

UNIVERSITY SYSTEM OF GEORGIA RETIREE COUNCIL (USGRC) MEETING

October 9, 2020

Virtual Meeting via ZOOM

9:00 am - 12:44 pm

MEETING NOTES

ATTENDANCE:

Presiding: Harry Dangel (Georgia State University, USGRC Chair)

USGRC Unit Representatives Present:

- Tom Abney (Augusta University, alternate member);
- John Balsam (Georgia Institute of Technology, voting member);
- Richard Baringer (Georgia Southwestern State University, voting member);
- Ron Bohlander (Georgia Institute of Technology, Past Chair, 2019);
- Harold Boyd (Georgia Highlands College, alternate member);
- Jim Braun (Clayton State University, voting member);
- Mitch Clifton (University of West Georgia, President-elect);
- Missy Cody (Georgia State University, voting member);
- Meg Cooper (University of West Georgia, voting member);
- Sara Connor (Georgia Southern University, voting member);
- Jim Cottingham (South Georgia State College, voting member);
- Bob DeLong (Valdosta State University, alternate);
- John Derden (East Georgia State College, voting member);
- Rebecca Farrow (College of Coastal Georgia, alternate member);
- Michael Hazekorn (College of Coastal Georgia, voting member);
- John Hutcheson (Dalton State College, voting member);
- Tom Jackson (University of Georgia, alternate member);
- Paul Jahr (Georgia College & State University, voting member);
- Dennis Marks (Valdosta State University, voting member);
- Nancy McDuff (University of Georgia, secretary & voting member);
- Roger Ozaki (Georgia Gwinnett College, voting member);
- Gwendolyn Reeves (Fort Valley State University, voting member);
- Anne Richards (University of West Georgia, alternate member);
- Dutchie Riggsby (Columbus State University, alternate member)
- Ed Rondeau (Georgia Institute of Technology, alternate member);
- George Stanton (Columbus State University, Immediate Past Chair);
- David Stone (Georgia Southern University, alternate member);
- Kathy Tomajko (Georgia Institute of Technology, committee chair and presenter);
- Craig Turner (Georgia College & State University, alternate member);
- Ted Wadley (Georgia State University, alternate member);
- Mike Womack (Middle Georgia State University, alternate member);
- Dorothy Zinsmeister (Kennesaw State University, voting member).

USG Central Office Representatives Present:

- Karin Elliott (Associate Vice Chancellor for Total Rewards);
- Marti Venn (Deputy Vice Chancellor for Academic Affairs).

USGRC Representatives Absent:

- Abraham Baldwin Agricultural College,
- Albany State University,
- Atlanta Metropolitan State College,
- Gordon State College,
- Savannah State University, and
- University of North Georgia.

Guests:

- Brian Ring, USG Faculty Council;
- Yvonne Landers, USG Staff Council;
- Mat Burkley, Aon Client Manager;
- Mark Chandler, Aon Client Relations Team;
- Steve Cox, Aon Representative;
- Levi Dawson, Aon Digital Product Owner;
- Kathy Dupont, Aon Client Analyst;
- Rob Swarczewski, Aon Principal Agent Retiree Health Exchange, Carrier Relations Manager - solutions.

AGENDA:

I. Harry Dangel (chair) **called the meeting to order** at 9:00am and welcomed USGRC council members. "How different the world is," he remarked. His 4-year-old granddaughter is taking classes on line and he is using Skype, Wicker, Microsoft, and Zoom. Today's meeting was set up on Zoom because it was the most accessible.

II. Nancy McDuff, Secretary, called the roll of those present, in alphabetical order by institution.

Harry Dangel mentioned that he sought to take advantage of what a virtual meeting does well, and to alter some things it does not. He expected that oral Committee Reports would be shorter than usual because Council members had the opportunity to read the corresponding written reports in advance of today's meeting. He also asked those who wanted to ask questions to use the CHAT option and said if time didn't permit all questions to be answered today, he will get back to folks who raised them.

III. Marti Venn, provided an overview of the following:

A. Initiatives for Emeriti in the USG - Emerita/Emeritus Work.

Marti explained that the USGRC had started to talk about this subject about a year or a year-and-a-half ago. Ron Bohlander and others from the USGRC did some great work on it. Then COVID-19 came along and things came to a halt. She said she was happy to pick this topic up.

PROJECT OVERVIEW

1. Establishment of USG Academic Affairs Advisory Committee
 - Dr. Leslie Sharp, Dean of Libraries and former Asst. Provost, Georgia Tech
 - Dr. Ron Matson, Sr. Assoc. VP for Academic Affairs, KSU (retiring December or January)
 - Dr. Steven Lloyd, Provost, UNG
 - Dr. Johnny Evans, Provost, College of Coastal Georgia

- USG Retiree Council members: Harry Dangel, Ron Bohlander, Dorothy Zinsmeister
This group will come up with strong recommendations. Currently, the USG *Board of Regents Policy and Procedures Manual* makes reference to the BoR administering the designation of a title of Emeritus or Emerita for only Presidents who have been in office for ten or more years of honorable or distinguished service to the USG. (See BoR Policy 2.11). Everything else happening for emeriti faculty is administered on the individual campus level. [Note the last sentence of BoR Policy 2.11 addresses emeritus/a title for faculty and administrative officers being administered at the institutional level.]

At Middle Georgia State University in Macon, Marti said, it was common not to have much in print about Emeritus/Emerita status. Hopefully, the above committee can discuss best practices. Sectors have different fiscal pictures. So, if particular institutions can do only 5 of 7 best practices, what might they be? Comprehensive institutions will probably want more substantive policies and procedures. The committee will not come out with the same practices for all campuses as a result.

2. Committee Charge
 - a. Purpose
 - i. Identify and review USG Board policies and procedures on this topic,
 - ii. Identify if there are any gaps in policies and procedures on this topic,
 - iii. Review summary data from institutional surveys (already compiled), and
 - iv. Make recommendations to the USG.
3. Time Frame
 - a. Schedule first meeting at the end of October/early November, 2020.
 - b. Meet monthly through March, 2021.
Prepare recommendations for Spring, 2021 meeting.
4. USGRC members were invited to reach out to committee members if they have ideas they think should be considered.

