

Employee Benefits Advisory Committee

Minutes from the August 26, 2019 Meeting AO – 403A

Members in Attendance:

Mark Lacey (Chairperson)
Christina Goodell (Faculty)
Matt Wetzel (Career)
Mandi Miller (Career)
Steve Milczanowski (Faculty)
Jametoria Burton (APC)
Denise Giarrusso (APC)

Resources in Attendance:

Al Little
Steve Stanford
Anita Kovacs
Diana Crigger
Judy Robbins
Randi Brokvist
Tim Nelson

Members Absent:

Lori Cimino – Alternate
Jill Bradberry – Alternate
George Coleman – Alternate

Resources Absent:

Debbie Monnserrat

The meeting commenced at 3:00 p.m. A quorum was confirmed to be present.

Chair Mark Lacey opened the meeting by welcoming everyone and thanking them for their attendance.

Approval of Minutes (Lacey)

Motion: To approve the July 11, 2019 meeting minutes as presented. (Moved by Mr. Matt Wetzel, seconded by Ms. Jametoria Burton.)

Discussion: Professor Steve Milczanowski questioned whether Mr. Ferguson with Florida Blue made the statement as indicated in paragraph two, second part of the sentence.

Amended Motion: Approve the July 11, 2019 meeting minutes with the sentence in question stricken. (Moved by Mr. Wetzel, seconded by Ms. Burton.)

The motion as amended passed by unanimous vote.

HDHP / HSA Update

Mr. Al Little asked to revisit the EBAC discussion regarding delaying the implementation of the HDHP Plan as the base plan for a year in order to do more research and to gather more data.

The FSCJ District Board of Trustees (DBOT) at that time was comfortable with the plan to move forward with having the HDHP plan as the base plan. Soon thereafter, a new President was appointed, Dr. John Avendano. Dr. Avendano was under the impression that this move had already been decided. Mr. Little conveyed EBAC's concerns and supported their recommendation to delay the implementation allowing time for further review.

Chair Lacey reminded the Committee that the recommendations from this group were:

1. Delay implementation of making the HDHP the base plan.
2. Continue the dependent subsidies for health insurance.
3. Continue the \$1,000 FSCJ contribution to the HDHP/HSA plan.

Mr. Wetzel expressed appreciation to Mr. Little for taking the recommendations to the DBOT and discussing it with Dr. Avendano thereby allowing the Committee members' voices to be heard.

Ms. Denise Giarrusso sought confirmation that during Open Enrollment, employees will be notified of the College's plan to make the HDHP plan the base plan in 2021.

Chair Lacey confirmed there would be communication and informational sessions for employees to continue to learn about the HDHP.

As recommended, the FSCJ HSA contribution of \$1,000 and dependent health insurance subsidy will continue for 2020. The current plan is to continue in 2021; however, it is yet to be confirmed.

Professor Milczanowski expressed his continued concern with Florida Blue's lack of information outlining where the money for the subsidy is originating. His concern is that it is originating at the expense of employees who utilize the plan and have to meet the high deductible. Healthy employees will obviously benefit from the plan.

Chair Lacey suggested setting aside the subsidies and strictly looking at the premiums. Employees save on the HDHP premiums because the insurance company pays out less. Because of the Consortium's and the College's contributions, some people come out ahead dollar wise. Those who use the plan pay to meet the deductible. Until the deductible is met, Florida Blue makes no payment. Employees on other plans pay co-pays/co-insurance with every plan usage. Florida Blue pays with every plan usage as well. This helps with the cost rating.

Dental Insurance

Handouts were distributed showing the monthly premiums and the annual costs, as well as a comparison of the College's PPO and DHMO plans to the Consortium's plans. The RFP conducted for dental insurance resulted in the selection of Delta Dental.

Chair Lacey detailed the breakdown of the monthly premiums of current and proposed plans through FSCJ comparing them to the Consortium's plan offerings. The difference noted between the plans was the tiers. By moving to the Consortium's plan offerings and tier structure, there is a savings for the College and employees. It should be noted that the premium for family coverage under the Consortium's plan is slightly higher.

Discussion ensued concerning the differences in the plans and the costs savings to the employees.

Motion: To move to the Consortium's dental plans for 2020. (Moved by Mr. Wetzel, seconded by Ms. Mandi Miller.)

The motion passed by unanimous vote.

Proposed 2020 Premiums

Ms. Randi Brokvist discussed the proposed 2020 premiums noting that dental premiums are not on the information presented.

An increase of 5.53% on the health side is being presented to the DBOT. It should be noted that the market is showing an average increase around 8.8%. No changes are being proposed to the vision rates. Life insurance rates remain the same for active employees. Rates for employees who opt out of health insurance remain the same for the D/V plan.

As further clarification, Chair Lacey stated that while the proposed life insurance premiums for active employees did not increase, the proposed rates for retirees will increase. The life insurance maximum for newly retired employees is a \$5,000 policy. Previously, retirees had the choice of keeping their current coverage level or switching to the \$5,000 policy. Most of the retirees kept what they had, and they will see the increase in premiums. This process will continue until the aging population decreases to the \$5,000 premium amount at which time retirees will see a leveling out of premiums.

Chair Lacey stated language will be added about moving to the HDHP plan as the base plan for 2021; this will help to set the stage for next year.

Mr. Wetzel asked when the College's and the Consortium's HSA contributions would be made available. Chair Lacey stated that the plan is to distribute the \$1,000 College contribution over the 12 months; however, the Consortium's contribution (\$500/\$1,000/\$1,500 based on coverage) would be front-loaded on January 1, 2020.

Motion: To recommend the 2020 rates as proposed with the understanding that language will be added noting the possibility of the HDHP plan becoming the base plan for 2021. (Moved by Ms. Miller, seconded by Ms. Giarrusso.)

The motion passed by unanimous vote.

403(b)/457(b)

Chair Lacey commented that approximately 1½ years ago, the College started reviewing current providers and plans. A request for proposal was created with the assistance of TSA Consulting Group. Professor Chris Goodell was an integral partner in the process.

Seven (7) proposals were received and the committee's goal was to narrow it down to one (1) or two (2) providers. There were three (3) finalists – AIG (formerly known as Valic), TIAA and Voya. The committee's recommendation was to select two (2) providers, AIG and TIAA. A formal announcement will go out to all employees.

Roth options are being incorporated and the platform will shift away from variable annuities to mutual funds including target date funds. The process for enrolling is being simplified. Hopefully, these actions will help increase enrollments. The plan changes will be effective January 1, 2020. Additionally, plan representatives will be allowed to be on campus to do educational classes and meet with employees regarding their retirement needs.

Employees can leave their funds with their current provider but will no longer be able to make contributions through payroll deductions to that provider beyond 2019.

Ms. Goodell asked whether incentives for employees to contribute to one of the plans will be offered. Chair Lacey replied that options are being explored.

Ms. Judy Robbins commented that employees need to think outside of the Florida Retirement System (FRS) realm. A 403(b)/457(b) is an added savings plan to their retirement. For new hires (future retirees), there is no COLA with the FRS, so a 403(b)/457(b) plan would be a good option for employees to save for retirement.

Chair Lacey thanked the Committee for putting in the time and effort to help ensure benefit offerings continue to meet employee needs.

Other

No other items were presented.

Next Meeting

The next meeting will be held in February 2020.

Adjournment

There being no further business, the meeting adjourned at 4:35 p.m.