MEMBERS:

Jeff Adkins*  Craig Dennis  Kevin Koett  Paige McDaniel  Joel Pace
Becki Alfrey  Shannon Harr  Margaret LaFontaine  Rebecca McGinnis  Jessica Roe
Ed Beam*  Jami Hornbuckle*  Rhonda Mackin  Tina McWain  William Salazar
Lisa Caskey*  Joe Hunsucker  Jill McBride  Brooke Mills*  Mark Stidam*
Rhonda Crisp  Phillip James  Scott McGlone  Amy Moore  Todd Thacker*

*Denotes member was absent.

Guests:

Phil Gniot, Director of Human Resources
Dr. Royal Berglee, Faculty Senate Chair

Chair Pace called the meeting to order and also welcomed guests Royal Berglee and Phil Gniot. The meeting was then suspended so that P. Gniot could address Staff Congress on Health Care 2010.

Health Care Presentation:

P. Gniot stated that HR started off earlier last year and this year working with the Employee Benefits Committee to put together program that gets employees best and most competitive healthcare for the lowest premium.

P. Gniot stated that healthcare is comprised of three major components. Claims are the biggest dollar-driver on all health insurance issues. Administrative Costs are the second component, which is what the provider charges, and Trends is the third component, which is what the health industry puts together to try and predict what the increases in healthcare will be. The current year was predicted to be 10.3%. All 3 components combine together to create what HR calls premiums.

P. Gniot went on to state that the biggest way for the University to make a change is via claims, by creating less need for claims to be filed. This is where the Wellness Program comes into play. Health Insurance rates are going up because of an increase in claims and by reducing the amount and number of claims, the premium rates can be reduced.

Healthcare for 2010:

- Plans in play will stay in play, CDHP & HDHP
- 7% increase in premium from Humana – less than trend would indicate. There was a slight increase in claims seen this last year because employees were taking advantage of the wellness program and catching health issues before they became catastrophic issues.
- High Deductable plan & HSA account:
  - An HSA account was looked at with both Humana and the Third-Party provider, but no recommendation was made to implement HSA account but the HRA will be enhanced. The reasons for not implementing an HSA include:
If you have an HRA, your HSA gets frozen or vice versa. Those with balances would not be able to use frozen accounts.

Currently, Flexible Spending claims can be submitted for first quarter of next year, but this would complicate a HSA account. Using the FSA also froze HSA until FSA was depleted.

Bottom line was HSA was not going to be beneficial to employees.

For next year, wellness will remain key factor. The current Wellness Plan will have an effect on the 2010 premiums, which includes preventative programs, well-points.

If employees choose the HHA, they will receive $100, if they complete the non-tobacco use form, they will receive $100 and they will receive either $100,150 or $200 based on the well points they have earned. There will a potential total of $400 off an employee’s annual premium if you earned everything.

P. Gniot stated that Open Enrollment will be taking place from today, November 2 through November 20th. There will be a Benefits fair on November 5 with all vendors attending. He encouraged all employees to come by and ask any questions they might have. Also, there will be 8 open enrollment meetings scheduled for this period to explain what the differences in the program include.

One change is that this year’s enrollment is a Positive enrollment for Humana, which means that everyone needs to go and sign up for health care via the Human website. If you don’t sign up, and have not waived coverage, you will be defaulted to the HDHP (High Deductible Health Plan) at the same level you are currently in (2 person, family, etc.).

Human Resources wants everyone to think about their health plans and decide what is the best plan for their personal circumstances and then make their choice. If you have questions or concerns, plan to attend one of the Open Enrollment meetings.

For 2010, Humana will assist MSU with the planning of wellness programs. Humana has a new Wellness Unit, which is designed to help employers like MSU enhance their wellness plans. They will assess our claims and make suggestions as to the correct course of action that could be beneficial as far as wellness programs. One program to target for 2011 will be weight management. When looking at past claims, many of the issues were related to weight.