B. Hot Topics at the USG Office Level

1. USG personnel worked diligently with campuses on **pandemic arrangements** for the opening of institutions in the Fall semester. In Marti's view, this went fairly successfully in comparison with other institutions in the country. The USG is exploring more options for Face-to-Face classes that can help students feel connected and engaged. Some parents were upset that all their children's classes were on line, or could be turned to become on line. They also had issues over fees paid for aspects of college life shut down by the virus.
2. Work is being done to discuss **budgets** with legislators to make sure the USG has strong operations in Spring, 2021. Many institutions may delay opening until after MLK day. Some will be doing away with Spring Break.
3. **Graduation Ceremonies** may be face-to-face in Spring.
4. Prior to the presence of COVID-19, some thought the future of higher education would be a virtual one. But students and faculty have made it clear they prefer to meet face-to-face, so the USG doesn't see going universally remote in the future. Universities are very social environments. While the capacity to handle some things remotely is a great additional tool, **going forward there will be a blend of face-to-face and virtual learning**. This may be one of the positive outcomes of dealing with the pandemic.
5. **General Education Redesign**. That is in a "temporary pause" state right now. It will get delayed by about another year. The USG is slowly working toward this.
6. Academic Affairs is undertaking **quicker turn-around time for academic affairs program proposals** to strengthen that process. Regents are particularly interested in assuring that, when **students graduate from the BA level onward, they have opportunities to enter their career and**

possess the social skills and abilities needed for those careers, such as team work, collaboration, digital literacy. We want to make sure we are following our students five years out to learn what is their mean average salary when they start a job after graduation, and what it is five years out, Marti said. What careers are in high demand in Georgia and are we filling those with our graduates? A lot is percolating in this regard. We are looking at labor market data, and seeking to identify which occupations are those with greater hiring potential. It is not the demise of the Liberal Arts, but it's a focus on getting information that will enable the Regents to be confident that our degrees are current, relevant, and can help students get to the next phase of their lives, whether this involves advancement in a career, or going back to school for graduate study.

Dorothy Zinsmeister: Is this going to be part of the new application for program review? Will campuses have to pull this kind of information together when they apply for a new program?

Marti Venn: Yes and No. Right now, institutions can't get this kind of information easily. The USG has purchased JOBSEQ for Georgia. This enables the USG to produce reports that we can send to campuses on these matters. The Chancellor's goal is to have a number of resources campuses can utilize. We're now helping campuses with the proposals so they are not left to figure this out on their own.

Dorothy Zinsmeister: Once recommendations come out regarding Emeritus/Emerita status, I assume we're not writing policy - but we're including information for the USG Academic and Student Affairs Handbook to recommend procedure language..

Marti Venn: Yes, but there might be recommendations that particular policy statements be written into particular sections of the BOR Policy Manual. The Legal Office, the Chancellor's Office, and the Executive Vice Chancellors would have to green-light any such changes. There will not be a quick turnaround on such statements.

Ted Wadley: Does a current list of Presidents who have received the Emeritus/a title exist?

Marti Venn: No, but we may be able to pull one together. I'll look into that.

7. The Chancellor has also announced a committee to **review post-tenure review policy.** It is chaired by the Provost at KSU, Dr. Kathy Schwaig. Also includes Regents Haynes and Reynolds and representatives from USG institutions as well. That policy might be updated by Spring, 2021.

Attendee: It would be interesting to look at retirement patterns as the new policy is put in place.

Rebecca Farrow: I commend the USG for taking on the issues related to student preparedness for the workforce. When I was working in the area of institutional research, we were looking at the redesign of the curriculum to better prepare students for the workforce. I have relied on the *Occupational Handbook* when talking with students about these matters. It is a very, very great thing the USG is doing to guide students into careers they may or may not stick with (given that many change careers three or more times these days). It could prove very helpful for students.

IV. Karin Elliott - **Presentation on Healthcare**

In introducing Karin, Harry Dangel mentioned that he remembered her presenting information about healthcare for retirees during the time the USG was transitioning its retirees from the USG healthcare plan

to Aon. He explained that she had been "the bridge for us - connecting us to Aon, policy, and serving as an effective advocate for the needs of retirees." He thanked her for this and said we were glad to have her with us.

Karin Elliott: I remember those early days. That was quite an experience. It was probably one of the most challenging things I had to do. Even from our perspective, it involved a learning perspective for us while it was worrisome to retirees. We provided as much assurance as we could, but we were all learning as we went. It was quite a journey. But I appreciate the partnership, love being part of this group and that you have embraced me and always want me to speak.

I'm going to go through the 2021 Health Plan for USG as I usually do when I present it to the Board of Regents.

- **Total Rewards Steering Committee**
- **USG Healthcare Plan Trends**
- **2021 Healthcare Plan Budget Projection**
- **2021 Health Plan Design and Recommendations**
- **2021 65+ Medicare Eligible Retirees**

A. Total Rewards Steering Committee

- Don Green, Chair, President, Georgia Highlands College
- Carole Clerie, Chief HR Officer, Columbus State University
- Phaedra Corso, Vice President for Research, Kennesaw State University
- William Custer, Associate Professor, Director of Center for Health Services Research, J. Mack Robinson College of Business, GSU
- Valerie Hepburn, former President and Faculty member, USG Retiree, College of Coastal Georgia
- Juan Jarrett, Associate VP for HR, University of Georgia
- Susan Norton, Vice President, HR, Augusta University
- Richard Spancake, Director, HR, Abraham Baldwin Agricultural College
- Christie Stewart, Academic Professional, School of Biological Sciences, Georgia Tech
- Henry N. Young, Kroger Associate Professor, Clinical & Administrative Pharmacy, UGA

This group reviews healthcare statistics and plans for the USG. There is currently a high incidence of chronic diabetes in the USG employee population.

