

Faculty & Staff Benefits Committee Minutes

Final

Meeting Date and Place: Tuesday, 10/13/15, 3:30 pm, Herzstein Reading Room, Zimmerman Library

Members Present: Fran Wilkinson, Doleswar Bhandari, Elaine Phelps, Shawn Berman, Glen Effertz, Karen Mann, Jason Wilby, Lee Brown, Codruta Soneru, and Mark Maddaleni.

Members Excused: Carol Bernhard, Dorothy Anderson, and Marcia Sletten.

Guests Present: Brenda De la Pena, Human Resources, Crystal Davis, President Staff Council, Pamina Deutsch, Policy Office.

Members Absent: Theresa Ramos and Cenissa Martinez.

	Subject	Notes	Follow-Up
1	Call to order (Fran)	The meeting was called to order at 3:30pm by Co-Chair Fran Wilkinson. Fran began the meeting by reviewing the agenda. Glen Effertz then made a motion to approve and it was seconded by Mark Maddaleni. All present approved, no abstentions. Fran then asked for a review and approval of the 9/8/15 minutes and pointed out changes that needed to be made in the areas of Bereavement Leave and the 15-Day Waiting Period for Health Care Benefits for new employees. Karen Mann pointed out that her name needs to be in the minutes for making the motion to approve the previous minutes, as opposed to Jason Wilby. Dennis Dunn will make all changes and post the minutes on the Faculty Governance website. Karen then made a motion to approve the minutes as amended and Shawn Berman second the motion. All approved, no abstentions.	None needed
2	Human Resources (Brenda De la Pena)	<p>FSA Carry Over Update:</p> <ul style="list-style-type: none"> • Brenda began her presentation by handing out copies of her slides from her recent Flexible Spending Account Open Enrollment presentation; • The Carry Over is for FY2016 but will be applied to FY2017; • Individuals will be able to access up to \$500; • If you have a break in your benefit eligibility that is when your access will end; • The dependent FSA will have a grace period; • The enrollment period is Wednesday, October 28, 2015 thru Wednesday, November 11, 2015; • Employees need to print and retain their Open Enrollment "Confirmation Statement" for their records and as proof of their enrollment; • More information can be found on the Human Resources website; 	None Needed
		<p>Tuition Remission:</p> <ul style="list-style-type: none"> • Fran reported that remissions above \$5,250, according to the Internal Revenue Service, are taxable; • Graduate level remissions are 100% taxable; • Brenda reported that the IRS states that any enrichment courses that are for games, sport or hobbies, or, classes that are not professional or academic development are taxable; <p>3 – 5 Year Benefits Strategy:</p> <ul style="list-style-type: none"> • Elaine reported that all the stakeholders' interviews were completed last week. The information from these interviews now needs to be summarized; • Glen stated that he met with Aon and they said the stakeholders will receive the summary's by the beginning of the year; 	None needed

		<p>Year End Financial Update: FY2015</p> <ol style="list-style-type: none"> 1. The Medical/RX plan realized a deficit (100.3% total cost ratio) through June 30, 2015. 2. The Medical/Rx plan experienced an increase in total enrollment of 4.5% (304 employees/retirees) 3. UNM Health = 14.3% of total enrollment; Presbyterian = 22.9% of total enrollment; BCBS = 62.8% of total enrollment. 4. Average total medical/Rx PEPM cost for all plans was \$800.66 (UNM Health = \$617.58 Presbyterian = \$1,043.77 BCBS = \$748.88). 5. Rx accounted for 24.2% of total gross paid claims (medical costs PEPM were essentially unchanged from FY14, but pharmacy costs increased 17.1% over FY14). 6. Large claims (>\$250,000) accounted for 4% of total Medical/Rx paid claims, which is the lowest level in the past 4 years, both in terms of claim dollars (\$2.5 million) and percent of total claims, at 4%. 7. Through June '15 there were an average of 709 early retirees on the medical plan, which accounts for 10.3% of total enrollment. Early retirees accounted for 11.8% of total net medical/Rx paid claims year-to-date. The early retirees had a 105.1% total cost ratio. The active employees 99.6% total cost ratio. 8. On a PEPM basis, early retiree Medical/Rx costs were 12.9% greater than active employees. 9. Lobocare (Tier 1) accounted for 58.7% of BCBS and 1.8% of Presbyterian's paid claims. 	
	Human Resources Updates (cont.)	<p>Benefits Analysis:</p> <ul style="list-style-type: none"> • Elaine stated that Human Resources is still working on comparing UNM's benefits with its peer institutions; 	
4	VEBA (Fran)	Fran reported that the VEBA Board is now called the VEBA Committee, and that she sits on the committee. The Committee is in the process of collecting information for the preparation of an executive summary document. Bank of America has reported to UNM that there is now ten million dollars in the VEBA account, with another one and a half million to two million that will be transferred into the UNM account.	None needed
5	Faculty Senate Budget Task Force (Fran)	Fran explained the origins of the Budget Task Force and how it grew out of the Faculty Senate Budget Committee. The Task Force's purpose is to give the faculty a voice with the Board of Regents regarding UNM's budget. On October 12, 2015 Andrew Cullen, Budget Office, gave a presentation to the Task Force on the budget information he presented to the Board of Regents at their last Finance & Facilities meeting. He reported that there will be no increase in tuition and enrollment is not seen as increasing. At this time it is anticipated that 87 unfilled staff positions will be eliminated in order to save money. When calculating each position at \$40,000 the savings would amount to \$3,480,000. At this time Andrew does not anticipate any employee layoffs.	
6	Retiree Association (Glen)	Glen reported that at the last Retiree Association meeting the main topic was post 65 open enrollment which starts October 14, 2015.	None needed
7	Goals & Agenda Items for the Fall Semester (Fran)	Fran reported that the Business Council, of which she is the chair, will be having meetings in October, November and December. She will report to the Benefits Committee of developments at these meetings, especially items that overlap both the Business Council and the Benefits Committee. Crystal informed the committee that Staff Council is still working on CNM tuition remission as a benefit.	None needed
8	Other Business	None.	None needed
	Next Meeting	November 10, 2015.	
	Adjourn	Meeting adjourned at 4:35pm.	

Minutes submitted by: Dennis Dunn, University Secretary's Office.

