

1 Michigan Dental Association

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3 **MINUTES OF THE COMMITTEE ON EMPLOYEE BENEFITS (CEB)**

4 **Held via Zoom Videoconference**

5 September 23, 2019

6
7 *Present*

8 Charles Burling, DDS, Chair

9 Clayton Shunk, DDS, Member

10 Margaret Gingrich, DDS, Member

11 Steve Dater, DDS, Member

12 Karen Burgess, MBA, CAE, Member

13 Dale Nester, DDS Member

14 Brandy Ryan, PHR, SHRM-CP, Human Resource Director

15 Craig Start, IFG President

16 Kelly Risley, HR Administrative Assistant

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18 *Guests*

19 Randy Watha, Alerus

20 Cameron Cickocki, Alerus

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22 *Absent*

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26 **Call to Order**

27 Dr. Burling welcomed the members and called the meeting to order at 7:00 p.m.

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29 **MDA/IFG Employee Retirement Plan**

30 The committee reviewed a report highlighting the total deferral amounts and fees experienced
31 with the MDA Defined Contribution Plan for years 2012 through 2018. Staff presented an
32 employee participation report for 2018. Forty-eight out of sixty one employees (78.9%) are
33 contributing to the standard 401(k) retirement plan with an average deferral amount of 8.52%.
34 Thirteen out of sixty one employees (23.7%) contribute to the Roth 401(k) retirement plan. The
35 total participation is at 90.16% which is up from 84.78% in 2017.

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37 Alerus education representatives provided an introduction presentation to new employees (less
38 than one year) on September 10, 2019. The presentation introduced the 401K plan and provided
39 an opportunity for questions that new employees may have had. A presentation was also
40 provided to the entire staff at a full staff meeting that same day and staff were given the
41 opportunity to meet one-on-one with a representative to discuss their individual plans and ask
42 questions.

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44 Staff provided the committee with the employee defined contribution plan percentage history and
45 a background memo explaining that in 2010 the committee asked Ed Ura to complete a review of
46 the employee benefit and wage package every three years to determine whether the package was
47 competitive in the Lansing market. A complete review was completed in for 2019 by Mr. Ed
48 Ura (Merces).

49

50 The committee noted that MDA has been contributing 6% of each employee's annual salary into
51 the defined contribution plan. The committee recommends that MDA continue at that level for
52 the 2020 benefit year.

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54 The following was unanimously adopted:
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56 Resolved, that the Defined Contribution Plan percentage be six (6) percent of total
57 compensation for the year 2021.

58
59 **MDA/IFG Employee Benefits overall**

60 The committee reviewed the Pay Structure Review and Recommendation's FY 2020 provided by
61 by Ed Ura of Merces Consulting. He provides a full review of the labor market for the MDA
62 every third year. This year would be a full review as it was last conducted in 2016. The MDA is
63 awaiting the full review from Merces Consulting and will be provided to the committee. The
64 committee may reconvene after review of the report if needed. CEB was provided a copy of Mr.
65 Ura's 2019 report which indicated, based on projections, the labor market movement in 2020
66 will increase at an average rate of 2.3%.

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68 **Alerus Report on Employee Retirement Experience**

69 Mr. Randy Watha and Mr. Cameron Cichocki of Alerus attended the meeting and presented a
70 report on the MDA/IFG employee retirement plan for April 1, 2019 through June 30, 2019. A
71 copy of this report is on file at the MDA Central Office. The beginning balance of the MDA
72 retirement plan on January 1, 2019 was \$8,522,611.18. As of June 30, 2019, the plan balance was
73 \$9,193,639.12. Mr. Cichocki informed the committee that First Eagle Global is currently on the
74 watch list. It is anticipated that it will be removed from the list shortly.

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76 **Discussion and Recommendation Regarding MDA/IFG Health Insurance Benefit**

77 **MDA/IFG Employee Health Plan:** The committee reviewed a memo highlighting the rate
78 decrease for MDA's health insurance offerings for the period of December 1, 2019 through
79 November 30, 2020. Craig Start provided a report stating that the MDA received a very
80 reasonable renewal offer for the 2020 staff health plan renewal. Rates will decrease by
81 -0.001%. This is less than the range that can be approved by CEB, so MDA will proceed with the
82 renewal as presented. The Board's policy on the committee's authority to make changes to the
83 employee health plan reads as follows:

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85 **Resolution 17-915**

86 Resolved, that the Employee Benefits Advisory Committee has the authority to make
87 changes to the MDA/IFG employee health plan provided the rate increase does not
88 exceed 10% of the previous year's premium.

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90 It was noted that with the .001 decrease in 2018 and 3% in 2017. MDA is still paying less for
91 employee health insurance than four years ago. This is largely attributed to offering an HSA but
92 also moving to a group size over 50, claim experience, and moving from the Community Blue
93 platform to the Simply Blue platform.
94

95 History of HSA: The committee reviewed the funding history for the MDA Employee Health
96 Savings Accounts (HSA). Since the beginning of the HSA offering in 2007, MDA has funded
97 \$1,000 of the \$1,350 annual deductible for singles and \$2,000 of the \$2,700 deductible for
98 families.

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100 Current policy reads as follows:

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Resolution 3-1018:

Resolved, that MDA continue funding the employee health savings accounts from
December 2018 through November 2020 (up to \$1,000 annually for singles and up to
\$2,000 annually for families).

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107 The following was adopted:

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Resolution 3-1018:

Resolved, that MDA continue funding the employee health savings accounts from
December 2020 through November 2022 (up to \$1,000 annually for singles and up to
\$2,000 annually for families).

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115 MDA Dental Benefit: Ms. Brandy Ryan presented CEB with MDA's dental reimbursement
116 policy and payment schedule. The claims for 2018 totaled \$66,732.00 with 150 insureds in the
117 plan. There were six (6) employees who did not use any of their dental benefit and Ms. Ryan
118 will follow up with these employees as to why the benefit wasn't used.

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120 **Informational Items**

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131 Adjournment at 7:45 p.m.

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133 Charles Burling, DDS

134 Chair