**HRA Accounts:**

P. Gniot went on to discuss the HRA accounts. He stated that changes are coming to the Health Reimbursement Account for 2010. Reasons for the changes were two-fold. Dr. Andrews wants the University to be in a 75%/25% ratio. Also, there is a real concern on Dr. Andrews’ part to deal with the budget shortfall this year and the University’s available funding will be cut. For 2010, the HRA changes include:

- **Fund HDHP,** the University will contribute $650 on an individual basis and $1150 on a multiple (2 person or family) basis.
- **Continue to fund CDHP** with the amounts being the same as the HDHP ($650 for individual, $1150 for multiple).
- **HRA contributions** will no longer be up-front funded, but will be made each pay period @ 1/24 the annual amount. HRA contributions will accrue each pay period. The full amount will be available at the end of the year. You can file a claim and be reimbursed as the HRA accrues. (Flexible Spending Accounts will continue to be up-front loaded. FSA accounts will be drawn on first, prior to HRA accounts)
- **Any balance in HRA** must be used within 12 months after employment at the University ends, effective January 1, 2010.
Other changes for the HRA in 2011 include:

- Effective 1/2011, maximum balance in HRA will be $6000.
- Encourages use of HRA funds
- $6000 is the maximum out of pocket max for all plan
  - Currently, 96.5% have balances less than $6000 this year.
- Those with balances higher than $6000 will not accrue any additional HRA until the balance is below $6000.

Dental 2010:

According to P. Gniot, the Dental Plans will remain the same for 2010 with a cost increase of 15% overall. There was an increase in claims seen this year, possibly as a result of the wellness incentives. Plans are:

**Premier (or Out-of-Network Plan)**
- Single $12 up from $7
- 2 person $36 from 26
- Family $64 from $47

**PPO-preferred (In-Network Plan)**
- Single form $0 to $0
- 2 person $16 from $14
- Family $40 from $34

Dental Care for 2011 and beyond:

P. Gniot stated that there will be a review plan design to be effective for 2011. He said that several things in the Out of Network Plan don’t make sense. He will go through the benefits committee to consider moving to one plan. There are more companies coming into the network, so they will go out for a quote for next year. Also, HR will look at self-insured vs. full-insured. Self insured for this year was by far the best so the university stayed at self-insured.

**Term Life Insurance:**

Morehead State University will now provide a basic $50,000 group-term life policy as part of your benefit package. You are eligible to purchase an additional group-term life benefit at a rate of $.32/1,000 coverage. According to IRS regulations, you may exclude from taxable wages the cost of up to $50,000 coverage on group-term life insurance. If you exceed $50,000 in coverage, this may become taxable wages includible on the Form W-2. The IRS has determined the fair-market value of group-term life based on an employee’s age as of December 31 during the taxable year. The IRS fair-market value is less than MSU’s rate until you reach age 55 when you begin paying less than the IRS FMV rate. If you are less than 55 during the taxable year, you will not have a taxable fringe benefit. For those of you who will be 55 during the taxable year, the supplemental life you purchase through Morehead State’s group-term life plan at a rate of $.32/1,000 will hold a taxable value. If you are in the KTRS retirement system, you will not have to pay retirement on the fringe value and your taxes will be assessed each pay period. If you are in the KERS retirement system, you will have to pay retirement on the fringe value. KERS retirement and payroll taxes will be assessed on the fringe at least annually and you will be notified when this will take place.

Supplemental life insurance is offered in increments of 1x (times), 1.5x, 2x or 3x an employee’s annual salary, to a maximum of $300,000.00. During an open enrollment period, you may increase supplemental life insurance coverage by one level if you do not currently have this coverage. Medical underwriting approval is.
required if you wish to increase more than one level. It may be necessary for you to have a physical examination at your cost. Additionally, you may elect dependent coverage during an open enrollment period if you do not currently have this coverage. Dependent coverage options are $10,000 ($10,000 on spouse and $5,000 on all dependent children) and $20,000 ($20,000 spouse, and $10,000 dependent children).

