

BENEFITS COMMITTEE MINUTES

March 26, 2015

10:30 – 11:30 a.m.

- **Call to Order – Patricia Rodgers, Chair**

Meeting called to order by Patricia Rodgers, Chair, at 10:30 a.m.

- **Aflac Update- Becky Morris**

Aflac comparison document provided by Becky Morris compared Aflac benefits to existing Virginia Tech Benefits. This benefit will be available beginning in the fall. Open enrollment is tentative set for mid-August through mid-September with an October 1 effective date. The reason for these dates was to avoid confusion with the state open enrollment for medical benefits. Implementation meetings will begin in April and the contract will be signed soon by Virginia Tech. There has been no increase in the rates since the last time the benefits committee reviewed Aflac.

The benefits committee has been asked not to share the specific plan information about Aflac yet. Virginia Tech is still working to finalize the contract, promotions, etc.

The plan pays various amounts depending on what has happened and coverage levels. (ex: losing an arm pays more than losing a finger, etc.) The types of plans being offered to employees are:

- Accident Indemnity Advantage Plan
 - Provides payment to individuals who have been involved in accidents. As an example, coverage includes payments for x-rays taken for covered accident. Offers a “wellness” component.
 - Comparison to existing benefits: No comparable benefit. Health insurance pays “allowable” amount of a medical claim to the provider, not to the individual.
- Personal Cancer Indemnity Plan
 - Provides payment to individuals who develop cancer.

- Comparison to existing benefits: No comparable benefit. Health insurance pays “allowable” amount of medical claims to the provider for approved medical treatment. Experimental treatment excluded.
- Optional Rider
 - An additional policy that can be added on to the Cancer Plan. This rider would provide benefit payments to individuals for specific diseases. 32 diseases are covered.
 - Comparison to existing benefits: No comparable benefit. Health insurance pays “allowable” amount of a medical claim to the provider, not an individual.
- Hospital Intensive Care Plan
 - Provides payment to individuals who are hospitalized in Intensive Care. Also pays \$25,000 as a result of a human organ transplant for: Kidney, Heart, Liver, Lung, Pancreas
 - Comparison to existing benefits: No comparable benefit. Health insurance pays “allowable” amount of a medical claim to the provider, not an individual.
- Critical Care & Recovery Plan
 - Provides payment to individuals who are hospitalized for specific critical care events.
 - Comparison to existing benefits: No comparable benefit. Health insurance pays “allowable” amount of a medical claim to the provider, not an individual.
- Hospital Protection Plan
 - Provides payment to individuals who are hospitalized. \$400 per day for sickness and \$500 per day for injury. \$100 per day for hospital rehab.
 - Comparison to existing benefits: No comparable benefit. Health insurance pays “allowable” amount of a medical claim to the provider, not an individual.
- Short-Term Disability Plan
 - Provides payment to individuals who are unable to work due to a covered sickness or covered off the job injury.
 - Comparison to existing benefits: Workers Compensation-on the job injury, VSDP income replacement, 1040 hour faculty sick leave plan, The Standard STD policy for restricted faculty, and Unum STD policy for staff not on VSDP.

Question from the committee: What is the wellness component of Accident Indemnity plan?

Answer: the plan pays when an employee or their covered member participates in certain wellness visits (ex: mammogram, well-child visits, etc). Plan pays \$60 per family per year.

Question from the committee: Can the short term disability plan be used in conjunction with other STD plans? Why would an employee want/need it?

Answer: Yes, the plan can be used in conjunction with the current STD options available. There are many reasons why an employee may want to participate. VSDP has a one year waiting period. Some employees prefer to be over insured should they become disabled.

Question from the committee: Will the premiums rise as an employee ages?

Answer: The premiums are higher the older an employee is when enrolling initially. It has not been confirmed whether the rates will go higher as an employee ages.

Question from the committee: Is there a discount if someone buys more policies?

Answer: No

Question from committee: What is JMU's most popular plan?

Answer: The Accident Indemnity Advantage Plan is JMU's most popular plan.

