

Faculty Staff Benefits Committee Minutes

DRAFT 3

Meeting Date and Place: Tuesday, 3/8/16, 3:30 pm, Herzstein Reading Room, Zimmerman Library

Members Present: Fran Wilkinson, Carol Bernhard, Dorothy Anderson, Elaine Phelps, Lee Brown , Shawn Berman, Doleswar Bhandari, Glen Effertz, Emily Arzate, Jason Wilby, Marcia Sletten and Conduta Soneru.

Members Excused: Mark Maddaleni.

Guests Present: Pamina Deutssch, UNM Policy Office and Carol Stephens, Retirement Association.

Members Absent: Theresa Ramos, Cenissa Martinez.

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

| | Subject | Notes | Follow-Up |
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| 1 | Call to order (Fran) | Fran Wilkinson called meeting to order at 3:35 pm. She stated that after approving the agenda, and past minutes, she would like to discuss the committee's charge with the committee members. | None needed |
| 2 | Review and approve agenda (Fran) | A motion was made by Lee Brown to approve the agenda and then it was seconded by Glen Effertz. All approved, no abstentions. Before approving the February 9, 2016 minutes Doleswar Bhandari had one correction. He was listed as attending the meeting when he was absent. Dennis Dunn will make the change before posting the approved minutes. A motion was then made by Lee Brown to approve the January 12, 2016 minutes and seconded by Marcia Sletten. All approved, no abstentions. Lee Brown then made a motion to approve the February 9, 2016 minutes and was seconded by Marcia Sletten. All approved, no abstentions. | None needed |
| 3 | The Faculty & Staff Benefits Committee Charge (Fran) | <p>Fran began this part of the meeting by handing out copies of the Faculty & Staff Benefits Committee charge to everyone present. She then read the charge aloud and afterwards stated that the reason she is bringing up the issue of the charge is that she feels the Administration is moving ahead with changes to the UNM benefits plan without consulting the Faculty & Staff Benefits Committee. The line she emphasized from the charge states "The Faculty and Staff Benefits Committee (FSBC) is charged by the Faculty Senate and the Staff Council to review and advise on current and potential University benefits". She then asked Human Resources VP, Dorothy Anderson, to be sure the committee is informed of any future changes to the UNM benefits as soon as possible and before they go to any public meeting such as F&F. Fran said that if a special meeting needs to be called to inform the committee of any proposed changes then this should be done as it has been in the past. If for some reason a special meeting cannot be called, the committee can consult via email. Dorothy indicated that she would work together with the FSBC so they are informed on changes, or developments, that occur to UNM's benefits.</p> <p>A discussion followed regarding keeping the committee informed.</p> <p>Points covered:</p> <p>Lee Brown questioned, as he had a year earlier, that if no one in the Administration is listening to the F&S Benefits Committee, then why does it continue to exist?</p> <p>Glen Effertz then suggested that a motion be made that addresses the issue of the committee not being consulted regarding changes to UNM's benefits. This motion would then be sent to the Faculty Senate and the Staff Council to whom the committee reports.</p> <p><i>(see below for finalized motion.)</i></p> <p>Carol Stephens pointed out how the proposed benefits changes, and cost increases, would harm UNM employees who are at the lower end of the pay scale or have serious pre-existing health issues.</p> <p>Dorothy Anderson and Elaine Phelps, Human Resources, provided the committee with a breakdown of the costs and charges associated with the proposed changes. Dorothy stated that the prescription changes only apply to Express Scripts.</p> | None needed |

