# FACULTY SENATE MEETING

# AUGUST 21, 2018 - #1010 NORTH LAWN HALL – 3:30 PM

# APPROVED MINUTES

**ABSENT WITH ALTERNATE:** Brad Tuggle/John Latta; Melissa Wilmarth/Juanita McMath.

**ABSENT WITHOUT ALTERNATE:** Osiris Molina, Jenna Stiffler.

**GUESTS:** David Bertanzetti, Jay Haley, Erika Shumate, Hiron Stiell, Tony O’Neal, Nancy Whitaker, Becky ?, Sandra Abrams – Benefits office; Cresandra Smothers, Strategic Communications.

Roll call and quorum check by Barb Dahlbach, Faculty Senate Secretary.

The minutes of the April 17, 2018 Faculty Senate meeting were approved.

The University of Alabama Benefits Office representatives Hiron Stiell and Erika Shumate gave a presentation detailing changes in health care benefits for UA employees. UA will be conducting an active open enrollment plan from November 1 through November 15, 2018. All benefit-eligible employees must act by electing or declining health, dental or vision coverage and flexible spending accounts through BenefitsFocus regardless of current coverage. It was emphasized multiple times that failure to act during Open Enrollment will result in NO COVERAGE in 2019. UA employees will have options with the introduction of a high-deductible health plan. UA must comply with the Affordable Care Act requirements to offer coverage to at least 95% of full-time employees. Employees who fail to enroll in coverage by November 15 must wait until the next open enrollment period to elect coverage unless a qualifying life event (QLF) occurs. By closely adhering to all IRS requirements, premiums for medical, dental, vision and FSA contributions qualify for pre-tax payroll deductions – meaning you do not pay income tax. Any enrollment exceptions without a QLE could jeopardize UA’s tax-favored status and cost all employees money. Dependents do not have to be re-verified if they have been verified in the past but you must re-enroll. The health plan financial status at UA began running a deficit in 2015 and is continuing through 2018. Projected deficits for 2015-2019 are 14 ½ million dollars. The changes being made are to effectively shore up UA’s health care plan. Contributing to the deficit status includes catastrophic illnesses (1 one million dollar claimant and 30 $100,000 claimants per year), increased prescription drug costs, no premium increases in 2012-14-15-16, inflation (8% medical/10% drugs). Premiums will not increase in 2019. No action-no coverage.

UA has a **Preferred Provider Organization (PPO)** plan in place. The current deductibles will remain the same in 2019 ($175 medical/$175 prescription drug deductible per person). Every individual will be required to meet the $350 total deductible per person regardless of family size. Increases include emergency room copay to $150/ specialist office visit copay $50, annual physical therapy limits to 20 per person per calendar year. If an employee uses an out-of-network provider in Alabama, the coinsurance fee increases to 50%.

An option for UA employees is a **High Deductible Health Plan (HDHP)** which has a higher deductible than a traditional insurance plan. This can be combined with a Health Savings Account (HAS) helping employees pay for some qualified medical expenses with tax-free money. A non-single contract is considered a family contract for purposes of deductibles, out-of-pocket maximums and contributions according to IRS regulations. Employees can compare their current coverage to the new HDHP in a table on the *hr.ua.edu/benefits/oe-hdhp* web site. The IRS defines a high deductible health plan as any plan with a deductible of at least $1,350 for an individual or $2,700 for a family and limits total yearly out-of-pocket expenses to no more than $6,650 for an individual or $13,300 for a family.

A **Health Savings Account (HSA)** is a tax-favored savings account which can be used to pay for qualified medical expenses which is administered by Total Administrative Services Corporation (TASC). Health Savings Accounts offer tax free payroll contributions from the employee and The University of Alabama, tax free earnings will accumulate if the HAS funds are invested and tax free distributions when and if HSA funds are used to pay for qualified medical expenses. Another option for retirement savings includes investing excess funds over $2,000, contribution of an additional $1,000 after age 55 and after age 65 an employee can use HAS funds to pay for Medicare premiums or long-term care. The HSA goes with the employee when changing jobs. To review “seed money” requirements go to *hr.ua.edu/benefits* web page. Employee HAS contributions are tax-free via payroll deduction. The amount you can contribute depends on single or family HDHP coverage, your age, your eligibility date and when you cease to be an eligible individual. The two ways to contribute are payroll deduction and direct deposit through TASC online portal. You must be covered by a qualifying High Deductible Health Plan to contribute to a Health Savings Account. You cannot be covered by any other non-HDHP plan even if the coverage is secondary. You cannot be claimed as a dependent on another person’s tax return. You cannot use your HSA to pay for ineligible dependents. You or your spouse cannot be enrolled in a Healthcare Flexible Spending Account (FSA) or Health Reimbursement Account (HRA).

