

IFC Fringe Benefits Committee Meeting

April 21, 2009

DS245

1:00-2:30 pm

Minutes of the Meeting

Attendance: Adamek, Blackwell, Galli (chair), Gonzalez, Habermann, Martin, Reyes, Stocker, Trinoskey
Special guest: Dan Rives

1. Medical benefits for part-time employees

Currently IU defines full-time employees as 100% FTE or 40h/week. The new federal health care bill defines full-time employees as 75% FTE or 30h/week. Thus, employees with 75-99% FTE who will also need to be appointed (no adjuncts) will be able to join the IU health care plan no later than January 2014. Dan Rives indicated that their contribution rates may be different from the one paid by 100% FTE employees. The inclusion of additional employees will increase budget costs by 1.2-1.3 %.

2. New IU health care premiums

Premiums will rise each year for the next few years. IU is moving to an income-based system. The current model uses a tier (or pay band) structure. Dan Rives would prefer 4 rather than 5 pay bands. He was made aware by the committee that such structure will create inequities. He admitted that he never considered to link premiums to % salary. He mentioned that i) nobody else is doing it that way, and ii) this would be more difficult to manage by payroll.

NOTE: Health care premiums will only be salary-based for employees who don't participate in the Health Engagement Program.

The new premiums are not known yet. First the contracts for the different health plans need to be renewed. With respect to health care for dependents no changes are anticipated. IU does not consider medical benefits as part of the compensation package. Also, rates will not be made dependent on medical preconditions, gender etc.

3. Health Engagement Program

3.A. Incentives

The suggestion was made to provide identical cash back amounts to all participants in the Health Engagement Program similar to the Tobacco-Free Wellness HRA (which will be discontinued next year). Dan thought the idea was interesting. It was stressed again that linking incentives to pay bands will create the perception that those who earn the most will benefit the most.

3.B. Biometrics

The targets established initially will be moved to cover a broader range. Employees will get full or partial credit depending on how many targets they will meet. Exemptions may be permitted if a letter from a PCP is provided. There won't be an appeals panel. Biometrics can be taken at PCP's office (with co-pay) or for free at clinics on campus.

3.C. Confidentiality

HIPAA prohibits the sharing of medical information with employers. Clarian as a third party will collect the data and only provide IU with the number of targets met by each participating employee in order to "reward" the employee accordingly. It was mentioned that various employees at IUSM have access to Clarian medical records.

3.D. "Promotion" of program

Hewitt Associates will put together a brochure. The plan is to send out a brochure to IU employees by July. The committee made it clear to Dan Rives that it will need to contain hard data to convince employees that they will benefit from the program financially.

The meeting was adjourned at 2:30 pm.

Minutes taken by Dominique M Galli