

**MINUTES**  
**EMPLOYEE BENEFITS COMMITTEE**  
**April 16, 2009**

**Members Present**

|                          |                               |
|--------------------------|-------------------------------|
| Darryl McCullough, Chair | Will Wayne                    |
| Debbie Copp              | Sue-Anna Miller               |
| Brenda Freese            | Donald Harrison               |
| Karan Glickman           | Brad Quinn (for Dick Bennett) |
| Joann Dean               | Debra Bemben                  |
| Robert Roswell           | Alisa Dougless                |
| Steve Livesey            | Frank Lawler                  |

**Members Absent**

Julius Hilburn  
Dick Bennett  
Simin Pulat

**Ex Officio Members**

Barbara Abercrombie  
Nick Kelly

The meeting was called to order by the Chair at 1:30 pm.

**I. Approval of Minutes**

Minutes from the February 19<sup>th</sup> meeting were approved with no corrections.

**II. Tulsa Faculty Member Appointment (Darryl McCullough)**

- It has been proposed that because the Tulsa campus has grown broader in scope, the Tulsa campus based faculty representative to the EBC can be a faculty member appointed to either Norman or HSC programs. If the change is approved, input will be required by the Faculty Senate on both the Norman and HSC campuses.
  - Approval was obtained from Norman's Faculty Senate in December, 2008
  - The HSC Faculty Senate proposed to either expand the EBC by adding another seat for a Norman Faculty Member, or designate one of the Norman representatives as a Tulsa Faculty Member.
- Darryl pointed out that it could be challenging to create a new seat because:
  - The committee is already very large.
  - If the committee is expanded to accommodate this recommendation, it is possible that other groups may request additional representation.

- The EBC is designed to be an advisory committee, not a legislative committee.
- Committees should be representative of the institution and must stay current.
  - If the committee chooses to explore expansion, the first question which needs to be asked is whether or not it represents the current constituency.
- Darryl expressed his opinion that the issue should not be pursued further at this time.

*Question:* Karan asked whether or not adding someone requires additional approvals?

*Response:* Nick said that yes, additional approvals would be required. The President's office and EBC would both need to approve.

*Comment:* Debbie Copp stated she thinks that although it was admirable for President Clancy to suggest adding another Tulsa Faculty Member, the recommendation should not be pursued at this point in time.

*Comment:* Barbara Abercrombie stated that Tulsa does not have its own Faculty Senate.

*Comment:* Nick Kelly noted there is nothing which would prohibit appointment of a Tulsa based Norman faculty member to EBC.

*Resolution:* A motion not to pursue this issue was presented by Darryl McCullough and was passed by the group.

### **III. Retiree Medical Update (Nick Kelly)**

- The Retirement Options Committee is scheduled to meet on April 27<sup>th</sup>. It is anticipated that the committee will decide at this meeting whether to move forward with current recommendations or modify them. It is possible that the outcome of this meeting will be results which will be presented to President Boren; however, there is no set deadline for implementation of this initiative.
- Feedback which has been received over the past four or five months will be considered.
- Nick provided a recap of the feedback received to date and informed the group that most feedback has centered around:
  - Where lines are drawn and whether the model recognizes long term service adequately.
  - The cost cap for Group 4
  - Adding more groups and/or changing the contribution percentages.

*Question:* Debra Bemben asked if the Retirement Options Committee met on March 6<sup>th</sup>.

*Response:* Don Harrison told the group that the committee did meet. Feedback was given to the consultants and the committee requested more simulations.

#### IV. FSA Account and Required Documentation (Nick Kelly)

- Several employees have received a request for documentation from PayFlex for purchases made with the FSA debit card. There was some discussion in the last Staff Senate meeting in which employees questioned the need for PayFlex to request documentation. It was noted that Aetna did not require additional documentation. Nick provided the following information to the group as rationale for receipt of the PayFlex letters:
  - The Internal Revenue Service (IRS) requires debit card users to prove that the items they are purchasing are eligible expenses. In the case of OU employees, if the item or service does not match one of the copays and the purchase cannot be specified at the point of sale, additional documentation will be requested. Nick urged all employees to save itemized receipts in order to be prepared should PayFlex request them.
- Nick informed the group that over 90% of 1<sup>st</sup> Quarter transactions were processed smoothly, and no additional documentation was required.
- There has been some coding difficulty between Goddard and PayFlex. This may account for some of the additional documentation requests.

*Comment:* Debbie Copp told the groups that in the letter she received all of the copays were lumped together and the dates in the letter did not match the transaction date, so it was hard to determine what items required additional documentation. Additionally, she stated the letter is very non-descript and could easily be mistaken for junk mail. Could we ask PayFlex to make it more obvious that it is not junk mail?