The **Healthcare Flexible Spending Account** provides a way to save money on health care expenses. Contributions can be made on a pre-tax basis and the money used to pay for qualified medical expenses during the year. Federal, State and Social Security taxes do not apply to those contributions. Contributions can be made on a pre-tax basis to the Dependent Care Flexible Spending Account to be used for eligible dependent care expenses. The FSA FlexCard enables you to access your Healthcare Flexible Spending Account money exactly when needed eliminating paper claim forms. The maximum contribution amount in 2019 is $2,650. Participants can use this plan to pay for child care/elder care. The maximum annual amount you can contribute to a dependent care account in 2019 is $5,000 or $2,500 for married taxpayers filing separate returns. All unused funds (use it or lose it) will be forfeited if not incurred by December 31, 2019.

The medical premium salary tier will be replaced with a **Premium Assistance Program**. Premium assistance will be offered to benefit-eligible employees by giving a medical premium discount based on family size and total combined household income. An application must be submitted along with acceptable proof of total annual household income based on the most recent income tax return, W-2s and 1099s. Current employees must submit documentation annually during the open enrollment period and newly eligible employees thirty days from date of health plan enrollment. The discount is equal to the lowest cost single plan employee premium offered. For 2019 the amount is $54 per month up to $648 per year. The discount only applies to medical plan enrollment and is for the current plan year only. Applications must be submitted each year during open enrollment.

The increases in health care insurance premiums were reviewed. Even with those increases the deficit in the health care plan will not be completely removed. The University will return to **Prime Therapeutics** as the pharmacy benefit management company beginning January 1, 2019. The benefits include one ID card for medical and pharmacy benefits, once source for all mailed communications, one number to call for Member Services, one sign on for myBlueCross website, specialty and customer and mail order service improvement and integration of medical and pharmacy claims. New ID cards will be distributed before January 1, 2019.

Open Enrollment Information Sessions will be held September 20 and 26 at 1:30 P.M. in Gorgas Library 205, October 1 at 5:30 P.M. in the Employee Resource Center, and October 17 at 10:00 A.M. in Coleman Coliseum. Additional HDHP/HSA Information Sessions will be October 4 at 5:30 P.M. in the Employee Resource Center, October 9 at 9:30 A.M. in Gorgas Library 205 and October 25 at 1:30 P.M. in Gorgas Library 205. Questions included the projected number of participants in each plan, loss of coverage, addition to healthcare plan, lack of coverage between hire date and insurance coverage, applicable formularies, communicating critical information about no action no coverage, switching plans from year to year and FDIC insured Health Savings Account.

Information concerning these changes along with a newsletter, poster, flier and post card are available on the Human Resources web page.

**President’s Report –** *(Rona Donahoe)* Faculty Senate meetings for the remainder of the year will be held in SERC #1013.

President Donahoe sent out a call for nominations for the Education Task Force and has received only three names. Two nominations are needed from each college that confers undergraduate degrees and twice that number for the College of Arts and Sciences. Each nominee is required to submit a one page summary regarding their interest in serving and qualifications for doing so. Nominations are needed by Monday, August 27, 2018.

Dominic Yeager has volunteered to serve as the Faculty Senate representative to the Coalition on Intercollegiate Athletics (COIC) organization. The Faculty Senate voted to confirm the nomination.

Chancellor Ray Hayes announced his retirement at the June Board of Trustees meeting. Board of Trustees member Finis St. John has been appointed interim chancellor. A search is presently underway to fill this vacancy. Faculty Senate presidents from all three campuses sent a letter to Ron Gray, President Pro Tem of the Board of Trustees, requesting a faculty member be included on the search committee and a diverse pool of applicants be secured. Participation in the search was denied.

