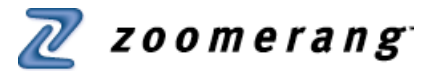


AFA HEALTH AND WELFARE BENEFITS SURVEY

Spring 2010

Results Overview



Date: 5/7/2010 10:40 AM PST
 Responses: Completes
 Filter: REGULAR FACULTY ONLY

Overview In last year's negotiations AFA and the District agreed to create the AFA Health and Welfare Benefits Account (AHWBA) which was funded by the cancelled and rescheduled Sabbatical Leaves from 2009-10 through 2011-12 (See 25.02.D <http://www.santarosa.edu/afa/Contract/Articles/art25.pdf>). As part of this agreement we limited the use of those funds to \$200,000 per year in order to assist the District with its cash-flow problems. In ordinary years AFA would expect the District to absorb the cost increases subject to negotiations; however, this is an extraordinary economic period. The Benefit year runs from October 1 through September 30, and normally we would receive quotes from the two health insurance carriers, SISC Blue Shield and Kaiser, in April of each year. We have been informed by the District and SISC that we should not expect to hear a firm quote in April, and the quotes might come as late as June. Because of our recent experience ratings both SISC and Kaiser are forecasting large increases to our premiums, 11% and 16.3% respectively. The increase to the cost of the self-insured Dental Plan will be 5% with no change to the Vision Service Plan. The total projected cost of the increases is \$411,076 (See breakdown below). Projected Cost Increase—Kaiser \$ 213,201 Projected Cost Increase—SISC Blue Shield \$ 183,427 Projected Cost Increase—Dental \$ 14,448 Total Projected Increase \$ 411,076 In order to help guide AFA's response to the District's interest in reducing the cost of the Health Insurance plans in these fiscally challenging times, AFA is asking for your opinions about two proposals the District has made. The District would like to implement both of these proposals. Please consider each of these proposals based on their individual merits.

PROPOSAL #1—TOTAL COST SAVINGS \$254,498 The first is a modification to the SISC Blue Shield and Kaiser Medical Plans. For complete detailed comparisons of the existing plans see http://www.santarosa.edu/hr/PDFs/BENEFITS_COMPARISON_2009-2010.pdf. To view a separate, larger version of the following table, see <http://www.santarosa.edu/afa/Misc/Survey-Prop-1.pdf>.

PROPOSAL #2—TOTAL COST SAVINGS \$120,730 The second is a proposal for Regular faculty only to make payroll deductions to defray the cost of the increases. The costs outlined below are based on the existing Management Team fixed fee method of cost-sharing that has been in place and unchanged for the last four years. These are fixed amounts and not a percentage of salary. These monthly amounts are proportionally stepped based on the related premiums. To view a separate, larger version of the following table, see <http://www.santarosa.edu/afa/Misc/Survey-Prop-2.pdf>.



1. This will be a branching survey starting with demographic information and then branching by Regular full-time and Adjunct part-time. For your information and reference while taking this survey, a list of health insurance vocabulary and definitions has been compiled. Click the following link or cut and paste it into your browser to view the document: http://www.santarosa.edu/afa/Misc/Survey-Health_Insurance_Vocabulary.pdf
 My current health insurance plan is:

Kaiser (Reg faculty)		94	44%
SISC-Blue Shield (Reg faculty)		110	52%
Kaiser (Adj faculty AMBP-ADJ MED BENE PLAN)		0	0%
SISC-Blue Shield (Adj faculty AMBP-ADJ MED BENE PLAN)		4	2%
Not in District health insurance (Adj faculty)		4	2%
Total		212	100%


2. My primary assignment is at:

Santa Rosa Campus		181	85%
Petaluma Campus		30	14%
Public Safety Training Center		1	0%
Other		0	0%
Total		212	100%

3. I am an All Faculty Association (AFA) member.

Yes		201	96%
No		9	4%
Total		210	100%

4. My employment status is:

Regular Faculty		212	100%
Adjunct Faculty		0	0%
Total		212	100%

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5. PROPOSAL #1—TOTAL COST SAVINGS \$254,498 IN ORDER TO ASSIST THE DISTRICT IN REDUCING SPENDING, I WOULD BE WILLING TO DO THE FOLLOWING: I would support making modifications to the Kaiser and SISC—Blue Shield Plans as described in Proposal #1 above. Indicate your agreement to the statement where (1) means "strongly support" and (5) means "strongly oppose."