3rd Party Administrator for 2010 will be changing:
The new provider will be American Administrators because of the following reasons:

- Lower cost
- Debit card will be less, from $18 down to $6
- Costs the University less
- Better processing system than Process Works
- Flexible Spending and HRA Claims can be submitted online, you will receive email stating that claim was received, and when it is processed.
- Better website information

Effective January 2010, there will be a Sick Leave Bank and the current Sick Leave Pool will be eliminated. The new Sick Leave Bank:

- Replaces sick leave pool
- Participation is voluntary
- Requires annual donation of 2 sick days
- Uses FMLA definition of Serious health condition
- Applies to employee's health condition
- Requires physician certification
- Provide up to 60 work days after sick and vacation is exhausted
- Broader definition – includes maternity (not bonding leave)
- Can be used intermittently

There will be a form on the HR website to sign up for the Sick Leave Bank and more information will be forthcoming. Employees can enroll for this up until the end of the calendar year (December 31, 2009).

Questions:

S. Harr asked for an explanation as to why the HRA broken down to 1/24 – P. Gniot stated that the main reason is that employees have left early in the enrollment year without contributing funds. Per J. Hunsucker, the University is out about $50,000 from employees who used their HSA and left the University early.

A Moore asked about the FSA. If an employee leaves early and takes the money out, then the University is liable. P. Gniot stated that this is a federal regulation and there is employee risk as well as University risk. The University is able to self-regulate the HSA but not the FSA. About $5000 is lost yearly from people leaving early and using all FSA funds.

A. Moore asked why not slightly increase premiums and not reduce HRA and flexibility of usage? P. Gniot stated that this was driven because of a concern over the budget and some confusion about what Dr. Andrews meant about premiums for 2010. In June, Dr. Andrews talked about not passing the premium increases on to the employees. Therefore the premiums were not increased but the HSA was modified.

Employee premiums for 2010 stays the same. A variant is the application of the health points. There is a fixed dollar amount for this year as opposed to what was done last year.

University percentage is 82% with HRA at no change, and %81 with change in HRA. For the future, wellness needs to be emphasized. P. Gniot stated that premiums will occur next year.

R. Crisp asked about EyeMed in Morehead. P. Gniot will check on it and get an update.
Motion: To approve the minutes from the October 5, 2009 meeting.

Proposed: P. James  Seconded: W. Salazar

Called for Vote:

A vote was taken and motion passed with corrections noted by C. Dennis to indicate the extension of Advance Registration dates to November 17th.

J. Pace said it has been busy for SC. PD day – was strong success. President Andrews was very pleased with results. HR viewed results. 74 employees attended, 8 sessions, 133 attendees. Most people attended 2 or 3 sessions. The most highly attended session was the Developmental Education Process by Hunter Boylan. Chair Pace had thanked partners Human Resources and Yvonne Baldwin for partnering with SC to make this event so successful. Assessment 4.58 on 5.0 scale.

Chair Pace commented that the only corrections to the day would be logistical issues. He stated that this day allowed for a number of PD opportunities in short time. Regional campus attendees were present. On the initial assessment of a PD day, the largest need was training and technology, but Oct. 8 IT was out at conference. SC will be looking to replicate this program in mid-May with technology as the focus. Chair Pace will be asking for volunteers.

P. Gniot – Said that HR had a positive experience with PD Day and was glad to participate. He said the program got farther than HR would have gotten on their own.

J. Pace stated that Yvonne Baldwin was scheduled to speak today on the General Education changes, but because of the HR presentations she was deferred to December.

Brenda Wilburn asked to come to talk about flu and flu shots but had another meeting and was not able to attend today. A. Nutter stated that MSU has a Flu website. It is updated every Monday morning as to the status of the flu on campus. There is also a link to pandemic flu plan, FAQ for questions about flu and vaccine and updates on cases and the availability of the vaccine.

Open enrollment – R. McGinnis will work to get the Open Enrollment information and PowerPoint posted on SC website.

Chair's Report

Vice-Chair's Report

R. McGinnis reported that she has updated the SC website and removed the older material about the surveys.

Secretary's Report

J. McBride reported that the current supply budget was $2396.57. There had been no additional work done this past month on the purging of old documents in the SC Office.

Committee Reports

Elections & Credentials

K. Koett reported that they are still looking to fill vacant positions. He left message for Scott Niles to consider Lauren Bucks position. Also, information will be brought forward in new business.

