UNIVERSITY BENEFITS COMMITTEE

MINUTES: November 29, 2012

Members Present: Meredith Ayers, Terry Borg, Cliff Bottiglieri, Deborah Haliczer, Sue Mini, Pamela Rosenberg, Gina Shannon, Sherilynn Spear

Guests: Liz Guess, Jim Lockard

The meeting was called to order at 10:05. The agenda was approved as amended, with additions under New Business, and the minutes from the October 30, 2012 meeting were approved as amended.

Old Business:

- Lockard summarized recent pension activity. Conversations are taking place concerning potential changes to the pension plan, but there has yet to be any action. It was suggested that we monitor email communications for news in December and January, as if we need to discuss an issue relating to pensions, it will be done via email. Many people have been concerned about having to retire before December 31, 2012, to ensure the largest pension benefit before changes are made but that won’t be an issue as any changes to the plan would be in the future, after the changes are passed via legislation, which would probably not be until July 1.
- Lawsuits were in place and ready to be filed if the constitutional amendment had been passed. Since it did not pass, it was not necessary, however, the format is in place so if there are any changes made to the pension plans that are deemed unconstitutional, the documents can be changed and filed quickly.
- The changes that Representative Fortner has suggested seem to be fair and constitutional and more acceptable than HB 1673.
- Last year SURS reduced the assumed rate, but that change actually increases the amount the state has to contribute as they are inversely proportional. If you look at the total rate of return over the last 30 years, SURS had a rate of return of 10.1%, which is a good long term rate, which is what is needed.
- The Annuity Association will hold their Holiday Event on December 5, 2012. Jim Lockard will update the annuitants on changes in benefits.
- Liz Guess, who heads Human Resources Employee Benefits reported on recent benefits activity. HMO RFP contracts were finalized and awards were given on November 15, 2012. Health Alliance IL HMO will be going away effective February 1, 2013, so all employees enrolled in this plan will have to select a new plan before February 1, 2013. NIU currently has 700 active employees enrolled in this plan. Something will be posted in NIU Today about this change soon. This will be a qualifying event so all have until February 1, 2013 to choose a different plan. If they do not make a choice by the deadline, they will be defaulted into Quality Care. HR has no access to the data for retirees, so the number of retirees affected is unknown. Something will be said about this issue at the Annuity Association Event. HR will be contacting the DeKalb Clinic and Kishwaukee Hospital to find out which providers can become members of the new HMOs.
All affected employees will be contacted by HR, and CMS will contact all members affected by the change, including retirees.

- Health Alliance HMO is different from Health Alliance IL HMO. The available HMOs as of February 1, 2013 will be: Health Alliance HMO, Coventry HMO, HMO IL, and Blue Advantage HMO. The other options are Coventry OAP, Healthlink OAP, and Quality Care.
- A high deductible health plan with a health savings account will be offered in the next benefits choice period. CIGNA will be the provider.
- There is a proposal on the table to raise premiums, but premiums won’t change until the AFSCME contracts are approved.
- CMS is currently gathering data to determine where retirees will fall within the contribution table for health care. There is no indication when this will be implemented, but retirees will be notified when the premiums will go into effect and how the amount was calculated, using age at retirement, years of service, Medicare status, and annuity received.
- No updates on HB 4996.
- No updates on the OSC/APAC proposal for vacation accrual.
- No updates on the SPSC proposal on temporary SPS
- Discussion about how morale is low across campus ensued. Many people in the community don’t want to support NIU until the current issues on campus are cleaned up. Public perception is that we are all money spending “party goers”, so many holiday parties are being canceled. An idea was suggested to print off acceptable use procedures so employees can say they were following the stated procedures while performing their work.
- The 457 plan will start offering loans as of January 1, 2013. There are 85 employees currently enrolled. CMS will communicate with those eligible.

New Business:

- On W2s the total cost of the benefits will be reported, i.e. both employer and employee portions. There will be no tax on this benefit as of yet. It will be an informational item and will come directly from the CMS file.
- Pension panic is rampant, however, we’re in a climate of panic when we really don’t have any idea what may happen. What can we do proactively to protect benefits? People across the board, young and old, are concerned, so disseminating more information about pensions that is positive would be very helpful. The President’s Holiday Luncheon was a morale booster.
- There is a 28 person Presidential Search Advisory Council, and it was suggested that there be a website of search information so we can look forward, and that maybe more attention to this new change would help to bring some increased morale. This Council will be the ones who make the ultimate decision, but we can give them information on what we want to see in our next President.

Next meeting will be January 31, 2013 at 10:00.

The meeting was adjourned at 11:54.
Respectfully submitted,

Pamela Rosenberg, Secretary