Strongly Support		0	0%
Support		0	0%
Neutral		0	0%
Oppose		0	0%
Strongly Oppose		0	0%
Total		0	0%

6. May we contact you to follow up on your answers?

Yes		0	0%
No		0	0%
Total		0	0%

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9. PROPOSAL #1—TOTAL COST SAVINGS \$254,498 IN ORDER TO ASSIST THE DISTRICT IN REDUCING SPENDING, I WOULD BE WILLING TO DO THE FOLLOWING: I would support making modifications to the Kaiser and SISC—Blue Shield Plans as described in Proposal #1 above. Indicate your agreement to the statement where (1) means "strongly support" and (5) means "strongly oppose."

Strongly Support		11	5%
Support		66	33%
Neutral		26	13%
Oppose		55	27%
Strongly Oppose		45	22%
Total		203	100%

PROPOSAL #2—TOTAL COST SAVINGS \$120,730 The second is a proposal for Regular faculty only to make payroll deductions to defray the cost of the increases. The costs outlined below are based on the existing Management Team fixed fee method of cost-sharing that has been in place and unchanged for the last four years. These are fixed amounts and not a percentage of salary. These monthly amounts are proportionally stepped based on the related premiums. To view a separate, larger version of the following table, see <http://www.santarosa.edu/afa/Misc/Survey-Prop-2.pdf>.

10. PROPOSAL #2—TOTAL COST SAVINGS \$120,730 IN ORDER TO ASSIST THE DISTRICT IN REDUCING SPENDING, I WOULD BE WILLING TO DO THE FOLLOWING: I would support fixed premium cost-sharing as described in Proposal #2 above. Indicate your agreement to the statement where (1) means "strongly support" and (5) means "strongly oppose."

Strongly Support		11	6%
Support		82	41%
Neutral		26	13%
Oppose		44	22%
Strongly Oppose		37	18%
Total		200	100%

Early Retirement Option (See Article 24: Retirement <http://www.santarosa.edu/afa/Contract/Articles/art24.pdf> and AFA Update explaining the difference between ERO & Reduced Workload: http://www.santarosa.edu/afa/0910/Publications/Update/update_091109-1.pdf) The current contractual agreement requires that regular faculty who wish to exercise the Early Retirement Option (ERO) must be 55 years old with fifteen (15) years of service to the District. The District has proposed modifying the Early Retirement Option (ERO) by changing the requirements from age 55 to age 60, and increasing the number of years of service from fifteen (15) to twenty (20). They have further offered to create a three-year window so that faculty members who are planning for retirement can adequately plan for the change in these requirements. Proposed Contract Language: In order to allow those faculty who qualify for the current Early Retirement Option, on or before June 30, 2011, an opportunity to adjust their personal plans to incorporate these changes, the District would grant these employees a three-year window (through the end of fiscal 2013/14 in which they could still take the ERO under the 15 years/55 age requirement. In order to assess the possible impact on retiring faculty, AFA is asking again for information regarding your retirement planning.

13. I plan to exercise my Early Retirement Option.

Yes		33	16%
No		76	37%
I Don't Know		98	47%
Total		207	100%

14. The proposed changes to the age and years of service requirement will negatively impact my decision to retire:

Yes		32	16%
No		102	50%
I Don't Know		71	35%
Total		205	100%

15. I plan to go on Pre-retirement Reduction in Workload (Willy Brown Act).

Yes		41	20%
No		52	25%
I Don't Know		114	55%
Total		207	100%

16. May we contact you to follow up on your answers?

Yes		99	48%
No		106	52%
Total		205	100%