

Provost Employee Communications Council
November 13, 2007

Those in attendance: Betty Brown, Susan Chisholm, William Corey, Peggy Ehrenberg, Dan Fetko, Carol Garges, Iva Gillet, Elizabeth Olmsted, Kim Olsen, Susan Pott, Beth Reinhard (ex-officio), Rob Schuett, Jean Varner, Cindy Vaught, and Dawn Waller.

OPEN SESSION

Ms. Anne Broccoli, Interim-Director of Benefits, University Human Resources – Benefits Division was our guest speaker.

General overview of healthcare changes included that the low premium plan will now have all immunizations covered, as well as eligible wellness, prevention, and diagnostics tests covered 100% in both plans. There has been a slight increase in the co-pay for brand drugs, and tiered fee for specialty drugs. Coverage for genetic testing has been added as well as prescription smoking cessation. Low premium cost has gone down, while high premiums have increased. There are 828 employees on the low premium and 11,210 on the high premium.

Ms. Broccoli addressed the questions posed by constituents:

1. *When I attended employee orientation last year, the group was told that since we did not work the first work day of the month, our benefits would not start until the following month. Is that true or did I misunderstand? If it is true, why? It seems unfair that I lost a month's worth of benefits because I was given a start date that was the second work day of the month. Part two of the question - Are departments and supervisors aware of this? When my start date was discussed I was told I could start any day the next week except Monday.... And Monday was the first work day of the month.*

While life insurance benefits starts right away, health insurance benefits begin on the first day of the first full month of employment if the employee's application for coverage is received within 60 days of employment. If an employee's first day of work is the first working day of the month, coverage begins on the first day of that month when the employee's application is received within 60 days of employment.

Staff orientation for new U.Va. hires is now held on Mondays and are coordinated as a start date. The Monday orientation allows for explaining benefits, obtaining UVA IDs, and coordinating parking through Parking and Transportation on one day in one location.

2. *I am wondering if UVA has considered offering health care, paid by the UVA staff, for their ADULT children. We would love to have a 20something child covered, and would be willing to pay for it, having him reimburse us. It is EXTREMELY expensive for him to buy individual insurance--anything he could afford is not worth it. Any good insurance costs too much.*

U.Va. generally mirrors the eligibility of the State health insurance plan and dependent children who live at home and are eligible to be declared on the employee's taxes can stay on until the end of the calendar year in which they turn 23. Keep in mind that once a child loses eligibility they can continue with COBRA the coverage for 36 months. While the COBRA participant pays much more than an

active employee, currently \$348.84 for single coverage in the high premium plan, it provides the same rich benefit including prescription, etc. for the 3 year period.

3. *If the topic of prescriptions comes up, I'd like to know why prenatal vitamins are not covered, as most OBGYNs make the prescription vitamins mandatory. Not a big deal, but certainly one of concern to those of us who paid \$80-\$90 every three months for vitamins.*

It is unfortunate that these vitamins are not covered in prenatal care, but a discount program through Pharmacare is available to assist with that expense. Also, the flexible spending account could help reduce your taxable income by this amount.

4. *I understand that changes are being made to the current Health Care Plan. I analyzed the plan when they first came out with the "low premium" plan and figured "high" premium was better. Apparently so do most other people with 828 choosing low and 11,290 choosing high. I would like to take another look to make sure "high" is still in my best interest. How can we get details of both plans to make a comparison? (Less out of pocket when you use the low premium.) Also I would like to know when open enrollment will be.*

The UVa Health Plan offers two different types of health programs for participants, the High Premium Program and the Low Premium Program. Both programs provide a broad scope of hospital and medical services offered by a carefully selected network of hospital and professional providers, including primary care physicians (PCP). Both the High and Low Premium Programs allow you direct access to physicians and specialists. In other words, you do not have to select a primary care physician (PCP), although a relationship with a PCP is encouraged. To receive the maximum benefits available, all hospital and medical care must be performed by participating network providers. It is the member's responsibility to be sure that all pre-authorizations are in place before receiving medical services. Here is a link to 2007 Medical Services requiring preauthorization:

<http://www.hrs.virginia.edu/forms/preauthlist.pdf>. You may call the Customer Service desk at 1-888-975-9557 to check on the status of an authorization or claim.