About 30% of active employees who are insured by the USG health plan take advantage of the \$100 well-being credit program.

Prices have been escalating for pharmacy costs (14% increase). The USG can renegotiate contracts this year in an effort to keep costs down with a preferred vendor.

The Total Rewards Steering Committee looks at the efficacy of certain drugs to make sure smart decisions are being made with regard to the pharmacy vendors and their formularies. Deep dive research is going on with regard to this, but it is only for active employees and pre-65 retirees. The USG contracts with CVS for pharmacy benefit management under its healthcare plan.

Dorothy Zinsmeister; But the Total Rewards Steering Committee is doing nothing for 65+ retirees?

Karin Elliott: The 65+ retirees get their prescription drug plans either through Medicare Part D or elsewhere. Aon negotiates those plans and they are reviewed through Medicare as well. As a result, the pricing on drugs for retirees is better than it is for active employees because of the large size of the 65+ retiree group.

B. Healthcare Plan Performance vs. Trend

	2015	2016	2017	2018	2019	2020 (Projected)
Actuals						
Active & Pre-65	*(2.6%)	3.0%	3.9%	6.1%	1.8%	**1.3%
USG Percentage Change in Annual Claims Cost per Covered Employee Over Prior Year						
National Health Care Cost Trend	6.8%	6.2%	5.5%	5.7%	5.7%	6.0%

* Lower than normal because of the shift to Aon for retirees.

** 2020 added working spouse surcharge and tobacco surcharge

Karin explained that, every year, the USG makes changes aimed at keeping costs down. It isn't clear yet how COVID-19 will affect plans. Right now (since COVID), a lot of surgeries are being postponed and not being performed. Claims have dipped in this regard for 2-3 months. But there is the expectation that this will change. Surgeries put off in the early months of this year are likely to be rescheduled in the latter part of this year.

As a reminder, the BOR approved several significant changes to healthcare plans last year.

- Changed plan designs, primarily to pharmacy benefits
- Added the spouse surcharge (\$100/month)
- Increased the tobacco use surcharge (to \$100/month)
- Increased employee premiums
- Conducted dependent eligibility audit. The BOR requests this be done to make sure dependents covered under the plan are legitimate. Employees have to show a tax return, proof of marriage. Approximately 1200 dependents were dropped as a result of these considerations.

Initially, these changes were said to apply to retirees, but this was reversed.

Karin noted that Dennis Marks has been part of the Communications Committee and has stressed the importance of being sure communications coming out of the USG Office are addressed to the correct populations. The new requirements have been a challenge for some employees. Some couldn't find their marriage certificate and ended up getting married again to have one to produce. There were some funny stories. But everyone is cooperating and helping us to keep costs as low as possible.

Dorothy Zinsmeister: Do all recommendations for plan changes come from the Total Rewards Steering Committee?

Karin Elliott: Yes.

C. 2021 Budget Projection

The 2021 Budget projection was favorable. We experienced a slight savings in employee costs with no plan design changes and only a slight increase in premiums for employees at the family tier. The family tier increased from employee and one child to employee and children. There was a cap on costs for this in 2020. It is coming off this year.

The overall favorable result is due to several actions taken over the last year.

- Successful procurement. We just completed this for a Third-Party Administrator (TPA) – Anthem
- New relationship with navigation/care management vendor: ACCOLADE.
The purpose of this is to drive engagement with employees. Employees can work with a personal health assistant regarding upcoming surgery. This individual can also help find a provider. Will take calls and reach out to provide programming and coaching. The hope is this new strategy will be successful and employees will engage with these assistants. Formerly Anthem did this but employees were uninterested in the service.
- Aggressive management of our plan
- Better than expected claims experience and positive financial results from the working spouse surcharge.
- Improved vendor contracting.

D. 2021 Plan Design Recommendations

- No plan design changes - only slight premium change.
- Continue tobacco use and working spouse surcharge at \$100/mo.
 - Employees must recertify annually at the Open Enrollment period or they will default to being tobacco users.
- Continue offering \$100 annual well-being credit that employees can earn by completing health activities. A completed Health Risk Assessment will be needed for employees to participate in earning this \$100 annual well-being credit this year (designed to get information about their health).
- Offer Diabetes Prevention program for employees who meet risk factors and a Weight Loss Management program and/or coaching. Also, a Diabetes Care Management program.

The USG will continue to look at retirees enrolling in these.

Dorothy Zinsmeister: How are we letting retirees know about this?

Karin Elliott: Messaging will go directly to retirees through Accolade. The USG won't know who Accolade will reach out to. Weight-Loss - employees will be able to apply. Messaging will come from Accolade on LIVONGO (Live on the Go). They will also work with employees with other conditions. A Vendor will work out directives based on the claim status and ask if you want to participate. Could get a free scale, for example. The USG is looking for a return on its investment - as by lowering some incidents of ER care. The idea is to help employees and others better manage their conditions.

Attendee: Is this available to retirees?

Karin Elliot: It is available only for Pre-65 retirees who are enrolled in the USG healthcare plan.

Employer Monthly Premium (+/- \$ Change from Current)	Anthem (USG Self-Insured Coverage)		
Tier	Consumer Choice HSA	Comprehensive Care	BlueChoice HMO
Employee	\$459 (-\$5)	\$460 (-\$4)	\$460 (-\$4)
Employee + Child(ren)	\$800 (-\$9)	\$802 (-\$7)	\$802 (-\$7)
Employee + Spouse	\$934 (-\$9)	\$935 (-\$8)	\$936 (-\$7)
Family	\$1,340 (-\$17)	\$1,340 (-\$17)	\$1,340 (-\$17)

Employee Monthly Premium (+/- \$ Change from Current)	Anthem (USG Self-Insured Coverage)			Kaiser (Fully Insured)
Tier	Consumer Choice HSA	Comp. Care	BlueChoice HMO	HMO
Employee	\$82 (+\$0)	\$188 (+\$0)	\$223 (+\$0)	\$171 (+\$0)
Employee + Child(ren)	\$174 (+\$0)	\$365 (+\$0)	\$428 (+\$0)	\$327 (+\$0)
Employee + Spouse	\$202 (+\$0)	\$425 (+\$0)	\$499 (+\$0)	\$382 (+\$0)
Family	\$283 (+\$3)	\$604 (+\$6)	\$709 (+\$6)	\$546 (+\$10)

Karin mentioned that there was a slight decrease or no increase for employee premiums - except for those in the family tier.

