

**USC Staff Assembly
General Meeting Minutes
October 3, 2013
MCH-156**

Present: Eliza Aceves, Lali Acuna, Tammy Anderson, Linda Bakabak, Halina Biel-Milunovic, Carolina Castillo, Ellen Castillo, Sarah Cusimano, David Donovan, Josie Drury, Jennifer Gerson, Teresita Jamanila, Markisha Lea, Doris Lee, Kathy Neal, Lou Nieto, Lillian Rivera, Irene Rodriguez, Rick Scott, Mary Trujillo, Sarah Watari, Jeanne Weiss, Victoria Young,

Absent: Gary Allen, Jennifer Alvarado, Julia Andaya, Wendy Arima, Carmen Atkins, Catherine Ballard, Roxana Bellia, Paul Biddlecomb, Susan Biddlecomb, Cynthia Brass, Delfina Candelaria, Ricky Craddock, Laura Estrada, Monique Franklin, Frances Fitzgerald, Lisa Gallegos, Tracy Kerr, Dawn Kita, Rachel Levy, Graciela Medina, Yolanda Mora, Bryan Ortiz, Ingrid Popper, Aida Preciado, Luis Ramirez, Elizabeth Stewart, Wade Thompson-Harper, Rosie Tellez, Lydia Vasquez, Amy Yung

Call to Order:

President Jennifer Gerson called the meeting to order at 9:06 a.m. A quorum was not present.

Jennifer announced that the recipient of the October 2013 Staff Monthly Recognition Award was not able to attend but will instead receive the award at the next General Meeting on UPC in November.

Approval of September 2013 General Assembly Minutes

The approval of these meeting minutes will be postponed until there is a quorum present.

Associate Senior Vice President for Administration Report: Janis McEldowney

Janis McEldowney was not present; no report was given.

Personnel Council Report: Awilda Bregand

Awilda reported that Benefits is now about 60-70 days out from the launch of WorkDay. Her office is currently conducting parallel testing of payroll systems both in and out of WorkDay to make sure it will transition correctly and smoothly. Awilda also mentioned that everyone should have received an email about the new shared HR Services, and also that a mandatory notice was sent out regarding the Affordable Care Act. They were able to send out the ACA notice to 23,000 employees via email, but had to distribute an additional 4,000 via hard copy to accommodate workers who do not have normal access to a computer (e.g., facilities staff). They did not receive a lot of feedback or questions as a result of these emails.

Benefits is also gearing up for the upcoming open enrollment period, the only time employees may make changes to their insurance or health plans. Open enrollment this year will be from Nov. 4-15. In years past, there had been an additional “buffer” week following the enrollment period during which latecomers were still allowed to make changes, but due to the fact that this year all 2,000-3,000 changes will be done manually

via hard copy (due to the transition in January to WorkDay), no such buffer period will be granted this year. The first round of emails about open enrollment will be sent in about a week or so, and the “hard stop” date will be emphasized.

Awilda also mentioned that retiree stipend letters will be going out later this week; the Board of Trustees has approved cancelling the stipend, effective June 30, 2014. Current enrollees will receive the benefit until then; if an enrollee can demonstrate sufficient financial hardship, the stipend will be extended one additional year. No new enrollees are being brought into the program, so the wind-down process is for current enrollees only. Aside from the monetary savings (\$60/month for each of ~1,200 enrollees), USC is looking to reduce liability with this decision, as this could be considered a “retirement benefit” by the government, which would result in an increased tax liability for USC. They are exploring whether a different benefit can be extended in place of the stipend, possibly including membership in the University Club.

President’s Report: Jennifer Gerson

Jennifer continues to work with the Employee Gateway steering committee with Diane Schrader. USC Spaces has started a staff discussion forum (in testing now), which is expected to eventually link to the Employee Gateway.

Jennifer also mentioned the recent Center for Work and Family Life email that was distributed regarding “social health in the workplace,” which described how work is best achieved both “with and through other people.” CWFL is a great resource that everyone is encouraged to use if needed; Jennifer will send everyone an email as a follow-up reminding them of their services. Jennifer also announced she will also serve on the CWFL advisory committee this academic year.

