

# HACC Assessment Record

Department/Campus:

Human Resources

Unit/Lead:

Benefits and Wellness

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| <b>Assessment Start Date:</b>  | January 2012  |   |
| <b>Goal:</b> <i>(Campus, Department or unit)</i>   | HR Goal 1: To create a safe working environment in which employees feel valued, well-suited to their jobs and supported by competitive and equitable salary and benefits.   |   |
| <b>Objective:</b> <i>(Measurable)</i>  | <ol style="list-style-type: none"> <li>1. Benchmark HACC benefits programs against other similar employers to ensure the college's benefits are competitive in order to attract and retain talented, high-performing employees.</li> <li>2. Administer the benefits programs by working closely with third party administrators and benefit vendors to ensure they are providing high quality benefits services to our employees.</li> </ol>  |   |
| <b>Alignment to Strategic Plan:</b><br><br><a href="#">HR-to-Strategic Plan Matrix</a>   | <b>Goal II: Organizational Excellence</b><br>Objective 10: Evaluate the College's benefit programs to attract and retain talented employees.<br><br><b>Goal III: Operational Excellence</b><br>Objective 13: Adopt best practices in higher education for financial planning and management.  |   |
| <b>Sources of Evidence to be used:</b><br><i>(Measures that would point to achievement of goal/objective. Examples: databases, focus group feedback, surveys. See p. 10 of Guide.)</i>   | <ul style="list-style-type: none"> <li>• College-Wide Employee Benefits Satisfaction Survey</li> <li>• Comprehensive review of existing benefit structure and processes</li> <li>• Interviews and consultations with College Compensation Advisory Committee (CCAC)</li> <li>• 3-part benefit deduction audit/reconciliation (payroll deductions, insurance carrier, benefit system)</li> <li>• Data analysis – previous plans (ongoing – quarterly)</li> <li>• Market research – alternate plan analysis from 41 like colleges/universities</li> </ul> |   |
| <b>Type of Assessment :</b> <ul style="list-style-type: none"> <li>• <b>Information– Gathering</b> <i>(needs assessments, inventories, establishing baselines)</i></li> <li>• <b>Performance–Evaluating</b> <i>(How well are we doing? Have we improved?)</i></li> </ul> | Performance-Evaluating  |   |
| <b>IF ASSESSMENT IS PERFORMANCE-EVALUATING:</b>  |   |   |
| *Benchmarks and Performance Targets are critical when evaluating   | <b>Benchmarks or Standards</b><br>(See pp. 11 – 13 of Guide)  | <b>Performance Target</b><br>(See pp. 13 – 17 of Guide) |

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| <p>performance. They may or may not be as critical when gathering information, although a rubric may be developed to organize categories under consideration.</p>                | <ul style="list-style-type: none"> <li>• Local Standards (Survey)</li> <li>• External Peer Benchmarking</li> <li>• Historical Trend Benchmarking</li> </ul>  | <p>Ensure the college's benefits are competitive in order to attract and retain talented, high-performing employees.</p> <ul style="list-style-type: none"> <li>• Competitive benefits to similar and area employers</li> <li>• Similar costing models to other community colleges and area employers</li> </ul> |
| <p><b>Findings:</b> <i>(What did we learn from this assessment? What did the evidence say?)</i></p>  | <ul style="list-style-type: none"> <li>• The costs of HACC's benefit programs had risen by more than 50% from 2007 – 2012, and its provisions exceeded benefits provided by similar and local employers. As such, the benefits program was unsustainable.</li> <li>• HACC's benefit program was not well-balanced. There were areas with gaps and areas with very high levels of benefits. (HACC's existing benefits programs were compared to those of 41 peer colleges/universities as well as against other employers using various benefit surveys - examples being those performed annually by Conrad Siegel, the Kaiser Family Foundation, CUPA-HR, and benefit summaries pulled from a variety of local company websites, as well as a menu of basic benefit programs. ) For example, one "gap" in the HACC benefits structure is the lack of a short-term disability program. An unusually "rich" area of the HACC benefits programs is the HACC \$750 per year funding of a Flexible Spending Account for all full-time employees. This second item is unusual due to the structure of the medical plans not having a corresponding deductible or co-insurance responsibility on the part of the employees.</li> <li>• HACC's benefits processes were cumbersome and ineffective. Several inefficiencies in the data entry and data transfer processes were identified as a result of the assessment initiative. For example, new hire data entry into the systems was being conducted by a variety of people at various stages of the hiring process. This led to errors and inconsistencies in the benefits data and often delays in new hires being able to make their benefit elections.</li> </ul> |  |
| <p><b>Decision-Making:</b> <i>(What changes of practice are indicated? What budget priorities are established? What accomplishments should be celebrated and showcased?)</i></p> | <ul style="list-style-type: none"> <li>• Reduced commissions are being paid on disability plan yielding savings on broker commissions.</li> <li>• The COLA benefit component from long-term disability has been removed, representing a savings of 16%.</li> <li>• RFP's for health, life, and disability insurance were undertaken, resulting in a change in carrier effective Jan. 1. Pure premium savings is \$1.5 million. Plan-choice migration savings is \$600,000. Anticipated overall premium savings over course of 3 – 5 year contract is \$3 - \$5 million.</li> <li>• In response to the short-term disability "gap", a cost analysis</li> </ul>  |  |

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|                                 | <p>has been undertaken to determine if the introduction of this into the HACC benefits program is financially and administratively feasible. In response, a short-term disability program has been proposed to fill in this gap. This plan will be presented to and considered for implementation by the College Compensation Advisory Committee in late 2013, for possible introduction in January 2014.</p> <ul style="list-style-type: none"> <li>• All 'new hire' entry into the benefits enrollment system is now conducted by only the benefits staff using the information already electronically provided to the payroll dept. and other HR staff for all new hires. Now the data is more consistent and it takes place from very specific triggers in the new hire process, causing it to happen more automatically. Some programming changes were also made to the benefits enrollment system, to accommodate new hires being put into the system in advance of their hire dates and to also allow them longer to complete their benefits election process.</li> <li>• Employer and employee health plan costs leveled off or dropped in 2013 for the first time since 2007.</li> <li>• Some minor changes in the 2013 medical plan structure have made the flexible-spending plan more logical; however, some changes to how it is administered in conjunction with the medical plans would still be sensible to ensure this funding is being effectively used to help cover employee healthcare expenses. These will be discussed by the College Compensation Advisory Committee for possible implementation in 2014 and beyond.</li> </ul> |
| <b>Assessment Closing Date:</b> | September 2012  |
| <b>Notes:</b>                   | <p>Documentation:</p> <ul style="list-style-type: none"> <li><a href="#">Projected Savings based on 2013 Changes</a></li> <li><a href="#">HACC Benefits Costs by Year</a></li> <li><a href="#">Employee Benefits Satisfaction Survey</a></li> <li><a href="#">HACC PPO Incurred CET</a></li> <li><a href="#">HACC Rx Incurred CET</a></li> <li><a href="#">HACC Total Medical Paid CET</a></li> <li><a href="#">Peer Group Comparison 2012</a></li> <li><a href="#">Updated Medical and Prescription Drug RFP Results</a></li> </ul>  |