Employee \$82+0
Employee and child \$174+0

Employee and spouse \$202 +0
Family \$283+3

E. 2021 Employer Contribution for 65+ Retirees

- Recommend maintaining the \$2,736 annual employer contribution to the Health Reimbursement Account (HRA).
- Reviews of average premiums and HRA account balances reflect continued strong purchasing power and coverage options for retirees in the exchange.
- Continue to provide catastrophic HRA to help retirees with very expensive drug costs.

Karin added that the USG "came out very generous" to make the transition a smooth one for retirees when the conversion to Aon first occurred. And data still shows very strong purchasing power for retirees. There is still some concern for the budget, which has resulted in budget decreases on so many campuses. A reduction in forces has occurred, along with voluntary separation plan incentives provided to get employees to retire. A lot is happening on our campuses thus far. There are a lot of challenges with budget cuts and employees asking for accommodation.

Dennis Marks: I'd like you to talk about the Third-Party Review coming up.

Karin Elliott: Aon actuaries/auditors will be performing this study. They will be looking at what value is being provided by the \$2,736 HRA amount compared with its inception year of 2016. We're still looking at the scope of work for this group, but, in general, they will be reviewing the increase in premiums over time and providing insights to the Total Rewards Steering Committee. They will also be looking at HRA balances, although we encourage you to utilize those funds. If a retiree dies, the amount of money left in the HRA comes back to the USG after medical expenses have been paid. This is one reason why we encourage you to use what is in your HRA from year to year. The group will also be looking at how the cost of supplemental plans has increased and compare their costs in 2016 with where we are today, looking to see if adjustments need to be made in the \$2,736 amount.

Dennis Marks: Using the Acronym YSA for "Your Spending Account" can allow persons to think it is "Your Savings Account." This encourages people to not spend what is in it.

Dorothy Zinsmeister: What is the timing of this review?

Karin Elliott: We are working on the scope of work. The study must be done no later than April, 2021 and ideally by March of 2021 to provide the TRSC adequate time to review the study. Generally, the TRSC makes recommendations at the May meeting of the Board of Regents.

Sara Connor: Have things changed? Are a large number not spending their HRA funds?

Karin Elliott: I will get this information during the break and report it in the ZOOM chat window. I think we saw it go up.

Meg Cooper: How would retirees know that they qualify for the Catastrophic plan?

Karin Elliott: The retiree will get a letter from their drug plan that they have entered the Catastrophic phase. The retiree should then call Aon to let them know that. Aon will ask to be provided with a copy of the letter from the drug plan. Once Aon gets that letter, they will set the retiree up to receive the extra funds.

Rebecca Farrow: For retirees who continue in Plan F, the \$2,736 will run out before the end of the year. Some may not be utilizing all of their funds. But there are other retirees who certainly have used it and run out of funds. So, they are anxious for this study to move forward. They see that the buying power they had in 2016 is not true now.

Karin Elliott: When Mat talks, he will discuss this. Keep in mind that in the active employee plans, we see increases in premiums, deductions, and co-pays. I don't want to set up expectations that the amount provided retirees will increase as costs go up. We also have to talk about the "richness" of Plan F. It contains much more than what we offer active employees. I know retirees are on fixed incomes. But, on the other hand, employees often don't get raises to cover the increases in premiums they have to deal with.

Dorothy Zinsmeister: I'm in Plan F myself. Over the last four years we've had this, there have been changes in my health that require that I cannot look for another plan. I can't shop around any more. That's OK for me, but not OK for others. Plan F is rich, and the most expensive.

Sara Connor: Last year I changed from Plan F to Plan D. No proof of insurability was needed. I stayed with my same provider (USAA), which might have made the difference.

Karin Elliott: I would encourage you to look at your plan every year. You may be able to change if you stay with the same provider and do better financially.

Michael Hazelkorn: I'd like you to clarify the point you made about money rolling back at the death of retirees.

Karin Elliott: IF YOU COVER YOUR SPOUSE ON YOUR PLAN, AT YOUR DEATH, THE BALANCE IN YOUR ACCOUNT WILL GO TO YOUR SPOUSE. ONCE YOUR SPOUSE PASSES AWAY, 6 MONTHS ARE PROVIDED AFTER THE SPOUSE'S DEATH FOR ANY MEDICAL CLAIMS THAT HAVE YET TO BE REIMBURSED. WHATEVER FUNDS ARE LEFT IN THE HRA ACCOUNT AT THAT POINT COMES BACK TO US.

Kathy Tomajko: I recall that Plan F is no longer available to new retirees.

David Stone: My wife and I attempted to switch out of Plan F. I was allowed to switch to Plan G, but my wife was not. This has to be reassessed. It seems like it took lots of effort but didn't occur. What recourse do we have if we have a problem with Aon? My problem is that suddenly I stopped getting reimbursements. All the people I spoke with at Aon were friendly and tried to be helpful. But nothing got resolved. I finally went through the HR office on campus and they made contact with the USG HR about it. There is no place for a retired faculty member to go to bypass Aon. It seems like there should be an Ombudsperson at the USG for faculty to get help when they need it.

Dorothy Zinsmeister: That's not Karin? (i.e., Karin has been an ombudsperson for retirees in practice though not in title.)

