

Santa Monica College
Collegewide Benefits
Minutes of the Meeting
July 6, 2006

Present

Sandi Burnett, Co-Chair
Lenore Banders
Mitra Moassessi
Anna Rojas

Excused

Pat Brown
Peter Geltner

Absent

Al DeSalles
Jeanette Goolsby
Marvin Martinez
Mimi Vaval

Guests

Peggy Shannon

Assistants

Letty Kilian, Staff Assistant

Co-chair Sandi Burnett called the meeting to order at 1:15 p.m.
(no quorum).

Approval of Minutes

There was consensus by the Committee to approve the minutes by e-mail.

June 29, 2006

June 22, 2006

June 15, 2006

June 8, 2006

Reports and Discussion

Health Reimbursement Account - Co-chair Sandi Burnett reported that it is possible that an HRA may affect the plan with CalPERS. It is also not known whether PERS will allow HRA's when making a switch to Choice. There is concern that without an incentive like an HRA it will be difficult to advocate a switch from PERSCare to PERSChoice.

Response to Kaiser - No report was available. Co-chair Burnett will follow up with an e-mail to Robert Sammis.

Blue Cross Update - Co-chair Burnett addressed an e-mail from Anne Clifford, which was forwarded to the Committee. The modified Blue Cross proposal for retirees would represent an increase of approximately \$736,000, resulting in a net savings of approximately \$417,000. The proposal would also include a Third Party Administrator and a commission for the broker.

However, in order to fully consider the Blue Cross plan, the Committee needs to see the Kaiser rates which will be available in mid-July.

The consultants will be asked to join the July 20th meeting to review the Blue Cross plan and the Kaiser quotes, if they are available.

Health Benefits Audit Update - Co-chair Burnett reported that the benefits audit RFP is almost complete, the first advertisement initiated on July 6, and will be going out to bid next week.

Third Party Administration - The Co-chairs will meet with the Superintendent to discuss a Third Party Administration.

Options

Decision	Implications of Decision
OPTION 1 Stay with CalPERS current health plan	<ul style="list-style-type: none"> • Costs will increase
OPTION 2 Switch from PERSCare to Choice	<ul style="list-style-type: none"> • CalPERS may not allow HRA • Switch not possible without incentive
OPTION 3 Unions implement an en masse move to Choice	<ul style="list-style-type: none"> • Cannot implement without incentive
OPTION 4 Blue Cross	<ul style="list-style-type: none"> • First proposal from Blue Cross has an unacceptable retiree benefits plan • Lifetime maximum is \$5 million • Same network as CalPERS
OPTION 5 Aetna	<ul style="list-style-type: none"> • No longer being considered

Committee Recommendations - The Committee will work on recommendations to the District and bargaining units at the July 20th meeting.

Agenda for Next Meeting

- Blue Cross Proposal
- Response about Kaiser
- Health Reimbursement Account
- Committee Recommendations

Adjournment: 1:45 p.m.

The next meeting of the Collegewide Benefits Committee will be held on Thursday, July 20, 2006 from 1:00 - 3:00 p.m. in the Library Conference Room (2nd floor).