

Benefits Advisory Committee (BAC)
February 7, 2019
Minutes of the Meeting

[**In these minutes:** Employee Benefits Update; American Bar Association Health Law Summit; Open Enrollment Changes Report; Pharmacy Program Update]

PRESENT: Tina Falkner (chair), Dale Swanson (vice chair), Jon Christianson, Amy Monahan, Fred Morrison, Nikos Papanikolopoulos, Christine Bakke, Candice Kraemer, Cynthia Murdoch, Susanne Vandergon, Brenda Reeves, Connie Rosandich, Terri Wallace, Nancy Fulton, Amos Deinard, Jody Ebert, Steff Yorek

REGRETS: Kenneth Horstman, Susan Kratz, Susann Jackson

ABSENT: Carl Anderson, Kathryn Brown, David Bodick, Jennifer Schultz

GUESTS: Doug Swyter, finance analyst, Office of Human Resources

OTHERS: Karen Chapin, Ryan Reisdorfer, Mary Blissenbach, Nora Hayes

Chair Tina Falkner welcomed the committee, and members introduced themselves.

1. Employee Benefits Update - Falkner introduced Karen Chapin, pharmacy programs manager, Office of Human Resources (OHR), to give an update on employee benefits. Chapin announced that the annual BAC survey will be going out today to all University faculty and staff. The survey asks UPlan members to provide feedback on the various health and dental plans in which they are enrolled. The survey is open until February 28, 2019. Additionally, the various plan vendors are all set to come to future BAC meetings, beginning with Delta Dental at the next meeting.

Ryan Reisdorfer, health programs manager, OHR, added that a survey regarding the Wellbeing Program was sent to two groups of employees on January 24, 2019. The purpose of the survey was to get feedback from employees who earn the wellbeing points and try to understand why employees do not use the program. As of the time of the meeting, they had received over 1700 total responses. That survey closes February 15, 2019. In addition, OHR recently started and completed an RFP for a new COBRA insurance vendor. The incumbent, 121 Benefits, was the winner of the contract, which will begin April 1, 2019, subject to approval from the Board of Regents. The RFP for the University's life insurance vendor will be finishing soon. Reisdorfer and Falkner noted that Cynthia Murdoch and Susann Jackson were BAC members of the RFP committee and thanked them for their service. Finally, the dental RFP is set to launch tomorrow, noted Reisdorfer. One of the main design changes is the plan to work with one administrator for all dental plans as opposed to two as is currently utilized. The University is also exploring that preventative care not be included in the annual maximum benefit and a higher annual maximum benefit.

Reisdorfer concluded by stating that he did some research about how to better provide more opportunity for children to receive fluoride varnish each year. He said that medical coverage has been covering those services since 2015. Last year there were 913 varnish claims and Medicaid allows for claims past the age 5 if there is a medical necessity. Between medical and dental insurance, children could get up to six coatings of varnish each year. OHR is working to develop a communication plan to notify employees about the opportunity to get more varnish for children each year.

2. American Bar Association Health Law Summit - Falkner introduced Fred Morrison to give an overview of the American Bar Association Health Law Summit which he attended December in Washington, DC. He stated that this year there was some unanimous agreement that no new health laws would happen due to the new divided makeup of Congress. However, one comment he found intriguing was that they expected the House of Representatives to try to create a formula of what a health bill would look like in two years. This would basically become a platform for the Democrats for the 2020 election. This means that people should pay attention to bills even though they might fail. Bills could vary between approaches such as single-payer insurance or resurrecting the Affordable Care Act. Morrison added that legislation is also being considered in the House to increase the payroll tax for social security and Medicare purposes to keep those programs solvent. This would have a very high impact on the University since it is so worker dependant.

3. Open Enrollment Changes Report - Falkner introduced Doug Swyter, finance analyst, OHR, to provide a report on open enrollment changes in each of the medical and dental plans. Swyter stated that the largest change occurred in medical plans with more people moving towards the cheaper ACO plans. The Vantage Plus ACO was the most popular plan being utilized among the ACO plans. The majority of employees, 62%, remained in the base plans. For retirees, the largest movement was away from some of the increasingly expensive Blue Cross Blue Shield plans, and to the UCare for Seniors plan. Overall enrollment in retiree plans remained relatively flat.

The biggest migration of enrollment came within the dental plans, said Swyter. With the elimination of the University Choice plan, the vast majority of these employees migrated towards the Delta Dental Premier plan. In addition, several employees moved towards premier plans due to the availability of their preferred dentist as well as coverage for composite fillings that are not covered under the base dental plans.

4. Pharmacy Program Update - Chapin then gave an update about the pharmacy program, specifically dealing with erectile dysfunction (ED) medications. Drugs such as Viagra, Cialis and Levitra are now available as generics. Generics that become newly available initially cost only 10-15% less than the brand drug. This price level lasts for about six months, during the time that only one generic manufacturer is available. Once two or more generic manufacturers are available, the price becomes subject to a maximum allowable cost (MAC) rate and drops significantly, as is now the case with Viagra. Projections done by OHR predict that annualized costs for ED drugs will drop from about \$1.3 million to around \$524,000 per year. Chapin noted that injectable ED medications will remain on the formulary brand as there are no current generics available. Susanne Vandergon asked if members could remain on the brand name drug

if they prefer it or it works better. Chapin responded that brand name drugs will only be available upon appeal.

Hearing no further business, the meeting was adjourned.

Chris Kwapick
University Senate Office