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Secretary Mark Eason announced that there was no need for a roll call since all those in the room had signed in as they entered the meeting room. Instead, all in attendance in person and on the phone introduced themselves and stated the job they held when they retired.

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Elliott outlined the following topics that she would address:

- Total Rewards Steering Committee
  - Healthcare Plan Financial Update
  - 2019 Healthcare Plan Strategies
  - 2019 Healthcare Plan Changes and Premiums
  - 2019 65+ Medicare-Eligible Retirees
- a. Total Rewards Steering Committee Members (makes recommendations to the USG concerning benefits for employees and retirees): c

b. Healthcare Plan Financial Update:

- 2017 Plan Performance - came in under budget due to better than expected claims costs.
- 2018 Healthcare Projection - estim

- Higher Education peers (with which we most identify and want to be competitive in relation to)
- Companies with over 25,000 employees
- Fortune 500 companies
- State of Georgia employers
- All 1,260 plans that are part of the Aon Health Value Initiative database.

Using the above benchmarks, the USG was an "outlier" in two areas.

- First, the USG's average cost per enrollee plan is lower than for any comparative group. It is believed that this is driven by USG contracts with CVS and Blue Cross/Blue Shield. They provide deep discounts to our enrollees. The USG also is "very aggressive" in the management of its plan.
- Second, the subsidy level at the employee coverage tier in the USG is 72%. Most employers give 80%. The USG is at the 72% level for its subsidy for dependent coverage also but this rate is standard across the board for other insti

c. For 2019, the USG Healthcare plan strategies are:

- Combine plan design changes with the smallest possible premium increases.
- Slightly increase the employee subsidy to better align the USG plan with those of our peers in higher education (to be more competitive).
- Continue to implement pharmacy management programs to encourage the use of generics and ensure appropriate utilization of these programs. As drugs come to market in generic form, the USG will continue to encourage employees to use them.
- Conduct a dependent eligibility audit (in early 2019) to insure the actual eligibility of those who are covered. The last audit of this type was conducted in 2009 which resulted in considerable savings for the USG. The 2019 audit is expected to net savings of approximately \$1.5 million dollars in the first year. The audit will require all employees and retirees to provide birth certificates and marriage licenses for dependents. The USG is finding people on the plan who are ineligible.

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- Pilot and Evaluate Care Management Programs in preparation for procurement (re: hypertension, acute incidences, diabetes, weight loss) - to support employees.
- Continue well-being incentive up to \$100 per active employee and spouse and pre-65

2019 Employer Contribution for Medicare-Eligible Retirees (65 and older)

This year, as in prior years, the recommendation is that the annual employer contribution to the Health Reimbursement Accounts (HRAs) for individuals 65 and older be \$2,736. This recommendation has resulted following reviews of average premiums charged persons 65 and older and their HRA accounts. This amount reflects a continued "strong purchasing power" in accessing coverage options for retirees using the Aon exchange. The USG will continue to provide a Catastrophic HRA to help retirees with very expensive prescription drug costs.

Questions addressed to Elliott:

agreements read to them. A more detailed plan score is available when searching for plans because more information is requested. In addition, participants no longer have to complete their application in one sitting. Now they can save their progress and return to it later.

Chandler laid out AON's future plans in regard to educating participants using interactive content to provide tailored guidance on Medicare plans. With the many different plans; each with their own information, AON is always trying to improve participant's ability to view and compare plans. The goal is to personalize updates and make navigation simpler. When participants log in, they can easily be informed about any outstanding items needing attention, see important updates and timeliness for their account, and eas



benefits such as dental, vision, and hearing. These include adult day care, in-home support, caregiver support; increased VBIDs (Value Based Insurance Designs); and reduced cost-sharing and/or enhanced benefits for members with certain conditions.

