensive for younger employees who positively benefit our risk pool.
- Consideration should be given to how many participating people may want to drop out if charged a larger amount for family coverage.

**The Subcommittee was asked to bring a scattergram of employees' salaries to compare naturally-occurring gaps with the currently proposed salary breaks.**

**Steve Bowers is still to provide the talking points based on the information he received from Committee members.**

### **SeniorSolutions**

Elaine Tisdale made a presentation based on information provided by BCBS. Key points included:

- The Consortium will be offering the plan in 2008 which will be BCBS's first offering.
- While the plan is employer sponsored, there are no employer contributions.
- The billing/enrollment process is currently being done.
- The plan is for Medicare eligible retirees and their dependents.
- This is a fully insured policy which would take them out of our policy and give them their own insurance risk pool. This would help reduce our risk pool experience.
- The BCBS plan would be the primary insurance versus Medicare.
- Medicare would pay what they would normally pay anyway.
- Several plans are available, the richest of which is approximately \$100 less expensive than our plan.
  - The HMO plan is only for selected counties.
  - The PPO plan is limited to statewide service and only includes two local hospitals.
  - The PFFS plan has national coverage.

- Prescription copays would be to continue to pay 10, 25 and 40.
- Under the PFFS plan, the retiree can see any doctor who accepts Medicare.
- Retirees would have a dedicated customer service group for any questions.
- The resulting risk pool would be isolated to former FCCJ employees.
- Cost increases would be dependent in part on actions taken by Medicare.

While offering the SeniorSolutions plan would result in a cost savings for the College, several questions still need to be answered. The Subcommittee needs to develop the business case for the offering. Included in the research should be whether or not the plan offering can be made mandatory for all retired employees.

The discussion continued with the following points made:

- The Committee was previously requested to look at carving out the drug plan. By doing so, the result would be what is being offered as SeniorSolutions.
- Some retirees have doctor relationship situations that might be adversely impacted if forced to go with the SeniorSolutions.
- The final plan design will not be available until around October. Can we wait?

**The Subcommittee was asked to bring a true business case for the SeniorSolutions offering and a business case for a drug carve out offering** to provide the Committee with comparables and enable them to make an informed decision.

### **Other Items for Discussion**

Humana has acquired CompBenefits.

There being no further business, the meeting adjourned at approximately 3:06 p.m.