

**University System of Georgia Retiree Council (USGRC) Meeting
October 25, 2018**

Georgia Tech Research Institute Conference Center

10:00 am - 2:15 pm

Minutes

Present: Tom Abney (Augusta University, voting member); Curtis Bailey (Atlanta Metropolitan State College, alternate); John Balsam (Georgia Institute of Technology, alternate); Richard Baringer (Georgia Southwestern State University, voting member); Toni Barnett (University of North Georgia, voting member); Ron Bohlander (Georgia Institute of Technology, Chair, USGRC); Jim Braun (Clayton State University, voting member); Carol Braun (guest); Ray Chambers (Abraham Baldwin Agricultural College, alternate); Jim Cottingham (South Georgia State College, voting member); Harry Dangel (Georgia State University, voting member); John Derden (East Georgia State College, voting member); Mark Eason (University of Georgia, Secretary, USGRC); John Hutcheson (Dalton State College, voting member); Victoria Johnson (Georgia Gwinnett College, voting member); Robert Kelly (Middle Georgia State University, voting member); Roger Ozaki (Georgia Gwinnett College, alternate); Anne Richards (University of West Georgia, alternate); Dutchie Riggsby (Columbus State University, alternate); Warren Riles (Georgia Southern University, voting member); George Stanton (Columbus State University, voting member, Chair-Elect, USGRC); Kathy Tomajko (Georgia Institute of Technology, voting member); Ted Wadley (Perimeter College, Georgia State University, alternate); Dorothy Zinsmeister (Kennesaw State University, voting member, Past Chair, USGRC).

On the phone: Missy Cody (Georgia State University, Immediate Past Chair, USGRC); Mary Mitchell Jones (College of Coastal Georgia, voting member); Judith Malachowski, (Georgia College & State University, alternate); Dennis Marks (Valdosta State University, voting member; Past Chair USGRC); Harold Boyd (Georgia Highlands College, alternate).

From Aon: Mark Chandler, Vice President, Benefits Delivery Group, Aon Retiree Healthcare Exchange; Mat Burkley, Customer Service Implementation Manager, Aon Retiree Healthcare Exchange.

From the USG: Karin Elliott, Interim Vice Chancellor, Human Resources;
Marti Venn, Deputy Vice Chancellor, Academic Affairs.

From USG Faculty Council: Joe Hughes, representative; Georgia Institute of Technology.

Absent: Representation from: Albany State University; Fort Valley State University; Gordon State College; Savannah State University.

1. Welcome

Chair Ron Bohlander called the meeting to order at 10:00 am and welcomed all those attending in person and over the phone. He stated that the minutes from the Spring USGRC meeting which was held on April 6, 2018 were approved via email by the council.

2. Roll Call

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.

3. Review of Presentation to the August 14, 2018 Meeting of the Board of Regents of the USG, Karin Elliott

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):
- Dr. Don Green (Chair) - President of Georgia Highlands College
 - Carole Clerie - Chief Human Resources Officer, Fort Valley State University
 - Dr. Phaedra S. Corso - UGA Foundation Professor of Human Health and Director of the Economic Evaluation Research Group, College of Public Health, UGA
 - Dr. William Custer - Director, Center for Health Services Research, GSU
 - Margaret Wagner Dahl - Assoc. VP for Health IT, Extension Services, (retired, July 2018) Georgia Institute of Technology
 - Dr. Valerie Hepburn - Former President, College of Coastal Georgia (retired)
 - Juan A. Jarrett - Associate Vice President for Human Resources, UGA
 - Richard Spancake, Director of Human Resources/Title IX Coordinator, Abraham Baldwin Agricultural College
 - Tony Wagner, Executive Vice President for Finance & Administration and Chief Business Officer, Augusta University.

Elliott commented on Don Green's passion and enthusiasm for healthcare and support for the USG HR office. He also understands the "well-being" initiatives being implemented this year, including the well-being credit designed to engage faculty and staff to think daily about the issue of wellness in their lives.

