



BENEFITS COMMITTEE MINUTES

December 7, 2005

A meeting of the Benefits Committee was held on Wednesday, December 7, 2005, at 3:00 p.m., in SU-18.

A. Call to Order

Dr. Miyamoto called the meeting to order at 3:01 p.m.

B. Roll Call

Members Present: Yvonne Anderson, Dr. Roy Archer, Elaine Armstrong, Ruth Barnaba, Jim Bowen, Dr. Carmen Fernandez, Dave Forsyth, John Goldsworthy, Sherry Gordon, Lee Hoffmann, Nancy Horio, Cheryl McCarron, Dr. Jack Miyamoto, Jean Ruff, Dr. Omar Scheidt, Dr. Rocco Versaci

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

Members Absent: Theo Brockett, Jo Anne Giese, Shirley Morgan

Ex-Officio Members Absent: None

C. Minutes

Minutes from the November 2, 2005 meeting were approved.

D. Old Business

Dr. Miyamoto distributed a document containing proposed language for the plan document to change the way Medicare payments are coordinated with retiree benefits. This was done with the recent Nellie Kline issue in mind, so that this type of problem will not occur again. The Committee voted to approve this change retroactive to January 1, 2005.

Information was distributed on the 274 currently active employees who fall into the Group I category. This was broken down by calendar year, and showed the number of employees who would attain the 20-year mark in each year through 2014.

E. New Business

A proposal was brought before the Committee regarding the eligibility of newly adopted dependents or those placed for adoption. Current plan document language provides for such dependents to be covered from the first of the month following adoption or placement. As this arrangement doesn't provide the best service to international adoptees, the proposed change would make the eligibility effective with "the date the adopting parent gains the legal right to control the child's health care". The Kaiser HMO plan already covers adoptions in this manner, and this change would align both plans equally. The Committee voted to approve this change effective December 1, 2005.

F. Reports

Brian Vivian (JPA) passed out the "Rolling 12's" Report to the committee members and went over the numbers. All plans are at the satisfactory level of 87%. Dr. Miyamoto indicated that the projected premium increase of approximately \$300,000 for 2006 is in the budget.

Brian pointed out that the drug plan costs continue to rise, and there are currently no large medical claims in process. A discussion followed on the increased prescription drug costs and what might be done to contain those expenses.

G. Discussion

A question was raised on the new Medicare Part D prescription drug coverage and the "creditable coverage certificate" required for late enrollment (i.e., enrolling a retiree's spouse after the retiree's death). This certification was mailed in early October to all retirees enrolled in the PPO plan, and will be sent each year at Open Enrollment.

Some discussion followed on group life insurance for retirees. Brian will attempt to find information on group plans for retirees.

H. Adjournment

There being no further business, the meeting was adjourned at 3:55 p.m.

Next Meeting: Wednesday, February 1, 2006 (SU-18)