**Presiding:** Phillips, John, Chair, EBC

 **Present**: Flowers, Melody, EVPFA

 Noe, JoLynn, Enrollment Management & Administration

 Pistilli, Judy, Pharmacy Central Business Operations

Alexander, Martha, Institutional Equity & Equal Opportunity

 Bradshaw, Jennifer, College of Arts & Sciences

Kelley, Scott, Marketing and Supply Chain

Gleason, Melissa, Athletics

Ward, Tina, sitting in for Christian Shotwell

Ex Officio:

Stamper, Shannan, University Legal Office

Wilson, Kimberly, Chief Human Resource Officer

Krauss, Susan, Treasurer

Amos, Richard, Chief Benefits Director

Carbol, Gail, Benefits Manager

**Absent:** Riddell-Peavler, Vicki, College of Dentistry

Poston, Lance, LGBTQ Resources

Martin, Troy, Staff Senate, Library Administration

 Tearney, Michael, Retiree

Collins, Craig, UKHC/EVPHA Administration

 Ellis, Christy, Retail Pharmacy Services

 Cofield, Bo, EVPHA Administration

Martin, Angie, Financial Planning

 Buchheit, Rudolph, College of Engineering

 Shotwell, Christian, College of Agriculture, Food, & Environment

**Recorder**: Sara Snowden, Employee Benefits

| Agenda Item & Speaker | REPORT | ACTION |
| --- | --- | --- |
| **Call to order – John Phillips** | Mr. Phillips called the meeting to order at 9:02 am.  | No action needed. |
| **Introductions – John Phillips** | Mr. Phillips asked the group to introduce themselves. | No action needed. |
| **Review of the May 29, 2018 Minutes** | Mr. Phillips asked for review and approval of the minutes.  | Judy Pistilli made a motion to approve. JoLynn Noe seconded the motion. Minutes were approved. |
| **Brief Updates to Current RFPs – Richard Amos** | Mr. Amos explained that there are currently two benefits related RFPs in progress: one for Medicare Advantage vendor to provide medical benefits to Medicare eligible retirees and one for the UK retirement plan vendors. There are some members on the EBC that are also on the RFP committees. There are some retirees on Medicare Advantage RFP committee.Under the Medicare Advantage RFP, there are four vendors currently being considered. The proposals look favorable for retirees and for UK. The goal of the retirement plan RFP is to provide quality investments and retirement planning services for employee at the most reasonable cost. It was agreed that there will have to be a lot of communication about any vendor changes, if any. Some lawyers are saying that companies (including universities) are not doing enough for their members. UK is being proactive and making sure it carries out its fiduciary role in an excellent manner on behalf of its employees. Ms. Wilson added that UK is ahead of other institutions for establishing retirement investment committees and hiring consultants, so we should be in good shape. The level of responsibility on this committee has increased over the recent years. Mr. Phillips asked what could be expected to happen with this RFP. Mr. Amos said that there are a few options: move to one vendor only, have two vendors with one as the master administrator, or select two vendors, similar to now. Ms. Bradshaw enquired about the current split with our two vendors. Mr. Amos stated that we have a higher level of assets with TIAA. Our current vendors, TIAA and Fidelity are very comparable in terms of quality. TIAA can offer all the same investments as Fidelity whereas Fidelity cannot offer all the same investments as TIAA. Ms. Krauss said that some consultants recommend one vendor for simplicity.  | No action needed. |
| **Family Education – Second Dependent Request – Gail Carbol** | Regular full-time employees with at least one year of service get 10% off tuition at UK for their dependent. This increases by 10% after each year of service and maxes out at 50%. The program currently allows employees to use the discount on one dependent at a time – those under the age of 25. Employees can use either FEP or EEP, exclusively. There has been a request to add a second dependent for the FEP discount. Ms. Carbol provided a handout with information about the Family Education Program (FEP) and the Employee Education Program (EEP) and the proposed changes. There have been a few employee requests for this consideration in recent years and it has been suggested to offer this benefit to employees that have at least ten years of service at UK. There are 523 employees with at least ten years of service who have at least two dependents under the age of 25. The worst case estimated cost was $3.2 million. Approximately $1.6 million would be the cost if only 50% of the eligible employees took advantage of a changed benefit. Ms. Carbol said that when adding a new benefit is suggested, the addition of a dental subsidy has been mentioned a few times. In addition, Ms. Carbol reminded the committee that an EBC vote taken in 2015 supported the addition of the graduate student discount to the employee spouse. The idea was not supported due to budgetary constraints. Ms. Flowers questioned if the availability of this possible new benefit would affect retention. Ms. Pistilli added that extending the grad student discount to an employee spouse would be more valuable to UK. Mr. Phillips stated that this possible change would only affect a small group of employees, but it would have a big price tag in light of other added costs related to UK. It was mentioned that UK will be covering the high cost of the Tuition Waiver program for UK employees through spring 2021. Mr. Phillips recommended that the committee not move forward with a recommendation to add a second dependent to the FEP discount and asked the committee for a vote. The committee voted to not move forward with this benefit idea.  | Judy Pistilli made a motion to not move forward with this proposal. Jennifer Bradshaw seconded the motion. The proposal will not move forward. |
