

## **HEALTH, WELLNESS AND INSURANCE COMMITTEE MINUTES OF AUGUST 11, 2005**

Present: Julie Barnes, Donna Wittwer, Gaylyn Finn, Rebecca Ferguson, Terri Schaller, Linda Hamilton, John Stewart, Pat Kelly, Cindy Puffer, Beth Nagel, Steve Butts, and Deb Bennett

Absent: Karen Wasson, MaryAlice Newnam, Gardner Umbarger, and Steve Jex

Guest Speaker: Bruce Davis from Findley Davies

Julie called the meeting to order at 3:05 p.m. Julie brought up the minutes from both the May and June meetings. Both sets of minutes were approved. Becca moved to the main portion of the meeting, Bruce Davis's report on the results of the Request for Proposal (RFP). Bruce started his presentation by thanking HR and all of those individuals that assisted him and Findlay Davies. He said that Medical Mutual of Ohio (MMO) will be retained as BGSU's healthcare provider. Bruce went on to highlight the reasons that Findlay Davies came to conclusions that they did. The first point he made was the disruption factor. Disruption measures how BGSU's employees would be impacted by a change in healthcare providers in regards to their immediate doctors and specialists. The disruption was the least by several third party administrators and MMO. This was particularly true around the Firelands campus area, where other providers scores for disruption were dismal (>50%). Both Donna and Becca commented this point further. Also included in the analysis was the availability of the healthcare provider to include wellness and education to BGSU. Further, Findlay Davies reviewed discounts and pricing as well. The third party administrators could not provide the wellness and education to be included in BGSU's benefits plans for the future.

Next Bruce began discussing Anthem. Anthem claims disruption would be large and could not provide what BGSU wanted. In negotiating with MMO, Bruce said that they pledged to help BGSU contain costs and would distribute and analyze a satisfaction survey to BGSU employees. In addition, MMO promised a 3 year contract. He did touch upon new features that MMO has been working on, including a 24-7 nurse line and web based programs. Finally, Bruce mentioned that prescription drug coverage would remain with Caremark.

Bruce's presentation included a brief history and how this connects with BGSU in 2005 and its goals for the future. Bruce started with the last time that BGSU entertained information regarding its benefits. In 2000, in a request for information, MMO came out on top. Moving the conversation to present day and highlighting the fact that the state would like BGSU to collaborate with other institutions, mentioned that this move would not necessarily go against that notion. He stated that the University of Toledo was with Gallagher. Donna mentioned that BGSU has been burned in the past collaborating with others. Bruce did mention a potential collaboration with Kent State University and MMO. He mentioned that some benefits programs over others work better collaborating with others. He cited Wellness as a possible collaboration benefit. Look ahead to 2006, rates are not yet set for the benefits program. That will be coming soon. BGSU will soon begin to negotiate with Delta Dental. The costs are set with Caremark.

Becca said that Bruce will still review consumer driven healthcare plans as well as leaves, life insurance, etc.-essentially BGSU's entire benefits package.

Gaylyn added a brief discussion regarding benefits. He said that BGSU's benefits are still much better than most corporate peers, though BGSU's claims for the 1<sup>st</sup> seven months of 2005 are very high.

Becca said that the Spousal Rule will probably be kept, unless Bruce's comprehensive review of BGSU's benefits states otherwise.

Regarding rates for 2006, both Becca and Donna discussed health risk and want to incent to drop rates for BGSU employees. Bruce said that he would research as to what the rates should be. Finally, it was stressed that the Ohio State University is not a benchmark of BGSU. Donna and Becca went on to say that the perception of healthcare costs are predicated somewhat upon other experiences that individuals have had in their lives. Also, BGSU has only so much in the way of resources for salary and benefits.

A final quick discussion surrounded BGSU's section 125 plan. The general notion is that employees do not use this valuable plan. It was decided by the group that BGSU's 125 plan must be alright because hundreds of people sign up yearly (even if that number falls far short of HR's hope for the present and future). It was explained that money placed in the section 125 account is not taxed (not included as part of your yearly income for tax purposes). Therefore, as a consumer, you get back about \$ 0.17 on the dollar back that would have gone to taxes instead.

Julie moved to adjourn the meeting. A group of individuals seconded. The meeting ended at 4:24 PM.

**NEXT MEETING WILL BE ANNOUNCED**

Respectfully submitted,

**Patrick D. Kelly**

Patrick D. Kelly, Acting Secretary