

Faculty and Staff Benefits Advisory Committee Meeting

December 13, 2000

Birmingham Room-Bryant Conference Center

3:00 p.m.

Voting Members Present: Dr. George Rable, Eddie Madison, Judy Hamilton, Dr. Wythe Holt, Dr. Keith Woodbury, Dr. Chuck Evces, Debra Hill, Cheryl Ballard, Isabella Wilson, Tina Dorroh, Lane Cox, Sybil Hobson, Deborah Hamilton, Donna Keene, Susan Lucas, Pam Parsons, Dr. Jonathan Noffsinger

Voting Members Absent: Dona Sulzmann, Debbie Thrasher, David Robinson, Loranette Collier

Non-Voting Members/

Guests Present: Sandra Abrams, Charlotte Harris, John Kasberg, George Brown

Donna Keene opened the meeting, determined that a quorum was present and requested approval of the minutes from the November 8th meeting. The minutes were approved with the following changes:

1. In the paragraph about psychiatric visits, the last sentence should read:
Another option could be to pay 80% of the visits up to 30 and 50% of the visits between 30 and 52.
2. On the second page, first paragraph, the word genetic should be generic.

Recreational facilities – George Brown discussed the status of the improvements to the recreational facilities. He approached the committee about ways to keep costs for faculty and staff low during the impending improvements. One of his suggestions was to use an ‘a la carte’ feature that allows employees to pay for the facilities they use, rather than paying more for facilities that they will not use. Mr. Brown mentioned that in years past, Dr. Sorensen has set aside temporary dollars to fill in the gap between the fees that the recreational facilities take in and the costs that are actually incurred. An average of \$47,000/year over the next 5 years is what is estimated to fall into this “gap.” Mr. Brown thinks that if we can find a way to make this a permanent budget change, we can keep membership costs low for employees. The suggestion was made that there are currently untouched monies in bowl money and in the excess in endowments. This could possibly be a source of the permanent dollars being sought. Mr. Brown will research other universities to find out how they produce the money necessary to run their facilities and keep costs low.

Healthcare Benefits – Debra Hill had done some informal research with local industries to assess their health benefits. In her opinion, what we are moving to results in significantly higher costs than is charged to employees at the other companies. The comment was made that we should not only compare ourselves to other universities, but also to local industry, because we are competing for those employees as well. The committee agreed that education about our benefits plan is the key to having satisfied employees who are knowledgeable about why changes are being made. It was also the general feeling that raising premiums or co-pays incrementally is better than having to substantially hike up the costs at one time or cutting benefits. Some other suggestions were:

- Additional breaks in pay scale that determines employees’ premiums - other than just at 26K.
- Plan options—employees can choose to pay higher premiums for more coverage, or choose to pay

lower premiums with a greater risk.

-Lower the co-pay for those brand-name drugs with no generic counterpart to \$20 and possibly raise the price of those brand-name drugs with a generic counterpart.

-Look into expanding levels of coverage: i.e. employee, employee + one, and employee + family (as our dental insurance was recently changed).

Dental Plans – Due to time restraints, the subject of dental plans was just briefly discussed. A decision must be made before October 1, 2001 to renew or not to renew the existing contract with United Concordia. Other companies will again be requested to also submit bids.

Redefinition of “Dependent” – Dr. Chuck Evces made the motion via email that “[t]he term ‘dependent’, when used in the context of faculty and staff benefits at The University of Alabama, be defined as those individuals who qualify as dependents for federal income tax purposes. He proposed that we find out if other universities are using this definition. He also inquired as to whether we could find out how many people on this campus that the change would impact. The suggestion was made that we try to find a way to obtain insurance for these people rather than classify them as dependents.

Tuition Reimbursement –The motion had been made previously that when both a husband and wife work for the university, a 75% reimbursement be given to dependents. Donna Keene clarified this to mean that the reimbursement be given not only to dependents, but also to the husband and wife.

The meeting was adjourned at 5:15 p.m. The next meeting is scheduled for Wednesday, January 24, 2001 in the Birmingham Room in the Bryan Conference Center. It will begin at 2:00 p.m.