Open enrollment was from November 8 to November 26, 2007.

5. *One of my co-worker's dentist has suggested he get a mouth guard because he is beginning to grind his teeth at night, which we know will cause other problems down the road. This is not covered by our dental insurance. Why, and who makes the decisions as to what is covered and not covered under our dental and medical plan?*

If he buys a mouth guard over the counter and later develops serious problems, what happens then? Will insurance pay to have his problems corrected?

This expense would be eligible for flex spending. It is currently not a covered expense.

6. *What do you do if you are out of the country and have a medical emergency?*

In this medical emergency situation, our health care plan pays for you to get stabilized so that you can get to the area where your service provider is located. Southern Health's toll free number is located on the back of your Southern Health card. You should contact them when you can, but get the help

you require where you need it.

7. *Yeah - ask her if the 403b plan can have the employer co-pay more than just \$40 a month. Seems pretty pitiful.*

While we have no authority to change this cash match under restructuring, it is under State consideration. Starting January 1, 2008 new state employees will be automatically enrolled in a 403B. You can increase your own contribution at anytime up to \$15,500 if under 50 and up to \$20,500 if 50 or older. There is also a 457 plan through the state which allows for up to an additional \$15,500 or \$20,500.

8. *Is UVA going to participate in the debit card system for flexible spending accounts, and if so, when will that start?*

A debit card system for flexible spending program will start with our new provider Chard Snyder in January 2008. You may simply pay using the debit card which will deduct eligible expenses from your medical account, eliminating the need for payment and reimbursement. Make sure you keep your receipts for back-up. You may also submit manually and receive direct deposit, as the current plan.

9. *I would like a clear statement of what UVA's (both for faculty and staff) maternity leave policies are. I tried reading the document online, and I still don't know how much leave I could theoretically expect.*

Classified/Staff policies on leave can be located at <http://www.hrs.virginia.edu/policies/classified.html>, and faculty policies are on the provost site at <http://www.virginia.edu/provost/policies.html>

10. *What if you decide to stay with the University Health System when you retire and then the Government comes through with universal health care? Can you get the money instead of the insurance policy...??*

Health care credit provides \$40.00 for every year of service so long as you are a state employee for at least 15 years.. Under age 65 retirees can stay on the UVa Health Plan until age 65 or when they become eligible for Medicare; over 65 retirees can access the state's Medicare supplement plan, Advantage 65, through Anthem.

11. *Are there any plans to increase the inclusion of alternative health coverage in the future to include acupuncture, massage, yoga, and health supplements?*

A wellness initiative has been started and will be rolled out at the spring fair. Brett Schnell, Benefits Committee Member, was going to come today to discuss this initiative and, due to illness, could not attend today's meeting. Since he was to hear our concerns today, Ms. Broccoli will be reporting back to him.

The process is to go to the Benefits Committee in March /April and work with actuaries and health consultants. Their job is to research the cost of the plan to add coverage, investigate industry standard, and evaluate how many people will access these services. They will then report back to the committee with details of their research findings and how this impacts cost to our current plan.

Recommendations will be presented in July to executive leadership and they will make recommendations to the Board of Visitors and through them changes gets formalized.

Send an email to Joanne Hayden, at jrh5y@virginia.edu, Health Ombudsman who is the link to the wish list for the Benefits Committee and leadership if you have any suggestions for alternative health coverage. The PECC will be working on a letter of suggestions so please contact your representative with your thoughts on this matter.

12. *Congratulations on adding smoking cessation to the health plan! What needs to be done to further shift the focus on our health care from treating disease to the prevention of disease?*

This could be the focus of the alternative health plan. Please send suggestions to your representatives to compile.

13. *Why is the focus on reducing the cost for low premium health coverage if 98% of us have high premium?*

There is greater cost to employer and in employee monthly contribution in providing the High Premium plan. In comparing both Low Premium and High Premium program coverage for next year, prescription generic drug cost will stay the same with a slight increase for formulary and non-formulary prescriptions. There will be an 18.4% increase in cost for the current drug program. Specialty medications used for chronic condition co-pays will be \$25, \$50 and \$75. The plan attempts to keep cost sharing at about an 80/20 mix, where 80% for prescription costs is paid by the employer and 20% by the member.

