Faculty Benefits Committee  
April 29, 2014  
8:30 a.m., 336 Elliott Bldg.  

Meeting Minutes

Attendance:  Ira Ropson, Peter Jurs, Dan Nugent, Lori Miralidi, Robin Oswald, Rebecca Craven, Amy Dietz, Chris Muscarella, Linda Clark

Absent:  Jayant Acharya, Susan Basso, Gary Catchen, Rajen Mookerjee, Kathleen Noce

Robin Oswald had to leave for another meeting at 9:15, so the issues to which she had input were addressed first.

1. Call to order
2. Approval of the minutes of March 18th, 2014.  Motion: Chris; second: Linda approved.
3. Tuition discount for dependents slides were forwarded from Robin.  HR is asking for input to the policy.  Change is intended to match this policy with other benefit packages with the age of dependents.  Any current employees would be grandfathered in.  There are currently 231 dependents over age 26 (this is about 10% of people receiving this benefit.  Breakdown: 8 over 50, 21 between 40 – 49, 67 from 30 – 39.  The bulk of 117 are between 20 – 29.  There was discussion about the cut-off of 26.  There may be a need for more support for adult learners.  Clarity is needed on how the proposed rules work.  For example, if the student reaches the age of 26 while in school then the benefits will stop when the student is 26.  Committee is recommending the new policy be implemented for all (current and future) employees, with the exception that current employees are grandfathered in for the age 26 for one year pending further study.
4. Update on UPMC negotiations – Is there a backup plan?  Yes.  David Gray is in discussion with Highmark about what the options are.  HR will prepare a memo indicating that HR is working to come up with a solution to the problem.  Ira will forward on to concerned individuals.
5. Report from the Officers and Chairs Meeting – Ira Ropson.  Similar opposition to changing the dependent tuition age.
6. Report from the Joint Committee on Insurance and Benefits - Ira Ropson.  Discussion from Highmark on how much was spent last year on health insurance.  People in State College are becoming more expensive to insure.  As a whole, PSU is healthier, but we do use more health services (tests and diagnoses) and more expensive drugs.  Claims increased 5% number of insured individuals did not increase significantly. One percent of employees generates 25% of expenses.  These “high cost” members cost about $100,000 per person.  (This is typical and due to things like cancer, stroke, etc) Increasing drug costs are driven by specialty high-cost drugs.  However,
none of this is unusual. Average for Highmark 13.1; for PSU it is 9.1 co-pay amounts.

7. Health Care Task Force Report. Effectiveness of wellness programs does not show any positive outcomes. Read through the task force report and share ideas with HR or the committee. Policy will be set next year.

8. Retirement Plan Loans report. Only informational, not up for vote.

9. Health benefits for part time faculty report. There has been no feedback regarding the report.

10. Agenda items for next year
   a. Suggestion to pursue tuition benefits policy
   b. Study actual salary dollars paid to contract salary amounts.
   c. Health care task force policy reviews

11. Adjournment at 10:40 a.m.

Next meeting: Next year.

Minutes submitted by Ira Ropson, Committee Chair