

Benefits Committee Meeting

Date: 07/16/15

Time: 11:00 AM

Facilitator: Laura Ford

Attendees Voting: Jeff Dellitt, Laura Ford, Scott Gehler, Tom Leach, Andrew Petersen, Lisa Sears

Attendees Non-Voting: Melissa Lambrecht, Ashley Osborn, Brandon Tidwell, Chelsea Powers, Jeffrey Scarpinato

Absent: Ella Fly, Sangeetha Rayapati, Marsha Smith, Leesa Traman,

Location: Business Office Conference Room

- 1) 2015/2016 Pricing Projection Overview
 - a) We reviewed three pricing projection overviews
 - i) First was from Holmes Murphy (our TPA)
 - (1) Annual cost estimate for 15/16 plan year showed a \$271,000 savings
 - (a) Savings came from better estimated discounts with new UHC network, ACA fees are decreased
 - ii) Second was from our stop-loss insurance carrier showing expected claims
 - (1) Annual cost estimate for 15/16 plan year showed a \$55,430 increase over last year
 - (a) Estimated claims increase by approx. \$300,000. Still showed a savings on admin and ACA fees compared to previous year
 - iii) Last price project was from our stop-loss insurance carrier showing the max annual amount Augustana would pay if they had a bad claims year
 - (1) Annual cost estimate for 15/16 plan year showed a \$810,000 increase over last year
- 2) 2015/2016 Employee Premiums
 - a) Benefits Committee agreed unanimously that premiums for health, dental and vision will all stay the same for 2015/2016; no increase or decrease
 - i) This was based off of the pricing projections not showing a guaranteed savings for 15/16 vs. 14/15
 - ii) Committee did not want to decrease premiums and then put the college in a deficit for healthcare, if we have a high claims year and the 16/17 plan year have a substantial employee premium increase
 - iii) While healthcare premiums are continuing to rise almost everywhere, the Committee was excited to be able to not give Augustana employees an increase for the upcoming plan year
- 3) UMR Implementation Update
 - a) HR team has had several meetings with UMR to start the transition and go over plan language
 - b) Some items in the SPD (summary plan description) were tweaked to match the UMR standard, but were all more generous changes. For example: covering the cost of repairs to prosthetic, this was previously not covered under our plan
 - c) Will most likely be a change with our Flexible Spending process
 - i) Our current vendor does not have employees substantiate claims (provide proof that all medical expenses paid for using flex fall under the covered IRS items and occurred during the current plan year)
 - ii) New flex vendor prefers to substantiate ALL flex claims, debit card transactions, besides those utilized at a major retailer where they have the substantiation included in their checkout process (Walmart, Walgreens, etc). The IRS regulations state that all claims have to be substantiated, HR is in the process of finding out how our current vendor got around this or if they were just not complying
 - (1) Employees will be required to upload their receipts to a website and if it is not completed in timely manner, their flex debit cards will be deactivated
 - (2) This will be a major change for employees and the Committee realized it will not be perceived well
 - (3) The HR team, Holmes Murphy and Augustana's legal counsel are reviewing the regulations in detail as well as working with our vendor to see if there are any other options for substantiation for our employees
- 4) Rx Out of Pocket Maximum
 - a) Per Affordable Care Act, Rx costs must now track towards member's out of pocket maximum, which they did not in the past
 - b) Committee discussed the two options:
 - i) Leaving the \$3,000 OOP max alone and allowing the Rx costs to just roll into that number
 - ii) Leave the medical \$3,000 OOP max and create a separate OOP max for Rx per ACA limits of \$3,850
 - iii) Benefits Committee agreed to have only one OOP max of \$3,000 for both medical and Rx costs
- 5) Morbid Obesity Coverage

Benefits Committee Meeting

Date: 07/16/15

Time: 11:00 AM

Facilitator: Laura Ford

Attendees Voting: Jeff Dellitt, Laura Ford, Scott Gehler, Tom Leach, Andrew Petersen, Lisa Sears

Attendees Non-Voting: Melissa Lambrecht, Ashley Osborn, Brandon Tidwell, Chelsea Powers, Jeffrey Scarpinato

Absent: Ella Fly, Sangeetha Rayapati, Marsha Smith, Leesa Traman,

Location: Business Office Conference Room

- a) When reviewing our plan language with UMR, they pointed out that our morbid obesity coverage language was out of date
 - i) Our plan language stated that you had to have XX BMI or higher, had several criteria that the participant had to meet regarding their health as well as having prior authorization
 - ii) Most common morbid obesity policies now state that the participant must have a doctor's recommendation as well as prior authorization
 - iii) Benefits committee agreed to update our plan language to the industry standard
- 6) Centers for Excellence Option
 - a) UMR's plan language states that if a participant has to have a transplant, they need to have the procedure done at one of their certified Centers for Excellence
 - i) These facilities have met certain criteria of UMR to be deemed a Center of Excellence
 - ii) Chelsea from Holmes Murphy will reach out to UMR for further information on the criteria used, a list of these centers that are close to Augustana and inquire what coverage is available to a participant if they choose not to go to a Center of Excellence for their transplant
- 7) Open Enrollment
 - a) Lisa Sears updated the on the online benefits enrollment process
 - i) HR and IT are in the process of testing the online open enrollment
 - (1) All employees will log in through Arches this year and select benefits during open enrollment online
 - (2) Employees will be able to log on and complete the open enrollment process from home now if desired
 - b) Open enrollment will run from Aug 3 – Aug 21. Lisa will have many drop in training sessions scheduled during that time for employees that would like assistance
- 8) Next Meeting Date
 - a) Benefits Committee Meetings will move to an every other month basis starting in September.
 - i) If the faculty members of the committee can send Laura their teaching schedules for the year, she will work on finding meeting times that work for everyone as well as put them on everyone's calendars