



**College-wide Benefits Committee  
Minutes of the Meeting  
June 02, 2010**

Present

Fran Chandler, Co-Chair  
Marcy Wade, Co-Chair  
Al Vasquez  
Dennis Frisch  
Lenore Banders  
Linda Sinclair  
Willis Barton

Absent

Anna Rojas  
Sherri Lee-Lewis

Guest

Bernie Rosenloecher

Assistants

Vanna Ratnaransy, HR Analyst-Leaves & Benefits  
Laurie Heyman, HR AA-III-Confidential

The meeting was called to order at 1:30 pm.

Approval of the Minutes

Minutes for the meeting of May 05, 2010 – Tabled for next meeting

Old Business

None

Presentation:

AON Consulting

Karen Albanese, Senior Vice President, 213-630-2917, [karen.albanese@aon.com](mailto:karen.albanese@aon.com)

Jorge Alvidrez, Vice President, 213-630-2950, [jorge.alvidrez@aon.com](mailto:jorge.alvidrez@aon.com)

Aon, in Gaelic, means, "One".

\$20 billion in marketplace

Arrangements with insurance companies to gain information on a national basis

Innovative- leadership skills, quality benefits

Aon is not vested in one plan or another

Question: has the committee thought about different enrollment periods for classified vs. faculty?

Answer: No

## College-wide Benefits Committee

Note: Vendor to evaluate costs and issues, realize impact on District as well as a full accounting on District, retirees, actives. What is impact on actual Health Care, what is the sacrifice in terms of quality of care?

Cap of benefits is an issue.  
Lifetime cap will be repealed Jan. 2011.

Question of District: What do you value? What are the metrics upon which you measure the issues that are important?

Question of Vendor: Do you have the people, resources, experience to provide the client with a timely response?

Statement to Vendor: Evaluate issues, i.e., HRA's; our resolution included other types of benefits-alternative incentive plans.

Help us educate our people so they understand what they have and what they are getting. Do not limit to reimbursement accounts.

Is there a time limit which will cushion change but end up costing the employee more money?

Reduced salary has already paid for these existing medical benefits.  
What tools are available to calculate benefits, changes, etc?

Fees: Per AON, they are based upon a scope of work; can also be based on hourly rate not too exceed for each phase.

Final Report & Summary Presentation: how many meetings (re: education) will be required?

Question to Vendor: Can you flesh out what you think we will need based on your experience?

Aon: Special billing rates are available for the public sector; very interested in developing our community college work.

### Presentation:

Mercer

Gary Ward, Principal, (213) 346-2351, gary.ward@mercer.com

Laurie Silva, Principal, 213.346.2248, laurie.silva@mercer.com

Elizabeth Nguyen, Associate, 213.247.2331

Statement of Vendor: Help us understand the net net net effect of changes

Mercer is the actuarial for CalPERS

In CalPERS, there is no vehicle to offer an HRA.

Changes: In 2011/2014 Free Choice Vouchers  
2018 – excise tax

College-wide Benefits Committee

Removal of existing annual limits

2014 compliance re Grandfathering status

2014 free rider surcharge

Possible penalties on Part time faculty

Mercer has worked with LACCD, San Diego CCD

At this point, Mercer is not working with any other Community College District.

Question for Vendor: Is there any evidence of documented savings by going out of CalPERS?

Answer: PERS does not give actual experience of cost (i.e; Administrative costs difficult to determine). Trying to leave PERS is very difficult. They only give 60 days to make a decision; if you send them a letter stating your decision to leave, you can not rescind that letter. PERS requires that you take the retirees out with you; PERS administrative economy of scale is impressive. They are a very efficient provider.

Meeting adjourned approximately 3:15pm.

**Next Meeting: Wednesday, June 23, 2010. Location BUS 111**

**Other tentative meeting dates**

None scheduled.