



BENEFITS COMMITTEE MINUTES

April 5, 2004

A meeting of the Benefits Committee was held on *Monday, April 5, 2004, at 3:00 p.m.*, in SU-18.

A. Call to Order

Eileen Bundoc called the meeting to order at 3:02 p.m.

B. Roll Call

Members Present: Yvonne Anderson, Pat Archer, Mike Barber, Ruth Barnaba, Jim Bowen, Eileen Bundoc, Victoria de La Torre (JPA), Dave Forsyth, John Goldsworthy, Donna Greene, Doug Key, Cheryl McCarron, Shirley Morgan, Peggy Richardson, Jean Ruff, Omar Scheidt and Brian Vivian(JPA)

Members Absent: Sherry Gordon, Nancy Horio, Dr. Jack Miyamoto, Jerry Patton

C. Minutes

The proceedings of the meeting of March 1, 2004 were approved.

D. Unfinished Business

Statewide Community College Benefits Survey

Eileen Bundoc reported to the committee the information Dr. Miyamoto had found. Dr. Miyamoto had called three colleges: Cerritos, Mt. Sac and Contra Costa and found that they had the same benefit coverage as Palomar College. Cerritos' Life insurance coverage only had a benefit amount of \$40,000; Palomar College has a Life benefit of \$80,000.

David Forsyth brought up the issue of plan specific benefits. He asked if Dr. Miyamoto had compared the details of the other colleges' plans to ours, i.e. PPO co-pays, actual benefit coverage, etc. Eileen stated that she was not sure if Dr. Miyamoto researched the details of each plan, but would ask Dr. Miyamoto what comparison was made.

Yvonne Anderson questioned if the premiums listed on the survey covered hourly or adjunct faculty or if the premiums covered permanent staff only. Eileen responded that benefit coverage was only eligible to permanent staff.

Jean Ruff asked why Cerritos paid so much if they have the same benefit coverages as Palomar. Victoria de La Torre from the JPA responded that the high cost of their premiums was probably due to their location.

Eileen asked the committee if they had any more questions or comments regarding the survey. There were none.

E. Reports

Brian and Victoria passed out the "Rolling 12's" report to the committee members. The report only covered medical experience because the dental and vision reports were not yet completed. Brian explained what the "Rolling 12" report was to members who were not present at the March 1, 2004 meeting. Brian stated that a figure of 85% or less is an acceptable Paid/Loss Ratio. Dave Forsyth

asked what the remaining 15% was used for. Brian stated that the 15% is for reserves and any administrative fees.

Jean Ruff asked if there was a "Wellness Incentive" program for members who were "healthy" and didn't use the benefit as often as other members. Jean also mentioned that there was a Wellness Team committee that used to provide different "health" events. She asked if that committee was still active. Eileen stated that there wasn't an incentive program through the District's benefit plan but that the Wellness Team committee was starting to meet and will have updates and programs for the staff in the future. Victoria explained that the overall "good health" of all the members helps with the claims experience low which in turn helps the district with premium payments.

Dave asked if there was going to be a premium increase in premiums for the next year. Brian indicated that if the loss ratio remained at a level of 85%-86% when the renewal is calculated any increase would most likely be single digit. Brian mentioned that with medical inflation (trend) running at 15% and if there were any increases in fixed expenses (stop loss premiums etc) the renewal could reflect that an increase is necessary. Brian also mentioned in the past years districts often took a pass when the renewal showed no or very little increase and that with the inflation and cost increasing it may be prudent to not take a small increase since the plan is self funded.

Dave asked if there was an advantage of being a member of the JPA and being self-insured. Brian stated that the JPA pools all districts for Stop Loss premiums, Prescription program premiums and Mental Health premiums. Brian stated that each district is on its own [medical program] and that Palomar College was large enough to spread the cost amongst ourselves.

Dave asked what would happen to the reserve if Palomar College pulled out of the JPA. Brian stated that the JPA has 2 months of the reserve to pay for residual claims, if any. Once there was no longer a liability on claims then the money would go back to the district.

F. New Business

FlexScan – Wellness Program

Brian gave a brief overview of the FlexScan program (Mywellness 360) to the benefits committee. He explained that the cost of the scan would be like a Section 125 deduction – the total cost of the scan would be on a pre-tax deduction basis over 10-pay periods. This program is completely VOLUNTARY and would not cost the district any money. If an employee were to sign up for the scan, they would be able to choose from 4 different types of scans: Complete Body Scan, complete body scan with the virtual colonoscopy, the complete body scan with the heart scan and the lung scan. Along with the evaluation of the scan, the employee would have a designated webpage that contained their information for life. The employee's webpage would also have information on diet and fitness programs. The cost for a body scan is \$695 and the cost of the complete body scan with the virtual colonoscopy is \$1200. Flex scan has different sites that employees can go to for the scan or FlexScan can come out to the college and scan the employees from a mobile site. FlexScan probably would not scan those under the age of 35 considering that age group would not have serious health concerns.

Jean asked about a time frame to sign up for the program. Brian stated that the program can be offered at any time but since the deductions will be on a pre-taxed basis, there would have to be enrollment period.

John Goldsworthy asked if there was a charge for FlexScan's presentation. Brian stated that there was no charge for the presentation.

Ruth Barnaba asked if spouses were eligible to participate in the program. Brian stated that spouses would be eligible to participate in the program and that the cost for the spouses would also be on a pre-tax deduction basis from the employees paycheck. Retirees would have to pay FlexScan directly.

The committee requested that FlexScan do their presentation at the next Benefits Committee meeting, Monday May, 3, 2004. Brian stated that he will have Victoria contact a FlexScan representative to conduct the presentation.

F. Adjournment

There being no further business, the meeting was adjourned at 3:35 p.m.

Next Meeting: May 3, 2004 at 3:00 p.m.