Karin Elliott: It's like this for active employees also. Aon is the vendor at the USG chosen to provide a service to employees and retirees. At the system office we have weekly meetings with Mat Burkley (Aon), and Anessa Billings (Executive Director, Health & Voluntary Benefits, USG; and BeNedra Cleveland Williams (Director of Benefits, Administration & Engagement, USG). They work with us on escalated issues. We will not know you have specific issues unless you bring it to your HR office.

Anne Richards: In the past you have told us to get the name and contact information of a retiree, along with a summary of their concerns, and send that directly to you. Are you saying now that we should go through the HR Office on our campus first?

Karin Elliott: That works well too. Whichever works. We are a pretty small staff at the USG, however. There are four employees there handling matters for 80,000 other employees. So it does help if you can go through your HR office first.

Another issue has been coming up. It occurs when a retiree moves or a carrier reaches out because a particular plan has been cancelled. If the retiree then works directly with the carrier, the name of the broker involved in handling the retiree's healthcare changes from Aon to the carrier. At that point, the retiree is no longer eligible for the \$2,736 stipend from the USG. This has happened several times with our retirees.

Often a broker calls a retiree directly and begins discussing a change in plans. **WE NEED TO MAKE SURE RETIREES KNOW THAT THEY MUST MAINTAIN EITHER A MEDICARE ADVANTAGE PLAN, A MEDIGAP PLAN, OR A PRESCRIPTION DRUG PLAN WITH Aon IN ORDER TO QUALIFY FOR THE HRA. WE HAVE SAID THIS REPEATEDLY, BUT RETIREES CONTINUE TO ACT AS IF THEY ARE UNAWARE OF IT. NO ONE WE'VE SPOKEN TO WHO CHANGED PLANS ON THEIR OWN WAS AWARE THAT THEY HAD DIS-ENROLLED FROM THEIR USG BENEFIT OF \$2736.**

We are trying to do more audits with Aon. Sometimes it is six months before we know that a retiree has gotten out of the Aon system inadvertently. We will be sending out further communications about this.

Dorothy Zinsmeister: I received this question. Why am I paying to have a Medicare Part D plan and also have a prescription plan through Aon? Why am I paying twice?

Karin Elliott: Possibly someone is confused and they are actually paying for Medicare Part B. Nothing comes out of Social Security for Part D. Depending on the salary one gets, some retirees do pay more above the typical Part B premium.

Ron Bohlander: I think that's the answer. I have a big chunk taken out of my Social Security because of the level of income reported in my tax returns. There is a surcharge there.

Dennis Marks: I have that as well. I bill all of that to Aon, however, and, as a result, my HRA account is exhausted by April.

Mat Burkley: Part D is not paid for by a Social Security check. And CMS will not allow someone to have multiple prescription drug plans. So something doesn't add up. The only thing I can think of is this individual's Part B includes drugs. But otherwise, something is inaccurate.

David Stone: This points out why local retirees can be helpful to their fellow retirees. You can know you can call the HR office, but this is a job we should probably do more of.

BREAK - 10 minutes.

V. Aon Presentation

Mat Burkely introduced the members of Aon (see above, page 2) and explained that each would provide some information to the group. He also said that Aon took advantage of the opportunity the Zoom meeting provided to include more of those working at Aon in today's meeting.

- Rob would be providing Carrier and Product Updates.
- Levi would talk about Improvements/Website Enhancements
- Mat would discuss Supporting Annual Enrollment
- Steve would talk about HRA/Your Spending Account updates.

He explained that Kathy had worked with the USG for 4 years, but had never attended a meeting.

When asked if they had received the questions USGRC members had submitted for the agenda, Mat said they did not. [See Appendix A for questions submitted on line in advance of today's meeting.]

A. Carrier and Product Update

Rob reported that the annual open enrollment for the 2021 Medicare Market would take place between October 15 and December 7, 2020. He hoped all in the room had already received the official US Government Medicare Handbook for 2021, entitled *Medicare & You*. It was released in September, 2020 by the Centers for Medicare and Medicaid Services (CMS). He also mentioned that some things will not be found there, i.e., 2021 premiums and deductibles, which will be announced by Medicare later this Fall.

Medicare, Part A (covers Hospital expenses). Premiums are typically free for most beneficiaries. The deduction for 2021 is still to be determined. It was \$1,420 for 2020. The 2021 deduction should be released in mid-October.

An Annual Notice of Change (ANOC) goes out every year. No change is needed if you want what you have; it will simply be renewed automatically.

Medicare, Part B (covers Medical expenses). Premiums are projected to be \$148.50/month in 2021. The figure was \$144.60 in 2020.

There is a version of a short-term spending bill coming through Congress that could restrict any part B premium increase. Right now, these are the latest projections, however. The increase would be just shy of 3% or about \$4/month.

Medigap Availability Restrictions began 1-1-2020. The Medicare Access and CHIP Reauthorization Act (MACRA) prohibits the sale of plans C and F to individuals who become "newly eligible" for Medicare after January 1, 2020. Plans D and G become plans of choice for those "newly eligible." Medigap plans C and F remain available only to individuals who became eligible for Medicare prior to 1-1-2020.

B. Trends

Underwriting: There is a growing likelihood that insurers will underwrite any existing Medigap members seeking to switch into Plan G. Premiums for 2021 have been proposed but Medigap rates have not yet received state approval for most carriers. Anticipate some upward pressure on Plan F rates (meaning rates will continue to edge up) as MACRA takes root.

Top Carriers covering USG retirees include:

- Anthem (BCBS)
 - Plan F - +9.5
 - Plan G - +4.5
 - Plan N - +9.5

- United Health Care (AARP)
 - Rate filings are in process. Anticipate an increase in G and increases across F, G, and N
- Mutual of Omaha
 - Rate filings are in process. Adjustments are not necessarily annual
- Humana - has historically moderate rate of adjustments, averaging 5-7%
 - Anticipating 7% increase in Plan F, 5% in Plan G, and 4% in Plan N
- *Aetna
 - Plan F - +6%
 - Plan G - +6%
 - Plan N - +3%
- *Cigna
 - Plan F - + 3%
 - Plan G - +9-10%
 - Plan N - +9-10%

The healthcare industry is wrestling with how the pandemic affects all this. Things may be "wavy" for the next few years.