Elliott stated that the TRSC meets 6-8 times a year, mostly in the spring (January - May). Tremendous work goes into preparing for the next year such as analyzing financial data, meeting with vendors, and reviewing AON data presentations. Last year an in-depth, two-day strategy planning session resulted in a number of major recommendations. The USG is getting ready to bid at the end of 2019 for new providers. Elliott explained that the USG is very interested in employee's welfare and wants them to be happy and productive.

b. Healthcare Plan Financial Update:

- 2017 Plan Performance - came in under budget due to better than expected claims costs.
- 2018 Healthcare Projection - estimated to come in slightly under budget due to better than expected claims experiences. This is good news because the system does not have to take into account any budget overrun from 2018 leading to a shortfall for 2019. However, should high medical claims come in at year end, then the outcome would be affected. USG will continue to watch expenses closely.
- Based on trend data from Price Waterhouse Cooper and the Health Research Institute for percentage change in budgeted cost per covered employee over the prior year, the USG health plan is doing well. For 2017, the USG budget was 3.4% over 2016 compared to the trend 5.5%. The 2018 USG budget was 3.0% compared to the trend amount of 6.0%. The 2019 USG projected budget is 2.0% compared to the 6.0% trend amount.

Questions addressed to Elliott:

i. *Is the cost involved for the total population of persons covered by the USG, including active employees, pre-65 retirees and their dependents, and retirees and their dependents?*

It's based on the total cost of what employees and others in the USG pay.

ii. *With regard to the healthcare cost trend changes, is it possible that, instead of these trends continuing to go up, there could be a negative trend downward in costs?*

. For the supplemental Medicare market, trends could change from year to year. Among other things, pharmacy costs are higher.

- Cost Drivers, How the USG Healthcare Dollar is Spent:
 - 27.8% Prescription Drugs
 - 20.8% Facility (Outpatient)
 - 18.8% Facility (Inpatient)
 - 11.7% Physicians (Outpatient)
 - 7.5 % Other Professional Services
 - 5.7% Radiology (Outpatient)
 - 2.9% Mental Health Services (and there is an uptick in these costs that the USG is keeping an eye on, including more depression and anxiety in the student population)
 - 2.8% Physicians (Inpatient)
 - 1.8% Lab (Outpatient)
- The USG uses other benchmarks to measure how it's doing in healthcare, which it accesses through the Aon Health Value Initiative Study. These include:

- 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 institutions and organizations as well. USG is especially concerned about wanting to be competitive at the employee tier. Other competitors subsidize healthcare at the dependent tier about the same as we do (70-71%). USG is similar in dependent coverage with our peers but are looking to subsidize employees more.

Questions addressed to Elliott:

i . At one point the USG was subsidizing employees at the 80% level. I commend you for wanting to get back up to that level.

At a previous time, there was a requirement for the state to do this. Every year we make changes to the plan to impact the overall cost.

ii. When the Legislature allocates funds to the Board of Regents for budget requests, is there an allocation for healthcare? Is that one big lump sum which the BOR decides how to divide up between active employees and retirees?

We ask for an increase every year. We do this based on the increase in the plan costs. Last year we did not get funded for the increase we asked for. So institutions had to pick up the cost. They split it up for costs to both retirees and active employees. They have to determine their budget in light of their costs and how they allocate...especially when we don't get funding requested.

iii. Given that inflation occurs, how much is this taken into account?

Health care cost trends take inflation into account as one factor. Year over year inflation as well as other factors, such as an increase in utilization. Increases in inflation for medical costs are higher than the rest of the economy because of new technology and new drugs. These represent good news to persons who are ill, but they cost more dollars. The overall cost of our plan compares very favorably using these benchmarks. Pharmacy costs remain a concern because they are increasing at higher rates than is the case for some of our peers.

- 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 listed as dependents, when in fact they do not qualify.

