

University of South Alabama Fringe Benefits Committee – Meeting Minutes

Date: October 14, 2008
 Time: 3:00 PM
 Place: HR Learning & Development Center

Members:

Mr. M. Wayne Davis	Chairman - Financial Affairs	Present
Dr. Lanier S. Cauley	Mechanical Engineering	Absent
Dr. Thomas Chilton	Associate Dean of Education	Present
Ms. Elnora Davis	Central Supply	Absent
Mr. Pat Downing	USA Brookley Center	Present
Mr. Edward Felts	Computer Services Center	Present
Ms. Amy Fleet	Marketing	Present
Dr. Jean Irion	Chair, Faculty/Senate Fringe Benefits Committee	Absent
Mr. David Knight	Supply, Processing & Distribution	Absent
Ms. Bessie Lee	Pediatrics	Absent
Mr. Bobby McRee	Maintenance	Absent
Dr. Carl Moore	Academic Affairs	Present
Mr. John Pannelli	COM Business Office	Present
Ms. Kelly Peters	Business Office	Present
Dr. Victoria Rivizzigno	Earth Sciences	Present
Dr. John Sachs	Chair of Faculty/Senate	Present
Dr. Robert Shearer	Office of the President	Present
Ms. Barbara Shirvanian	Dean of Students	Absent
Dr. Stephen Teplick	College of Medicine	Absent
Dr. J. Allan Tucker	College of Medicine	Absent
Ms. Carolyn Williams	College of Medicine	Absent

Others Present:

Ms. Pamela Henderson, Assistant Vice President Human Resources
 Mr. Gerald Gattis, Associate Director of Human Resources
 Mr. Ed Kahalley, Jr., Benefits Consultant and Secretary to the Committee
 Dr. Michael Doran, Alternate for Jean Irion
 Mr. Danny Rickert, Director Marketing & Business Outreach USA Health Systems

Call to Order & Meeting Minutes:

Chairman Wayne Davis called the meeting to order and asked for approval of the July 29, 2008, meeting minutes.

A motion was made, seconded and the vote unanimous to dispense with the reading of the meeting minutes and approve same as prepared by the Secretary.

Flu Vaccine:

Mr. Rickert stated that the Health Services Foundation is working on the flu vaccine program for this year which will be comprehensive. He stated that Health Services will bill the USA Health Plan for flu shots this year making for a better overall program. All University employees will have access to flu shots whether they are covered by the USA Health Plan or not. Dependents covered by the USA Health Plan will also have access to flu shots free of charge. Under this arrangement there will be no claim to file but a signed medical release form will be required. Flu shots will be available at several locations for convenience. He distributed a listing of the sites, times and dates.

Mr. Rickert stated that there would be several communications to employees concerning the flu vaccine and available locations and times. He stated that there will be ample notification and multiple sites to ensure that all have an opportunity to participate.

Mr. Davis asked if this would also be available to part-time employees.

Ms. Henderson stated that this was the intention but that it would not be available to contract employees.

All agreed that part-time University employees (regular and temporary) should be included.

Mr. Rickert stated that there will be an intense three-day program but flu shots would also be available after that three-day period by appointment only.

University of South Alabama Urgent Care:

Mr. Rickert distributed information about the Urgent Care clinic. He stated that this was a new effort that will benefit the employees. The Urgent Care clinic will be staffed by the USA Physicians Group and Student Health and that they are recruiting a Physician Assistant. The clinic will provide basic services as stated on the handout. It is hoped that the clinic will be open in about three weeks. He stated that the clinic will not be exclusive to University employees and would be offered to employers at the Technology Park. He stated that they estimate that 12,000 individuals will have access to the clinic for basic health services. He reviewed the program in detail and offered to take the members on a tour of the new clinic after the meeting.

Experience Report:

A summary of the experience report complete for the first eight months of this year was distributed. Mr. Kahalley reviewed the report with the Committee and answered questions. He stated that expenses have increased by a little over \$1 million or 6% compared to last year. Revenue exceeds expenses by \$512,665 for the eight-month period and the current reserve is slightly more than \$14 million. He stated that the employer contribution accounts for 75% of the total cost and is on target with the policy. The rate of growth indicates a slight deficit for the coming year but in general the USA Health & Dental Plan is in good financial condition.

Annual Review:

A summary of the annual Valuation was distributed. The Consultant stated that each year the University receives the annual Valuation report as well as a renewal analysis from Blue Cross Blue Shield. The reports include a projected cost for the coming year. He reviewed the report with the Committee.

He stated that in addition, this year a Sub-Committee was appointed by the Chairman to review specific issues from the last meeting of the Fringe Benefits Committee. The Sub-Committee has presented several recommendations which were submitted to the USA Health & Dental Plan Management Committee. The Management Committee reviewed the recommendations in conjunction with the information from the Valuation and Blue Cross Blue Shield.

The recommendations include:

- 1) Leave the funding rates at the current level for the coming year. There would be no change to the employee contribution of \$67 for single and \$230 for family coverage.
- 2) Leave the COBRA continuation of coverage rates at the current level.
- 3) Eliminate the \$25 annual deductible from the dental plan of benefits.
- 4) Change the mental health treatment benefit to pay 100% for an outpatient Psychiatrist, Psychologist, Licensed Practical Counselor, and Licensed Clinical Social Worker after a \$25-per-visit copay with a limitation of 60 visits per year.
- 5) Increase the Home Health Care annual maximum benefit amount to \$40,000.
- 6) Leave the Infirmary West facility as a USA Network provider for the purposes of the deductible and copay.
- 7) The University will proceed with the wellness program first initiative which involves the “HealthQuotient” with an incentive payable to those employees and dependent spouses who complete the form within the 90 day enrollment period.

The estimated additional cost of the suggested changes is \$330,000.

The Committee reviewed the suggested changes item by item. The Consultant answered questions and there was general agreement that the changes were in the best interest of the members and the USA Health & Dental Plan.

The Chairman asked if there was a recommendation from the Sub-Committee on the issue of infertility treatment.

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Mr. Kahalley stated that the Sub-Committee recommended no change to this benefit. The Sub-Committee did suggest that the University's infertility clinic consider some advantage for University employees.

A motion was made, seconded and the vote unanimous that all of the recommendations be adopted by the Fringe Benefit Committee for submission to the President for consideration.

Adjourn:

There being no other business to come before the Fringe Benefits Committee the meeting was adjourned at 4:10 PM.