ModernThink survey has been completed. Access to the final report will be shared with the Faculty Senate Financial Affairs and Faculty Life Committees to formulate recommendations to address concerns raised by that survey.

The search for the Vice President for Research and Economic Development position is ongoing. It is reported that a well-qualified pool of candidates has been established. President Donahoe will be meeting on Thursday and will have an update for the Faculty Senate at the next meeting.

On August 6th a luncheon in appreciation of Brewer Porch Center’s teachers and support staff was held. This was a first for them. Classroom supplies were distributed. Funding/grant was provided by TIAA (James Kelly) and the Alabama Reach Program along with other donations. Additional service projects will occur throughout the year.

Chris Esposito of Parking and Transportation Services will speak to the September meeting of the Faculty Senate Steering Committee. A new parking tag will be required as of January 1, 2019 for night and weekend parking.

There is a proposed academic merger possibly leading to the Merger and Discontinuance Committee and other processes.

The closing of the Aquatic Weight Room has caused some dissention among faculty and has been given to a Faculty Senate Committee for further review and recommendations.

**Secretary’s Report –** *(Barb Dahlbach)* Barb Dahlbach, Jeremy Crawford and Denis DeSalvo attended the Higher Education Partnership sponsored conference held August 8-10 in Destin, Florida. The STARS (Student Teams Advocating Realistic Solutions) Leadership and University Advocates were concerned with education funding, budgetary processes, advancing higher education and tuition increases. One of the speakers was an Auburn student’s account of overcoming alcohol addiction and mental health.

The Faculty Senate representative to UA’s Standing Awards Committee has resigned. A request was made for a volunteer to serve in that position.

**Academic Affairs –** *(John Vincent & John Petrovic)* The final version of the Faculty Handbook has been completed. The Provost contacted the committee concerning the Curriculum Oversight Committee (CCOC); the committee made certain that the CCOC had a member from the Math Department. The committee was also consulted about the filling of the Dean of Continuing Education position. Those comments were composed and sent to the Provost. Academic Affairs will receive an email concerning time and date of next meeting.

**Community & Legislative Affairs –** *(Amy Dayton & Jenna Stiffler)* No report.

**Diversity, Equity & Inclusion –** *(Osiris Molina & Mirit Eyal-Cohen)* Request was made for suggestions and input in the forming of a diversity network.

**Faculty & Senate Governance –** *(Angela Benson & Ibrahim Cemen)* The Merger and Discontinuance Committee is in need of nominations. The election of Marshals for Commencement is now handled by Strategic Communications.

**Faculty Life –** *(Julia Caqrtwright & Andrea Glenn)* The Faculty Life Committee continues to look at the issues of child care and maternity leave.

**Financial Affairs –** *(Rainer Schad & Peter Johnson)* The Financial Affairs Committee is gathering data concerning faculty salaries from other institutions to compare to UA faculty salaries. Other issues the committee is considering are parking fees, recreation facility usage and health insurance costs.

**Information Technology & Strategic Communications –** *(Dan Meissner & Matthew Hudnall)* Dan Meissner and Matthew Hudnall met with Telecom to review the voice-over transition for UA. Sixty percent of the transition has been completed. The transition has caused some problems with fax lines on campus. A request can be submitted to assist with the costs incurred. Other subjects were video and teleconferencing. In a meeting with Strategic Communications the brand management system was discussed. Over 800 web sites fall under the ua.edu web site domain. Those are being consolidated into about fifty core web sites. Dead links were reviewed with hundreds of links discovered. The committee met with Procurement Services regarding the Concur system and the burden put on faculty in submitting reimbursement payments.

**Research & Service –** *(Ajay Agrawal & Mike Kreger)* The committee reported the search for a Vice President for Research and Development is ongoing.

**Student Affairs –** *(Donna Meester & Amy Traylor)* A meeting will be heldearly next month regarding the Alabama Reach program.

President Donahoe encouraged the committee to meet and determine the action items for this academic year. Nominations are needed for those vacancies noted in today’s meeting.

Meeting adjourned 5:10 P.M.