



**College-wide Benefits Committee
Minutes of the Meeting
January 23, 2012
Final**

I. Call to Order

The meeting was called to order at 1:45 pm.

II. Committee Members

Present

Fran Chandler, Co-Chair

Marcia Wade, Co-Chair

Anna Rojas

Connie Lemke

Dennis Frisch

Linda Sinclair

Sherri Lee-Lewis

Willis Barton

Guest

Erica LeBlanc (substitute for Al Vasquez)

Assistants

Laurie Heyman, HR AA-III-Confidential

Vanna Ratnaransy, HR- Benefit & Leaves Analyst

III. Review and Approval of the Minutes From Prior Meeting

Minutes for the meeting of December 13, 2011

Revisions in *italics*:

1. V.1.b.: "Pre-certification of costs, *if granted*, reduces cost borne by employee but employee bears out of pocket expense (not reimbursable) until insurance company agrees to extra coverage"

Motion to revise made by: Dennis Frisch

Seconded by: Linda Sinclair

Vote: Aye: 8

No: 0

Abstain: 1

2. V.2.b.: "Full payment of *lifetime* benefits (medical, vision and dental) for retirees..."

Motion to revise made by: Linda Sinclair

Seconded by: Anna Rojas

Vote: Aye: 8

No: 0

Abstain: 1

3. V.2.e.: Change to "Existing employees *could* retain PERS Care at their option with additional expense to be paid by employee"

Motion to revise made by: Connie Lemke

Seconded by: Linda Sinclair

Vote: Aye: 8

No: 0

Abstain: 1

4. V.2.f.: Change to
 - a. V.2.f.a) "Increase policy coverage with District paying premium";
 - b. V.2.f.b) "Allow employee to pay the increased premium for higher coverage over baseline policy provided by District".

Motion to revise made by: Dennis Frisch

Seconded by: Anna Rojas

Vote: Aye: 8

No: 0

Abstain: 1

5. V.2.h.: New (add): "Two tiered system option was discussed and subsequently removed from the possible incentives list at this point"

Motion to revise made by: Marcia Wade

Seconded by: Willis Barton

Vote: Aye: 8

No: 0

Abstain: 1

Move to accept the December 13, 2011 Minutes as revised:

Motion made by: Connie Lemke

Seconded by: Dennis Frisch

Vote: Ayes: 8

No: 0

Abstain: 1

IV. Old Business

1. Long Term Care Insurance update on application status:

Total number of applications (both Full-time and Part-time) is approximately 147; breakdown unknown at this time.

V. New Business

1. Formulate and vote on resolution regarding incentives to be offered to employees and retirees selecting PERS *Choice* medical coverage.

a. Discussion:

Committee identified incentives to be recommended:

1. Substantial pay increase for all employees
2. Full payment of lifetime benefits (medical, vision and dental) for retirees

- a. Equal vesting for all classifications of employees (faculty, classified staff, confidential staff, administrators and managers)
 - b. Longer vesting for special lifetime benefit
 - c. Benefits coverage for retiree and dependent(s)
3. Annual replenishment of HRA (amount to be determined)
 4. 'Welfare Fund'- similar to CSEA's negotiated fund for individuals who have PERS *Care* in 2011 and have medical issues not covered under PERS *Choice*
 5. The following item was agreed by the committee to be excluded from consideration: Existing employees could retain PERS *Care* at their option with additional expense to be paid by employee
 6. District paid Life Insurance Policy
 - a. Increase policy coverage with District paying premium
 - b. Allow employee to pay the increased premium for higher coverage over baseline policy provided by District
 7. Improved dental plan

- b. Recommendation offered and discussed
(see **RECOMMENDATION OF THE DISTRICT-WIDE BENEFITS COMMITTEE**, attached)

Motion to accept Recommendation

Motion made by:	Dennis Frisch
Seconded by:	Connie Lemke/Sherri Lee-Lewis
Vote: Ayes:	9
No:	0
Abstain:	0

VI. Next Meeting

Thursday, March 01, 2012 1:30pm – 3:00pm BUS 111 (Confirmed)

VII. Adjournment

Meeting adjourned approximately 3:05 pm



**College-wide Benefits Committee
January 23, 2012**

RECOMMENDATION OF THE DISTRICT-WIDE BENEFITS COMMITTEE

The District-Wide Benefits Committee has studied carefully all the available information on PERSCare and PERS Choice, and, by analyzing medical-use scenarios, has compared the benefits provided by the two plans.

The committee has found that PERS Choice and PERSCare are both PPO plans having an identical network of providers. Under PERSCare, employees are responsible for 10 percent of the majority of covered categories while, under PERS Choice, employees are responsible for 20 percent. The limit on maximum out-of-pocket expenses for PERS Choice is higher than PERSCare (\$2,000/\$4,000 for PERSCare single/family plan versus \$3,000/\$6,000 for PERS Choice single/family plan). Furthermore, for some categories, PERS Choice has lower coverage than PERSCare.

The role of the committee is to contain the cost related to the District's health benefits program while maintaining the quality of benefits available to employees, retirees, and eligible dependents.

Toward this end, the Benefits Committee determined previously by majority vote that PERS Choice is not an alternative equal to PERSCare and that it would result in higher costs to employees albeit lower costs to the District.

However, should negotiations between the District and employee groups result in a change from PERSCare to PERS Choice, the committee unanimously recommends that the following options for benefits enhancements be considered to make the change to PERS Choice more acceptable:

- Fully paid lifetime medical, dental and vision insurance for retirees vested with 10 years of full-time experience at SMCCD and their eligible dependents (all classifications of employees would have the same vesting requirements)
- Substantial pay increases
- Annual replenishment of Health Reimbursement Arrangement plan
- Medical pool provisions appropriate to the number of people likely to use the pool
- Increase District paid life insurance for all eligible employees;
- Improved dental plan

Motion to accept the above recommendation was made by: Dennis Frisch

Motion seconded by: Connie Lemke/Sherri Lee-Lewis

The above recommendation was unanimously approved by the committee.

January 23, 2012/3:00pm