

BENEFITS ADVISORY COMMITTEE
MINUTES OF MEETING
OCTOBER 18, 2007

[In these minutes: 27 Pay Days in 2008, Open Enrollment Update, *A Pocket Guide to UPlan Pharmacy Program*, UMD Employee Health and Wellness Center]

[These minutes reflect discussion and debate at a meeting of a committee of the University Senate; none of the comments, conclusions, or actions reported in these minutes represent the view of, nor are they binding on the Senate, the Administration, or the Board of Regents.]

PRESENT: Gavin Watt (chair), Tina Falkner, William Roberts, Karen Wolterstorff, Jennifer Imsande, Rhonda Jennen, Jeremy Mlenar, Sandi Sherman, Nancy Fulton, Joseph Jameson, Michael Marotteck, Carl Anderson, George Green, Amos Deinard, Michael O'Reilly, Theodor Litman, Rodney Loper, Dann Chapman

REGRETS: Jody Ebert, Carla Volkman-Lien, Richard McGehee

ABSENT: Linda Aaker, Carol Carrier, Frank Cerra, Fred Morrison, Keith Dunder

OTHERS ATTENDING: Linda Blake, Ted Butler, Karen Chapin, Joyce Carlson, Betty Gilchrist, Murray Harber, Gladys McKenzie, Kathy Pouliot, Kelly Schrotberger, Jackie Singer, Curt Swenson

I). Gavin Watt called the meeting to order.

II). Ted Butler explained how benefit deductions will be handled in 2008 in light of the fact that there will be 27 pay days. He noted that the benefit plans determine whether employees will have 26 or 27 deductions from their paychecks.

There will be 26 paycheck deductions in 2008 for medical, dental, life and disability insurance. There will be a premium "holiday" on May 7, 2008.

There will be 27 paycheck deductions for the following plans: long-term care, health care reimbursement account, dependent care reimbursement account, health savings account (HSA) employee contribution, health savings account (HSA) University contribution, and retirement.

How will this information be communicated to employees asked a member? This is still being discussed, noted Mr. Butler, who assured members that employees would receive communication around this issue.

III). Kathy Pouliot noted that today's open enrollment presentation is actually an abbreviated version of the PowerPoint/UMConnect presentation on the Employee

Benefits' website (<https://umconnect.umn.edu/openenrollment07/>). Open enrollment guides will be sent out the last week in October to employee's home addresses.

Ms. Pouliot highlighted the open enrollment changes for 2008:

- UPlan Fitness Rewards Program – An incentive payment up to \$20 for UPlan covered employees and a qualified dependent who each exercise 8 or more times per month.
- Guaranteed issue of \$25,000 life insurance.
- Dental coverage enhancements.
- Expanded eligibility for dependents age 19 through age 24.
- HSA employee contribution limits increased.
- Waiting period for medical, dental and life insurance benefits shortened.

Open enrollment (<http://www1.umn.edu/ohr/benefits/openenroll/>), explained Ms. Pouliot, is a time period when employees can change their benefit elections. Annually, open enrollment occurs between November 1 and November 30th. While most employee benefit elections are made online (<http://hrss.umn.edu/>), same sex domestic partner coverage requires completion of a paper application.

Benefit elections that can be changed during open enrollment include:

- Add or cancel medical insurance or elect a different plan option.
- Add or cancel dental insurance or elect a different plan option.
- Add, cancel or change dependent coverage.
- Elect to participate in health care and/or dependent care flexible spending accounts.
- Add \$25,000 additional employee life insurance without providing health information.
- Add voluntary long-term disability coverage (Civil Service and Represented Employees), or change benefit amount.

Employees who do not want to change their elections this year do not need to go online and make changes to their current elections, UNLESS the employee wants to have a health care and/or dependent care flexible spending account or take advantage of the \$25,000 open enrollment for life insurance, without need to provide proof of good health. 2007 is a voluntary open enrollment year; therefore, no changes are required. Employees who want to change their clinic election simply need to call their current health plan directly.

New cards for 2008 will be issued for all employees enrolling in a new plan. In addition, all the medical plans, University Choice dental plan, and HealthPartners' dental plans will issue new cards. Delta Dental PPO, Delta Dental Premier and RxAmerica will NOT issue new cards.