C. Medicare, Part D

- All Medicare beneficiaries have access to a stand-alone prescription drug plan (PDP)
- The average premium for this is the lowest it's been since 2013. Going from \$34.20/month to \$30.50/month in 2021.
- Greater carrier stability with smaller/targeted disruptions and opportunities.
 - BCBS M - significant PDP revamp in 2021.
 - Mutual of Omaha - Plan crosswalk. Leads to a heightened interest in switching. Anticipate increased switching activity.
 - Humana and WellCare - robust offerings
 - Aetna/CVS - returns with a low premium PDP.
 - New Part D Senior Savings Model adopted by select plans - caps insulin at \$35/month for co-pay.
 - Coverage gap (DONUT HOLE) is frozen. Coverage gap remains "closed." Members pay no more than 25% of the cost of covered medications within the gap (brand name and generic).
 - A new Silver Script plan starts at about \$7/month.

D. Medicare Advantage - Part C. 2021 Market

- Federal support for and finding of Medicare Advantage remains strong. 4800 plans across the market - highest since 2010.
- CMS projects Medical Advantage enrollments to approach 27 million in 2021. Currently at 25.3 million (as of 9/2020). 36.2% of market penetration at national level.
- The average premium is lowering again by approximately 11%. From \$23.63/month in 2020 to \$21.00/month in 2021. Lowest since 2007. Medicare B + D are included in it.
- Plan choices are increasing significantly nationwide to nearly 4800 plan options in 2021. An average of 47 plan choices per county in 2021, up from 39 per county in 2020.
- 1600 MAPD and PDP plans will offer insulin coverage enrollment with a \$35/monthly copay.

- Additional supplemental benefits introduced for hundreds of plans in 2021, e.g., Adult Day Health Services, caregiver and in-home support, therapeutic massage, and home-based palliative care.

E. Market Outlook - 2021

Aon's biannual market assessment confirms stability of current offerings.

Carriers offered through Aon Retiree Health Exchange represent 99% of all Medicare Advantage enrollees in the state of Georgia. No immediate need/opportunity for additional carriers with plan year 2021.

Mergers/Acquisitions and Joint Ventures with local provider groups: - Well-Care is now completely merged with CENTENE. Horizons BCBS NJ launched BRAVEN HEALTH. So it looks to be a fairly stable year across the board.

Sara Conner: Retirees would like to switch to Mutual of Omaha, but you said they are in turmoil. A switch from F to G does not cover the part B deductible. So premium savings are typical for G. Most carriers require underwriting to switch from one carrier to another. That's the norm now - if not for full qualification, at least for premium cost.

Attendee: My wife's plan with Mutual of Omaha has been terminated. We paid \$27/mo for it and now they want to charge us \$90/month. So we have to look around.

Rob Swarczewski: Aetna Silver Script Smart RX has a significantly lower premium. Just over \$7/month, but with a premium that low it has more out of pocket costs, including a \$445 deductible. But if your wife is on minimal meds, tier 1 in nature, this might be worth looking into.

Dennis Marks: **Retirees should look at the total cost of their plans, not just the premium cost.**

Dorothy Zinsmeister: I just received information from Aetna. Be sure to look at the annual notice of a plan. If they keep you - that may cost more, or they will migrate you to another plan. If you have an interest in Smart RX, you would have to proactively enroll in it.

Tom Abney: Would you explain further the relationship between WellCare and Centene.

Rob Swarczewski: WellCare we've done business with as a stand-alone entity for years. In 2020 they finalized their merger into the Centene organization. WellCare - Health Net - All Well has chosen to use the WellCare brand as the flagship brand going forward. WellCare is bullish on Medicare Advantage and is here to stay.

Nancy McDuff: Any notice of change from a carrier will be sent by what date?

Rob Swarczewski: No later than the 30th of September. That is a requirement of CMS.

F. Improvements/Website Enhancements

Levi Dawson: I'm a product manager/owner for the website.

*Many people now use the website by themselves (about 43% in 2020, up from 31% in 2019).

- In 2020, people made contact with an agent 57% of the time. That figure was 69% in 2019.

- People can look at more on their own now. We want people who want to go on line for all they need to know to make an informed decision.
- In 2020, we had 15,000 unique USG users on Aon's website and over 23,400 visits.
- Over 1000 unique accounts have been created that are related to the USG. Approximately 71% of all USG retirees have an online account established.
- I was hoping to be able to demonstrate for you some of the new enhancements. There is a new page where a person can REVIEW their coverage. You can look up plans in this area and explore coverage options.
- I recommend all retirees go on the Aon website to check these things out.

Dennis Marks: The ways this has been set up to make comparisons between and among plans is truly helpful.

Kathy Tomajko: I had trouble submitting reimbursements recently. Google Chrome is better than Microsoft Edge I was told. Is this mentioned anywhere on the website?

Steve Cox: [Indicating a place on the website that was visible to the meeting attendees]: You can go down there. Then there's a link into the YSA. It says only that YSA doesn't support Internet Explorer 11. It does support Firefox, Chrome, etc.

Anne Richards: I see on the screen you just showed us that there is wording discussing the HRA not being used. That could confuse people.

Matt Burkley: I wouldn't extrapolate that from what we've just shown you. This is just a "test customer." We're just looking at two months of coverage.

Michael Hazelkorn: When you click on MANAGE MY HRA you can see how much has been rolled over.

Karin Elliott: We get that data on an annual basis - about what is rolled over from year to year.

Matt Burkley: Can we move forward to address general Frequently Asked Questions?

G. Supporting Annual Enrollment (slide 16)

Shows managed appointment volume.

Staffing

- We have a "podded" call center approach that is USG knowledge specific. Hiring for this began in May. Seasonal hires will support additional volume. Contingency planning is built in.

Training

- Began in June. Persons got state licensing and annual Medicare & Carrier certification.

