

UUA Employee Benefits Trust Trustees Meeting

MINUTES

OCTOBER 1, 2010

9:00 AM

FIFIELD ROOM
ELIOT & PICKETT HOUSES
6 MOUNT VERNON PLACE
BOSTON, MA 02108

ATTENDEES	EBT Trustees: Brent Wilkes, David Tedesco, Tim Brennan, Mindy Scharlin, Dan Brody, and Paul Bluestein. UUA OCSF Staff: Jim Sargent, Richard Nugent, and Liz Oliver. UUA Staff: Rob Molla, Ibrahim Essa, Sarah Lammert, and Karen Wheeler
PRESENTERS	From Milliman (consulting actuaries): Bill Thompson, FSA and Andrea Burrell, FSA

Agenda topics

9.00 CHECK IN AND GUEST INTRODUCTION PAUL BLUESTEIN

9:10 MILLIMAN PRESENTATION ON 2011 RATES ANDREA BURRELL AND BILL THOMPSON

DISCUSSION	<p>The 2010 claims experience is moving back to more favorable experience levels seen pre-2009. Market trend is 10-12% for medical and 7-9% for pharmacy. Net expenses for 2010 are based on contracts already in place, staff's budget estimates for internal costs, and preliminary figures for 2011 reinsurance costs, with options. At staff's direction, the actuaries prepared four scenarios, all actuarially valid, representing different approaches to weighting the impact of emerging experience. Discussion followed.</p> <p>Possible plan changes and related costs were reviewed, including a hearing aid benefit, additional coverage for childhood learning disabilities, the timing of changes to preventive care mandated by Healthcare Reform, the impact of indexing deductibles and out-of-pocket levels, the level of specific reinsurance to be carried for calendar year 2011, and continuing the process of smoothing irregularities in the age-rating curve.</p> <p>Separate votes were taken on each plan design feature:</p> <p>Plan Change 1 – Include a childhood disability benefit of up to \$2,500 per year. M/Tedesco, S/Wilkes, APPROVED unanimously.</p> <p>Plan Change 2 – Include a \$2,000 every two years hearing aid benefit. M/Scharlin, S/Bluestein, APPROVED unanimously.</p> <p>Plan Change 3 – As of 7/1/2011, amend the Plan to conform with mandates for preventive services. M/Brennan, S/Bluestein, APPROVED unanimously.</p> <p>Plan Change 4 – Continue year 2 of the three-year process to smooth the rate curve. M/Wilkes, S/Brennan, APPROVED unanimously</p> <p>Plan Change 5 – Change the specific stop loss insurance to \$300,000, with a \$2 million annual cap. M/Wilkes, S/Scharlin, APPROVED unanimously.</p> <p>Indexing of out-of-pocket amounts was discussed and deferred to 2011 to allow sufficient time for member communications.</p> <p>After discussion of all plan options for 2011, Moved by Brent Wilkes, Seconded by David Tedesco, to set the base rate increase for 2011 at 5%. APPROVED unanimously.</p>
RELATED VOTE	After discussion of all plan options for 2011, Moved by Brent Wilkes, Seconded by David Tedesco, to set the base rate increase for 2011 at 5%. APPROVED unanimously.

11.40 UUA METHODOLOGY FOR DETERMINING CHARGES FOR SERVICES TO THE EBT KAREN WHEELER

DISCUSSION	The UUA secured estimates for comparable market rates for all services provided to the EBT, plus comparables for office space in the Greater Boston area. Karen Wheeler's presentation was EBT Board's opportunity to periodically review all service costs and agree to the charges to be applied for FY11.
RELATED VOTE	M/Scharlin, S/Brody to accept the UUA Controller's analysis of market rate costs and to approve UUA costs to be charged to the EBT for FY11. APPROVED unanimously.

12:50 PLAN AMMENDMENT #3 JIM SARGENT AND ROB MOLLA

DISCUSSION	The draft under discussion would give participating employers the flexibility to change the definition of Eligible Employee from one that works at least 750 hours per year to one that works 1040 hours per year. The Director confirmed that counsel had determined that the approach is legal and that it does not create a likely conflict with government agencies. After discussion, the Board directed staff to return in December with other options.
CONCLUSIONS	Staff will explore alternatives with counsel and report back in December.

1:30 PRELIMINARY DISCUSSION OF A PREMIUM SUBSIDY POOL RICHARD NUGENT, JIM SARGENT

DISCUSSION	Originally brought up at the 8/2010 meeting, the Office of Church Staff Finances would like to research the possibility of a premium subsidy pool. The subsidy pool could be used to assist people otherwise eligible for the Health Plan who cannot afford coverage.
-------------------	---

CONCLUSION	PERSON RESPONSIBLE
Staff will research a subsidy pool and possible funding sources.	Richard Nugent

2:00 APPROVAL OF AUGUST 7, 2010 MINUTES.
CONFIRMATION OF DECEMBER MEETING DATE AND TIME PAUL BLUESTEIN

RELATED VOTE	M/Sharlin, S/Tedesco to approve Aug 7, 2010 minutes. APPROVED unanimously. Next meeting: Because Dec 11 presents a conflict for some members, the Director will poll members of the EBT and the UUA Audit Committee and choose between Dec 9 and Dec 10, to be done by teleconference. Meeting adjourned at 2:10
---------------------	--