Ms. Pouliot noted the health and benefits fairs dates and locations:

- UMD – November 1 – Kirby Student Center
- Minneapolis – November 6 – Coffman Memorial Union - Great Hall

- St. Paul – November 7 – St. Paul Student Center – North Star Ballroom
- All fairs will run from 10:00 a.m. to 3:00 p.m.

Free flu shots will be available at:

- All benefits fairs.
- Flu shot clinics on campus.
- MinuteClinic, Gopher QuickClinic or UMD QuickCare.
- An employee's medical clinic.

Ms. Pouliot noted that flu shots at retail locations (e.g. Walgreens, Cub) are FULL PRICE and CANNOT be billed to an employee's medical plan.

Employees needing assistance during open enrollment can attend one of the benefits fairs where computer help will be available as well as Employee Benefits' staff to answer questions. Employee Benefits will also hold computer labs in 315 Donhowe on November 28, November 29 and November 30 from 7:00 a.m. to 5:00 p.m. And, as always, employees are welcome to contact the Employee Benefits Service Center at (612)624-9090 or (800)756-2363, option 2, with questions. Ms. Pouliot noted that Employee Benefits contacted University Services to get their opinion on whether one day of the computer lab should be open from 7:00 a.m. to 7:00 p.m. like last year. University Services indicated that this was not necessary, based on the very low participation in past years. Hours were extended from 7:00 a.m. to 8:00 a.m. to 5 p.m. Based on Employee Benefits' experience from last year, there was virtually no activity after 5:00 p.m. Mr. Chapman added that the hours were cut back based on when employees came to the computer lab last year. If there had been activity after 5:00 p.m. those hours would have been retained.

Next, Karen Chapin provided information on the UPlan Fitness Rewards Program and highlighted the following:

- This plan is available to all UPlan employees and their spouse, same sex domestic partner or a qualified dependent age 18 or over.
- UPlan Fitness Rewards links with the Medica Fit Choices and HealthPartners Frequent Fitness health plans.
- An incentive payment of up to \$20 for UPlan covered employees and their qualified dependent who each exercise 8 or more times per month will be given. Incentive payments are delayed; therefore, those that exercise in January will receive their incentive payment in March.
- Participating fitness centers must be used. Each health plan has approximately 300 centers to choose from. Also, the Twin Cities Rec Center, UMD Rec Center and the Morris Regional Fitness Centers qualify as participating centers.
- Questions regarding this benefit should be directed to the health plans, Medica or HealthPartners.
- Both plans require 8 fitness center visits per month to qualify for an incentive payment.
- Employees covered by HealthPartners can receive up to two incentives per month assuming the employee has a covered adult dependent (e.g. employee + spouse/same sex domestic partner/dependent age 18 or over). Medica allows

- employees to receive one incentive payment per health club membership. (Under Medica Fit Choices – 1 incentive payment per individual club membership – 2 max – and 1 incentive payment for a dual or family club membership). Rewards for spouse/same sex domestic partner or other qualified dependent will be paid to the employee. (Dann Chapman asked that the committee refer to the Fitness Rewards Program incentive payment as a reward or an incentive payment and not a discount. The payment is an incentive or reward for participation).
- Methods of payment:
 - Reduction in fitness center monthly dues.
 - Direct deposit payment into an employees' checking or savings account.Health clubs determine how incentive payments are made, but larger clubs generally reduce monthly dues and the University clubs plus some smaller clubs usually deposit the funds in the member's savings or checking account.
 - In addition to the UPlan Fitness Rewards Program incentive payments, employees can still earn two \$65 wellness rewards for taking the UPlan Wellness Assessment, participating in the HealthPartners 10,000 Steps Program or participating in a health improvement program. In 2008, spouses and same sex domestic partners will continue to be eligible to receive these reward payments as well. There will also be new wellness reward options rolled out for 2008.
 - An on-site health coaching program will be piloted at UMD and Morris. Also, assuming details can be worked out with Boynton Health Service, they will offer on-site coaching as well.

Moving on, Ms. Chapin provided the committee with information on UPlan life insurance and noted the following:

- A vast majority of employees are eligible for a special, one-time \$25,000 open enrollment on additional employee life insurance. The 100+ employees that are not eligible are those that were refused coverage by Minnesota Life Insurance in the past 5 years. These individuals, however, are eligible to reapply for coverage, subject to underwriting. Also, no coverage will be issued above \$1 million.
- Employees wanting more than \$25,000 in life insurance will need to apply by providing proof of good health. Employees will enroll online for the total amount of coverage they want, including their current coverage, the \$25,000 open enrollment amount, and any additional coverage for which they would provide proof of good health.
- New services under the life insurance program are:
 - Will preparation (LifeWorks – <https://www.lifeworks.com/login/index.aspx?ReturnUrl=%2findex.aspx>) and legal counseling services.
 - Beneficiary financial counseling through Pricewaterhouse Coopers.
 - Online beneficiary management system will be implemented in 2008.
 - Improvement in basic life insurance reduction schedule due to age. First life insurance reduction to 65% occurs at age 67 rather than age 65.

