

September 30, 2011

Staff Assembly Council Meeting

Present

Lisa Magnarelli, Maureen Scoones, Amy James, Linda Michels, Diane Brady, Jay Bonham, and Anne Riffle

Absent

Tony Poccia

Steve Stemkoski joined the Council to discuss health insurance.

The College looks for the best possible product at the best possible price.

Without a rate cap of 12.5% that was negotiated last year, the College would be looking at an \$800,000 rate increase.

Our health insurance expenses are one of the largest to the budget and if you start funneling money to the 800k, you take money away from other things, like raises.

How can we make it more affordable?

MVP shared all plans filed with the state. What coverage do we want? So they give us options like what they give the state that will set up options for next year.

PPO Preferred with 90/10 payment/deductible

Meet a deductible then insurance pays 90%. An in hospital stay would apply to that deductible

EPO is a 90/10 deductible, strictly local network can't step out.

Health insurance study group was formed and was made up of 16 people from all across campus. They participated in a 10 two hour sessions over viewing what health insurance is all about. Four sessions brainstorming.

They discussed the cost matrix; employee/college cost (which would have been close to 21% higher this year without the rate cap negotiated last year.) Yields that the college pays 81% employees pay 19%.

Have to find out what is most important in the matrix.

Asked MVP if we could mix and match services. They did and did a blend of the EPO and PPO which created an increase of 7.5%.

Steve's thought is that there will be an 8-9% increase.

The loss/risk factor drives the cost of our insurance.

MVP currently losing money on the College. We are at 101% over; we need to be at about 75%.

The committee looked at Colgate and their employee plus one family member is higher than ours.

We are trying to figure out if we should make PPOS affordable and make PPO a "buy up" situation.

Really about cost shifting. If premium is \$7 million, how do we pay? The College is apying 81%, is that the right ratio? Who is paying on what services?

Next year will be worse if we keep trending this way. Keep the matrix and may drastic changes this year. We should make moderate changes this year in preparation for next year's rate increase.

As an organization we need to be healthier. We should be able to use the coverage, but we shouldn't be unhealthy.

We are getting hit with higher claims. We have people managing chronic illnesses and they cost the plan pretty good. Diabetes is a big one.

Smokers and non-exercisers are the folks at the brink of becoming big users.

We looked at other insurance companies, but no one was going to beat the 12.5% rate cap. Human resources is being careful not to beat up other insurance carriers quotes because we can lose them for future quotes. There are only two carriers in the area.

We are a big check mark in MVP's book of business, they like having us. How MVP comes up with their quote is VERY complicated. But we have to be better consumers. We have to shop our health care. I.e. if an MRI is recommended as if there is a less expensive test. Ask questions about drugs – is there a different option that might be less expensive.

6-7 years ago, drugs that are on the market now weren't even close. But now we have them and they are more expensive.

Anne Riffle asked if the college's program healthy advocate is being used. Steve will look into that. How do we get people to use it? Steve and Dave Thompson will be going to Bassett for a consult about wellness issues.

Telling the community about the 101% figure? Yes and discuss it in a format of "what you do counts." Ask the questions of your doctor. Including can we work through this with diet and exercise versus medications.

Most people view health insurance as a benefit. Thought process of making it more of an incentive but this pushes the cost to the employees.

As a campus, our big pull is for acid reflux, cholesterol and diabetes meds. We have an aging population, but currently retirees pay 75% and 100% of spouses coverage but they do not account for much of the cost. More of them are finding better options. 590 people on the plan including retirees.

Do we have a higher number of family plans? Are we pricing ourselves too well? Does it make sense to make the waiver more attractive? Currently at \$1000 and 115 people currently taking the waiver. How long have we offered the waiver? The waiver is to push folks to spouses plan.

Discussion about asking the health care study group to speak to how they came to decision? Not going to have them there, but will acknowledge them on the slides during the meeting. Steve has a slide that will discuss what the study group did and how they made their decisions.

We need to make sure that the community understands. Community may need to make small plan adjustments now before there is a big increase next year is in the slides.

Open enrollment will begin November 7th.

For Staff Assembly meeting Steve will have 10 slides. Brief and explaining that open enrollment meetings are coming and encouraging people to attend.

Meeting adjourned at 10:45am

Next meeting October 7th at 9am in Sadove to prepare for October 11th meeting.