Staff Issues

S. Harr reported that there was a SNAP survey via mass email. As of this morning, 243 have taken survey and it will be left up until Nov. 5. The Staff Issues Committee will meet next week and look at results and see where to go from there. The questions came from surveys done at other institutions, and issues that included rewards, training and PD, employee orientation, and what issues employees felt that SC should
Personnel Policies and Benefits

A. Moore reported that the committee met and talked about HR issues. There will be a recommendation brought forward in new business.

Regent's Report: CHAIR Pace indicated T. White was out again. There will be a BOR meeting November 19th. It was originally a work session but will now be a full meeting. Terry White will provide more info at next meeting.

Human Resources Report: Report given at opening of meeting.

Old Business: None.

New Business: A. Moore stated that there was a review of PG 24, which is time off for death of a family member. She stated that son and daughter-in-law is not included but should be included. Employee Benefits committee already approved it as well.

J. Pace stated that the recommendation came from committee so no second is needed. There was a call for questions and there were none. There was a call for support of adding son and daughter-in-law to the list of family members for time off for death of a family member. All were in favor. The motion carried. The resolution will be submitted from the Chair's office to Phil Gniot & Mike Walters.

K. Koett- The Credentials & Elections Committee met and they are not coming with a recommendation for a vote at this time, but just to solicit feedback looking at representation on SC. The Committee would like to recommend a hybrid that incorporates both, from employment category and geographic location. This would eliminate the "at large category." This gives the people in the geographic locations more power to elect their representatives. The Committee would like to look at create more of a retreat for SC to know what to do, Roberts rules, etc. Enhance traditions like the luncheon and be more of a meaning to being a SC member. Votes would be for EEO category and geographic. A. Moore asked about departments such as Facilities and Housing? K. Koett stated that the geographic building would be based on office location and not on workplace assignment.

P. James stated that he likes this model. He asked if there was any talk or discussion doing geographic vs. division. J. Pace stated that we are probably the only university in the state that uses the model that we currently have and that most other universities have representative model done by building or floors in a building, but you may have 30-40 people that you are responsible for. The catch is that if no one wants to run from a certain building, then someone can run for that area based on close proximity. K. Koett stated that there would be multiple buildings in a geographic area. M. LaFontaine stated that this new model would allow us to limit loss of SC positions.

J. Pace stated that we are trying to change the culture of what Staff Congress is. We want to make it better than when we got here. K. Koett asked for questions or comments to be submitted to his committee.

P. James asked about term limits. R. Crisp asked about what the geographic borders will be. K. Koett says it is a rough draft on the map. M. LaFontaine stated that West was on the west side of University Blvd., beside ADUC, East was University Blvd. and east toward athletics, Central was between University Blvd. and Off-Campus was Folk Art Center, Extended Campuses, Farm, Eagle Trace, CHER Building. IRAPP will be asked to
give feedback about populations in those areas. That data has been obtained and will be looked at before creating the map.

A. Nutter stated that there were 6 submissions for QEP topics. An email will be sent out to the campus community to obtain feedback on the topics being considered. She asked member of SC to encourage their constituents to look at proposals and a feedback form will soon be available online. Each proposal is approximately 6-7 pages long. Deadline to review the proposals is November 16.

J. Pace mentioned the green committee. He stated that chairs have been identified and served. 1st meeting with be Friday November 6th at 3:00 pm to discuss goals, timelines...

Announcements: Chair Pace – Next Staff Congress meeting will be December 7 and changes from Elections and Credentials will be presented at that time. Also, Tony Johnson and Yvonne Baldwin will be guest presenters at the next meeting.

OV C Soccer Tournament – 11/5-11/8

Open Enrollment – 11/2/09-11/22/09

Open House & Diversity Day – 11/7/09 - 360 registered for the Open House as of today.

Athletics Committee – P. James stated that the Ticket Office has now opened up season Basketball tickets on payroll deduction to be deducted over 5 months.

Wellness & Benefits fair – Thursday, November 5.

Corn toss – 10:45 am. Friday, November 6th.

Texan Hold’em – Friday 6:00 pm.

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<tr>
<th>Motion:</th>
<th>To adjourn.</th>
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<tr>
<td>Proposed:</td>
<td>A. Nutter</td>
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<tr>
<td>Called for Vote:</td>
<td>Passed. Meeting adjourned at 2:36 p.m.</td>
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Minutes submitted by: Jill McBride, Secretary