

## March 6, 2015

### Westchester Administrative Staff Council Meeting Friday, March 6, 2015

The meeting was called to order at 9:07am.

It was just called to our attention that the April WASC meeting is on Good Friday. President Friedman is our guest speaker. We contacted the President's office to check his availability for April 10, but he is not able to reschedule for that date. The meeting will remain on April 3. We apologize for any inconvenience.

The minutes from the February meeting were approved.

#### Guest Speaker

Matt Renna, Associate Vice President, Human Resources (Compensation & Benefits)

Matt Renna spoke about the process of renewing our medical plan with our current provider, Cigna, and some possible plan design changes.

He also noted what Pace has done and needs to do to be in compliance with the Affordable Care Act.

#### Medical Plan renewal

- Cigna's opening bid likely will be in the high single digits.
- A big concern is the 2018 "Cadillac Tax." Historically our plan has been heavy on premium costs, but not as high out of pocket at the doctor's office. The Cadillac Tax is causing a paradigm shift. It looks at the employer's overall plan and will tax 40% on the annual value of health plan costs that exceed \$10,200 for single coverage or \$27,500 for family coverage in 2018. Those impacted by chronic illness will be most impacted because they'll pay more out of pocket at point of service.
- We want to keep renewals as low as possible and look at plan design changes to gain efficiencies.
- Under consideration: Integrating inflation into some of our service costs (i.e., tie costs to inflation rate).
- Under consideration: Change our benefits plan from the calendar to the fiscal year. The plan isn't aligned with FSA and deductibles, which all work on calendar year. Our plan used to be on the calendar year, and was moved to the fiscal year.
- Under consideration: Discontinuing the 100/70 plan. Low point of service costs, but you pay very high premium. The three remaining plans would be rebranded to better indicate what they offer.

#### Post-retirement plan proposed changes

- The Plan provides medical, prescription drug and life insurance benefits to retirees.
- There are more than 900 participants. Approximately half are retired and half are active (many are eligible to retire now).

Under consideration: Integrating our plan in 2020 with federal government Medicare Part D. This could reduce our liability

by \$21 million. In 2020, government would start paying for prescriptions for retirees that Pace has been paying. Pace would give each retiree \$1200 annually (indexed at 3%) to buy part D plan. This change should also save the average retiree a few hundred dollars annually.

*Q: Is \$1200 taxable? No.*

*Q: How do we define retirement eligibility: Our plan defines retirement age and service at 75 years.*

Our post-retirement plan liability was \$60 million in 2009 – the present value of future cost of providing this benefit. In June 2014, it rose to approximately \$87 million. Change in mortality tables in October 2014 changed it again to \$95 million. Liability impacts the University's financial measures.

*Q: Do we consider other companies for medical benefits? Yes, we wait until we get Cigna's bid and then determine if we should ask other companies for bids. We want a national plan, so we're limited to a few companies.*

*Q: Can you explain the self-insured option? When you are self-insured, you are your own insurance company. Instead of giving another company premium dollars, we pay claims out of pool. We are paying all costs, but if we don't spend it all we also save the money. There is a risk/reward balance. If we are fully-insured, the insurance company takes the hit if we go over monthly limits. For the last few years we've been paying Cigna more in premium than they've paid off in claims, so we've been revisiting the self-insured option. We haven't had flexibility to absorb loss if self-insured.*

We're trying to expand the Tuition Exchange program. It allows children of employees to go to other schools. You must be employed by Pace for at least seven years. There is a list of 600 schools that participate. About 5-6 students (of Pace employees) per year get it. HR receives about 20 applications annually. Determinations are made by seniority. Not all who qualify avail themselves of the opportunity.

### Guest Speakers

Alerie Tirsch, Director, Housing and Residential Life

Vinnie Birkenmeyer, Assistant Director, Residential Life

We are consolidating campuses, which should improve retention as studies show that students stay if they are connected to campus. Next year, Martin and Alumni Hall will have first year students. Alumni Hall will have 477 beds: 377 will be for first-years, 100 will be for upperclassmen (Returning students wanted opportunity to live in Alumni Hall). A portion will be Honors College and RAs. The following year, Alumni Hall will be all first-year, and Building B (which has not yet broken ground) will be upperclassmen. Lounges in Alumni Hall will have First-Year Interest Group (FIG) themes. There will be two classrooms in the building with capacity of approximately 24 each, with a movable wall to make the space smaller. Alumni Hall will have conference rooms, small conference spaces, a dining option, and security. It should open at the end of July. Construction of Building B won't impact how Alumni Hall runs.

One of Residence Life's major initiatives has been FIGs, which is tied to national data about retaining first year students. This data shows the importance of a connection to faculty and staff, connection to each other, and connection to university. Students coming into orientation will be able to choose from seven FIGs that have been most popular:

- Extreme Sports and Pace Nation (ESPN)
- Honors
- Creating Entrepreneurial Opportunities – CEO
- Body and Mind - BAM
- Setter's Leadership House – SLH

- Nursing
- Pop Culture and Media

FIGs are a common denominator with other students and the RA. They offer direct interaction with faculty. Students may self-select their FIG. Current caps for FIGs are related to living space; there will be no problem with this next year. Also, next year all commuter students will be part of a FIG. Last semester there were 66 FIG events. There are many faculty members involved with this program.

NYC has an entirely separate program that meets the same objective. NYC campus is undergoing a similar consolidation to us with new dorms being built around Pace Plaza.

### **Service Committee**

There will be a food drive for a local food bank (TBD) at the Staff Picnic on June 10.

### **New Business**

Announcement from Bob Lazer: The new climate/culture survey will be released on Monday. It goes to all staff. Please complete the survey; it's confidential and anonymous.

The PLV Career Fair is April 1. Please spread the word to all students. 110 employers are registered. Over 500 students attended the fall fair; Career Services would like even more students to attend this fair.

The meeting adjourned at 10:30AM.

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