

Minutes: Faculty Staff Benefits Committee March 8, 2011

1. Members present:	Excused:	Absent:
Vera Norwood	Sharon Scaltrito	Harjit Ahluwalia
C. Randall Truman		Richard Goshorn
Nissane Capps		Christee King
Karin Retskin		Marsha Baum
Hans Frederick Barsun		
Frances Wilkinson		
Carol Bernhard		
Ex-Oficio:		
Helen Gonzales		
Elaine Phelps		
Raqui Martinez		
Guests:		
Merle Kennedy		
Joey Evans		

2. Minutes from January 11, 2011 were approved.

3. Helen Gonzales provided an update on the Retiree Health Care Task Force recommendations. The task force met 6 times and evaluated 13-14 options. The Task Force agreed on two recommended changes. First, new hires starting on July 1, 2011 and after must work 20 years and be 60 years old to be eligible, or be 65 years old and have worked 7 years to be eligible. There is safe harbor for those eligible for early retirement based on disability. Second, groups will pay premiums more in line with what is used. Currently retirees under 65 pay 40% and UNM pays 60%. On July 1, 2011, retirees will begin paying 45% and there will be a 1% shift in retiree contributions each year for five years until the ratio is 50/50. It was noted that a majority of universities do not pay any toward retiree health care, so this step keeps UNM a competitive employer. It was admitted that this is a small step to cost containment, but could stabilize costs. Moving retirees to the Retiree Health Care Authority is not a viable option given the economic climate, as both employer and employee would have to pay into that system now. It would solve the issue of unfunded liability, but would be real costs every year. It was asked of FSB committee members that were on the Retiree Health Care Task Force if they had anything to add about the recommendations. Carol Bernhard agreed that it was a very thorough process and felt they are acceptable changes. Karin Retskin agreed, as did Raqui Martinez. Faculty Staff Benefits endorsed the changes.

4. Helen Gonzales presented proposed changes to employee health insurance. While there will be a net zero increase in premiums this year there will be changes to cost seen by the individual employee. UNM has been recalibrating groups so each group pays more in line with usage. The majority of UNM employees (~2,700) are employee or employee plus spouse; this group will see a reduction in health insurance cost. Employee plus children and or family will see an increase, as will

early retirees. Also, there will be a change in the out of pocket maximum. It will be dropped to \$1750 and can be combined between LoboCare and Lovelace or LoboCare and Presbyterian. Currently out of pocket maximums for Presbyterian and Lovelace are much higher and the cost cannot be combined. Other changes are that there will be no co-pay for preventative health, such as flu shots, and children up to age 26 will be eligible for coverage. There are no changes to dental or vision.

Information on the Retiree Health Care Task Force and changes to employee health insurance will be presented at the Budget Summit on March 28, 2011. Information will be sent to employees in early April in time for open enrollment.

5. Helen Gonzales presented information from the Cost Containment Task Force related to benefits. Merle Kennedy contributed, as he, too, is a member. It is being recommended to cut all personal enrichment from tuition remission. Personal enrichment is defined as “game, sport, or hobby”. This impacts not only Continuing Education but Employee Health Promotion Program and Recreational Services, for example. It is recommended by the task force that academic credit courses and professional development classes continued to be covered by tuition remission.

6. Vera Norwood presented up-to-date information on ERB and the legislature. Emails were sent from administration, Staff Council, Faculty Senate, Nissane Capps and Vera Norwood, among others from faculty and staff, in opposition to HB 628. It passed on March 7, 2011. It was agreed that Norwood and Capps would send a joint email to the Senate on behalf of FSB in support of SB 265, which is currently tabled in the Senate Finance Committee, as it contains the measures approved by ERB. The email will also support sanding across state budgets for one year to address general fund solvency. Members were encouraged to write emails as well. Email addressed for legislators had been previously emailed out our listserv.

7. Elaine Phelps reported that the RFP for life, long-term disability, and short-term disability will be going out soon. She will be putting a committee together to review the proposals.