

# Employee Benefits Advisory Committee

## Minutes from the October 27, 2011 Meeting AO, Room 403A

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### In attendance:

Christine Arab (Chairperson)	Dennis Blank (Public)
Bill Barfield (APC)	Peggy Boord (Resource)
Yvonne Horner (Retirees)	Stan Jurewicz (Resource)
Steve Milczanowski (Faculty)	Janet Meigs (Minutes Recorder)
Robbie Peebles (Career)	Judy Robbins (Resource)
Steve Stanford (APC Alt)	Larry Snell (Resource/APC Alt)
	Elaine Tisdale (Resource)

### Absent:

Steve Bowers (Resource)  
Sonya Polke (Resource)  
Belinda Potts (Career)  
Catherine Rifkin (Faculty Alt)  
Dawn Swed (Resource/Career Alt)  
Ken Whitten (Faculty)

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The meeting commenced at approximately 1:36 p.m. A quorum was confirmed to be present.

### **Approval of Minutes (9/1/11)** (Arab)

**Motion:** Approve the minutes as presented through email prior to the meeting. The motion was approved by unanimous vote. (Moved by Snell; seconded by Barfield.)

### **Reports and Discussion**

#### Subcommittee Report (Jurewicz/Snell)

A high level discussion was held with U.S. Preventative Medicine regarding the management of a wellness program.

- There are certain services available to the College and to employees through BCBS that are contemplated in the current contract that would be a duplication of services with U.S. Preventive Medicine.
- There needs to be a coordination of services by U.S. Preventive Medicine to help them understand how to maximize BCBS offerings as part of the wellness plan.
- BCBS has agreed to fund us for \$75,000 a year for a College wellness program requiring the College submit back to BCBS confirmation the money was spent on wellness.

- U.S. Preventive Medicine provided a draft executive summary document to Chris Arab that is intended to be used at a Cabinet meeting to help gain senior level management commitment for a Collegewide wellness program. Dr. Arab provided USPM feedback as to requested revisions to their draft document. A return response has not been received from USPM.
- Before a wellness contract is entered into, senior level cabinet member support for such a program will be sought.

A question was asked regarding the company's experience with wellness program management locally.

- The company is relatively new and, therefore, cannot provide return on investment experience information.
- U.S. Preventive Medicine advised the College on this point.
- In absence of ROI information, U.S. Preventive Medicine shared they are willing to put some of their fees at risk based on performance.
- Retired employees will be included in the wellness plan as much as possible as their claims experience impacts premiums.
- The intent of the wellness program is to operate from a preventive perspective by using intervention, case management, and incentives and engagement.
- The onsite representative is a key person to the program's success.

The College's desire to go to a tobacco free environment is strongly supported by U.S. Preventive Medicine. They suggest a slow implementation by making the announcement of a future target date and offering materials and services during the "lead-up" period. The College has already been offering smoking cessation meetings for students which can be expanded. There may also be a grant available to help offset the costs of cessation medications.

#### Benefits Open Enrollment Update (Tisdale)

- Campus meetings have been held with the greatest response coming from South and North Campuses.
- Most employees are not changing plans but are coming to sign up for FSA participation.
- Even with the change in premiums for the BCBS Senior Solutions plans, the retired employees who currently participate in the plans seem to be electing to continue to do so.

As a side note, Medcom sent a letter advising they are going to a new computer system which will mean new FSA cards will be issued. Hopefully the new system will eliminate some of the automatic letter generations.

As a second side note, Peggy Boord has finalized information to allow College employees to utilize TSA Consulting Group's online system to manage their own 403(b) transactions. This should help expedite the processing of employee requests.

## **Committee Action Items**

### Solicitations (Snell)

- At the last EBAC meeting the question was raised as to when the College will solicit for a new health care plan provider. (The last solicitation was done seven years ago.)
- When BCBS won the contract, the request for proposal (RFP) included multiple lots which allowed the College to make modifications to the plan design.
- The College has taken advantage of this contractual flexibility to most recently move on January 1, 2012 from having two risk pools to having a single unitized blended risk pool.

