

MURA Benefits Committee

Benefits Committee

Meeting Minutes: March 3, 2011

Retiree, Health and Other Benefits Advisory Committee

Clydesdale Hall

Hahn called the meeting to order at 12:30 p.m. in room 301 of Clydesdale Hall. Those present included Steve Pallardy, Bonnie Gregg, Lisa Wimmenauer, Peter Wilden, Barton Boyle, Jack Batterson, Yuyi Lin, and Marjorie Leavene. Faculty Council Chair Leona Rubin attended as guest

Kelly Stuck, UM Associate Vice President for Total Compensation joined the group and shared information regarding the current status of the UM benefit programs. She shared copies of a power point presentation which [should be available as a pdf file](#). She also shared copies of a "prior authorization" list that can be downloaded at: https://uminfopoint.umsystem.edu/sites/hr/Benefits/U%20of%20Mo%20Prior%20Auth%20List%201_10.pdf.

Ms. Stuck anticipates large changes to the UM health plan in 2014 and 2018 to stay in compliance with the federal health plan. Current changes to the UM health plan include: autism, bariatric pre-certification, out-patient surgery co-pay, prior authorization for services, prescriptions, vision policy fees, and premium increases for retirees. The institution is still studying the possibility of domestic partner benefits. Long-term disability is the most expensive benefit category. This is particularly true for employees who retire before the age of 65. She also pointed out that **no** COLA (Cost of Living Adjustment) is likely in the next two or three years for retirees. When asked if the University might **not** change the retirement plan she said that it was possible.

he current focus has been on retirement plans. Next will be medical benefits for retirees, especially those aged 55-64. The retirement plan is continually funded for each individual employee.

The system is currently reviewing tax shelter investment options that are available to employees. The number of vendors for these investments has been cut from 28 to 11 but the program still needs attention.

Stuck agrees that the major problem her office faces is communication and they are trying to improve education about the benefits through various communication sources including a soon-to-be published document of frequently asked questions with answers. Those Q & As can be downloaded

here: <https://uminfopoint.umssystem.edu/media/hr/Retirement%20Plan%20QAs.pdf>

The UM system has a legal obligation to current retirees and a moral obligation to current employees.

As of January, 2011, both retirees and current employee benefits will be administered by Coventry. Great West will stay on the books to complete current claims. The companies interested in administering the University health plans must submit proposals for consideration. The University is self-insured; the company selected through the proposal submissions only administers the plan.

Hahn will contact members at a later date regarding possible meeting dates for the balance of the semester. The meeting adjourned at 2:00 p.m. (Note: the next meetings have now been set for April 7 and May 12, 2011).

Respectfully submitted,
Marjorie Leavene, Sec'y Pro-Tem
(with addenda by J. Batterson)

MURA Benefits Committee

Benefits Committee

Meeting Minutes: April 7, 2011

Retiree, Health and Other Benefits Advisory Committee

Clydesdale Hall

Al Hahn called the meeting to order at 12:30 p.m. Those present include: Lisa Wimmenauer, Barbara Savio, Peter Wilden, Barton Boyle, Leanne Peace, and Marj Leavene.

As a member of the [UM system Retirement and Staff Benefits Committee](#), Lisa Wimmenauer gave a [PowerPoint presentation](#) on behalf of VP Kelly Stuck regarding the findings of the committee appointed by President Forsee in November 2010. A PDF of the presentation given to the committee can be found on the [March, 2011 meeting minutes](#).

The committee met for 3 days each month in November, December, January and February, reviewing reams of information pertaining to retirement plans. Committee members represented all four campuses, the University Hospital and UM advisors. The committee has completed their assignment and copies of the [8-9 page report can be viewed](#). An appendix to the report includes a question and answer section that address various aspects of the report. Copies of the report have been mailed to all current faculty and staff. A copy was presented to the UM Board of Curators at their March meeting. No action has been taken at this point.

The current retirement plan is fully funded and includes a stabilization fund that has been established in recent years to counter the volatility in the current market. The system is reviewing the current plan because estimates predict that the stabilization fund could be depleted by FY 2015. 23% of current employees are aged 55 or older. The University's current position is not to increase the employees' contribution to their retirement plan. The University culture is to treat faculty and staff equally regardless of position or location. The competitive level of direct compensation is also a concern for the institution.

The system is reviewing possible avenues to educate current employees about the many resources available to them with regard to their retirement plans. Consideration is also being given to combining some resources at one location. For example, coupling social

security information with the current UM retirement calculator. Educating employees of the benefits of the available 403B, 403 Roth and the 457 savings plans.

The special committee envisions a hybrid plan that would include no changes in the plan for current employees. Changes would affect new employees only with a possible clause that would allow employees with less than 5 years employment (the point of vesture) the option of using either plan. Even IF a change would be implemented, no planning documents are in process and no date for future implementation has been set.

A review of medical insurance may be the next item for review. Currently the university pays 73% of medical insurance premiums for active employees; the individual employee pays the 27% balance.

Al Hahn thanked Jack Batterson for continuing to keep committee members apprised of web sites with information pertinent to the committee's work.

Hahn also reminded members that the next meeting will be held Thursday, May 12, at 12:30 p.m. in the 3rd floor conference room of Clydesdale Hall.

The meeting adjourned at 1:50 p.m.

Respectfully submitted,
Marjorie Leavene