

Minutes of September 5, 2001 meeting

2:30 p.m., Room 404 A/B Union



PRESENT:

Jean L. Baker, Bettie Bey, Betty Brown, Joni Camp, Nina Cheshier, Earlene Foster, Shellie Harrison, Melissa Hudson, Dino Johnson, Sam Johnson, Regina A. Jordan, Buddy Kahler, Anne Kligen, Shannon Lovejoy, Lynn Mills, Conny Parham, Dave Sagaser, Tony Seaman, Karen Tuttle, Rosa L. Vance, Sherry Wall, Jeannette M. Wells, Amanda Wood

EXCUSED:

Dennis J. Bullard, Shirley Fisher, Denise Knighton, Jonnie Manning, Janea McDonald

UNEXCUSED:

Mark A. Shows

President Buddy Kahler welcomed guest speakers Jay Eads and Gray Tollison. Dr. Andy Mullins joined us later.

GUEST SPEAKERS:

- State Representative Jay Eads addressed pay and health insurance issues, and how the Legislative Process works.
- There are between 2000 to 2500 bills that are introduced to the Mississippi Legislature every year. Five hundred to 650 get past both houses and only 500 bills become laws. It is easier to kill a bill than to pass it. Not all bills get looked at; state employees and all their constituents should contact your local legislators to get things done. One phone call could make a difference.
- As an example, the mandatory auto liability insurance law was passed two sessions ago because there had been a lot of ground support on the issue. The odds are against passing a bill, so it takes a lot of support to get a bill passed. There have to be a lot of legislators contacted to help get a bill passed. That does not mean that three people can write 174 letters to their district legislator; you must contact as many state employees all across the state to write their local district legislators about the same issue to get anything done.
- There is a group of 10 people on the Health Insurance Committee plus a couple of legislators. They are the ones who manage the funds in the state health insurance program, and are doing an excellent job. Their job is to make the income match the expenses.
- State Health Insurance premiums will go up approximately 7% starting the beginning of next year; as discussed, the task of these people on the finance board is to keep the program solvent. We've been paying out more in the last few years than has been coming in because we have had more expenses, retirees, etc. What has been sustaining the program is the active healthy employees paying premiums that are used in paying the benefits of those retirees and others requiring health care.

A study group has recommended separation of the retirees and active employees in the health insurance program. A new program called the Pre-funded Program where the employers of the state employees would pay a contribution of 2% per employee to the program, which would fund it. This would include city and county employees as well. We have to have at least 35,000 active employees to make this system work.

- Tony Seaman suggested that the state bid out insurance to private enterprises.

Jay Eads explained that one reason for not bidding to other health insurance providers is that the premiums would be high, or the companies would not insure everyone, unless you were a state employee. Other employees may decide to go to another cheaper provider, but that is not always the best way to go. That insurance provider may not keep you on because of bad claims. Some will not take you on if you have pre-existing problems. The current state insurance program will insure employees with pre-existing problems.

The question again is why can't the state get another company to quote us on health insurance for 35,000 people. The answer is, to Gray Tollison's knowledge that the state does not want to bid out to private insurance companies. The state would rather use it's own or else they wouldn't be able to make a profit. Gray is not sure if it is true or not.

Jay Eads said that other insurance companies might pull out if they aren't making any money and it's not as stable or secure.

- Tony Seaman pointed out there is no wellness benefit for the state's insurance plan. If someone would go to the health insurance committee and offer a \$200.00 wellness benefit per year and cover females over 35 for mammograms and males over 45 for prostate exams, your retiree expenses would drop because of the advantages of preventive medicine.

Part of the problem is that most people don't go get a yearly check-up because it's too expensive. Sherry Wall stated that preventive medicine will be included in the plan beginning next year. Gray Tollison stated that the University did offer a wellness benefit this summer, and that it was a great success. It's a start.