Questions addressed to Elliott:

- i. *The university system has a large number of retirees. Do they use this to get pharmacies to reduce the cost of their plans?*
We don't actively contract with pharmacies. We work with CVS and they negotiate with pharmacies. We look at our contract every year and were able to negotiate lower prices this year.
 - ii. *How can a retiree find out about eligibility on the HR website?*
The answer was provided later in the meeting - see section 5 of the minutes.
 - iii. *For this year, will we still have to verify?*
Yes, but we're not sure we'll be doing this with those 65+.
- Active Open Enrollment. All employees and all retirees under age 65 will be required to make an election of healthcare benefits and will have to certify their tobacco use status. This does NOT APPLY to retirees who are 65 or older because they are no longer enrolled in the USG healthcare plan.. USG health plan enrollees will be asked to acknowledge their awareness of penalties for falsely certifying. The USG has discovered a gap or disconnect between the 2% of employees who currently identify as tobacco users, and the 6% that healthcare vendors report are using tobacco. Questions were asked about the possibility of random-testing, but the USG does not want to at this time. Enrollees will be informed of the consequences for not certifying correctly. USG is working through a process for identifying those who are not honest. In the past USG has not wanted to/ or have not policed this but is becoming more proactive. The USG will also institute a comprehensive program to incentivize and assist employees in quitting smoking. The USG would rather pay for tobacco cessation resources than have employees pay a surcharge for being a smoker or lie about their tobacco usage.

- 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 retirees and spouses for participation in well-being programs. This will be expanded in the future (2019) with regard to diabetes, tobacco cessation, and health-improvement coaching. This program is getting good participation.

Questions addressed to Elliott:

- i. *In the process of putting these strategies together, was there any discussion about retirees who are 65 and over and their spouses being considered for participation in this well-being incentive program?*
This program is only for those in the USG healthcare plan. But, in addition to this, the USG system office is providing up to \$10,000 per institution to support wellness on their campus. That type of program could be opened up to all on their campus, including retirees.
 - ii. *So 65 and older retirees can participate in well-being activities on their campuses if space is available?*
It is up to each campus to determine what well-being activities will include retirees.
- d. 2019 Healthcare Plan Changes and Premiums for Employees and Pre-65 Retirees
- For the Consumer Choice with HSA program, there will be an increase for in-network single/family deductible of \$200/\$400. Also an increase out-of-pocket single/family of \$200/\$400.
 - For the Comprehensive Care plan, there will be an increase in-network single/family deductible by \$250/\$750; an increase in-network single/family out-of-pocket maximum for \$250/\$500. In addition, there will be an increase in pharmacy copays by \$5 for generic, \$5 for preferred brand and \$5 min and max on the non-preferred brand.
 - For the Bluechoice/HMO plan, employees will face a slight increase in their co-pays of \$5 for physician office visits, \$10 for Specialist office visit, \$50 for outpatient hospital services; increase of \$10 for urgent care; and increase of pharmacy copays by \$5 for generic, \$5 for preferred brand and \$5 min and max on the non-preferred brand.
 - There will be no plan changes financially in Kaiser plan.
 - The USG Plan is expected to spend a projected \$22,600,000 in 2019 for health trends, enrollment and administrative costs. It is expected to save \$15,900,000 due to plan design changes and pharmacy rebates. It is expected to pay \$700,000 to increase the subsidy given to employees for coverage. The net change of total increases in health costs from all fund sources is thus expected to total \$7,400,000.

See Appendix A for a summary of monthly premium costs for employees/pre-65 retirees and their employer or former employer.

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:

- i. *Concerning the catastrophic HRA to help retirees with expensive prescription drug costs. How does this work? This is the first I've heard about it.*
Your prescription drug plan should let you know when you enter the catastrophic phase. At that point you should tell Aon and submit your claims for reimbursement. This has been in place since 2016 and is mentioned in communication materials.
- ii. *Out of all the retirees in the University System of Georgia, what fraction are in the USG plan?*
There are between 17,000 and 18,000 retirees and about 3500 of them are in the USG plan.
- iii. *What fraction of all USG employees are pre-65?*
There are between 17,000 and 18,000 retirees and about 3,500 of them are in the USG plan. So about 20% are pre-65.
Bohlander observed that this is why the members of USG RC care intensely about provisions for Medicare-eligible retirees.