Adding coverage for genetic testing (prior authorization) for such things as Parkinson's disease and breast cancer have been added, along with smoking cessation.

14. *I would like to know if a member/employee can contribute more money to their individual VRS accounts.*

The answer is no. This is stated in the VRS Member Handbook under Members/Publications on www.varetire.org that is listed below:

Member Contributions

VRS is funded by contributions from employers and members. The member contribution is 5 percent of your creditable compensation. Creditable compensation is your annual salary, not including any overtime pay, payments of a temporary nature, or payments for extra duties, such as pay to teachers for coaching, advising special activities and other payments not included in contracts.

Many employers pay the member contribution for their employees. Member contributions are refunded to members who take a refund at termination of employment.

Employer Contributions

Covered employers pay an additional amount (called the employer contribution) based on their total payroll for active members at a rate recommended by the VRS actuary and approved by the General Assembly. Both member and employer contributions are invested to provide future

benefits. Employer contributions are not credited to the member account and are not payable to the member through a refund.

It is also in the Code of Virginia 51.1-144 F. <http://leg1.state.va.us/cgi-bin/legp504.exe?011+ful+SB840>.

This code section defines the member contribution as 5% of creditable compensation.

The only way an employee/member can put their own money into their VRS account is if they have prior service eligible to purchase.

Of course, an employee can always increase their retirement income by using both the 457 and 403(b) up to the applicable limits.

If there is motivation in wanting a piece of the VRS Fund, it may be interesting to know that VRS is in the process of offering a VRS Unitized Pool investment to 457 Plan participants.

Employee Open Enrollment Review

Flexible Spending

There a change in flexible spending providers and that is Chard Snyder. You can enroll online or you can do a paper application. There is a \$240 minimum and \$5,000 maximum limit to participate, as in the past. A debit card will be issued for reimbursement. You will need to save receipts to back up your expenses incurred, but this is intended to help with cash flow. Participants will automatically get two debit cards, which will be a MasterCard. Note that reimbursements will be made by direct deposit only and no checks will be issued for reimbursement.

Flexible spending accounts are extended through March 15th (IRS mandate). If you have expenses to claim for the 2007 year, then you should be dealing with Flex America. Chard Snyder will overlap the same time period for submitting claims for 2008.

Vision Insurance

In addition to Eye Benefits (discount eye program), an additional vision insurance, Davis Vision, is being offered for employee participation. Single person eye coverage is \$5.66 a month. You will have a \$30 co-pay for office visits and the benefits will cover \$175 toward certain frames for glasses.

Details of this program are on the web, and you can apply through open enrollment. Insurance benefits will be effective the first of the year.

CLOSED SESSION

Minutes from the October meeting were approved and will be posted.

Beth Reinhard, UHR, Update

- JLARC Study – survey about state employment benefits will be distributed during the winter to everyone. The survey is being conducted in conjunction with HR Department of Management.
- New hire list for November will be distributed.

- HR Resource Fair on November 15 and will be staffed by Employee Councils including PECC.
- Employee Council article for *Inside UVA* is still being investigated.
- Publishing salaries – nothing is going to be changed at this time, but this still is under discussion. Managers can access their direct reports' salary information through HR, but individuals must request salary information through Carol Wood.
- Travel Program - trip to China in the spring. No announcement for fall trip yet. For more information go to <http://www.hrs.virginia.edu/benefits/travelopp.html> .

Council Member Updates

Liz Olmstead will be leaving our council as she has accepted a position within the Department of Medicine. While her replacement will be forthcoming, a standing invitation to sit in our meetings was extended.

SEAS alternate, Brittany Rugo, has been replaced by Dan Fetko.

Parking Update

Becca White is now on board for conducting a February/March survey conducted by the Center for Survey Research, and will be distributed University-wide. Questions will be reviewed in advance. Inside UVA will publish an announcement to promote the survey.

The Parking Committee is to meet with Mr. Sandridge to update him with the purpose for the survey, which is to review University employee fee structure, parking spaces, distance to work, car pooling, etc.