Call to Order

Mr. Simmons called the meeting to order stating that this was a special meeting to discuss the recent development concerning the US District Court’s opinion regarding Alabama’s ban on same-sex marriage. He stated that this ruling affects the University’s definition of “spouse” as it is used in the benefit plans and with other programs. He stated that the University is subject to and adheres to State law. This most recent ruling will result in a change in the definition of “spouse” which will now state, “spouse (as recognized by the State of Alabama)”. This is not something that requires a vote of the Committee, as it is State law.
Mr. Simmons stated that the new definition would allow for future changes in State law as this situation develops.

Mr. Simmons explained that this will change for all benefits and programs. He stated that this definition will now expand coverage under the USA Health & Dental Plan.

Mr. Kahalley stated that, specific to the USA Health & Dental Plan, there will be an open enrollment period for existing legally married individuals starting now and extending through the end of the normal open enrollment period November 30, 2015. An individual who was legally married prior to 2/9/2015 (the effective date of the District Court ruling) may enroll in the Plan and enroll a spouse of the same sex (and dependent children) during this period for coverage to start the first of the month following enrollment and approval (the earliest effective date being 3/1/2015). A newly married individual (on or after 2/9/2015) must enroll within the change-of-status event enrollment period (30 days from the event), and coverage will be effective on the date of marriage. In both situations, a valid marriage certification will be required to evidence marriage.

A member asked why the open enrollment period would be longer than the normal period.

Mr. Simmons explained that because of the situation, an extended enrollment period will help those individuals become informed on the issue and make application. He stated that this affects a small number of participants and it was decided that this approach would be fair to all concerned. He stated that the normal open enrollment period occurs during the month of November for coverage to start January 1st. The open enrollment notice will include notice of this expanded coverage and that the normal enrollment procedure will return at the end of that period.

A member asked about the cost of this expanded coverage.

Mr. Simmons stated that there is no way to know the financial impact but it is generally accepted that it will be less than 1%. In fact, cost is not an issue as the University must adhere to State law. A legal opinion was obtained stating that this change is required.

Mr. Simmons thanked the Committee for attending this special meeting. He stated that it was important for all to be informed on this matter so that the members can answer questions and be informed on the change.

Adjourn:

There being no other business to come before the Fringe Benefits Committee, the meeting was adjourned at 3:35 p.m.