*Comment:* Don Harrison indicated that the tone of the letters is abrasive and is likely offensive to many of the people receiving one.

*Response:* Nick informed the group he will discuss the letter with PayFlex. In addition, he explained the reason Aetna did not require additional documentation was that they had access to all of our claims, as they were the insurance carrier.

*Comment:* Debbie Copp expressed concern that the FSA was “talked up” and now members are getting the letters. She indicated we should let members know they will not be audited on all claims.

*Response:* Nick told the group that the problem will be resolved very soon; however, dental services will likely continue to require additional documentation. He also let the group know that documentation would not be repeatedly requested for an ongoing charge. After a charge has been verified, and if it is incurred on a consistent basis, documentation will not be requested again.

*Question:* Karan Glickman asked what the ramifications of ignoring the letter would be.

*Response:* Nick explained that in the event a member does not respond to the first request for additional information, a second letter is generated giving additional time to respond. If there is no reply to the second request, collection procedures will begin and the card will be temporarily inactivated. The member will be required to reimburse the plan by submitting the requested documentation, submitting a personal check, or by submitting an itemized receipt for another eligible item.

*Question:* Darryl asked whether or not BlueCross BlueShield (BCBS) administers FSA's.

*Response:* Nick informed the group that BCBS does not administer FSA's. OU received several bids for this service and PayFlex had the best overall product.

#### **V. 403(b) Loan Clarification (Nick Kelly)**

- Nick informed the group that until OU secures a single administrator for the 403(b) plan employees will be unable to take loans against their account. The reason is because OU cannot accurately track the amount of the loans due to the large volume of options available. If employees were to take out a loan, OU would be out of compliance with IRS regulations.
- Although market changes have complicated the process, Nick assured the group that diligent work is being done in effort to secure a single administrator for the plan. He is hopeful a recommendation will be forthcoming soon.

#### **VI. Impact of Recent Legislation on Benefits Operations (Nick Kelly)**

- Nick informed the group about the COBRA subsidy under the new Federal law which was effective February 18, 2009. The University is directly impacted by the passage of this legislation because it provides for premium reductions and additional election opportunities for health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, commonly called COBRA. Eligible individuals pay only 35 percent of their COBRA premiums and the remaining 65 percent is reimbursed to the coverage provider through a tax credit. The premium reduction applies to periods of health coverage beginning on or after February 17, 2009 and lasts for up to nine months for those eligible for COBRA during the period beginning September 1, 2008 and ending December 31, 2009 due to an involuntary termination of employment that occurred during that period. In order to satisfy OUs compliance obligations under this act, Human Resources was required to send letters informing all employees who were involuntarily terminated after 9/1/2008. The letters were successfully sent on April 17, 2009. Going forward, all newly terminated employees will receive an updated COBRA notice, informing them of the subsidy.
- New federal regulations now require employers to provide the social security numbers of members to the employer's medical insurance provider, per Section

111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA). In order for the University comply with the new regulations social security numbers for employees and dependents over the age of 55 must be provided to insurance providers. The penalties for non-compliance are severe, and will be retroactive. Nick reassured the group that OU will continue to eliminate the use of social security numbers whenever possible.

## **VII. Wellness Efforts/ Staff Week Screenings**

- Nick informed the group that a Wellness Coordinator has been hired to work on both campuses. Breion Rollins is an OU graduate and earned his MBA in Human Resources at Texas A&M.
- Health Screenings have been scheduled during staff week on both campuses. The screenings will include an assessment of cholesterol, weight, blood pressure, and body fat. Employees will have the chance to review their results one on one with a health professional.
  - Currently there are over 800 employees signed up on the Norman campus and 700 at HSC.
  - The goal is to get 1,000 employees screened on each campus.
- Other initiatives currently being pursued are weight loss, walking, and no smoking programs.
- Nick reminded the group that BCBS offers BluePoints, which is a website where employees can earn rewards for tracking health and diet information in effort to maintain a healthier lifestyle.

## **VII. Other Business**

No new business.

### ***General Discussion***

*Comment:* Dr. Roswell saw the dentist and Delta did not pay for any of the charges. He later received a letter from the dentist stating they were having trouble verifying coverage. It turned out to be a billing software issue due to the lack of a social security number. Dr. Roswell spoke with Delta's customer service supervisor and expressed his concern that there is not adequate communication between Delta and the provider.

*Response:* Nick clarified that our master contract requires the use of a Member ID, not a social security number. This issue will be addressed with Delta.

The next meeting will be held at 1:30 p.m. Thursday, May 21, 2009.

There being no other business, the meeting was adjourned at 2:35 pm.