

Santa Monica College
Collegewide Benefits
Minutes of the Meeting
June 16, 2005

Present

Pat Brown, Co-Chair
Sandi Burnett, Co-Chair
Lenore Banders
Al DeSalles
Peter Geltner
John Gonzalez
Jeanette Goolsby
Mitra Moassessi

Absent

Lenore Banders
Al DeSalles
Ana Rojas

Guest

Peggy Rhoads, CSEA Labor Relations Representative

Assistants

Letty Kilian, Staff Assistant
Mimi Vaval, Resource Staff Assistant

Co-Chair Patricia Brown called the meeting to order at 1:10 p.m. Due to lack of quorum, the approval of the May 25th, June 1st, and June 8th minutes, was placed on hold.

Reports and Discussion

Co-Chair Brown reported to the Committee that Consultant Anne Clifford had spoken with a Kaiser representative who did a preliminary analysis of our data. The analysis showed that SMC would cause LACCD to have a higher risk creating higher rates for LACCD. Mimi Vaval suggested that we might be a better risk for LACCD if the pool were inclusive of adjunct faculty since they tend to be younger. CalPERS does not accept adjunct faculty. Co-Chair Brown will ask Anne Clifford if Blue Shield accepts adjunct faculty.

Anne Clifford is also working on a summary and analysis of retirees and their benefits. Once the PERS regional rates are made available, Consultant Clifford will complete the financial analysis.

Concerns/Issues Raised

- A primary concern of the Committee is maintaining comparable benefits for retirees.
- The Committee will make a recommendation to the District two weeks after the PERS regional rates are available.
- The level of disruption in the current physician relationships that members will experience is of great concern of the Committee.
- The administration of COBRA is not an administrative concern under PERS. However, it would be an issue if we join LACCD.
- Since LACCD has switched Blue Cross to Blue Shield and they will be entering their first year 2006, it is unknown what the

financial obligations will be the second year since no rate guarantees were negotiated for the next year and LACCD enrollee satisfaction with claims is unknown.

- If the District leaves CalPERS, it may not return to CalPERS for the next five years. While it is not yet "policy", it is being discussed that once a district leaves PERS and decides to return, PERS may not accept the retirees.
- Any costs associated with transferring the employee database that the County currently handles and any programming required in transferring data to a new database is also a matter of concern.
- The Committee feels that, at this time, the number of unanswered questions prevent it from constructing a timeline for its recommendations.
- The Committee needs to have a projection of the administrative costs involved with a switchover to the LACCD plan. The Benefits Committee cannot proceed with making a recommendation to the Superintendent/President without these projections.

Member Peter Geltner suggested that the District outsource to LACCD and pay them a fee to handle everything for SMC if we join LACCD. However, that would mean that LACCD would have to know our labor contracts in order to do the work for the District. Another suggestion was to have LACCD pay back to the District the .5%. Fickewirth and Associates handles everything for LACCD including taking minutes of the Joint Benefits Committee.

There was some discussion to contact the "outsource" company that LACCD uses for its call center, its employee database, and insurance benefits eligibility to determine how much they charge per enrollee.

Member John Gonzalez asked if it would be within the Committee's purview to ask the Personnel Commission to determine a salary estimate to employ someone to handle the administrative benefit aspects, as well as the cost of transferring the employee database and programming to a new database. Also, it will be necessary to determine the programming requirements for such a position. Co-chair Brown will contact the Personnel Commission.

Health Benefits Forum

It was determined that the Committee is not ready to host another health benefits forum yet. The next forum will be held in September.

Quorum was reached at 1:45 p.m. and the Committee reviewed, amended and approved the minutes of June 8th, June 1st, and May 25th, 2005.

June 8, 2005 Minutes (As amended)

Medical Plan-Comparative Analysis

Annual Deductible

- Under the LACCE plan the deductible is ~~\$200-\$500~~/per member and ~~\$600-\$1,000~~/per family; under the LARISA PPO plan through PacificCare it is similar to PERSCare plan of \$500/per member and \$1,000/per family.

Administrative Aspects

- Currently, LACCD has three employees who handle some of the administrative aspects; their administrative costs are approximately \$250,000 per year **plus outsource costs**.

Retirees

- As of August ~~12~~-1st, the District will pay retirees over 65 \$401.54. For those under 65 years of age, the District reimburses premiums 100 percent.

June 1, 2005 Minutes (reviewed)

May 25, 2005 Minutes (reviewed)

Motion was made by Mitra Moassessi and seconded by Jeanette Goolsby to approve the Minutes of June 8th as *amended*, and June 1st and May 25th, 2005.

Ayes: 7
Noes: 0
Abstention: 0

Requested Information

Cost of orthodontia with Delta Dental will be investigated by Mimi Vaval.

Agenda for Next Meeting

- Orthodontia as a Delta option
- Timeline for Committee recommendations
- Reply from Anne Clifford

Adjournment: 2:38 p.m.

The next meeting of the Collegewide Benefits Committee will be held on Thursday, June 23, 2005 at 1:00 p.m. in the Library Conference Room. Please note change in location.