| **Tuition Waiver Briefing – Richard Amos**  | Recent legislation passed by the Kentucky General Assembly took away the funding (tuition waiver) for employees to attend schools outside of their employer school. Mr. Amos provided a copy of the letter about these changes from President Capilouto and an FAQ sheet. Ms. Stamper pointed out that this legislation change happened very suddenly. The state viewed it as a way to help some institutions, such as EKU. For the next three years, UK will continue paying the tuition for its employees that are taking classes at other Kentucky public institutions. If you had applied to an eligible institution on or before April 26th, 2018, you can use this benefit. It will cost UK $6 million per year to pay tuition to outside schools. Ms. Gleason asked if the cost of this change would be charged back to the employees’ units. Ms. Wilson said that she wasn’t sure yet. Ms. Krauss added that she thinks it will be charged through miscellaneous fringe benefit. Some schools might work out plans together to compensate for the recent loss of funding. Ms. Wilson stated that WKU sent a proposal to HR directors at other schools last week. All of the schools agree that for this fall they want to keep it as it was, and no one have to pay. EKU has a lot of our employees as students and has been losing money from UK with their nursing program. Currently, 1,100 of our employees are using the tuition waiver program to attend schools non-UK schools. A good portion of those employees are nursing students. This is driven in part by UK not having enough online degree opportunities. UK is working on adjusting programs to get more of their employees to attend UK. Ms. Wilson added that it is important to communicate with the affected employees, so they understand all of the changes and how to finish their degree and plan their future.  | No action needed. |
| **Upcoming Conferences – Richard Amos**  | The Retirement Plan Conference will be held on October 12th, is very popular and always is booked full early. Ms. Carbol said that an email about this conference was supposed to be sent out the same day as the EBC meeting. It will target anyone age 55 or older. The conference will be from 7:30 am to 4:30 pm and breaks and food will be provided. The conference is going to be held at the new Gatton Student Center, so they can extend the conference to at least 300 people now. Ms. Carbol added that there were about 260 or 270 people who attended last year. There will be presentations about subjects such as retirement income planning, exercise, and preparing yourself for after retirement. Someone from the Social Security Administration always presents. Both TIAA and Fidelity will be presenting. Lucy Wells and retirement officers from the Benefits department will be presenting about retiree medical benefits. The TIAA and Fidelity representatives will be available for questions and counseling. Everyone that is presenting will also have tables set up to talk to the attendees. Mr. Phillips suggested that they try to get people from the Team Blue Clinic involved with the conference. He said that the clinic just added a male care provider. Complaints have declined regarding access to care. The next big step is to increase access to UK’s specialty care. Patient care representatives have been helping employees/patients get to the right providers. Mr. Amos added that about a year ago, UK added the telemedicine option and there are around 1,000 people registered to use the service. The cost is a low $10 co-pay and the service can used for minor acute care needs or behavioral health needs. This program is good when you need to see a doctor after hours or while travelling. UK hopes to eventually develop its own providers for the program. Mr. Phillips pointed out that some follow up appointments can be done through telemedicine. Mr. Phillips said that they have been trying to reach out to people in eastern Kentucky and figure out the health care service gap. It was just announced that there will be a joint venture with a local surgical group that will make things more convenient for patients and employees in the Lexington area.The Retiree Fair will be held at the Thoroughbred Center on September 28th which will be easier to access. Things such as breakfast, flu shots, chair massage, and chair yoga will be provided. Ms. Wilson suggested that the Retiree Fair Committee consider providing a Hep A vaccine as well. Mr. Amos said that he would ask about that. Ms. Carbol said that a few hundred people usually attend the fair. This is only available to current UK retirees. The President was also invited. Sandy Frank is a working retiree who has a key role with coordinating this conference along with a committee.  | No action needed |
| **Meeting convened – Mr. Phillips** | Mr. Phillips ended the meeting at 10:02 am.  |  |