- Chandler presented an update for the 2019 Medicare Supplement rates. Industry-wide premium increases are averaging 4% to 6%. Anthem (BCBS of GA) have not announced its rates at this time, but typically this will be within the industry average. Humana rate adjustments will be low to moderate at 4-6% increase. United Healthcare/AARP rate increases are as follows: Plan F, +4.2%; Plan G, +2.1%; Plan N, +2.0%. Silver Sneakers will be replaced with a broader 'Health & Wellness Resources' in most states. Aetna rates are: Plan F, 10% decrease; Plan G, 20% decrease (UW required); Plan N, 20% decrease (UW required). Cigna rate increase has not been determined for Georgia yet, but typically falls between 4% and 7%. Mutual of Omaha will have a 3% increase across all plans.
- Mark Chandler discussed the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). MACRA is bi-partisan federal legislation ns CHIP he

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copy of a check as their supporting documentation will also need to include something that shows what type of insurance plan the premium is for (medical insurance, dental insurance, etc.). This is because most bank statements or checks will not show the premium type. Submissions without expense type will not be approved

For 2019, the Catastrophic HRA Activation form and claim form will be combined into one document which is available on the website or by calling the service center. This is to aid retirees in maintaining only one document.

Mr. Chandler explained the Catastrophic Health Reimbursement Account (CHRA). This plan is available when a USG eligible retiree/spouse reaches the catastrophic phase of Part D. Retirees with an extremely high usage of prescription drugs may reach the Medicare Part D catastrophic coverage limit. To help these retirees, USG has created a special program called the Catastrophic Health Reimbursement Account. The USG funds the CHRA to cover the out-of-pocket prescription drug costs that the retiree/spouse is responsible for and the retiree/spouse does not need to exhaust his/her base HRA prior to the Catastrophic HRA reimbursing any Rx expenses.

Questions addressed to Chandler:

- i. *What is the scope of things that the HRA can reimburse for?*  
Things like Association Management fees, or member benefits      Questiret    M  
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Aon Retiree Health Exchange Medicare Insurance Guide

[https://www.usg.edu/assets/hr/benefits\\_docs/ARHE\\_MIG\\_2018Refresh\\_073018F\\_Web/pdf](https://www.usg.edu/assets/hr/benefits_docs/ARHE_MIG_2018Refresh_073018F_Web/pdf)

Dennis Marks commented that in regard to these online publications, it would help if Aon would put a link on their My Account HRA section to the booklet that indicates what is and is not covered. He suggested putting it on the main Aon website to give better visibility to the HRA.

Also discussed were the Retirement Transition Meetings which the USG is pleased to offer for Pre-65 retirees who are 1-2 years away from turning 65 and transitioning onto the Aon Exchange. The purpose of the meetings is to align Pre-65 retirees with the resources and information needed to prepare them for their transition onto the exchange. Key speakers will discuss topics such as Social Security, Medicare and the Aon Retiree Health Exchange. Retirement Meetings Scheduled are:

October 31, 2018, 9:30 am, University of Georgia (Athens), Geor

people served on the planning committee. Planning began on March 2017 with monthly meetings. Missy Cody, Dennis Marks, Kathy Tomajko, and Dorothy Zinsmeister from the USGRC were involved in the planning. Approximately 160+ persons attended. The number of institutions represented was 74. There were 26 people from 9 system institutions attended in Georgia. The conference had a single broad theme: "Creative Ways of Thinking about Retirement"

Concurrent sessions at the conference focused on the following topics:

1. Transforming the All-Important Transition to Retirement
2. Starting a Retirement Organization
3. Integrating Faculty and Staff in Retirement Organizations
4. The Emeritus College Model of a Retirement Organization
5. Creating Community: Communicating in Real and Cyberspace
6. Establishing Value: Serving Our Institutions and Communities
7. Celebrating Successful Programs and Services
8. Sustaining and Growing Retirement Organizations: Keeping it Going
9. Partners in Re-Creating Retirement.

The cost of an institution becoming a member of AROHE is relatively reasonable - \$120-\$125/year depending on the size of the institution. Dorothy encourages retirees to consider joining because AROHE makes available lots of online resources.

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Ron Bohlander asked attendees to discuss this issue at their tables and then share topics that surfaced in their group. Topics that were of consequence to attendees were as follows:

A) Updates from the Teachers Retirement System (TRS).

Attendees would like to have someone from TRS report on the financial situation of the system. Each year, there seems to be discussion on changing the system. Is there a way for the USGRC to get involved in the discussions?