There was discussion about the communication of the amount of the employer contribution to the health Reimbursement Account (HRA) and other pertinent health care information for retirees. There was also discussion that the USG HRA contribution was not felt to be helping retirees keep up with growth in health care costs.

4. Presentation from Aon Retiree Health Solutions by Mark Chandler

Chandler reported that AON has updated its website. In 2018, there were 50,000 unique USG visits to Aon's website. 15,357 unique accounts have been created that are related to the USG, and 2,389 active enrollments have been submitted by USG retirees on the website. Based on feedback from users, AON now allows participants to make changes on the website. Two years ago, retirees didn't make choices on their own. The Center for Medicare Services (CMS) wouldn't allow this. AON also learned not make any changes just prior to an open enrollment period. The website now is mobile friendly and is "scalable" to the size screen being used. Now, 15% of web traffic to our website is from a mobile device. The system also allows participants to sign their enrollment online without having to call in and have the terms and

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 easily navigate the system.

AON is planning webinars providing educational virtual meetings for those aging in to Medicare or retiring 65 or older. These webinars will begin in January 2019 and allow interactive questions and answers.

Questions addressed to Chandler:

- i. *The schedule for these meetings might be suitable for Aon but is not necessarily suitable for retirees.*

We plan to hold them on a quarterly basis. The first ones will take place in January for those phasing into retirement in February and March. We will begin running them quarterly and can adjust after we get feedback.

Ron Bohlander stated that USGRC can put together a team to provide feedback.

Mark Chandler provided a carrier and product update:

Medicare Annual Enrollment for 2019 begins October 15, 2018 and ends December 7, 2018. Medicare Part A deductible for 2019 is \$1364, a \$24 increase from 2018. Medicare Part B premiums are up \$1.50 to \$135.50, and the deductible is up \$2.00 to \$185.00.

Renewal letters were mailed starting 10/5/18 - 10/9/18 for USG enrollment. Disruption letters go out by the end of October (informing people about a disruption in their coverage). 17 people out of approximately 17,000 will receive these letters. AS a reminder, spending account mailings showing the annual balance will be sent in the first quarter of 2019.

Chandler reported on the 2019 Medicare Advantage Market saying that CMS funding for Medicare Advantage remains stable. Enrollment is projected to increase by 2.4 MM in 2019, a 11.5% projected increase from 20.2MM in 2018 to 22.6MM in 2019. Market penetration is estimated up to 36.7%. Medicare Advantage average monthly premiums have steadily declined since 2015. From 2018 to 2019, the premium decreased from \$29.81 to \$28.00 or 6%.

Around 99% of all Medicare beneficiaries nationwide have access to at least one Medicare Advantage plan. Plan choices increase from around 3,100 in 2018 to around 3,700 in 2019.

The average number of plan choices per county increased by five plans, average a total of 34 plans per county. Member benefits improving with enhanced access to basic supplemental

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 that is expected to improve care quality and more effectively manage Medicare's program costs. The central objectives are to reward quality, not volume; penalize underperformance; and to avoid paying incrementally for services from Medicare Part B providers. MACRA creates two major changes: 1) Medigap restrictions: prohibits Medigap plans from covering the Part B deductible for those newly eligible for Medicare starting January 1, 2020. Plans C & F are restricted from further enrollment. In general plans N and G will replace them. Except, for 2020 and beyond, Medigap policies are prohibited from covering the Part B premium deductible for those who become "newly eligible" for Medicare on or after January 1, 2010. Today, over 60% of Medigap members have 1st dollar coverage (through plans C or F). There is little/no retiree cost-sharing required at the point of service in these plans. 2) MACRA reforms the Medicare Part B provider payment approach and develops a new payment system beginning in 2019.
- Per Chandler, 100 percent of Medicare beneficiaries have access to a stand-alone prescription plan Prescription Drug Programs (PDP). The basic premium for an average Medicare PDP is projected to decline for a second year in a row. The average monthly premium for a basic Medicare PDP in 2019 is projected to decrease by 3.2% Year-over-Year - from \$33.59 in 2018 to \$32.50 in 2019.

