

Benefits Committee Meeting: 4pm February 15, 2018 IMU Hoosier Room

Present:

Committee members:

Bruce Solomon (Chair)

Sameer Patil

Lynda Clendenning

Guests:

Elizabeth Pear, Director of Faculty Council Office

Christan Royer, IUHR Benefits Director

Update on Family/Medical Leave Policy

The change to Policy ACA-50 that we endorsed in our first meeting last fall was finally enacted at the February meeting of the IU Trustees: Academic Faculty are now eligible for the paid FML benefit after one year of employment (reduced from two years). The new policy will go into effect this summer: Any faculty member employed for a full year on August 1st, 2018 will be eligible for the benefit. Moreover, the policy continues to cover leaves taken for the care of domestic partners (of either gender) and their dependent children.

Problems with the transition to CVS as Prescription Benefit Manager.

We got two types of complaints about the transition from Express Scripts to CVS as Prescription Benefit Manager (PBM). Employees have reported substantially more expensive prices for some drugs. (Christan Royer reports that some employees are benefitting from lower prices as well.) Unfortunately, it seems that IU, much less the HR office, has almost no agency in this regard. For one thing, manufacturers can (and do) change wholesale prices, which are then (understandably) passed on by the pharmacies. Additionally, different PBMs and insurance companies negotiate different coverage arrangements for differently grouped sets of drugs, and this can affect the prices IU employees pay. We were told that IU has essentially no input into those arrangements. The PBM is selected by the State of Indiana, and IU, along with a host of other institutions (including Purdue) are bound by that choice, even though, according to Christan, the subscribing institutions have no voice in the selection.

While it seems that IU, much less its employees, can do little to change these facts, IU does try to limit employees' exposure to dramatic price rises by keeping deductible and out-of-pocket amounts as low as allowed by IRS-defined minimums, and by generously funding employee HSA accounts. Christan pointed out too that employees faced by dramatic price changes should investigate possible lower-cost alternative drugs—such alternatives do exist in a significant number of situations.

The transition from Express Scripts to CVS also changed the amount of supply available for certain prescriptions from 90-day to 30-day, an additional inconvenience that can be severe inconvenience in some circumstances. The 30-day rule applies to all drugs on a “high cost special handling” (e.g. special transportation, refrigeration, etc.) list. We were told that the 30-day limitation is a protection against wasting significant quantities of very expensive drugs. While this undoubtedly makes sense in many cases, we presented the case of an employee who (a) had been getting the drug in 90-day supplies (so there is no shelf-life issue) and (b) reportedly, other insurance plans do allow subscribers to obtain 90-day supplies. Christan was familiar with the case, but finds no way for the HR office to change CVS's stance on the procedure.

She stressed, however, that her office is both willing and able to facilitate the refill process for employees who travel. Domestically, they can ensure supplies at CVS pharmacies across the country. For employees traveling internationally, her office can obtain long-term overrides for as long as 6 months, with a day or two of lead time sufficient in the vast majority of cases.

Finally, she asked us: How HR can do a better job of communicating changes to faculty? Her office does plan an IU-wide HR mailing in February with an article on the CVS transition, and on on ER visits. We suggested that she consider distributing information to department chairs, asking them distribute to faculty via email and/or during faculty meetings.

She also pointed out that personal health information is often a delicate matter of privacy. Employees should know that her staff has training in how to protect that kind of information. Employees should be aware of the risk entailed when sharing personal health info by email.

Review of BFC Policy E-25

The BFC President and Executive committee have initiated a general review for BFC policies that have gone unmodified (and hence may be outdated in part or in full). The Benefits Committee was asked to review the Policy E-25 on salary minima and salary reporting. Linda agreed to research the Libraries relationship to his policy. Bruce agreed to reach out to the Budgetary Affairs Committee, which the policy itself names as responsible for setting salary minima (for various academic ranks). As currently written, the policy currently describes physical salary reports, to be made available in a particular office on campus. This obviously needs to be updated to reflect current practice (i.e., posting salary data online). The policy also mandates the existence of a Salary Report Committee. Does such a committee exist? We will investigate and propose revisions accordingly.

The Executive Committee (and perhaps the Budgetary Affairs Committee) may want the Benefits Committee to take responsibility for some salary issues (as in E-25) and if so a name-change, e.g., to Salary and Benefits Committee, might be in order. This would require a Bylaws change.