



## BENEFITS COMMITTEE MINUTES

February 9, 2005

A meeting of the Benefits Committee was held on Wednesday, February 9, 2005, at 3:30 p.m., in AA-109.

**A. Call to Order**

Dr. Miyamoto called the meeting to order at 3:30 p.m.

**B. Roll Call**

**Members Present:** Yvonne Anderson, Dr. Roy Archer, Mike Barber, Dave Forsyth, John Goldsworthy, Sherry Gordon, Nancy Horio, Cheryl McCarron, Dr. Jack Miyamoto, Joe Newmyer, Peggy Richardson, Jean Ruff, and Dr. Omar Scheidt

**Ex-Officio Members Present:** Brian Vivian, (JPA), Victoria de La Torre (JPA), Lucy Nelson

**Members Absent:** Ruth Barnaba, Jim Bowen, Shirley Morgan

**C. Minutes**

Minutes from the December 6, 2004 meeting were approved with one correction. In the first paragraph under Discussion, "Yvonne Greene" should be "Yvonne Anderson".

**D. Old Business**

A historical compilation of Governing Board Resolutions, concerning changes to the retiree benefit plans over the years, was distributed and briefly discussed. Dr. Miyamoto again mentioned that it would be difficult to determine the number of those who retired pre-1986 and those who retired after 1986.

Dave Forsyth asked about the fund transfers made to the General Fund in previous years, and if these included any COBRA payments. Brian said no, these premiums are paid directly to the vendors.

**E. Reports**

Brian Vivian (JPA) passed out the "Rolling 12's" Report to the committee members. He mentioned again that the ideal number for the Paid/Loss Ratio is approximately 85%. There was some discussion on the impact of the 30% rate increase to the Paid/Loss Ratio. Brian said that would affect next month's report.

Brian also presented information as requested at the last meeting, comparing claims of active employees and retirees, to determine where the biggest expenses were coming from. The results were that in 2004, active employees incurred medical claims of \$464.60 per employee per month compared to the retiree claims of \$173.94. Prescription drug expenses for active employees were \$175.42 per month and \$178.38 for retirees. Because most retirees' claims are coordinated with Medicare, the cost to the plan is minimal. It is now apparent that the health care costs for the retiree population were considerably less than expected.

There was a brief discussion about the benefits of Kaiser's Senior Advantage plan and the decrease in premiums for 2005. This information will be sent to all committee members.

Brian discussed the self-funded stop loss costs. The stop loss year runs from October through September. Joe Newmyer asked what we paid for the first and second level of stop loss coverage, and if the premium expense was worth it. Brian will bring this information to the next meeting.

Dr. Archer asked about active employees who are Medicare-eligible, and if the District was contributing toward the cost of Parts A and B. Brian answered that Part A is granted to all participants, and Part B does have a premium associated with it, paid by the retiree from the Social Security check. He also explained that for retirees, Medicare is primary and the District-provided plans become secondary.

Victoria presented information on the Flex Scan My Wellness 360° plan. This is a wellness tool that could be made available to our employees and their spouses on a pre-tax basis. Retirees and their spouses, and domestic partners may participate on a post-tax basis. The plan would require a minimum of 20-30 participants during the open enrollment period for a mobile coach to come on-site. Flex Scan would promote the program and hold informational sessions. Dr. Archer moved that this plan be provided to active employees and retirees, with the District to bear the administrative costs. Sherry Gordon seconded the motion and it was passed. Dr. Miyamoto asked the committee members to take this recommendation to their respective constituent groups, and report back next month.

Jean Ruff asked about a cafeteria plan. There was some discussion of its history at Palomar College and previous rejection of such a plan. Brian explained some of the issues concerning cafeteria plans under Section 125, and he will bring additional information to the next meeting.

F. **Adjournment**

There being no further business, the meeting was adjourned at 4:30 p.m.

**Next Meeting: March 9, 2005 (AA-109)**