

Santa Monica College
Collegewide Benefits
Minutes of the Meeting
May 25, 2005

Present

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

Assistants

Letty Kilian, Staff Assistant
Mimi Vaval, Resource Staff Assistant

Co-Chair Patricia Brown called the meeting to order at 2:35 p.m. and asked the Committee to review the May 18, 2005 minutes.

May 18 2005 Minutes

Motion was made by Peter Geltner and seconded by Mitra Moassessi to approve the minutes of May 18, 2005. ***Unanimously approved.***

Reports and Discussion

Using SMC's zip code - Resource Staff Assistant Mimi Vaval provided the committee with several handouts associated with current medical and dental benefits.

After reviewing the handouts related to the use of zip codes, the committee agreed that:

- Active employees may use the work address as the zip code to enroll in a health plan
- If an employee enrolled in a PPO lives anywhere other than Los Angeles county, using the College's zip code would save the college money
- If enrolling in a PPO plan, use of the SMC zip code does not affect coverage for providers; members may use the same nationwide list of preferred providers registered with the plan.
- The Committee will prepare a letter that it recommends will be provided to new employees at the time of enrollment in CalPERS PPO suggesting the option of using SMC's zip code

A copy of a memo issued by CalPERS announcing health plan premiums for the 2005 contract year was also provided. The memo also addressed the option of the contracting agency wishing to terminate with CalPERS.

A copy of a memo was also provided to the Committee that dealt with regional pricing for contracting agencies and the results of their regional pricing review. Based on their analysis,

the current regions and county regional assignments are valid for 2006.

The last handout dealt with LARISA's Delta Preferred Option (DPO):

- DPO dentists have agreed to charge less to DPO clients
- Thirty to 40 percent or more of an agency's employees already use the services of a DPO dentist; but since they do not have a DPO plan, the patient and the agency are not receiving the DPO discounts
- Mimi Vaval will do some research on DPO and provide the Committee with additional information at the next meeting. She will also provide information on Delta Dental's Plan B which adds orthodontist coverage.

Member Mitra Moassessi requested a CalPERS billing update breakdown for both Classified and Academic staff.

Retirement Benefit Costs - Co-chair Burnett stated that there appears to be a misunderstanding about the cost of benefits for those who retire. When one compares the cost of active employment (salary, active benefit expenses, etc.) with the cost of even "early retirement" premiums there is a highly significant reduction of expense for the District. Member Moassessi clarified that the requirement for the District to include the projected expense for retired benefits in its "reserve" is the additional issue.

Benefits Survey Analysis - No report was available.

Committee Consultant - Consultant Anne Clifford is currently working on a comparison analysis of LACCD, LARISA, and PERS benefits as well as a cost analysis. A report will be available to the Committee on June 8th. The Board of Trustees will vote on the ratification of her contract at the June 6 Board of Trustees meeting. In addition, the Committee requested that the consultant also investigate whether Blue Cross pays different rates to providers based on PERSCare or PERS Choice. Results of the Employee Benefits Survey will be given to Consultant Anne Clifford as additional information for her analysis.

The Committee will post the Employee Benefits Survey results on the Committee website and send an announcement via email. The website will also announce the consultant's work for the committee and provide a link to the consultant's newsletters.

Health Benefits Forum Discussion - The interaction and dialogue were well received by all in attendance. It was agreed that the Committee would plan another Forum.

The following are notes of the Committee's May 18th Health Benefits Forum.

- Confusion for retirees concerning paperwork; overall benefits upon retirement; penalties which are perceived as unfair under PERS; information regarding retirement varies from office to office was a concern expressed by the retirees in attendance.

- Possibility of reducing premiums for couples who work at SMC was suggested.
- There was general consensus that people are willing to give up a lower deductible in order to have a higher life-time cap.
- The survey did not allow for an answer that employees opted for the doctor they did because the doctor of their choice was not taking new patients
- The survey should have had a question asking whether the employee had a medical pre-existing condition.
- The five-year penalty factor for pulling out of PERS was very important.
- If SMC joins LACCD, could we opt out? What would that look like?
- It was noted that PERS' cost-containment is better than the average.
- It was suggested that the Committee hold another Benefits Forum to allow input from employees before the Committee takes its recommendation to the bargaining units.
- The need for an unbiased consultant was very important.
- The process that the Committee has chosen in its mission to review the current health benefit plan and recommend any changes to the current program necessary to contain costs while maintaining quality was reassuring to the employees.

Agenda for Next Meeting

- Information on DPO and other dental benefit plans
- Benefits Survey Analysis
- Consultant Update
- Future Meeting Schedule

Adjournment: 4:00 p.m.

The next meeting of the Collegewide Benefits Committee will be held on Wednesday, June 1, 2005 in the Library Conference Room (2nd Floor).