B) Establish a Retiree Registry for those who want to teach, conduct research, and do administrative work. Is there a way for qualified retirees to fill interim positions instead of disrupting active employees? Bohlander reported that his issue previously was stalled in the USGRC when it was discovered that some administrators already had lists of those they called upon in such circumstances. In addition, many retirees were not eager to take on these assignments, especially if they came out of the blue. After further discussion, it was concluded

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D) Develop strategies to work on making sure all institutions in the USG are represented on the USG Retiree Council. The USGRC has no way to disseminate information to campuses that do not have a representative on the council.

E) Retiree organizations can be beneficial in assisting retirees. It would be helpful to work on a protocol to have retirees opt in to hear from these organizations.

F) It would be helpful if the USGRC could get a statement from the USG clarifying the role of campus HR departments with regard to retirees. Older retirees find the healthcare system very complex. Some are in nursing homes and there is concern about them getting the proper attention.

G) Is it possible for the USG to establish an Ombuds for Aon problems?

Karin Elliott responded that the USG HR office currently serves in that role. If any issues need a response, send them to Monica Fenton in the USG HR Office to address. The USG HR Office has had a higher level of calls recently. Questions can also be emailed.

H) A hot topic remains the amount of money allotted for retiree HRAs.

Karin Elliott addressed USG's rationale in her earlier presentation, but retirees do not understand because some retirees just keep seeing their cost increase. How can retirees make a case for an increase to the HRA's?

I) Do retiree organizations have a policy on keeping retiree email addresses?

Response: Yes. At most institutions, retirees have the prerogative of keeping their campus email addresses if they so choose. However, evolving security requirements have led to some restrictions. The USGRC should encourage having long-term email addresses for retirees.

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## WELL-BEING SUBCOMMITTEE

Missy Cody defined well-being as a state of mind and body and reported that the USG is developing a system-wide culture and environment to support well-being. Many programs, especially webinars, are available to retirees through <https://www.usg.edu/well-being/>. A campus near retirees may have programs that include them. HR offices should have well-being contacts. Let Missy know of specific programs of interest. She will bring them up in our meetings. Contact her at [mcody@gsu.edu](mailto:mcody@gsu.edu).

In discussion, it was stated that every campus should have a well-being coordinator. Based on responses, retirees are definitely interested in this program. AARP's (United Healthcare) Medigap program is moving to broaden its wellness coverage and dropping Silver Sneakers. Well-being programs are focused on active faculty and spouses, often in coordination with a recreation center in a given area. They are not uniform across the state.

Silver Sneakers is covered by some insurance providers. To have this coverage, however, retirees have to ask about it when they talk with Aon. It is not a typical part of a campus well-being program. It was stated that Silver Sneakers can be used at a YMCA.

A question was asked regarding campuses allowing retirees to use its exercise facilities free of charge. Anne Richards reported that the University of West Georgia does, and their retiree association just publishes a brochure advising retirees of this benefit. Anne stated that it took a while to secure this benefit.

## COMMUNICATIONS SUBCOMMITTEE

Dennis Marks reported that a representative of the USGRC Communications Subcommittee meets with the Communications Subcommittee of the Total Rewards Steering Committee (TRSC) that communicates with employees and retirees. The group meets electronically to review materials for dissemination by mail, email, and text. It's clear that having more eyes on materials before they go out is very helpful. See the updated USG HR Retiree Benefits webpage: [https://www.usg.edu/hr/benefits/retiree\\_benefits/](https://www.usg.edu/hr/benefits/retiree_benefits/)

There is a link at that URL to the just completed USG Retirement Planning Guide. See also the schedule of Retirement Transition Meetings. These have been disseminated through the USGRC listserv. Please disseminate them widely on your campus to retirees and would-be retirees. We have to get more information to retirees before they go through the Aon transition.

There are essentially three groups - active employees who are on OneUSG, Pre-65 retirees who are on OneUSG, and Post-65 retirees. We need some type of simple instrument for each group.

Marks stated that we need better communication between the USGRC and the University System. We need stronger links between campus HR departments and retiree organizations. Communication between retiree organizations and HR offices on campuses has deteriorated and with more benefits centralized with OneUSG and Aon, HR personnel are backing off a little. It is important that the USGRC do more with clear labels to make sure that the communication is sent to the correct group. The USGRC should replicate what HR does. You can't over-communicate. It's important for us to do a better job of addressing the transition to retirement - not just in terms of benefits, but in terms of their being life after retirement.