Dental plan changes for 2008 per Ms. Chapin:

- Dental open enrollment is now open on an annual basis.

- All UPlan dental plans have a \$1,500 annual maximum.
- Delta Dental Premier, HealthPartners Dental Choice, and University Choice will pay for composite (white) fillings in the front and back of the mouth.
- Delta Dental PPO and HealthPartners Dental Plan will continue to pay for composite fillings only in the front of the month, and amalgam (silver) fillings in the back of the mouth.
- Beginning in 2008, UPlan members who go to a Delta Dental PPO or Delta Dental Premier in-network dentist through University Choice will not be balance billed, their fees will be discounted and the deductible will be waived. Normal University Choice benefits apply if out-of-network providers are used.
- HealthPartners dental plans will be open access. No primary care clinic designation is required; however, HealthPartners dental network providers must be used.
- Delta Dental and HealthPartners now have national networks.

Next, Ms. Chapin highlighted changes in dependent eligibility, which applies ONLY to dependents age 19 through 24:

- Currently, if a dependent is a full-time student AND 50% financially dependent on the employee, dependents are eligible for coverage.
- Starting in 2008, dependents age 19 through 24 will be covered on a tax-favored basis if the employee provides more than half of an unmarried child's support OR the unmarried child is a full-time student up to but not including the year they turn 24, resides with the employee (legal residence), and does not provide more than half of his/her support.
- Effective January 1, 2008, unmarried dependents age 19 through age 24 who do not meet the above criteria can also be covered, but on a NON-TAX FAVORED basis.
- If medical and dental benefits for a dependent are tax-favored under IRS rules:
 - The employee's premium contributions can be made on a pre-tax basis.
 - The value of the employer's will not be considered taxable income to the employee.
- If medical and dental benefits for a dependent are not tax-favored under IRS rules:
 - The value of the employer's contribution is considered taxable income to the employee.
 - The employee would have a net reduction in his/her paycheck. Depending on an employee's tax bracket, paycheck reductions could range from \$40 - \$60 per paycheck.

Other 2008 benefit changes noted by Ms. Chapin included:

- The waiting period for new employees changes to the first of the month following the first day of employment.
- HSA employee contribution limits are increasing.

Mr. Watt thanked Ms. Pouliot and Ms. Chapin for their presentation.

IV). Mr. Watt reported that the BAC Pharmacy Working Group recommended that Employee Benefits publish a compact summary of the UPlan Pharmacy Program that employees could use when going to the doctor. The committee worked with Employee Benefits' communication staff to develop a *Pocket Guide to UPlan Pharmacy Program*. Among other things, this guide contains a list of the UPlan's 200 most prescribed drugs and their corresponding co-pay amounts and a list of operating guidelines that govern the program.

Ms. Chapin noted that these pocket guides would be sent to employee's homes. Employees with employee only coverage and employees with employee and child/children coverage will receive one copy and employees with employee and spouse/same sex domestic partner or family coverage will receive two copies. An introductory letter will accompany the guide. This guide will also be available on the Employee Benefits' website.

A member suggested that the communication piece that accompanies the pocket guide should differentiate it from open enrollment materials employees will receive. Ms. Chapin noted that Employee Benefits will make sure there is something to call members' attention to the guide.

V). Ms. Chapin reported that the University will be opening an Employee Health and Wellness Center at UMD, which is tentatively scheduled to open November 2nd. This center will be located in the Kirby Student Center, and it will have three components:

1. QuickCare Clinic
2. Medical Therapy Management Program (for people with four or more prescriptions and/or two or more illnesses)
3. Health Coaching Services

VI). Mr. Watt noted that it is likely the committee will not meet the first Thursday in November or December but meet on the third Thursdays of each of these months. Members will be emailed of any meeting cancellations.

Hearing no further business, Mr. Watt adjourned the meeting.

Renee Dempsey
University Senate

