

Employee Benefits Advisory Committee

Minutes from the March 13, 2008 Meeting
MCC, Room 462

In attendance:

Elaine Tisdale (Acting Chairperson)	Steve Bowers (Resource)
Bill Barfield (APC)	Yvonne Horner (Resource)
Steve Milczanowski (Faculty)	Stan Jurewicz (Resource)
Robert Peeples (Career)	Janet Meigs (Minutes Recorder)
Belinda Potts (Career)	Sonya Polke (Resource)
Larry Snell (APC)	Judy Robbins (Resource)
Jack Spears (Retirees)	Dawn Swed (Resource)
Kenneth Whitten (Faculty)	

Absent:

Chris Arab (Chairperson)

The meeting commenced at approximately 1:31 p.m. In Chris Arab's absence, Elaine Tisdale served as the Committee Chairperson. The agenda was reviewed with the Committee.

Approval of Minutes (9/13/07)

Motion: Approve the minutes as presented. The motion was approved by unanimous vote.

StarHealth Advantage Education

- StarHealth 101 scheduled for all campuses with two sessions completed to date.
- Intent of education sessions is to help employees be better consumers of the health insurance.
- Benefits team reviews definitions, expected charge matrix, how to read explanations of benefits (EOBs), etc.
- Two sessions are scheduled during the Wellness Fair later this month.

Review of 2007 Claims Costs

Prior to the review of 2007 claims costs, a general economic overview of the College was presented with the following points made:

- General revenue is predominantly comprised of sales tax.
- The recurring general revenue projections for the State of Florida are declining.
- With the housing market down 75% since two years ago, there has been a major loss of revenue (sales tax, documentary stamp tax, etc.).
- With a reduced intangible tax in Florida, a poor revenue estimate is expected.
- In the Special Session held October 2007, FCCJ's funding was reduced by \$2.5 million.
- By a legislative vote held March 12, 2008, another \$1.1 million in funding will be cut.
- Next year legislature said to anticipate another funding cut in the Spring session which is estimated to be about \$4 million for FCCJ.
- FCCJ's 2008 fiscal year budget will total approximately \$8 million less than the 2007 fiscal year budget.
- One option is to cap enrollment but that defeats the institution's purpose.
- Salary increases are still anticipated and the benefits plans will be preserved.
- College positions may need to be reduced.

The discussion turned to medical insurance claims costs with the following points made:

- Calendar year costs for 2007 went down 2.7%.
- With the implementation of the new health insurance plan, projections are for a 4.7% increase in costs in 2008.
- The trend line of 10% should be realized in 2009.
- High jumps in the claims costs usually reflect major hospitalizations.
- The dependent premium subsidy is on target to be approximately \$500,000 this year and should remain flat in 2009.
- The premium assistance payment distributed this year was a one-time payment and is not up for consideration for 2009.
- The College will continue to pay 100% of employee premiums in 2009.
- The BlueOptions dependent costs are anticipated to increase 11.5% or \$52 per month.
- To keep the subsidy level at approximately \$500,000, dependent premiums are expected to need to increase 14.6% in 2009.
- Constant subsidy does not mean constant premiums.
- The law prohibits charging more than the full cost of premiums so the highest salaried employees and retired employees cannot incur more than an 11.5% increase. The difference between 11.5% and 14.6% are expected to have to be absorbed by others.
- The cost shifting in the new plan showed up in higher deductibles and higher copays.

Open Enrollment Results

- During open enrollment 22 employees termed coverage on their spouse and 13 employees termed coverage on their child(ren).
- 127 employees signed up for the additional level of supplemental life insurance.
- For long-term care, 186 employees are enrolled which reflects an increase in participation.

Review of FSA and 403(b) Participation

- Even though the employer contribution was discontinued, 619 employees signed up to participate in the Flexible Spending Account (FSA) program compared to the 174 who signed up in 2003.
- Enrollment for 2008 for FSA was down compared to enrollment for 2007.
- Employees' experiences with the new health insurance may lead to an increased participation level in 2009.
- Education efforts need to be increased for increased participation.
- 907 employees are contributing to a 403(b) plan compared to 482 in 2004.

Benefits Offerings – 2009

- For dental and vision there is an option to renew this year.
- The recommendation is to negotiate a satisfactory renewal of contracts versus rebidding to maintain the cost effectiveness of the plans.

The discussion turned to possible benefits offerings for part-time employees with the following points made:

- Solantic offers a discounted debit card where an employee could receive a card with \$400 loaded on it for a purchase price of \$299.
- The card is good for one year and can be used by employees and/or their family members.
- No refunds or allowances are available with the card.
- There would be no cost to the College for the purchase of the cards.
- There are several plan options for card purchases.
- For a monthly discount option, employees may want to use payroll deduction.

Motion: A subcommittee be developed to explore the various options for providing part-time employees with health insurance. The motion was approved by unanimous vote. Larry Snell asked for volunteers to serve on the subcommittee and Elaine Tisdale and Belinda Potts agreed to serve on the subcommittee.

Other Items for Discussion

- Two initiatives are being presented at the next meeting: Retirement Camp and a formal Wellness Program.
- Explore whether the prescription formulary can be modified to include Chantix, a smoking cessation drug.

The meeting formally adjourned at 3:03 p.m.