Carriers

- We have strong partnerships. We expect "typical" plan disruption volume.

Communications

- Enrollment.
- Pre-enrollment mailings sent to retirees to prompt account updates.
- Annual renewal letter with 2021 HRA allocation sent in September.
- Plan disruption notice sent by carriers no later than 9/30/20.
- Aon plan disruption notice sent mid-October.
- Webinars/Retiree meetings.
- Pre-retirement - Held 9-16-20 and 9-18-20
- Retiree Council webinar - 10-09-20
- Clayton State University Q & A - 10-10-20
- HRA webinars 12-14-20 and 1-12-21
- On-going monthly Age webinars
- Health Plan Disruption Letter - Retirees impacted will receive notice of this.

H. YSA Information -

Kathy Dupont explained that there has been a "form enhancement" with regard to the catastrophic HRA. In the past the activation form was separate from the claim form. These have now been combined into one document. Balance reminder statements go out in February. Changes and updates can be done on the YSA website. You can turn claims on and off. There is a place for changing the claim amount so it's not more than the original amount.

Keep in mind that you don't need to exhaust your base HRA prior to making application for the Catastrophic Health Reimbursement. The Catastrophic provision deals with reimbursement for Prescription expenses.

Dorothy Zinsmeister: Where do we find the link for the Webinars to be held in December and January?

Mat Burkley: Go to MICROSITE - that is our placeholder for all educational materials. In the right-hand corner will be a link. Retirees will receive email invites in November, December and January for these.

Ron Bohlander: Are these webinars being recorded so persons who don't have the opportunity to sign in when they first occur might have access to them afterwards?

Mat Burkley: Yes. And keep in mind that we have to have a valid email for a retiree in our system for that person to receive an invite. If you didn't get it, check your junk/spam folder to make sure something didn't go from us to there. And make sure you have a valid email in our system.

You can call us from 8-8 central time (9-9 Eastern) at 866-212-5052 to get us your information.

Dennis Marks: These webinar notifications were mailed on October 4th. Others will come out on October 15th.

[AT THIS POINT, I HAD TO GET OFF MY COMPUTER AND GET ON MY PHONE SO THAT MY HUSBAND COULD LOG IN TO A MEETING THAT BEGAN FOR HIM AT NOON. THAT TOOK ME A FEW MINUTES AND I MISSED THE LAST PORTION OF THE Aon PRESENTATION and the first part of the report from Brian Ring AS A RESULT.]

Mitch Clifton informed me that the Aon representative mentioned in closing that text message alerts are available for low balance and recent activity. (The user must opt in to get these messages, however.)

VI. USGFC (University System of Georgia Faculty Council) Report

Brian Ring (USGFC Chair) spoke about

1. The impact of COVID-19 on school opening. He mentioned that there was a lot of concern about the opening of Fall Semester in hybrid form.
2. Faculty had issues with releases for work with different HR offices. There was some confusion about whether faculty could teach online only.
3. Some effort was made to connect students with WIFI. If they had no internet access, however, there were problems. In the classrooms themselves there was nice technology to be able to record some classes at our institution. Other institutions didn't have this, however. Dalton State encouraged students enrolled there to come into a parking lot on campus for Internet access.
4. A committee has been put together by the Chancellor on post-tenure review. This committee has been charged with reviewing the current policy on review. I'm on the group reviewing this as well. If you have any questions, let me know. See the following website for additional detail:

https://www.usg.edu/news/release/university_system_of_georgia_announces_post_tenure_review_working_group >

VII. USGSC (University of Georgia Staff Council) Report

Yvonne Landers from Valdosta State University, provided this report. She is Chair of the USG Staff Council. That group held a virtual meeting yesterday and today, with 197 participants. There were 9 different subgroups. There were some glitches, but Dr. Juanita Hicks was able to inform us that there were no changes to our healthcare. We were reminded about the Chat function, so we could ask questions we had. We talked about efforts to address mental wellness issues. A lot of this group can utilize the "How to Meditate" opportunities if feeling stressed. We discussed the formulation of a uniform bereavement policy. This is being worked on.

A video from VSU was shown, tracing the ways in which VSU has been a beacon of knowledge and innovation since 1906, has held championships, etc.

Current sessions for staff included those on time management, choosing to be excellent, multigenerational. The power points for these could be shared with Dr. Dennis Marks and sent to those who have an interest in them.

Harry Dangel: I signed up for the one on Time Management. Had technological difficulties logging in so will have to avail myself of this later.

Yvonne Landers: I enjoyed the Mental Wellness segment - giving ideas about how to support others in a time of COVID by being understanding, more flexible with everyone.

Harry Dangel: You and Brian have provided leadership in an amazingly difficult time.

Yvonne Landers: It hits your heart how families have been affected but have found support from others. A person's work family checks on individuals - especially when they are in quarantine. I'd just like to say to you: Please stay in touch with a buddy and let people know if you need help. People will do that for you. Please reach out if you need anything. And be very careful and stay safe.

VIII. COMMITTEE REPORTS

A. Appendix B - **USGRC Library Access and Services for Retirees (LASR) Committee Update.**

Kathy Tomajko, chair of this committee, provided this report on line in advance of today's meeting. (See Appendix B.) Harry Dangel mentioned that, in a time of quarantine, having library access has been critically important for many.

Ron Bohlander mentioned that, earlier in today's meeting (see pp. 2-4 above), Marti Venn covered the issue of Emeritus/Emerita status that had arisen out of the USGRC initiative on libraries. Emeriti faculty have been kind of the "canary in the mine shaft" with regard to policies that include online access in libraries. We will work with the USG to make that more widely known and practiced. There are sometimes issues of being able to log in. When that works, we can take a look at possible next steps to deal with retirees not in the Emeritus/Emerita category, who are still professionally active and need access. This has not been easy. People who license products often put restrictions on retirees so we may have to address the issue of what it looks like if persons use these services as "guests."

