



**IMPERIAL VALLEY COLLEGE
INSURANCE COMMITTEE**

March 9, 2009

Members Present:

Recorder: Mary Carter

<u>John Lau, VP for Business Services</u>	<u>Chris Mays, CSEA Representative</u>
<u>Travis Gregory, Associate Dean of HR Resources</u>	<u>Marilyn Boyle, CSEA Representative</u>
<u>Carlos Fletes, Director of Fiscal Services</u>	<u>Gail Parish, CSEA Representative</u>
<u>Frances Beope, CTA Representative</u>	<u>Zula Hartfield, CMCA Representative</u>
<u>Suzanne Gretz, CTA Representative</u>	<u>Jim Pendley, Certificated Retiree Representative</u>
<u>Lorraine Mazeroll, CTA Representative</u>	<u>Shirley Hofer-Bell, Classified Retiree Rep</u>

Consultants: Mary Bell, Payroll/Benefits Coordinator; Julie Revoir and Bob Quellmalz, Keenan and Associates

Call to order: The regularly scheduled meeting of the Insurance Committee was called to order at 1:00 p.m. on March 9, 2009 in the Student Life Conference Room by Travis Gregory. Mr. Gregory asked for clarification as to the committee status (i.e. whether it was a shared governance committee). Committee members stated that the committee is not a standing committee, and that its function is to share information with CSEA, CTA, and administration regarding insurance benefit matters.

Approval of minutes: M/S/C Parish/Boyle to approve the minutes of the December 12, 2008 meeting.

Report by Keenan:

Julie Revoir reviewed the preliminary renewal from Anthem Blue Cross with the committee. Bob Quellmalz, Senior Vice President with Keenan and Associates reported that the renewal is preliminary, and there may be some areas that can be discussed with Anthem Blue Cross, but that it will be difficult because of changes that have occurred since Anthem purchased Blue Cross.

High Claims: There is one large claims of \$589,000, which results in a credit of \$489,000 due to the \$100,000 stop loss. Last year, the college received a credit of \$223,000 for large claims.

Medicare: There is a possibility of a \$200,000 increase on Medicare retirees, resulting in a \$600,000 overall increase to the program. Drug usage is very high with retirees, and the Medicare D program is being rated on its own. The increase to the plan is 14% overall with Medicare participants included.

Plan changes: There are some mandatory plan changes and some costs involved (1.24% overall, included in renewal amount):

1. Specialty drugs (usually bio-pharmaceutical injectibles) are only covered when ordered through the Specialty Pharmacy Program and can no longer be ordered through mail order.
2. Benefits for services covered under the Physical Exam provision will no longer be subject to \$250 per year maximum. For PPO providers, deductible is waived, \$25 co-pay for preventative exam.
3. Non-parity mental health benefits under the Mental or Nervous Disorders provision will no longer have dollar per day or dollar per visit limits. Facility care is limited to 30 days per year; outpatient visits limited to 20 visits per year.
4. Full-time students, age 19 and older may remain covered under the plan during a medically necessary leave of absence from school, for up to 12 months.
5. Adult handicapped dependent children covered under a prior plan (not necessarily the College's plan) or having six months or more of credible coverage are eligible for the plan

COBRA Expansion (due to Federal Recovery Act): COBRA coverage will be paid 65% by the government/35% by individual in the case of an involuntary lay-off (through the end of 2009). This would not have a lot of impact for IVC, it is aimed more at private employers.

Renewal calculation: The initial renewal calculation was presented, showing a total required medical premium of \$4.88 million (not including Medicare D retirees).

Options: The committee asked to see possible plan changes at the next meeting and suggested having a more aggressive wellness program. Gail Parish stated that the committee can recommend benefit changes, but changes must be negotiated with the bargaining units.

Health Fair Bus: The Anthem Blue Cross bus will be on campus April 2, 2009.

Meeting adjourned at 2:35 p.m.