

IOWA STATE UNIVERSITY™

Professional and Scientific Council

General Council Meeting

October 12, 2023, 2:10 P.M.

Room 3560, Memorial Union

**Councilors: Please make sure you have signed in
at the registration table and have your name placard**

- **Call to Order (Jason Follett)**
- **Establish Quorum (Jason Follett)**
- **Approval of the Agenda**
- **Approval of the Minutes**

September 7, 2023, General Council Meeting Minutes

Administrative Reports

- **Benefits Director – Ed Holland**
- **2023-24 Faculty Senate President – Sarah Bennett-George**



IOWA STATE UNIVERSITY

University Human Resources



Professional & Scientific Council

October 12, 2023

Presenter: Ed Holland, WorkLife & Benefits Director



ISU is Self Insured: What Does that Mean?

- Iowa State's medical plan is "self-insured." That means each year the university pays all the actual medical and pharmacy claims of its plan members and bears most of the risk for medical costs.
- We contract with:
 - Wellmark to administer the medical plan and process claims
 - Express Scripts to administer the pharmacy component of our plan and process claims
- Both of these contracts are operating efficiently and save ISU considerable amounts of money related to provider and network discounts.
- In recent years, the medical and pharmacy costs to ISU have been higher than the money we bring in through the employee monthly premiums and ISU premiums.

Has the university considered a high-deductible health plan with a health savings account?

- Yes, EBAC looks at those plans from time to time. Our plan is not a high-deductible plan, even after the changes we put in place for the upcoming year.
- For 2024, the deductible required by the IRS in a high-deductible plan is \$1,600 (single coverage) and \$3,200 (family).
- Those required deductible levels are more than our HMO out-of-pocket maximums for 2024.
- There still are premiums and even higher out-of-pocket maximums for those plans as well.

Have you thought of a tiered method of paying for health insurance cost based on salary?

There are a few Higher Eds that use pay-based contributions, but it is not prevalent by any means. Still, it might be something we could look at for future plan years.

- Not everyone will think that the approach is equitable (especially those who are just above the threshold in a higher pay band)
- We can reasonably only base “pay” on pay from ISU, so we may be giving low contributions to employees who have a much higher household income
- Higher cost and burden to administer and communicate the program
- There will be situations where an employee gets a promotion/raise and moves into a higher pay band with higher employee contributions for medical, and this can cause dissatisfaction in a situation that normally would be a good experience
- We will look at these types of plans in more detail over the next 12 months.

Will counseling and therapy sessions still be covered in 2024?

- Your health care benefits will continue to include mental health and substance abuse services.
- What is changing is that now you will pay a copay each time you visit a provider for these services. If you're in the HMO plan, the copay is \$15 per visit. If you're in the PPO plan, the copay is \$25 per visit.
- Beyond the copay, you will not pay additional expenses for these services. Every copay counts towards your annual out-of-pocket maximum.
- If you reach your out-of-pocket maximum at any time in 2024, you'll no longer pay a copay the rest of the calendar year.

Do office co-pays count toward the deductible or the out-of-pocket maximum?

- On the ISU Plan, our co-pay is inclusive, so when you have an office co-pay, there isn't a deductible requirement.
- However, co-pays, the deductible and co-insurance all count towards the out-of-pocket maximum.

What's the difference between an office visit copay and an emergency room copay?

- In an office visit copay, coinsurance does not follow.
- The lone exception is when you go to the emergency room. You will have a copay of \$125, plus you'll pay coinsurance for the services you receive in the ER.
- Coinsurance is 10% (HMO) or 20% (PPO).

I'm in the HMO and coinsurance is new to me.

How does it work?

- Coinsurance is your share of the costs of a covered medical care service, calculated as a percentage (for example, 10 percent) of the allowed amount for the service.
- Coinsurance begins after you've met the amount of your deductible. For example, if your health plan's allowed amount for medical care service is \$500 and you've met your deductible, then your coinsurance payment of 10 percent would be \$50.
- The health plan pays the rest of the allowed amount. Once you reach your out-of-pocket maximum, then 100% of costs are covered by your plan.