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| | | <p>Fran then led the committee through the six proposed changes to UNM benefits that the benefits consulting firm, Aon, presented to the UNM Board of Regents at the Finance & Facilities meeting.</p> <ol style="list-style-type: none"> 1. Incentive Based Disease Management Biometric Screening: <ul style="list-style-type: none"> - This screening would be provided by UNM's biometric screening vendor, Catapult, and would take place at various locations around the UNM campus and the branch campuses. This would include screening for diabetes and cholesterol. This would include a \$200 incentive for the employee for participating in this screening each year. The first year of this screening would only be for UNM employees. The second year it would expand to include dependents and retirees. 2. Increase Medical and RX Out of Pocket Maximum: <ul style="list-style-type: none"> - This will not affect deductible amounts for UNM employees. 3. Make Diabetic RX Subject to Plan Copays: <ul style="list-style-type: none"> - Currently, diabetic medication and medical supplies are free; this proposal would bring them in line with all other prescription copays 4. Change 90 Day RX Supply to 2.5 Times 30 Day Supply Cost: <ul style="list-style-type: none"> - Fran explained how this would affect an employee's copay. 5. Change Brand Copays to a 25% Coinsurance: <ul style="list-style-type: none"> - This would be changing the employees copay to a 25% coinsurance with minimum copays of \$35 and maximum copays of \$70 on formulary and minimum copays of \$55 and maximum copays \$110 on non-formulary. 6. Discontinue UNM's Contribution to the Base Long Term Care (LTC) Program: <ul style="list-style-type: none"> - Long Term care would still be available, but employees would pay the entire premium with no part paid by UNM. Rates paid by employees will be based on age rate bands, and will be determined on age of the employee at the time they joined the plan. | |
| 4 | The Motion (Fran and Glen) | <p>The committee discussed a motion from Glen on preparing a statement from the committee to be delivered to both the Faculty Senate President, Stefan Posse, and the Staff Council President, Crystal Davis. The motion was passed unanimously with no abstentions. The approved motion reads: "Any administration proposal for changes in benefits to employees, dependents, or retirees must be reviewed by the FSBC prior to being presented to the Regents." This approved motion was forwarded to the Faculty Senate President and the Staff Council President. .</p> | Carol and Fran will send an email with this motion to Stefan & Crystal |
| 5 | HR Request (Shawn) | <p>Shawn Berman asked Elaine, when she addresses the Board of Regents on Monday March 14, 2016, to emphasize two specific points regarding the proposed changes Aon is recommending.</p> <ol style="list-style-type: none"> 1. A concern that proposed change #2, an increase of out of pocket maximums, will place an undue hardship on the lowest paid University employees. 2. A major concern that the call to make diabetic prescription costs subject to plan copays, proposed change #3, represents a short-sighted cost-savings move that could potentially cost the University far more than the savings if any person with diabetes cuts back on his or her testing and treatment such that he or she succumbs to more costly, and potentially life threatening, problems associated with diabetes. Moreover, such a change may well render the proposed "Wellness Program" less effective. Should the biometric testing identify the presence of diabetes, the covered individual must weigh the need for treatment against the increased cost he or she will incur for medications and supplies. | None needed |

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| 6 | New Mexico ERB Changes (Carol Bernhard) | <p>Carol reported that the ERB changes are on the ERB website and the comment period ends March 31, 2016. Comments can be made on the ERB website http://www.nmerb.org/ . The changes that they are proposing:</p> <p>NMERB Proposed Rule Changes Public Comment Notice - posted 2/11/16 Rule 2--Membership (NMERB Rule 2.82.2) - posted 2/11/16 Rule 3--Member and Administrative Unit Contributions (NMERB Rule 2.82.3) -posted 2/11/16 Rule 4--Service Credit (NMERB Rule 2.82.4) - posted 2/11/16 Rule 5--Retirement Benefits (NMERB Rule 2.82.5) posted 2/11/16 Rule 9--Public Finance posted 2/11/16</p> <p>Carol pointed out that the most important changes to pay attention to are #4 and #5.</p> | None needed |
| 7 | Update-Retiree Association (Glen) | Glen announced that this Saturday morning, March 12, 2016, the Retiree Association Health Fair will be held at the UNM Continuing Education building on University Blvd., from 8:00am – Noon, and it is Free. | None needed |
| 8 | VEBA Update (Fran) | Administration is recommending to defer the scheduled .25% increase for FY17. | None needed |
| 9 | FS Budget Task Force | The Regent's Budget Summit will be held on March 22, 2016, SUB Ballroom C, 9:00am – 2:00pm. | None needed |
| 12 | Next Meeting | Next meeting is scheduled for Tuesday, April 12, 2016 at 3:30 pm. Herzstein Reading Room, Zimmerman Library. | None needed |
| 13 | Adjourn | Meeting adjourned at 5:05pm. | |