B. Appendix C - **USG Well-Being Subcommittee Report.**

Missy Cody, chair of this committee, provided this report online in advance of today's meeting. (See Appendix C.) She said she had nothing to add except to encourage everyone to stay safe and well and to stay in contact with friends and family.

C. Appendix D - **Communications Committee.**

Dennis Marks, chair of this committee, provided this report online in advance of today's meeting. (See Appendix D.) He explained that the group has met on a weekly basis. He highlighted the fact that there will be no in-person institutional benefits fairs this year, but there will be a USG System-wide Virtual Benefits Fair Monday October 19 - Friday, October 23, 2020. Additionally, he mentioned the USG Open Enrollment with One USG for pre-65 retirees regarding health insurance and all retirees' regarding dental/vision insurance (October 21 - November 6, 2020). He mentioned that Anessa had explained that persons can register for the Virtual Fair in general, or can sign up for individual sessions. The links for that will be functional no later than October 14th. At the present time, a person can only register for the general session.

He explained that the USG website is now up to date so far as retiree issues are concerned. Let him or others know if additional information should be put there. In his view the refinements to this website looked really good.

He reported that HRA webinars will be announced by Aon later - to be held on December 14, 2020 and January 12, 2021.

And he thanked Karin Elliott, Anessa Billings, and BeNedra Cleveland Williams from the Central Office for getting the links out to retirement organizations about the above-mentioned events.

D. Appendix E - **Retirement Advisory & Investment Committee Meeting Report (Virtual).**

Dorothy Zinsmeister, chair of this committee, provided this report online in advance of today's meeting. (See Appendix E.) She mentioned that both she and Karin Elliott had participated in this meeting. They looked at about 150 slides that contained a lot of data on 407b and 403b investment opportunities. This particular meeting focused on those from Fidelity and CAPTRUST. Discussion focused on the possibility of changes related to the Cares Act. The take-away Dorothy got from this meeting was that both Fidelity and CAPTRUST were trying to establish better ways of engaging with offices on campuses. The USG is providing some assistance to institutions with regard to these matters.

Karin Elliott added that the committee meets four times a year. At each meeting one of the providers presents information on the performance of their investments. They also discuss enrollment, updates, etc. All plans have the same investment line-up except 1-2. They also focus on the volatility in the market because of COVID-19 and the Cares Act.

CAPTRUST has been a consultant since 2016-17. The group now helps with unbiased financial advice to participants. If you don't know which vendor to choose, you can call them. They provide information and you choose. They educate you about a variety of plans. They have been with the USG to help with the transition to new plans. But they provide financially needed information for employees. The USG is marketing that. There is a number to call. They will work with individuals on a retirement blueprint and whether persons need to save more or are on track to meet their goals. Emphasis will be put on this service this Fall.

Dennis Marks: CAPTRUST is available to retirees as well as active employees.

Karin Elliott: I'll call them to see if you can enroll in a planning session with them.

E. Appendix F - **Liability and Funding Committee Report**

George Stanton, past chair of the USGRC, provided this report on line in advance of today's meeting. (See Appendix F.) It indicated that the committee has been formed but has not met because of the pandemic. He also reported that the chair of the committee, Richard Harrison, has been traveling and isn't in a position where he could speak to the group today.

F. **Nominations Committee.** It was announced that George Stanton, Mitch Clifton, and Missy Cody are serving on this committee. They will be focusing on recruiting a Chair-Elect and a Secretary for the coming year.

Harry Dangel mentioned that, last year, a number of folks volunteered to help out with the work of the USGRC, which was awesome. When he was asked to serve as this year's chair, he said he had no idea how rewarding the past few months could be. He said he now has a group of old friends and new friends as a result of his involvement and he encourages others to jump in and become a part of the group.

IX. **Old Business**

Rebecca Farrow said that she agreed to serve on the Liability and Funding Committee, but no one has contacted her about this. She asked if anyone in today's meeting could do a brief recap of what the need was that led to this group being formed.

Ron Bohlander: Each of our retiree organizations at our universities are generally not incorporated organizations, and each has varying degrees of affiliation with their institutions. The concern was that a retiree organization might incur some liability if, say they provided advice that proved problematic for a retiree, or held a meeting where someone was injured. Someone might get sued as a result of such incidents. He said he was familiar with Homeowners Organizations that purchase insurance for problems that might arise, but these are not cheap. And retirement organizations have limited funds. The idea was to work to devise a plan by which institutional retiree organizations might have access to some liability insurance through their institution - or through the USG. Could the committee facilitate a mechanism of affiliation with a university such that a retiree organization could come under the liability protection umbrella of that institution?

[He paused to ask if Marti Venn could help out with the question. She said she could not.]

Ron went on to say that he thought that committee members might engage in a process of encouraging some plan to deal with these types of situations. Most of the USG retiree organizations have official names and bylaws, but no budget. There needs to be some mechanism found for the possibility of one of the organizations being sued. This might possibly come under the umbrella of an institution's Foundation. The committee was appointed to look at how this can be done, whether it was needed and, if so, how to do it.

Rebecca Farrow: Is there a way to move forward through an institution's Foundation?

I'll talk with Richard Harrison and Georgia and Harry about that. I can help out. If the whole USGRC can meet on Zoom, surely our committee can find a way to do that, too.

X. New Business

Harry Dangel thanked Ron Bohlander and his wife, Pam, for hosting this USGRC meeting via ZOOM. He said one never knows how something like this will work out, but he was overwhelmed by the number of folks who joined and participated and thought the information provided was great. If participants had questions or comments, he reminded them to access the chat after the session ends. And he promised to email information received there to other participants and to USGRC Secretary Nancy McDuff. He expressed appreciation for all who participated and invited those who had suggestions for next time to use the chat to provide feedback to shape what can be done in the Spring. The next meeting will be hosted by Valdosta State University.

Adjournment: The meeting was adjourned at 12:44 pm.

Respectfully submitted,

Anne C. Richards

(With much-appreciated assistance from Craig Turner and Mitch Clifton)