SC 235 Attachment 235-5

## **Staff Health Care Committee (SHCC)**

## **Report to UAF Staff Council**

## By Gary Newman, Debbie Coxon

## January 17, 2013

The SHCC has not met since our last Staff Council meeting. However a number of Health Care Forums were hosted by the Joint Health Care Committee (representative of all UA bargaining groups plus management and unrepresented staff. One was held for statewide employees and two for UAF employees.

**Morning UAF forum** (Debbie Coxon): moderated by Abel Bult-Ito, JHCC chair and Erika Van Flein, HR Benefits Director.

There was moderate attendance. Some attendees from UAF Staff council had staff questions, while other attendees had their personal questions.

The forum opened with a Powerpoint presentation.

https://www.alaska.edu/files/benefits/FY14ProposedPlanChanges.pdf

It included a list of the membership of the JHCC and a brief outline of each of the 9 recommendations for plan changes for FY 13 (July 1, 2013). Erika requested staff to email her directly with any personal questions regarding their coverage.

Questions regarding the spousal surcharge were addressed by Erika. Erika stated that spouses accounted for 25% of the dependents; while spouses were 40% of the claims. Spousal surcharge has been recommended to be approximately \$1200 per year, dependent upon you are a 9 or 12 month employee.

Discussion regarding the dependent count. Erika explained that the higher percentage of employees had 3 children dependents or less. Only 10% had more than 3 dependent children. Some one asked if working adult dependent children could be charged a similar charge like the spousal surcharge. Due to federal regulations, children cannot be charged any additional costs.

The proposed 3 year Wellness Plan was positive and attendees understood how creating healthier employees would create less claims in the future. The vendor is yet to be determined for this plan. The current WIN for Alaska campaign would continue through FY13 at FY12 prize rates.

The Opt-Out proposal was discussed and attendees opposed strongly. Employees feel forced to pay for health insurance they don't need. Other comments that the University could no longer call health insurance a benefit, when it became an unneeded employee's expense.

Discussion of affordability of the Opt Out or the Spousal Surcharge for those employees at the lower end of the pay scale.

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**Afternoon UAF forum** (Gary Newman): moderated by Abel Bult-Ito, JHCC chair and Erika Van Flein, HR Benefits director.

The forum opened with a Powerpoint presentation. https://www.alaska.edu/files/benefits/FY14ProposedPlanChanges.pdf

It included a list of the membership of the JHCC and a brief outline of each of the 9 recommendations for plan changes for FY 13 (July 1, 2013).

There were questions about the effectiveness of the Wellness Program, the response being that the future plan might be a 3 year effort to better measure results.

There were questions about charging by dependent rather than by up to 3. The response was that 10% of covered members had greater than 3 dependents and more than defining further wouldn't be worth the extra administrative effort.

The spousal surcharge was pretty solidly opposed, requiring employees to pay for essentially double coverage and be on different plans.

The Opt-Out proposal earned even more disapproval of those in attendance. What seems odd is the administration advocating strongly for eliminating Opt-Out when the employees object and when the impact will be likely to cost the university over \$2 million in extra medical costs by those spouses. The answer that they would just request the Legislature to give the University more seems wishful thinking.

The deadline for comments on the proposed changes is Jan. 28, 2013. Send an email to ervanflein@alaska.edu

This concludes our report on SHCC activity.

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