Universitywide Employee Benefits Advisory Committee
April 21, 2011 Meeting Minutes

The Universitywide Employee Benefits Advisory Committee met on Thursday, April 21, 2011 at Varner Hall in Lincoln, Nebraska.

I. Introductions

Members Present: Diane Wasser and Sharon Skipton (UNL); Laura Bashus [Polycom] and Joe Anderson (UNMC); Scott Dickey [Polycom] and David Corbin [Polycom] (UNO); Bryce Abbey [Polycom] and Mary Heater [Polycom] (UNK); and Turan Odabasi (UNCA).

Ex Officio Members Present: Greg Clayton and Bruce Currin (UNL); Jo Watkins, Jayme Nekuda, and John Russell (UNMC); Esther Scarpello [Polycom] and Mollie Anderson [Polycom] (UNO); Cheryl Bressington [Polycom] and Linda Clark [Polycom] (UNK); Keith Dietze and Ed Wimes (UNCA).

II. Review of Meeting Minutes

Universitywide Benefits Committee minutes from the September 23, 2010 meeting were approved.

III. Dependent Eligibility Audit

Keith updated the committee on the status of the Dependent Eligibility Audit which began on February 7, 2011. The What (What is a dependent eligibility audit?) and Why (Why are we conducting this Dependent Eligibility Audit?) of the dependent audit were discussed. Keith informed the committee that all new hired and newly benefit eligible employees are now required to submit documentation to verify each dependent's eligibility for the medical and/or dental plan.

In order to assure that only eligible dependents are enrolled in an employers' healthcare plan, Dependent Eligibility Audits have become a staple of most large employer's HR and benefit processes. Some of the more recognizable higher education employers who have completed a Dependent Eligibility Audit include University of Michigan, Alabama, Georgia, Akron, Colorado, Xavier, Pennsylvania, Houston, Texas Tech, Indiana, New Mexico, Texas A&M, Ohio State, Stanford, Purdue, California, Seaton Hall, Minnesota, North Carolina, Kentucky, Wisconsin, and Michigan State.

Discussion was held regarding the university's medical and dental plan eligibility criteria including the adult child (ages 19-26). Adult child dependents may participate in the university's medical plan if they are not eligible for group coverage through their own employer (if employed). Once the adult child becomes eligible for coverage at their employer, they are not eligible for coverage through the University of Nebraska. Each adult child must complete the Affidavit of Adult Child (Ages 19-26) Dependent Medical Care Coverage form as part of the audit.

As of April 20, 2011, approximately 62 percent of the university insureds (employees with dependents enrolled in the medical and/or dental plan) had submitted dependent verification documents to Chapman Kelly.

IV. “Benefits Enrollment for New Employees” Module on Benefits Webpage

Information regarding the benefits webpage module for new employee benefits enrollment was discussed. This module allows a new hired employee to access all benefit enrollment information and forms on the university’s benefits web page in lieu of the Campus Benefits Offices distributing paper forms, benefit summaries, and packets to the employee.

V. TIAA-CREF / Fidelity Investments

Several new and positive changes to the university’s Basic 401(a), SRA 403(b), and Deferred Compensation 457(b) Retirement Plans were discussed.

- *TIAA-CREF - New & improved investment fund pricing*
  TIAA-CREF has changed their investment plan pricing structure to provide lower share class pricing and expense management fees effective April 15, 2011. Participants who invest retirement plans funds in TIAA-CREF’s Mutual and Lifecycle Funds will receive lower expense fees that results in a 25 basis point reduction (1/4 of 1 percent reduction).
- *TIAA-CREF - New investment funds*
  TIAA-CREF is also introducing two new investment funds effective April 15, 2011. The new funds include the Emerging Market Equities Fund and the Emerging Market Equities Index Fund.
- *Fidelity - New & improved investment fund pricing*
  Fidelity Investments will replace the current share class with Class K shares for five actively managed equity mutual funds effective May 18, 2011. The K share class has lower expense ratios thus reducing the plan investment pricing and administrative fees. The reduction in expenses will range from .13% to .19%. The fee reduction impacts the five largest Fidelity funds in term of total assets by university participants. Fees will be reduced for the Blue Chip Growth, Contrafund, Growth Company, Low-Priced Stock, and Magellan Fund.
- *Online retirement plan enrollment*
  Online enrollment for the university’s Basic, SRA, and Deferred Compensation plan is in the planning stage and should be available this fall. A Retirement Plan Enrollment module (similar to the Benefits Enrollment for New Employees module) will be available on the university’s benefits webpage.

VI. Roth 403(b) Retirement Plan Option

The Roth 403(b) Retirement Plan option will be offered to employees effective July 1, 2011. This option is different from the traditional 403(b) plan in that contributions are made on a post-tax vs. a pre-tax basis. An employee may participate in both the traditional 403(b) and the Roth 403(b); however, the total contributions of the two combined plans cannot exceed the annual IRS limits (currently $16,500 for employees under age 50 and $22,000 for employees ages 50 and over). Roth 403(b) contributions may be invested in TIAA-CREF and/or Fidelity Investments. Roth 403(b) funds must be invested in the same account allocation as the participant’s traditional 403(b) Retirement Plan assets.

VII. NUFlex Online Enrollment Portal

The enhancement to the SAP NUFlex online portal for benefits enrollment is progressing. Once completed, the online portal should allow an employee to complete benefits enrollment during the new hire process and the annual NUFlex enrollment.

VIII. Audit of the University's Group Health Plan by Nebraska State Auditor

The Nebraska State Auditor will be reviewing the university's group medical plan within the next month. The audit will focus on plan eligibility and expenses.

IX. Campus Representative Input

David Corbin announced that he was retiring from the university effective August 31, 2011. The committee congratulated and thanked David for his service to the Universitywide Benefits Committee.

X. Next Meeting

September 2011

XI. Adjournment

There being no further business, the meeting was adjourned.