Do employees have to reach their deductible before coinsurance begins?

Yes, you must meet your deductible. Once you do, coinsurance kicks in and you only pay coinsurance. A couple of exceptions are:

- When you pay a copay, you don't have to pay toward the deductible.
- Under family coverage, when an individual in the family meets the \$250 deductible, from that point forward, that family member pays coinsurance.
- An individual in a family plan doesn't have to meet the \$500 family deductible.

Deductible and coinsurance typically apply to lab work, diagnostic procedures, inpatient and outpatient services.

Can you increase the Flex Account amount that we can defer and roll over, so we do not lose money at the end of the year?

- Health Care Flex Spending accounts are overseen by the IRS. The current max FSA account deferral is set at \$3,050 per year with a max \$610 able to be rolled over if you do not use your entire amount.
- There have been some estimates given where they believe the IRS may increase to \$3,200 for 2024, but I have also heard that they may not increase the \$610 figure.
- We hope to get final information on the FSA limits soon and we will do a whole communication just on FSA.



Take Action!

1. Get Informed

- ✓ Review the 2024 updates on the open enrollment webpage and benefits education resources on the HR website
- ✓ Read the Inside Iowa State enrollment articles

2. Get Support

- ✓ Use our popular interactive guidance tool, ALEX
- ✓ Schedule a 1:1 appointment with a Benefits Office staff member by calling 515-294-4800 or emailing benefits@iastate.edu to schedule an in-person or virtual appointment between the hours of 8 a.m. and 5 p.m. CST Monday through Friday. UHR will have a scheduling tool set up for October 2nd to schedule sessions with the benefits staff through "Bookings"

3. Confirm Your Plan or Get Enrolled

- ✓ View the recorded open enrollment video
- ✓ Follow the Open Enrollment job aid instructions
- ✓ Enroll during the enrollment period through Workday

Open Enrollment

The annual opportunity to elect or change health insurance, dental insurance, life insurance, flexible spending accounts and the eyewear discount plan for the upcoming year.

Effective Date for Changes:

- January 1: medical/Rx, dental insurance, eyewear plan, health care flexible spending account and dependent care assistance program
- January 1: all life insurances when dropping or reducing coverage
- January 1 or upon Principal approval: all life insurance when adding or increasing coverage

Important Notes:

- Open Enrollment begins 8 a.m. CT November 1
- You can submit elections as many times as you want up until the 5 p.m. CT November 17 deadline.
- The last changes **submitted** by the deadline will be final.
- **Health Care Spending Account & Dependent Care Assistance Program** elections will **NOT** carry over from one year to the next. You must elect these each year within Open Enrollment.

Administrative Reports

- **Benefits Director – Ed Holland**
- **2023-24 Faculty Senate President – Sarah Bennett-George**

Professional and Scientific Council Executive Committee Reports

- **President – Patrick Wall**
- **Secretary/Treasurer – Suzanne Ankerstjerne**
- **Vice President of Communications & Community Relations – Sarah Larkin**
- **Vice President of Compensation and Benefits – Steve Couchman**
- **Vice President of Diversity, Equity, and Inclusion – Susan McNicholl**

Professional and Scientific Council Committee Reports

- **Awards – Michelle Thompson**
- **Governance – Paul Easker**
- **Peer Advocacy and Policy – Rachel Faircloth**
- **Professional Development – Jennifer Schroeder**

Unfinished Business and General Orders

- **None**

New Business

- **FY24.1 Resolution to the Legislature on Salaries – Patrick Wall**
- **Constituent Feedback – Patrick Wall & Jason Follett**

Open Discussion for the Betterment of Council

- **None**

Announcements

- **Seminar Series: November 14, 2 – 3 PM – 3580 Memorial Union – Connecting to Your Passions and Vision – Kelly Pistilli**
- **Executive Committee Meeting – October 19, 9-11 AM – Gerdin 2304**
- **General Council Meeting
November 8, 2:10 PM – 3560 Memorial Union**

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Adjournment