- Joni Camp asked why couldn't we get the same health insurance plan as the county employees. They have a better insurance plan. Gray Tollison stated that it was because the counties plans do not offer retiree benefits. Once you retire from the county, you cannot remain in that health insurance program.
- The state legislators will have to find the funds to increase the salaries for state employees, but to get this the state employees will have to contact all the state legislators.
- Jay Eads pointed out that some states are at hard times right now because of their budgets. Mississippi is fairly solvent, but it is going to be tight in this budget year. Tennessee spent all their tobacco money in one year on one expense. Mississippi is trying to make the best use out of our tobacco money.
- The state is working with other states on the prescription expenses. They are trying to find ways to lower the costs of drugs sold by buying higher volumes at lower costs, and also trying to reduce the mail order costs of drugs.
- If you have any questions, you can reach Jay Eads at jeads@mail.house.state.ms.us, business phone number is (662) 281-1066, and in-session phone number is (601) 359-3770. To locate your state legislators, you can look it up on the Internet under <http://www.js.state.ms.us>. To reach Gray Tollison you can email him at gtollison@mail.senate.state.ms.us.
- Gray Tollison stated that he and Jay Eads met with the district engineer of MS Department of Transportation in Batesville. What they talked about was the pipeline of employees coming through the state highway department, MDOT. The problem is trying to keep the employees in the system. Many people are leaving their state jobs to get better pay. They may stay for 2 to 5 years then leave. This issue needs to be addressed to our state legislators. It's becoming a real big issue. Efforts are being made to keep employees and their valued experience in the system.
- Gray Tollison also pointed out that another good program to consider is the CHIPS program. This program is designed for those who have children. For information call Janis Baker at your local DHS or go to

<http://www.mschip.com> or call 1-877-KIDS-NOW. There is no waiting time period to get your children on this program. Employees with annual salaries that qualify are:

- A family of 5 can be eligible if they make \$34,045.00 or less.
- A family of 4 can be eligible if they make \$29,042.00 or less.
- A family of 3 can be eligible if they make \$24,039.00 or less.
- A family of 2 can be eligible if they make \$19,035.00 or less.

Gray stated that single parents who do not qualify for CHIPS should try to apply for other programs, like the Food Stamp Program. Medicaid was designed to benefit personnel at the poverty level and those with low-income salaries.

- The proposal for tobacco money is being discussed for the use of Medicaid. The State of Mississippi has approximately \$600 million invested in various securities and CDs. It's not growing as much because the stock market has turned. They anticipated it growing \$20 million but it only grew \$1 million. The State continues to get that money as long as the tobacco companies are solvent. The amount that comes in varies between \$100 to \$130 million a year forever.

The Governor's proposal will use a combination of tobacco money and grant money to offset general fund money to help pay the costs of increased health insurance for state employees. This is a concept that requires a lot of detail work before being put into effect.

- The Legislative Budget Committee began meetings September 4th. They will discuss with the state economist what they anticipate the state's growth to be. The state economist projects that it will not be very big. The largest generated income is sales tax, which is what pays everyone's salaries. Last year, \$1.4 billion was generated in sales tax. The second largest generated income was individual income tax.
- Rainy Day Fund: There is still \$266 million in the Rainy Day Fund.
- Casino money brings in \$130 to \$140 million that goes to the general funds. \$1.5 billion goes to education.

Buddy Kahler thanked our guest speakers.

MINUTES:

There was a correction in the August minutes. The amount for the replacement of a vehicle boot for illegal parking is \$375.00. Approval for July and August minutes was unanimous.

ANNOUNCEMENTS:

- The campus-wide Fall Staff meeting has been rescheduled for 1:30pm on October 11 in Fulton Chapel. One staff council member asked if we could put the Staff Meeting on the Internet like we had last year. The event has been approved and will be webcast over the Internet for those staff members who cannot leave their office. Details on how to gain access to the event will be forwarded at a later date.
- The staff council computer has been received and is being programmed.
- There will be a MASCO meeting at Mississippi State on September 27th. Tony Seaman and Buddy Kahler will attend. Jay Eads will be a guest speaker. He will talk about the Legislative process.

- The Staff Textbook Scholarship was a great success. The Chancellor donated another \$5000 for the spring semester and \$10,000 per semester beginning fall semester 2002.
- The Chancellor is in the process of creating a new Strategic Planning Process. This self-evaluation process is to complement/take the place of the current system managed by the Department of Institutional Research. This process will help get everyone involved in how to be efficient, how to make things happen, and how to get ahead of the game. The program will be addressed by the Chancellor in the October Staff meeting. The major goal is to get increased compensation for our employees.

Meeting was adjourned.

/s/Buddy Kahler, President

/s/Tony Seaman, President-Elect

/s/Amanda Wood, Secretary

Staff Council e-mail address: staffcouncil@olemiss.edu

Staff Council Homepage: http://www.olemiss.edu/orgs/staff_council/

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