Report from the Faculty and Staff Benefits Committee

DATE: Thursday, August 30, 2018

ATTENDEES:
(In-Person) - Allison Truitt (chair), Trina Beck (NTC), Russel Robins (Business), Elizabeth Nazar (SAC), Joshua Yukich (SPHTM), Tara Desko (SAC), Shantay Bolton (VPHR), Eric Biegler (Director of Benefits), Renee Sneed (Asst. VPHR), Gretchen Shrader (AON Representative). (By Phone) – Sarudzayi Matambanadzo (Law), Sherry Noonan (SAC), Bobby McGee (Asst Director, Accounts Receivable)

Agenda Topics:

I. We had a quorum and approved the minutes from our meetings in August 2017 and April 2018 with the correction to add Tara Desko to those members in attendance in April 2018.

II. Dependent Audit Update
   a. All new employees verify their dependents at the time of initial benefit enrollment.
   b. As of August 2018, 47.9% of dependents had completed the audit. Alight, an affiliate company with AON, is carrying out the audit and estimated that Tulane’s response is 10-15% ahead of schedule.
   c. In October, end-of-coverage notices will be mailed out to those employees with dependents who have not completed the process.
   d. A few notes—paper OR digital/uploaded copies are acceptable, and confidential data should be redacted.
   e. Approximately 15 people have been dropped from the plan thus far.

III. Aon Consultancy Partnership
   a. The benefits team now works with AON to evaluate our employee benefit plans in order to minimize costs and maximize benefits for both employees and the university. In March, AON reviewed the following: Rx, Life, ADD & LTD and COBRA/FSA/Direct Bill administration.
   b. We will continue to use Wage Works, and cards will no longer be closed if claims have not been verified.
   c. In 2019, Aon will review Medical/Rx plans, Absence and Leave Policies (e.g., long-term and short-term disability to ensure compliance with fed/state regulations, sick pay, leaves of absence, vacation/sick time, etc.), Dental and Vision.
   d. The benefits team anticipates reviewing benefits on a three-year cycle to ensure that plans don’t get “stale,” and to respond to new initiatives. Shantay Bolton, VP Human Resources, pointed out that this cycle is to ensure that decisions are not reactive and made in a vacuum, but to look at the horizon in order to support
retention and recruitment of staff and faculty. A strategic plan will also ensure “agility,” given the rapid changes at the federal level, while also holding the line with out-of-pocket costs.

e. Beth Nazar asked about including staff and faculty earlier on in the process, e.g., focus groups. Eric Biegler, Director of Benefits, responded that this would be considered when UHC is reviewed as the record-keeper for Tulane’s Health Plan in 2019.

IV. **Self-insured Model**
   a. United Health Care is the administrator for Tulane’s self-insured plan, and so it differs from Tulane’s insurance model in the 1990s, which was both a self-insured and self-administered plan.
   b. Annual Trend factors over the next year to 18 months are medical at 6%, and Rx at 8%. The increase in pharmaceuticals is expected to rise dramatically over the next few years because of the introduction of specialty drugs. Specialty prescriptions can exceed $5000/month for a single prescription.
   c. Overall, claims have met expectations. However, since claims are often adjudicated two months after the procedure, it is difficult to determine the full cost to Tulane at any given time.
   d. The premiums for 2019 have not been determined, but HR is trying to project no more than 5% increase.
   e. The band for the lowest premium will change from an annual salary of $34,999 and under to $49,999 and under and will benefit approximately 1,100 employees (one-third of all staff) and take effect in 2019. This change now aligns insurance benefits with the overall compensation structure.

V. **Open Enrollment**
   a. Open enrollment will be held from October 11 to November 2. Open Enrollment events will be held on October 15, 16, and 17 at 3 different locations. There will also be health fairs, running from October 11 – October 17, at 9 different locations, where employees can receive free biometric screenings and flu shots.
   b. In order for employees to qualify for the Tulane’s contribution to the **HRA for 2019**, plan participants must (1) have an annual physical, (2) complete the Rally Health survey, and (3) complete three missions through Rally.
   c. As of August 2018, 26.4% eligible employees had completed their physical exams, 19.6% had completed the Rally Survey, but only 6.9% had completed 3 Rally missions.
   d. In the future, the Benefits team would like to bring the incentive closer to the activity, e.g., $100 is deposited in the account as soon as the employee completes the survey. More information will be forthcoming for 2019.
   e. Short-term and long-term disability (mandatory) will decrease by approximately 9%, and the carrier for TUMG LTD is no longer Hartford but The Standard. The TUMG has had a different carrier for long-term disability for a number of years.
f. FSA (flexible spending accounts for health care and dependent care) continue to be administered by WageWorks.

g. Trey Mackey (tmackey1@tulane.edu) is the wellness manager, and he is happy to meet with departments and other units to discuss any wellness related topics.

VI. **Role of the Staff and Faculty Benefits Committee**

   a. Several members raised the question of the role of this committee in decision-making around benefits. We discussed soliciting ideas from the members and then the chair will meet with Dr. Bolton, VP Human Resources.

   b. We will review the constitutional mandates of the committee as well as the membership structure to ensure that the committee continues to represent various constituencies.

The committee will meet again in March/April 2019.

Respectfully submitted,

Allison Truitt
Chair, Senate Faculty and Staff Benefits Committee
Associate Professor of Anthropology