In attendance:
Chris Arab (Chairperson)        Steve Bowers (Resource)
Ron Allen (APC)                Yvonne Horner (Resource)
Belinda Palmer (Career)        Janet Meigs (Minutes Recorder)
Karl Schmidt (Career)          Sonya Polke (Resource)
Larry Snell (APC Alt/Resource) Judy Robbins (Resource)
Marcella Washington (Faculty Alt.) Dawn Swed (Resource)
                              Elaine Tisdale (Resource)
                              Jo Vosefski (Resource)

Absent:
Mark Peeples (Faculty)
Jack Spears (Retirees)
Kenneth Whitten (Faculty)

The meeting opened at approximately 1:35 p.m.

Approval of Minutes (8/10/06 and 9/7/06)

Motion: Approve the minutes of August 10, 2006 as presented. (Motion made by Belinda Palmer and seconded by Karl Schmidt.) There being no discussion, the motion was approved by unanimous vote.

Motion: Approve the minutes of September 7, 2006 as revised. (Motion made by Larry Snell and seconded by Belinda Palmer.) Discussion included clarification of line 50 in that .08 above budget cap translated to .08 million. Also, on line 90, there are no employee premiums.

The motion was approved by unanimous vote.

Discussion of Optional Offering / Health Insurance Overview – Cost Trends/Projections

Steve Bowers advised since the last EBAC meeting, two significant meetings have occurred: The Board meeting last Tuesday with discussion focusing on health insurance plans and the Cabinet meeting this week. The Board was advised we would
be continuing with the second year of the plan design change. Other points made include:

- FCCJ is the only institution offering just the traditional PPO plan. In considering a high deductible HSA plan both the Board and Cabinet discussed the lack of time for proper education for the introduction of a high deductible plan.
- None of our peer institutions subsidize dependent premiums.

Chris Arab added the following points to the discussion:

- Our community college counterparts in the Consortium who are implementing a non-traditional PPO with a high deductible and HSA option in 2007 spent all of 2006 in multi educational meetings across state with employees and member groups.
- After reviewing the results of high deductible plan offerings, three community colleges have decided to pull back from the high deductible offering through the consortium based on an assessment of the readiness of employees.
- There is a big learning curve for the plan implementation.

Steve Bowers advised the Cabinet decided not to go forward with a new PPO with a high deductible HSA for 2007 but rather make it part of the planning for 2008. Discussion among the EBAC members supported this decision with the following points made:

- Implementation of the plan needs to be successful which means people fully understand the impact of their decision to select it.
- Education needs to include the difference between an HSA and an FSA.
- The plan design needs to incorporate a decision about the College’s contribution into the HSA, if any.
- Expectations for the high deductible plan were that it would cost 40% less; however, it is only showing a 3-4% cost reduction at present.

At this point Elaine Tisdale advised participation in a web cast regarding high deductible plans will be purchased and aired in the Human Resources conference room on September 26 from 2 p.m. until 3:30 p.m. All are welcome to attend.

Returning to the agenda, Steve Bowers distributed a handout and made the following points:

- Health insurance premiums for 2007 for all benefits plans aggregated together will be increased by 7%.
- Retirees will see a drop in HMO health premiums.
- Employee HMO health dependent premiums will go up about 17% and the costs will be passed to employees.
- The College will maintain the same subsidy level as in 2006 (41%).
- Employees will continue to pay $50 per month for PPO health coverage.
- PPO health premiums for retirees will be almost $600 per month, up 18%.
• PPO health dependent premiums will increase 9.3% and will continue to be subsidized by the College (54%).
• HMO dental premiums will remain at current levels.
• PPO dental will see a decrease in premiums based on favorable claims experience.
• The life insurance contract runs through 2007.
• Vision insurance premiums will remain at current levels.

Marcella Washington requested a breakdown of the number of employees in each employee group participating in the PPO health insurance plan.

Steve Bowers distributed draft copies of the Board agenda items that will be submitted at the October meeting. Highlighted points include:
• The College will not be contributing to the Flexible Spending Account (FSA) except for those who opt out of our health insurance. The College will continue to pay the administration fee and for cards for new employees, which is approximately $79 per participating employee.
• The College will not be withdrawing from the 403(b) plan but will not be offering a contribution match in 2007.
• Employees wishing to continue their 403(b) contributions will not need to sign any forms.

The question was asked whether the College will implement a Roth 403(b). This item will be discussed at the next meeting.

Other Items for Discussion

Elaine Tisdale advised Human Resources is gearing up for benefits open enrollment and distributed two handouts. The following points were made:
• The limited changes to current plans do not warrant formal education sessions.
• The enrollment scheduled will be communicated via e-mail, flyers, and supervisory information.
• Morning and afternoon sessions will be held on each campus to allow faculty the opportunity to attend.

Marcella Washington offered to personally send an e-mail to faculty advising them of the schedule.

Ron Allen advised brochures of dates for benefits courses could be given out at open enrollment sessions.

Chris Arab directed the focus of the meeting to planning for 2008 benefits making the following points:
• Given the significant changes anticipated for 2008, a lot of immediate work needs to get done if we’re going to have good direction and time for education.
• For the January meeting, an extended meeting is suggested to start with lunch and going until 4 p.m., or start in the morning and go through lunch.

• Presenters might include:
  → Dr. Wallace to give us the charge, funding formula, pressures on the College, salary issues, where dollars need to move, etc.
  → Al Waters to provide a good overview of the health care industry.
  → Jimmy Kelly, our account exec., to discuss the BCBS experience, what’s happening with large groups, etc.
  → John Radcliff to talk about the Duval Country School Board experience with moving to a tiered product providing “lessons learned”.

• We need a good four hours to do that in-depth think piece.

• A time-line for January, February and March can be established to help accomplish our education objectives.

This might be a good time to explore total compensation and revisit what percentage of the available dollars is going to life, health, etc. It would also be a good time to review the equity issue (single employees receiving the same total compensation as those with dependents).

The suggestion was made to schedule Friday, January 12, for the meeting. Chris will make preliminary contact with the individuals referenced and advise the Committee.

Jo Vosefski will explore whether Duval County School Board offers the HSA option. Elaine Tisdale will contact UNF about their experiences with the HSA plan.

At this point Larry Snell advised the life insurance contract must be rebid in 2007.

Chris Arab advised EBAC minutes will be posted on the HR web site after being approved.

There being no further business, the meeting adjourned at approximately 2:54 p.m.