Communication goes both ways. Please send feedback to (Dennis Marks, [dmarks@valdosta.edu](mailto:dmarks@valdosta.edu)). We are improving at getting information from the USG to campuses. But we also need to utilize the mechanics of these subcommittees to get good information going out from these committees. He thanked Karin Elliott, Interim Vice Chancellor for Human Resources; Jennifer Kennington, Director of Benefits, Administration and Engagement; and Angela Newbern, Alight Solutions (formerly Aon Hewitt) for their work.

## RETIREMENT ADVISORY COMMITTEE OF THE TRSC

Committee member Dorothy Zinsmeister reported on changes that are being made to USG retirement plans that will simplify how to enroll in, invest in, and manage retirement savings. There will be one 403(b) and one 457(b) plan for all institutions. These plans are voluntary. The number of investment providers will be reduced, leaving only TIAA, Fidelity, & Valic. At the same time, each of these providers will offer new investment options. These changes do not impact the TRS in Georgia - unless you have money in a 403(b). Currently, there are 8-10 plans a retiree can choose from and the USG has decided to consolidate them into three. Making this change will result in a big saving in fees for active employees, a \$7 million-dollar reduction in fees for one year. Many employees are not even aware that they have been paying a management fee for their plans since they don't see expenses coming out of their earnings. Information about this change will be sent in January, followed by training meetings conducted by the USG.

#### REPORT FROM USG FACULTY COUNCIL (USGFC)

Joe Hughes, a Georgia Tech faculty member, and Parliamentarian of the USG Faculty Council reported that the USGFC was very busy. All 26 institutions have representatives on the council. Last year the group even had representatives from both sides of schools in the process of consolidating. The USGFC has an Executive Committee of 5-6 people. The USGFC met in Augusta last week and had USG representatives and the Chancellor on the program. The Chancellor discussed challenges, trends, demographics, and the prospect of more consolidation in the future.

The USGFC is reviewing the USG Policy Manual and has monthly phone conferences with Tristan Denley, the Executive Vice Chancellor for Academic Affairs. The USGFC is rewriting all of their bylaws now that it has been in existence for over 5 years.

Issues that are of importance to the USGFC are:

- The role of faculty in governance processes, and faculty worklo

- With regard to the issue of benefits, centralizing them is seen as a good thing in some ways, but people worry that there will be less competition regarding the different kinds of benefits offered.

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2018 at Georgia College and State University (GCSU). GA-HERO is a group that consists of retiree organizations from both public and private institutions in Georgia.

- **Miscellaneous Other Business-** Dennis Marks thanked those who had organized new retiree organizations. He also talked about each retiree organization

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2019 Employer Healthcare Monthly Premiums (+/- \$ Change from Current). Premiums are rounded to nearest dollar:

Tier	Blue Cross Blue Shield of Georgia (USG Self-Insured Coverage)		
	Consumer Choice HSA	Comprehensive Care	Blue Choice HMO
Employee	\$438 (+\$12)	\$438 (+\$12)	\$438 (+\$12)
Employee +child	\$764 (+\$15)	\$764 (+\$12)	\$764 (+\$15)
Employee +spouse	\$891 (+\$18)	\$891 (+\$18)	\$891 (+\$18)
Family	\$1230 (+\$24)	\$1230 (+\$24)	\$1230 (+\$24)

2019 Employee Monthly Premiums (+/- \$ Change from Current):

Tier	Blue Cross Blue Shield of Georgia			
	Consumer Choice HSA	Comprehensive Care	Blue Choice HMO	Kaiser HMO (Fully Insured)
Employee	\$75 (+0)	\$177 (+0)	\$207 (+\$6)	\$158 (+\$0)
Employee + child	\$160 (+\$6)	\$344 (+\$6)	\$397 (+\$18)	\$303 (+\$3)
Employee + spouse	\$187 (+\$8)	\$402 (+\$8)	\$463 (+\$21)	\$353 (+\$4)
Family	\$257 (+\$10)	\$554 (+\$10)	\$640 (+\$29)	\$487 (+\$5)

The Blue Choice/HMO is a "richer" plan and that accounts for its higher cost. In the open enrollment period, employees concerned about the increases have the option of moving into another plan.