

Fringe (Employee) Benefits Advisory Committee
Report to Faculty Senate – November 1, 2011

Chair: Victor Puleo
Committee Members: Martha Antolik
Mary Ann Campbell
Sylvia Childers
Lori Hudspeth
Doug Isanhart
Mary Jackson
Mark McMurtrey
Linda Musselman
Kerry Nichols
Graham Gillis

Meeting Dates: July 19, 2011
August 22, 2011
September 21, 2011
October 26, 2011

Completed Work:

Reviewed the Section 125 Request for Proposals (RFPs) and unanimously recommended to stay with Data Path. Key factors considered were very little pricing differences between RFPs, and the customer service and firm reputation of Data Path.

Reviewed the Vision RFPs and unanimously recommended changing to Superior Vision. Unlike with the previous vision plan, Superior Vision offers two competitively priced plan design options for employees to choose from based on employee preference, a base plan like we have now and an enhanced plan with additional features.

Unanimously approved recommending to Faculty Senate a name change for the FBAC to "Employee Benefits Advisory Committee". Mr. Isanhart to present the recommendation to Faculty Senate.

Unanimously voted in favor of the proposed Health Plan Renewal for 2012. Key components include the following:

1. Accept the six-month renewal offer of a 9% premium rate increase which will result in a \$316,680 increase from January 1 through June 30, 2012. The entire increase will be absorbed by UCA and there will be no rate increase to the employee. The major rationale for UCA absorbing the increase is due to the fact that no salary increases were granted this year and the future for faculty and staff salary increases is uncertain. If UCA had passed the health rate

increase to employees, the cost to UCA would have been \$209,008 since the UCA portion of the health premium is approximately 66%. Therefore, the additional amount required to keep from passing the cost on to employees is \$107,672. The funds for this increase will come from the UCA contingency fund.

2. Change the health plan renewal for plan rate purposes to July 1 instead of January 1. The purpose of this change is to allow the health plan rate renewal to be conducted on a fiscal year basis which will make it more convenient for budgeting purposes. This will also apply to the dental plan.
3. Conduct a Request for Qualifications (RFQ) for a health plan consultant. With all of the changes in the near future related to health care reform and the fact that the UCA health plan is a \$7 million plan, UCA believes it is prudent to have an outside health plan consultant to help us maintain a quality health plan for our employees at the lowest possible cost. The consultant will be charged with analyzing our health plan in terms of rate structure, plan design, and other factors related to health care reform along with reviewing UCA's total benefit package. The cost for this consultant will be built into the health plan premiums.

Members recommended a "Resolution on Absorption of January 2012 Healthcare Premium Rate Increase" for Faculty Senate to consider in support and appreciation of UCA's Administration. Draft resolution attached to this report.

Reviewed and recommended approval of the Employee Benefits Consultant RFP – a key component of the Health Plan renewal of 2012.

Unfinished Business:

Discussed new committee charge by Faculty Senate to explore the feasibility of restoring retiree health benefits. Dr. Graham Gillis, VP Human Resources, committed to provide information to FBAC on what benefits had been available to retirees, how many retirees and current employees were affected by this decision, and why the decision was made. Committee is continuing its research into this matter.

Discussed benefits for PT employees. Tabled discussion as the committee anticipates additional information to be provided from the HR department.

Tentative schedule has been developed to review and select Employee Benefits Consultant. Should have new consultant under contract by January 2012.

Dr. Graham Gillis presented information regarding a partnership opportunity between UCA and Conway Regional and its new comprehensive wellness program. Dr. Gillis is planning to meet with Conway Regional on Tuesday, November 1, 2011. He will update the committee on progress made in developing this partnership. Dr. Gillis has agreed to present any proposed partnership to Faculty Senate if progress is made on the wellness partnership. Committee waiting further information before making any recommendations.