Aon continues to talk with carriers and expand carriers in their market to partner with new providers. Carrier expansions this year include: TUFTS HEALTH PLAN (MA) - which had previous client restrictions but is available to ALL clients in 2019; CARE PARTNERS OF CONNECTICUT, a partnership with Hartford HealthCare; and available to ALL clients in 2019 is INDEPENDENT HEALTH (IHA) - Western NY that had have initial client restrictions in 2018, but will be available to ALL clients in 2019.

- Mr. Chandler gave an update on spending accounts. As of October 1, 2018, manual claims for insurance premiums now require proof of the premium type (medical, dental, etc.) in order to be approved. This is in addition to the existing common requirements for premium claims. This means that retirees who are planning to send a bank statement or

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 administration fees are likely not eligible for reimbursement. What is reimbursable is governed by tax law. Concierge doctors, for example, are those for whom you pay a fee for faster service. Those fees are not covered, but the visit to see them would be.
- ii. *What about in-house care, such as from Visiting Angels?*
I don't know if that would be covered. I can take a guess and say it would not be covered.

5. REVIEW OF COMMUNICATIONS TO RETIREES FROM USG

Karin Elliott, Dennis Marks, Ron Bohlander presented websites that are very useful for retirees:

Human Resources - Retiree Benefits

https://www.usg.edu/hr/benefits/retiree_benefits

Planning for Retirement

https://www.usg.edu/assets/hr/benefits_docs/USG_Retirement_Planning_9_21_18_FINAL.pdf

2019 USG Comparison Guide

https://www.usg.edu/assets/hr/benefits_docs/BOR_Comparison_Guide_NEW.pdf

ONEUSG Connect Support

https://www.usg.edu/oneusg_connect

Aon Retiree Health Exchange Medicare Insurance Guide

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), Georgia Center for Continuing Education, Mahler Hall, 1197 South Lumpkin Street, Athens, GA

November 2, 2018, 9:30 am, South Georgia State College, Engram Hall Ballroom, 100 West College Park Drive, Douglas, GA

November 5, 2018, 9:30 am, Georgia Institute of Technology, Student Center, Ballroom, 3rd floor, 350 Ferst Drive, NW, Atlanta, GA

November 6, 2018, 8:30 am, Augusta University, Jaguar Student Activities Center Ballroom, 2500 Walton Way, Augusta, GA

November 7, 2018, 9:30 am, Georgia Southwestern, Storm Dome/Athletic Center (inside of) - Student Success Center, 2nd Floor, Rooms 2410, 2413 and 2417, 800 GSW State University Drive, Americus, GA

November 8, 2018, 8:30 am, University of West Georgia, Z-6, Lower level, 1601 Maple Street, Carrollton, GA

Discussion took place about the USGRC helping to get critical benefit information out to retirees. The USG HR has electronic contact information for all retirees. If the USGRC had access to this contact information, we could help with communications. Institutional HR units are not consistent about getting information out. With the changes over the last several years, some HR departments are now not sure exactly what their role is concerning retirees. The USGRC will take up the matter to improve our communications with HR at the USG.

There was also discussion about how to reach the pre-65 retirees who may still be teaching and cannot attend morning scheduled sessions. Hopefully, these sessions can be recorded. or a webinar can be scheduled.

6. Highlights from the 2018 AROHE Conference

Dorothy Zinsmeister reported on the AROHE Conference which was held October 7-9, 2018 at Emory's Conference Center. She wanted to promote the organization because it has been very helpful in providing information about how to start, sustain and make possible successful retirement organizations/associations in higher education. In organizing this conference, 18

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.

Lunch Break

7. Discussion: What would Council Members like to see from the Council and from USG in the next three years?

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 that if there is renewed interest in this, it can be investigated.

C) Work more closely with HR offices on institution campuses to better coordinate communications affecting retirees and those transitioning to retirement.