Finally, Jennifer reminded everyone about the Staff Appreciation event at the USC home football game on October 10th. Tickets for \$30 (plus fee) include admission to the game, and a voucher for a hot dog and a soda. She also confirmed there will be an announcement made during the game recognizing USC staff members. See you there!

Committee Reports

Communications: Eliza Aceves, Co-Chair

Eliza reported the committee is continuing to finalize the next online edition of *The Assembled Voice*, and that the committee is planning to publish no later than November 1, 2013 (but hopefully sooner). No post cards will be mailed this time. Eliza also reminded the Committee Chairs that she needs their updated reports, and asked that anyone who has pictures from events this year send them to her or Jennifer Gerson in order to include the photos in the montage at the end of the year. Also, if anyone has ideas for stories or features in *The Assembled Voice*, please let her know.

Compensation and Benefits: Jennifer Gerson, Interim Chair

Jennifer had two main updates: 1) she met with Admissions regarding the formation of a program for staff members at USC who want to go back to school to finish their degrees. Our speaker in November will be Dean of Admission, Tim Brunold; Jennifer hopes he will be able to provide an update on this topic for us next month. 2) A former Staff

Assembly Compensation and Benefits Committee Chairperson asked to revisit the idea of the University providing medical benefits for long-serving staff after they retire. She was not optimistic about their chances for success, but nonetheless agreed to address it within the committee.

Environment: Lisa Gallegos, Chair

Lisa Gallegos was not present; committee member Rita Gonzalez announced only that the dates have been set for the 2014 Environment Fair.

Rights and Responsibilities: Jeanne Weiss, Chair

Jeanne announced that she will serve as the Staff Assembly representative on a Child Care Issues committee that will be meeting sometime in October.

Rules and Elections: Carolina Castillo, Chair

Carolina reminded everyone that elections are coming up for those who are at the end of their first two-year term. Former Staff Assembly President Steve Barnhart is assisting the committee with the candidate list and procedures; an email will be sent out soon, after which the nominees will have about one week to rally their coworkers for votes.

Carolina also reported that the Good Neighbors campaign is underway, with packets already on their way to most staff. There are a number of prizes for early registrants this year, and she was also able to work with the Athletics Department to have a special “Good Neighbors” event at a basketball game in February; all GNC contributors will have a chance to purchase 2-for-1 tickets to the event.

Transportation: Lou Nieto, Chair

Lou reported that the Long Beach vanpool will be disbanding, effective November 1, 2013, bringing the USC-operated vanpool group from six down to five. The Long Beach vanpool had been below capacity since the USC subsidy reductions in January, and they were recently notified by Metro that due to low enrollment for two consecutive quarters, their \$400/month Metro subsidy was also being eliminated. This would result in an unsustainable increase of \$80/month for the remaining five members, so they voluntarily decided to disband and explore other alternate commuting options.

Guest Speaker: Lisa Macchia, Assistant Vice President, University Health Plans

Staff Assembly Vice President David Donovan introduced Lisa Macchia to the Staff Assembly members. David mentioned that Ms. Macchia’s professional experience includes over 30 years in health care management, including the last 20+ years at USC. In her current role, Lisa is the chief administrator for the University's self-funded PPO plan covering over 17,000 faculty, staff and dependents.

The majority of Lisa’s presentation focused on clarifying various points in the Affordable Care Act, aka Obamacare. She began by stating that the individual mandate is in effect as of January 1, 2014, meaning that all Americans have to have health care coverage, or risk fines if they do not. Premiums will be strictly income-based, and not dependent on health conditions, age, etc.

The employer mandate was delayed until January 1, 2015. Lisa was happy to report that

USC currently meets or exceeds all employers requirements; we do not discern between FT and PT employees for coverage, the value minimums already meet or exceed the government-mandated 60/40 employer/employee contributions, and USC already covers 100% of all routine medical procedures such as annual physicals, PAP smears, prostate exams, etc. The main area of concern that she will be keeping an eye on in the future is the hours worked of employees who work inconsistent hours; if they work an average of 30+ hours in a normal work week, they must be included in the employer's plan.

