



## BENEFITS COMMITTEE MINUTES

March 3, 2010

A meeting of the Benefits Committee was held on Wednesday, March 3, 2010, at 3:00 p.m., in SU-18.

### A. Call to Order

John Tortarolo called the meeting to order at 3:02 p.m.

### B. Roll Call

**Members Present:** Sheila Atkins, Dr. Ken Burns, Dr. Bonnie Dowd, Sherry Gordon, Lee Hoffmann, Lisa Hornsby, Phyllis Laderman, Cheryl McCarron, Becky McCluskey, Dr. Omar Scheidt, John Tortarolo, Dr. Rocco Versaci

**Ex-Officio Members Present:** Lucy Nelson, Brian Vivian (JPA)

**Members Absent:** Dr. Andrea Bell, Jim Bowen, Jayne Conway, Dave Forsyth, John Goldsworthy, Sandy Nanninga, Josie Silva

**Ex-Officio Members Absent:** Tammy Reed (JPA)

**Guests:** Debbi Claypool, Jean Ruff

### C. Minutes

The February 3, 2010 meeting minutes were approved.

### D. Old Business

None.

### E. New Business

1. John Tortarolo explained that Brian Vivian was representing the Fringe Benefits Consortium (FBC), as Tammy Reed was again absent due to a family emergency.

Brian reviewed the Rolling 12's. Medical claims in January were at 84%. The last three months have shown a downward trend, and together with the higher premiums, resulting in an overall ratio of 110%. The dental plans are also down slightly, 86% and 93%. Vision is up in January to 110%, likely due to increased usage over the holidays, but still holding steady.

2. John reviewed our request that the FBC seek quotes from at least three large insurers—Blue Cross, United HealthCare and Aetna. These quotes have been solicited in an attempt to quote our existing plans. This information is not yet available, and hopefully can be presented at the next meeting. A question was raised regarding the mental health benefit—it may be included in the insurer's quotes. It is unknown at this time if it can be carved out.

3. John advised the committee that the PFF and the District have reached a tentative agreement on a new contract. This provides for the District to continue to pay the full cost of benefits through June 30, 2011, and the PFF is willing to consider plan changes in an effort to contain rising costs. The

committee has been tasked with obtaining information and making recommendations to the PFF which would then have to be negotiated.

The FBC has also been asked to update the various proposals the committee has received over the past 2-1/2 years from the current benefit plan providers. This information should show what the options would look like now and the impact such changes would have on the overall benefit plan and related costs. This information should be available at the next meeting.

A discussion followed on the role of the committee and its relationship to the PFF and CCE bargaining units and the non-represented groups.

Dr. Burns questioned that any changes should be made at all to the retiree benefits. He stated that any benefit changes would be considered illegal and PACRA would possibly take action.

There was considerable discussion on "tiered groups", with the feeling that new hires be subjected to any benefit changes. It was pointed out that the District is virtually not hiring now or in the foreseeable future, so any cost-savings based on this concept would be nil. John then discussed another definition of "tiers", meaning single, two-party and family. He also discussed the need to bring the PPO and Kaiser plan designs into line with one another. Some other possible options would include the ability to opt out and a retiree Medicare supplement plan. The FBC has been asked to consider any and all options when providing plan costs.

A request was made for information on which Districts have different benefits and/or rate structures based on employment classification and which have super composite rates. Also statistics on our District's demographics (single, married, etc.). The FBC will research and provide at the next meeting.

Discussion was also held on the need to extend the length of current meetings and to have additional meetings, including summer meetings, to complete the review of the benefits plan design in a timely fashion.

Discussion and comments:

- The proposed health care reform bill and the proposed tax on the value of benefits
- Communications to the various constituent groups
- Need for additional benefit committee meetings

**F. Adjournment**

There being no further business, the meeting was adjourned at 4:00 p.m.

**Next Meeting: Wednesday, April 7, 2010 (SU-18)**