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.

8. Committee Reports and Updates

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.

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/

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). 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 workloads that are occurring as a side effect of changes.
- Raises are a high priority. We are becoming increasingly noncompetitive with our peer institutions. We are a very diverse group. Some of the peers of some of the USG institutions (e.g., UGA) are places like Harvard and Yale. The perception is that the absence of raises is due to the fact that the Legislature needed to kick in \$350 million to stabilize the integrity of the TRS. This took raises away from those on the TRS and ORP to the benefit of only those on the TRS. The issue is that the TRS has improved its benefits to members. Those on the TRS can count 360 hours of vacation time or sick leave towards retirement and so can retire earlier than those on the ORP. There is no equivalent for this for those on the ORP.
- Declining Summer teaching options for faculty. Partly due to declining enrollment, summer teaching is decreasing. Some faculty have counted on summer teaching for their financial well-being. Their contracts are not violated when they can't teach in the summer, but they face a 25% reduction in pay following a period with no raises.
- Concerns regarding consolidations. There have been challenges in merging different cultures, leadership, and campuses. This is high on the minds of faculty.

- 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.
- With regard to the 403(b) and 457(b) changes, there were no issues.
- With regard to the Momentum Year, and the Nexus degrees, there is support for these, but questions have been raised as to how smaller institutions can cover the cost. In some cases, this is another way in which the faculty workload is increasing with no increase in compensation.
- Comprehensive Administrative Review. In theory if we change the number of administrators, this may affect the support for faculty in a positive direction. But there is uncertainty about this.

Dr. Hughes commented that retirees could attend the USGFC meetings. The Spring meeting is not finalized but will possibly take place at the Newnan campus of the University of West Georgia in April.

9. NEW BUSINESS

- Travel Reimbursement and Support- Dorothy Zinsmeister reminded the group about a directive to USG Presidents regarding paying travel expenses for those attending USG Retiree Council meetings. She receives travel reimbursement but realizes this is not the case for all council members. Since the USGRC is a recognized USG committee, she wanted to know how we can ensure that institutions will recognize this and reimburse travel for council members. Chair Bohlander stated that he will add this into the agreement we set up with the USG HR, along with issues related to HR. Karin Elliott advised that she would pass this request to her superiors, but cautioned that where enrollment is dropping, some active employees are not getting travel monies, so this may impact retirees as well. Elliott added that there is no consistency for USGFC representatives either. In regard to support, some institutions provide space and administrative support for retiree organizations. If a retiree association is requesting space, make sure to ask for administrative support as well to handle clerical responsibilities. If any groups have strategies on how to do this, please share.
- Access to Library Materials- Ron Bohlander reported that the USGRC is working on securing access to library materials for retirees to be consistent with full-time employees. Currently, material on microfilm is made available to employees through Interlibrary Loan (ILL), but it has been discovered that retirees cannot use ILL. Some retirees are writing textbooks and need access to digital library services that are currently unavailable to them. This issue is being studied. It may be possible to develop a subscription service to identify exactly how many retirees need this service. Since most likely only a relatively small number of retirees would request this service, it would not create a drain on institutional library budgets. If so, this may be a workable solution.
- Georgia Higher Education Retiree Organization (GA-HERO) Meeting- Dorothy Zinsmeister reported that the next meeting of GA-HERO will be on Friday, November 9,

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 setting up a table at the Open Enrollment/Benefits Fair to meet prospective retirees and provide them with information. He has had success with this and suggests that all retiree organizations do the same.
- Ray Chambers stated that, due to hurricane Michael, he and many retirees still have no way to communicate because their phone, cable, and internet are still out.

10. OLD BUSINESS

Bohlander extended appreciation to all who attended and helped organize today's meeting and thanked leaders like Missy, Dennis, Dorothy, George, and Mark for helping retirees in various ways.

The meeting adjourned at 2:15 pm.

Respectfully submitted,
Mark Eason, Secretary

Appendix A. Employer/Employee Costs for Healthcare Monthly Premiums

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.