Should the EBAC wish to recommend posting a request for proposal (RFP) for health insurance, it is recommended that it be done in multiple phased projects. The first phase is to issue a Request for Qualifications (RFQ) to identify a national independent health insurance consultant (IHIC) to assist with the development of the health insurance RFP. The IHIC would be an independent consultant versus a broker. This could be someone like AON, Ceridian, Mercer, Segal, etc. This project would be managed by Larry Snell and Dennis Blank and would need to begin next month (November 2011).

The second phase would actually be split into two separate projects: #2A - issuance of the group health insurance RFP; and #2B - development of an external benefits customer service management company RFP. Project 2A would be managed by Larry Snell and would need to begin in February 2012. Project 2B would be managed by Dennis Blank and would need to begin in March 2012. Both Projects 2A and 2B would incorporate the assistance of the IHIC identified in Phase 1 above. It is possible that a single company could be awarded both 2A and 2B.

The following discussion points were made:

- The recommendation for Projects 2A and 2B will need to be submitted as an information item to the August/September 2012 Board meeting.
- The new health care reform notification requirements stipulate a 60 day notice for substantial changes to a health insurance plan.
- Based on their expanded network, BCBS may ultimately win the Group Health Insurance RFP again. Per our independent health insurance consultant, it is advisable to open the offering to competition every 5-7 years.
- It was noted that our employees may not be receptive to change should a different vendor be awarded the contract but that should not influence the process.

Project 2B would be for a company that could facilitate the online enrollment of all benefit offerings that encompass an employee choice when they are initially hired or during the benefits open enrollment period (health, dental, vision, life, long-term care, and FSA).

- It was shared that most enrollment management vendors will want to start their enrollment process in August to allow time to get information out to employees.
- With the complexity of HIPAA and the interface between voluntary and regulatory benefits, employees have many questions.
- It is difficult to have enough staff trained to answer every question timely and accurately.
- It was clarified by Dr. Arab that the awarded company would be the first point of contact for an employee during initial enrollment, benefits open enrollment and for any questions thereafter.
- Most large organizations are using this approach.
- If there is a nonstandard type of employee question or if the awarded firm is unable to resolve an issue, the unresolved open issue would be forwarded to the College for a response.
- In all contracts it is suggested that a service accuracy formula be incorporated where the company would owe the College a fee if they fail to deliver appropriate services.
- It was shared that some companies can provide online open enrollments independently for a fee (i.e., BCBS – health insurance). However, this does not simplify things nor improve the service to employees.
- The total annual cost for the service will determine whether it requires Board approval as contracts greater than \$195k require Board pre-approval. To get an idea of the potential cost, Stan Jurewicz will call the Duval County School Board to identify cost per employee under their contract with Fringe Benefits, and Elaine Tisdale will check with the Consortium for the same information.

Volunteers will be needed for these various projects. This can be very time consuming. Responsibilities include:

- Reviewing the draft of the RFQ / RFP.
- Define a rating matrix.
- Invite companies to come and ask questions about the document; develop/issue written addendums as warranted.
- Attend the actual opening of the request.
- Review the submissions; determine the rank.

Project 2A will consume the most time (approximately 30-35 hours of EBAC subcommittee members' time). Projects 1 and 2B will take approximately 15 hours of EBAC subcommittee members' time. The volunteers for the Project 1 RFQ evaluation committee are Chris Arab, Peggy Boord, Stan Jurewicz, Bill Barfield and Yvonne Horner with Larry Snell and Dennis Blank as RFQ facilitators.

A January 2012 EBAC meeting will be called to review the progress on the U.S. Preventive Medicine contract, the wellness program, etc.

### **Adjournment**

There being for further business, the meeting adjourned at 2:37 p.m.