Lisa detailed some of the fees being imposed on the University as a result of the Act, including the Patient-Centered Outcomes Research Institute (P-CORI) fee. This fee is currently around \$30K (\$1/member), but is expected to increase to around \$87K (\$2.56/member) by 2018. Another fee the University has to pay is the Transitional Reinsurance fee; at \$63/member, this will cost USC around \$1.8MM/year, although that is expected to reduce over time. A third tax mentioned is the 2.5% premium tax for alternate providers Anthem and Kaiser. All told, Lisa projects that USC will pay around \$32MM in taxes alone over the course of the next five years.

Lisa then provided comparative rate information; for the three main providers (USC Network, Kaiser, and Anthem), the new monthly premium rate increases (and old rate) appear below:

	<u>Member only</u>	<u>Member + kids</u>	<u>Member + adult/family</u>
USC Network	\$130 (from \$121)	\$228 (from \$211)	\$366 (from \$339)
Kaiser	\$92 (from \$88)	\$184 (from \$176)	\$276 (from \$265)
Anthem	\$90 (from \$89)	\$191 (from \$162)	\$283 (from \$252)

Delta Dental and VSP rates are not expected to increase, although charges for some specific VSP services will increase.

Other enhancements and changes: there is now a single unified phone number for all USC medical facilities (currently excluding newly-acquired Verdugo Hills Hospital) set up exclusively for USC faculty and staff. To make an appointment anywhere, call the **Trojan Family Navigator at 323-442-8102.**

Lisa next discussed the impact of the ACA on Plan C; this program provided additional medical services for no additional copay. Of the existing ~1,400 Plan C participants, about half were spouses or registered domestic partners of USC employees (so we knew the quality of their health care plan), but the other half weren't. It was determined that this other half created a liability issue for USC, because we couldn't verify the quality of the healthcare programs in which they were enrolled, and therefore risked being out of federal compliance. As a result, the Plan C program is being discontinued; anyone who wants USC health care coverage (even if spouses are both USC employees) will have to pay for it on their own.

Lisa then talked about out-of-pocket (o.o.p.) maximums in the Act. The current o.o.p. maximum is \$1,000; once USC network participants have paid out that much in services, the remainder of their health care needs for the rest of the calendar year is covered 100%.

Currently, however, the maximum does NOT include prescriptions; under ACA, prescriptions WILL be covered. As a result, individuals who currently have high medication costs will reach the maximum much faster; Lisa expects that the maximum o.o.p. dollar amount will be raised accordingly.

Finally, Lisa described a final tax USC has to be vigilant about, the so-called “Cadillac Tax,” in which employers could be fined for providing coverage for their employees that considered TOO financially beneficial. USC is currently projecting to be below the bar for this tax to take effect: the threshold in 2018 is \$10,300 in services received (on average) for a single individual and \$27,500 (on average) for a family. Even with estimated 9% increases annually, USC is projecting that in 2018 those figures for our plan participants will be \$9,682 and \$27,198, respectively. So we’re estimating that we’ll remain below the bar and therefore not be subject to the tax, but it’s obviously something she’ll be keeping a close eye on in the future. Lisa closed by answering a few questions from the Assembly, and thanked us for allowing her to speak.

New Business:

No new business was introduced at this time.

Next Meeting:

Thursday, November 7, 2013 from 9:00-10:30 a.m. in Hedco Neurosciences Building (HNB) Room 100 on the University Park Campus (UPC).

Adjournment:

A motion to adjourn was made by Eliza Aceves and was seconded by Victoria Young. The meeting adjourned at 10:45a.m.

Minutes submitted by: David Donovan

Staff Assembly Website: <http://www.usc.edu/org/staffassembly/>

Staff Assembly E-mail Address: staff.assembly@usc.edu

Staff Assembly Twitter: [@USC_SA](https://twitter.com/USC_SA)

Staff Assembly facebook page: <https://www.facebook.com/pages/USC-Staff-Assembly/113366988699692?ref=ts&fref=ts>