Saint Mary’s College
Employee Benefits Advisory Committee (EBAC)
July 2015 Meeting

July 8, 2015
EBAC Meeting – July 2015

Agenda –

1. Welcome / Introductions – EBAC Update
2. ACA Update (Merger Mania, SCOTUS, 2016 rates)
3. Sick Leave Law Changes
4. Tuition Waiver Proposal for Ed.D / TEP Expansion – Legal Update
5. Wellness Initiative Update
6. Benefits Plan Renewal – Initial Discussion
7. Next Steps and Future Topics
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ACA Update – *Markets Gone Wild*

Merger Mania

SCOTUS Upholds subsidies to all exchanges

SCOTUS on marriage equality

NYT article on 2016 rate increases
Experts indicate that the influx of cash from Obamacare subsidies is spurring a rash of mergers:

- Centene purchases Health Net ($6.3 Billion)
- Aetna buys Humana ($37 Billion)
- Anthem (or UHC) pursuing CIGNA (47 Billion)
SCOTUS upholds PPACA subsidies

The Supreme Court addressed the question of whether PPACA subsidies were legal in those states where the Feds were operating the healthcare exchange. Poorly written sections of the PPACA had cast doubt on the legality of such payments. SCOTUS upheld that even though some wording of the ACA was contradictory the intent was clear. This means that an estimated 6.4 million enrollees will keep their subsidy. This is generally seen as good news by carriers since loss of the federal subsidy would have adversely impacted enrollment, and carriers premiums.
SCOTUS confirms marriage equality

While not directly tied with the ACA, the Supreme Court's action will impact the college’s programs. On the Health and Welfare side we will have to continue to offer domestic partner benefits until the CA legislature changes the law. Otherwise same sex marriage will only impact process changes (forms, etc.). HR will need to identify any DP arrangements and determine if there is now a marriage. Ensuring that correct tax treatment of employer contributions to married same-sex employees will be important.

On the pension side there was no prior accommodation for domestic partners. The term ‘spouse’ has very specific rights in the pension world, and as married same sex partners are identified ensuring that spousal rights are offered will be important.

A review of other college forms and the employee handbook will be initiated to determine if there are other areas that need to be addressed.
Carriers requesting 30+% rate hikes

There have been several news reports about carriers requesting large (30+% rate increases on their Obamacare plans. A few notes:

1. All carriers have to file their new year rates (i.e. 2016) by July 1st, so the timing is more regulatory.

2. Most of the requested increases are on carriers individual policies sold through the exchanges.

3. About 85% of all policies purchased through an exchange received some sort of subsidy.

4. Covered California has not yet announced specific carrier rate requests but indicates a strong posture.

5. All of this has only a peripheral impact on the college.
California Sick Leave Law Changes

Effective July 1st the State of California is mandating certain changes in all employers sick leave policies. The most significant change is extending sick leave protections to part-time and temporary workers who had previously not been covered by this benefit.

The attached handout reviews the differences between current and revised policies, as of July 1st. For most employees this change will have no impact, and for other employees it represents an enhancement. Also attached is the updated benefits eligibility policy due to the ACA.

A campus wide communication on this is going out Monday in the campus bulletin.
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Legal Update on Tuition Waiver for Ed.D and TEP

In prior EBAC meetings the group has considered proposals on two non-Health & Welfare programs; expansion of the Tuition Exchange Program (TEP) and adding an employee tuition waiver benefit to the Ed.D program. Discussion on both proposals was stopped because of a concern that implementing either proposal would hinder the college’s position in the union negotiations with contingent faculty.

In consult with the colleges attorney, his advice to EBAC is to table any further discussions pending the union negotiations.
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Wellness Initiative Update

Interest Survey Results

On Campus Resource Inventory

Develop Vision statement

Form Wellness Resource Group

Initial Program Ideas
Wellness Initiative

At our last EBAC meeting a question was raised asking ‘why do wellness..’

From that discussion it became apparent that the Wellness Initiative itself needed some sort of purpose statement.

Here is an initial draft for review, discussion and comment:
DRAFT Purpose Statement:

An individual’s ‘well being’, their health and attitude, directly affects work performance, attendance and productivity; as well as overall quality of life.

Saint Mary’s College seeks to enhance employees well being through developing, supporting and maintaining a wellness program that can both directly and indirectly impact ‘well being’ and the health and attitude of community members.

WellBeing@SMC will promote engagement in the many existing wellness programs on campus as well as identify and develop new programs where gaps or opportunities exist.
Other Wellness Updates:

Website started

Carrier Wellness Resource fact sheets in development (Draft of Kaiser attached)

Expanding on-campus resources (Sodexo, Chiro)
Wellness Initiative Next Steps:

Finalize the name on the Wellness Initiative, < WellBeing@SMC >

Continue with the formed “Wellness Group” to bring the resource stakeholders together

Set up ‘Wellness Clearinghouse’ website as a resource locator for the many programs and ideas already on campus.

Evaluate to promote the ‘Health Coaching’ services already available

Nutritional / Healthy Cooking class; Expand Yoga and Meditation

Joint event with Health Center (tbd)
Benefits Plan Renewal

‘Suite Spot’ which is the name of the current program that combines Kaiser and UHC for pricing purposes, is ending.

Both Kaiser and UHC have indicated that they will offer renewals on a direct basis.

UHC’s current participation (about 40%) would not normally qualify.

Initial conversations with alternative markets have been positive.
2016 Benefits Renewal Cycle

**May** – Collect data, prepare RFP

**June** – Release RFP to markets; and Kaiser has committed to delivering their renewal (*slipped to July*)

**July** – EBAC Meeting (7/8); RFP responses due with initial indications

**August** – UHC renewal due; initial RFP results delivered

**September** – EBAC Meeting (9/16); Renewal/Alternatives presented
2016 Medical Plan Options (a partial list)

No changes (likely some financial issues)

Alternative to UHC on an insured basis

All Kaiser (doubtful)

Alternative to UHC on a self-funded basis (captive, etc.)

Collaborative contracting with another institution

Recommendations based on our “Employee Work/Life Tenets” attached
Future EBAC Meeting Schedule:

SEP 16 @ 2:00 – 3:30; FAH 205

OCT xxx (tbd, will need to be set)

NOV 4 @ 2:00 – 3:30; FAH 205
Future Agenda Items:

ACA Updates – pending changes, Cadillac tax, etc.

Health Plan Renewal and Proposals

Other…. Please let us know what other issues we should be addressing