

Faculty Staff Benefits Committee Minutes

Meeting Date and Place: Tuesday, 10/14/14, 3:30 pm, Herzstein Reading Room, Zimmerman Library

Members Present: Fran Wilkinson, Hans Barsun, Jason Wilby, Karen Mann, Elaine Phelps, Shawn Berman, and Dennis Dunn.

Members Excused: Carol Bernhard and Carol Stephens.

Guests Present: Dorothy Anderson, VP Human Resources and Bill Miller, Retiree Association.

Members Absent: Josie Abeyta, Jewel Washington, Lee Brown, Theresa Ramos, Cenissa Martinez, Marcia Sletten, Nicole Stephens, Codruta Soneru

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

	Subject	Notes	Follow-Up
1	Call to order	Barsun/Wilkinson called meeting to order at 3:35pm	None needed
2	Review and approve agenda	Approved	None needed
3	Review and approve minutes from 8/12/14 meeting	Approved	None needed
4	VEBA (Hans) (Voluntary Employee's Beneficiary Association)	Leslie Boni presented at the Faculty Senate meeting on September 23, 2014. An RFP has been issued in regards to the VEBA which will bring a financial advisor on board who will develop a formalized investment policy. The faculty has had many questions as to how the VEBA operates and the management of it. Hans will send out the link to the IRS regulations that govern VEBAs and what the monies can be used for and how they can be distributed.	None needed
5	Retiree Association (Bill Miller)	Bill Miller presented for Carol Stephens and began by passing out two handouts prepared by Carol. The first hand out was titled "Impact on Employee Health Insurance Premiums of Putting Under 65 Retirees Back in the Pool". The second one was titled "Analysis of the impact on future retiree of putting current retirees back in the pool". Gallagher & Associates did a similar comparison and the numbers are very close to Carol's. Bill and Carol have drafted a resolution and forwarded it to Dr. Paul Roth, President Frank and EVP Harris. Peter Winergrad, from the School of Law, has joined the Retiree Association and is now the Vice Chair of Benefits.	As needed
6	UNM Health Plan Redesign Update (Fran)	Fran will be attending a meeting tomorrow, October 15, 2014, 2:15pm to 4:00pm at Continuing Education, Room D. This meeting will be with the Planning Group. At this meeting other health care groups will present their research findings. Bill Miller will also be at this meeting. Dorothy Anderson, HR, will be presenting at this meeting. Hans reported on his briefing from Dr. Michael Richards on September 23 rd .	As needed

7	UNM Health Plan (Elaine)	<p>Elaine presented an overview of FY 2014 Financials. The points she covered were:</p> <ul style="list-style-type: none"> - The Medical/RX plan realized a surplus (96.5% total cost ratio) through June 30, 2014. - The Medical/Rx plan experience an increase in total enrollment of 1% (69 employees/retirees) - Lovelace = 63.5% of total enrollment; Presbyterian = 36.5% of total enrollment. - Average total medical/Rx PEPM cost for all plans was \$791.01 (Lovelace = \$703.07 Presbyterian = \$943.98). - Rx accounted for 21.5% of total gross paid claims, which is above the normative range of 15% - 18%. - Large claims (>\$250,000) accounted for 6.7% of total Medical/Rx paid claims. - Through June '14 there were an average of 718 early retirees on the medical plan, which accounts for 10.7% of total enrollment. Early retirees accounted for 13.1% of total net medical/Rx paid claims year-to-date. The early retirees had a 108.2% total cost ratio, or 13% greater than the active employees 95.0% total cost ratio. - On a PEPM basis, early retiree Medical/Rx costs were 23.9% greater than active employees. - Lobocare (Tier 1) accounted for 52.7% of Lovelace's and 17.4% of Presbyterian's paid claims. Overall, 37.2% of medical claims were in Tier 1. <p>Elaine then gave an update of issues pertaining to Blue Cross/Blue Shield. The main issue is the configuration of the UNM plan onto the Blue Cross/Blue Shield system. BC/BC has finished making coding changes relating to clinic/office visits. Claims can now be re-adjudicated. BC/BS has been issuing letters to members requesting information on their previous Lovelace plan.</p>	As needed
8	Maternity Leave (Fran & Hans)	<p>It was reported that there are still differences in coverage between faculty and staff. Faculty have what is called Parental Leave, which is one semester of paid leave within one year of the birth/adoption of a child. Maternity Leave, on the other hand, is six to twelve weeks of unpaid leave, but the employee's job will still be here when they return. Elaine suggested looking the staff leave policy up on the UNM policy under the HR 3000 series of policies.</p>	As needed
9	Flexible Spending (Hans & Elaine)	<p>Hans reported that there is a two and a half month grace period from the end of the calendar year to use up anything that is in your flexible spending account. This would be March 15, 2015. Another option, according to IRS regulation, is to allow a \$500 carry over. One, or the other option, can be used, but not both.</p> <p>ACTION: Elaine Phelps will check to see what the average FSA election was in 2014, and the average amount left at the end of 2013.</p>	As needed
10	Task Updates (Hans)	<p>Dependent Education Scholarship – Not much activity on this issue. Hans and Fran are still in the process of researching this topic. There is talk of lowering the GPA back down from its current level.</p> <p>Wellness Program – Karen Mann reported that she and Carol Stephens are in a holding pattern on this topic until after the October 15th benefits meeting.</p> <p>Premium/Benefit Analysis – Dorothy reported that HR has asked Gallagher & Associated to provide a summary sheet that would show a comparison of the average costs of premiums, prescriptions, and co-pays, among other topics. This summary should be ready within a week and will be presented at the next committee meeting.</p>	As needed

11	Goals (Hans)	<p>Goals for the Faculty Staff Benefits Committee:</p> <ol style="list-style-type: none"> 1) Contribute to the task force that is to investigate and recommend changes to the UNM health plan including the following: <ol style="list-style-type: none"> a. Ensure that employees are provided with a good and affordable health plan b. Evaluate peer institution premium & plan analysis to understand whether or not UNMs health plan is a good deal c. Improve the wellness program 2) Recommend improvements to the Dependent Education Scholarship benefit 3) Continue to monitor policy and benefit proposals, from on-campus administration and from legislative action (e.g., retirement) 	As needed
	Other	No topics were brought up or discussed.	
	Agenda Items for Meeting	No topics were brought up or discussed.	For November meeting agenda
	Next Meeting	November 11, 2014.	
	Adjourn	Meeting adjourned at 4:40pm.	