Meeting Synopsis:

1) Call to Order
2) Review of the Minutes from May 20th, October 28th, and January 27th
3) Transgender Benefits: Council Recommendation
4) UWRP Opt-in/Opt-out
5) UW Retirement Calculations
6) Status of the Whole U
7) Update on Health Plans
8) Future Agenda Items
9) Adjourn

1) Call to Order

The meeting was called to order at 2:30 p.m. by Chair Emery.

2) Review of the Minutes from May 20th, October 28th and January 27th

The minutes from May 20th, October 28th and January 27th were approved as amended.

3) Transgender Benefits: Council Recommendation

Emery reported that a recent letter from Jack Lee (Chair of the Faculty Senate) suggested submitting a Class C Resolution for the upcoming Senate meeting. Emery felt it was prudent to submit the resolution to the Senate Executive Committee first and will send members a draft resolution for review.

Dwyer mentioned that transgender health benefits is a growing issue nationally and there is no downside for UW in conveying its support because it concerns equality for everyone. Final adoption of transgendered health coverage will depend primarily on the decision by the super-coalition of unions that negotiate benefits packages. The most important thing at this time is to continue discussing the issue in order to drive the agenda forward and get people accustomed to thinking about the proposal. A question was raised asking if there is anyone who is making a case against transgendered health coverage. At this time there has not been any push back because it has not been a topic of discussion, but once the issue is in the open there may be pushback at PEBB meetings or by state legislators.

4) UWRP Opt-in/Opt-out

The status of the opt-in/opt-out changes has become more complex and will be discussed at an upcoming Regent’s meeting in the spring. The primary reason for the complexities is due to the UW Supplemental Benefit Plan. The Benefits Office recently discovered that a change to the tax law in 2009
alters the calculations for estimating perceived retirement benefits when employees turn 50. Specifically, the tax law changed the questionnaire to say that employers cannot differentiate the factors that are used in the calculations within the defined plan. Once the individual is 50 years old they have to assume the calculation is 2% multiplied by years of service. For service prior to 2009 the state will still allow differentiation, the changes only affect individuals from 2009 forward. Discussion ensued about addressing these changes with the Provost and Faculty Senate. The investment committee is not involved with these changes so it is up to the council to address this. The next step is to report the finalized numbers to the Senate Committee on Planning and Budgeting.

5) UW Retirement Calculations

Dwyer explained that the UW retirement calculator will allow individuals to estimate their retirement income based on what they put into their retirement plan. Dwyer discussed the history of the UW Supplemental Retirement Plan (UWSRP) and encouraged members to view UWRP’s website (https://www.washington.edu/admin/hr/benefits/retirement/plans/uwrp/uwsrp.html) for detailed information. Anyone enrolled in UWRP on or before March 2011 is eligible to participate in UWSRP and can be vested when they reach the age of 62. Once the calculator is available any employee will be able to calculate their estimated retirement income through the website. Dwyer clarified that the calculation would only be an estimate and not the final number. Dwyer encouraged members to attend UWRP retirement seminars that are held on campus which will teach employees about their options.

Having a retirement calculator is an important service for employees but it comes at a cost. It is expensive to calculate individual estimates and UW has to consider the liabilities that may occur. For example, the retirement calculations have the potential to lead to misunderstandings and create a lot of angst when earlier calculations are different than what employees actually receive.

6) Status of the Whole U

Discussion moved to the status of the Whole U. A comment was raised expressing surprise at the number of discounts for U-Pass holders. This is due to UW Transportation Services’ attempt to reach out and develop partnerships with local businesses including hotels, restaurants and health facilities. The Whole U is working to add 10-20 new discounts each month and if employees have a desire to receive discounts at particular locations they are welcome to contact Whole U.

7) Update on Health Plans

Dwyer reported that the Health Care Authority (HCA) sent out notifications explaining the changes to PEBB health coverage costs starting in July. The changes will establish two new premium surcharges established by the Legislature last year. The surcharges are related to tobacco use and whether an employee’s PEBB-enrolled spouse or domestic partner qualifies for health coverage through their employer. Dwyer explained that this will trigger a full open enrollment period since these changes are a significant modification to the cost of employees’ health plans.

The tobacco-use premium surcharge is a monthly $25-per-account surcharge in addition to a user’s premium if the employee or enrolled family member uses a tobacco product. Employees are required to
respond to the premium surcharges starting April 1st with an ending date of May 15th. After the May deadline employees would have to pay the premium surcharge starting July 1st.

The spouse/domestic partner coverage premium surcharge is a $50-per-month surcharge in addition to an employee’s premium if they have a spouse/domestic partner enrolled in their PEBB medical coverage, and the spouse/domestic partner has chosen not to enroll in his or her employer’s medical coverage that is comparable in premiums and benefits to Uniform Medical Plan Classic. Dwyer clarified that “comparable” is defined as 85% of the value of a PEBB plan. The deadline to respond to the spouse/domestic partner surcharge is also May 1st and will go into effect July 1st if the employee does not respond.

Dwyer also reported that PEBB is offering a new Wellness Incentive Program called SmartHealth that offers a wellness incentive to help employees reach healthy. The discount would result in $125 off an employee’s PEBB medical deductible in 2015, or UW would contribute an additional $125 into a health savings account (if enrolled in a consumer-directed health plan). By June 30th state employees have to designate a primary care advisor, complete a health assessment and attest they are starting a wellness program activity (smoking cessation, eating vegetables, etc.). Dwyer emphasized that enrollment for the wellness program is designed to be conducted online. Members discussed how the wellness program will work. UW Benefits Office will have a robust communication plan and representatives from HCA might be on campus to provide advice about participation.

A question was raised if the wellness program applies to retirees. The program does not impact Medicare retirees but might for pre-Medicare retirees. The main concern is how to incentivize retirees to participate when they are paying their own premiums. A question was raised about the impact on UW’s budget. The funding will be coming out of the same pool of money that is already paid; it is only being redistributed in a different method.

Dwyer explained that employees will be receiving letters soon about the changes and urged people to go online so they do not miss the deadline. Dwyer clarified that the normal open enrollment period held in the fall will still be offered to employees as well. If an employee wishes to opt-out of paper communication with HCA they can go to their website (www.hca.wa.gov/pebb) and register as a new user on My Account.

8) Future Agenda Items

The council will receive an update from the Fund Review Committee at its next meeting.

9) Adjourn

The meeting was adjourned at 3:30 p.m. by Chair Emery.

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Minutes by Grayson Court, Faculty Council Support Analyst, gcourt@uw.edu

Present: Faculty: Emery (Chair), Fernandes, Govin, Mittler, Siegel
President’s Designee: Kornberg
Ex-Officio Reps: Navarrete, Chamberlin, Yorita
Guests: Katy Dwyer (Executive Director of Benefits)

Absent: Faculty: Breidenthal, Joseph
Ex-Officio Reps: Deardorff