Question from the committee: What is the definition of an accident? If someone steps in poison ivy while mowing the lawn, for example, is this covered by the Accident Indemnity Plan?

Answer: The poison ivy example would be considered an illness, not an accident. This plan covers accidents only: falls, car accidents, getting a finger chopped off, etc.

Question from the committee: What is the difference between plan 1 and plan 2 for the Hospital Intensive Care Plan? What is the plan 1 level base plan under Accident Indemnity and the Cancer plan?

Answer: At this time, we do not yet know the differences between these levels.

Question from the committee: Is this benefit pre-tax?

Answer: Some plans will be pre-tax, some will not. It depends on the plan.

Question from the committee: Does the money from Aflac have to be used in a certain way?

Answer: No, the money can be used however the employee wishes.

Question from the committee: Is the employee supposed to work directly with Aflac on paperwork and claims?

Answer: Yes. Aflac will also be on site periodically to assist employees.

Question from the committee: How long does it take for Aflac to reimburse?

Answer: One week to 10 days.

Question from the committee: Would employees likely make different decisions regarding state benefits if Aflac were available now?

Answer: Not likely. Health insurance pays the provider. Aflac pays the patient. Employees may change their decisions regarding medical treatment because they are receiving money. It also may motivate wellness.

Question from the committee: Is the August-September with an October 1st effective date the schedule moving forward?

Answer: Yes.

Question from the committee: Are there pre-existing conditions for any of the plans?

Answer: Some plans do have pre-existing conditions clauses. Cancer has a 12 month waiting period. Some have restrictions. Those restrictions are outlined.

Question from the committee: Is this a popular benefit at JMU?

Answer: Yes, very popular.

Question from the committee: What is the building benefit rider?

Answer: That question has been sent to Aflac, we have not yet received a response.

Question from the committee: How long can children be covered?

Answer: Until age 26 unless incapacitated.

Question from the committee: What stage is the contract in? What is different plans are wanted than the ones being offered?

Answer: Since we are piggybacking off of JMU's contract, we will not be changing the available plans. If this was changed, we would have to send out for bid. There isn't a much better deal available. JMU had 16 companies reply to their bid and none could meet or beat Aflac's rates. If something else was wanted, Virginia Tech would need to gauge interest before sending out for bid. In April, details including communication, payroll, IT, and other logistics will be discussed. We are in the final stages.

Question from the committee: What is the contract length?

Answer: One year. The option to renew without going to bid is 3-5 years. We aren't sure of the exact time period.

- **Other Topics- All**

Leave System Demo

Claudia Cornwell, Leave Programs Supervisor, is not available for the April meeting to present a demo. University Organizational and Professional Development and Open Enrollment will all be presented at the April meeting, it is not likely that there will be enough time for the demo.

There is a PowerPoint available instead of the demo which will be presented at the April meeting. Yohna Chambers will present this instead. It has screen shots of the system so it should still be helpful.

This is a three phase project. Phase one will come out July 1st. Pilot groups will begin testing in May. Users access by entering their PID and password. The system is designed to be very user friendly and should allow people to enter their own leave instead of using leave reps. It will also be mobile friendly.

Question from the committee: Will the leave system also have a time clock feature?

Answer: No. This is a paperless leave system only. It will submit leave reports to an employee's supervisor/proxy electronically.

Question from the committee: Will this provide a notification email when a supervisor has leave to approve?

Answer: Yes, we believe that there is a notification. We want to avoid inundating people with emails. We may provide a daily summary instead of individual emails. We are still working on this.

Question from the committee: Will this system allow employees to request leave?

Answer: Initially, it will only record leave that has been taken. Phase two will likely include this feature.

Question from the committee: How will this system work with the Leave and Hours Worked Report?

Answer: We are working on having the systems communicate. More details will be available after the March 31st meeting.

Legal Resources- Special Enrollment Update

Over 50 people have enrolled in Legal Resources during the special enrollment session. More applications are expected. Virginia Tech has around 500 employees enrolled in this benefit.

- **Adjourn**

The meeting was adjourned at 11:25 a.m.