

FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT

Employee Benefits Committee
December 7, 2011

MINUTES

Committee members present: Ana Simental, Chiara Galloway, Dan Anklam, Jean Shumpelt, Karen Knight, Leann Dessaussois, Rhonda Crawford, Terri Ezaki, Michael Itkoff, Mary Ann Delleney, and Sandy Connelly as recorder. Absent: Rob Thomas, Elena Cabrera, and Richard Willis

Results of Benefits Survey (EPIC)

The Executive Summary for the survey conducted in November/December 2011 was provided to the committee. Ms. Ezaki indicated there were no great surprises. The outcome will assist the committee's recommendations for the coming year's medical, dental, and vision plans. The main areas surveyed were the medical and vision plans available to the employees and dependants as well as interest in 3-tier rates for medical and willingness to change the vision plan at a lower cost.

There were 568 responses and 84% were full-time employees. Of those, 69% were teachers. 77% of the participants are enrolled in a District medical plan and 91% are enrolled in the vision plan. Most employees are satisfied with the coverage of the medical and vision plans. The overall theme for the medical insurance is it is too expensive and requests the committee look at what can be done to reduce cost to the employees. EPIC reviewed 166 comments garnered from the survey and summarized them into 9 major areas:

1. If the District were to consolidate the number of plans, would the cost be lower?
2. Has the District shopped for other medical insurance?
3. Is there the possibility of increasing the District's contribution for medical insurance or cash in lieu?
4. Is it possible for the District to join other larger organizations to reduce medical premiums?
5. Has the District explored CalPers for medical insurance?
6. If the District were to move to 3-tier, would the District contribution remain the same?
7. If the District moves to a different vision provider, would the benefits remain the same?
8. Does the District offer a dental plan with orthodontia?
9. Has the District considered changing the PPO dental plan?

Ms. Ezaki felt that the committee needs to respond to the survey and provide a summary of the results, what actions the committee is taking, and reintroduce the committee and assure that there are bargaining unit representatives involved. There needs to be one voice from all the representations and an action plan for what to look at in 2012. The committee needs to decide what is important whether it be maintaining variety of plans or a core plan with "buy-up" options, keep a free plan for families or focus on the employee only, keep in lieu of benefits or do away with in lieu and redistribute those dollars. How should the money be spent? The status quo can no longer be maintained and whatever change is made will be dramatic.

EPIC will draft a response to the survey for review and use by the associations, as well as summarize the strategies that were discussed to move forward on the open enrollment process for 2012-13.

Vision Options

The majority of participants are satisfied with the vision plan and the carrier at a cost of \$24 each to the District. 66% would continue the vision coverage if at their own expense and 74% would change their vision election if the benefit costs were lower.

The committee discussed options relative to the cost of the current plan with Superior and potential savings that could possibly be applied to medical if the cost of vision services were lower. EPIC will obtain statistics from Superior Vision on how many employees take advantage of a second pair of glasses and contacts. The committee requested EPIC seek bids from Superior Vision and Vision Service Plan (VSP) with buy up options to compare basic services such as exam, lenses, and frames.

The vision discussion could be a “gateway” to other discussions relative to direction for medical coverage. There is no clear path that will make any significant majority satisfied.

Future Meeting Dates – 3:30 p.m. at the current District Office in the large conference room. Future meetings may be changed to 3:00 as more time is needed.

January 10, 2011