

CIVIL SERVICE e-IN TOUCH NEWSLETTER – JUNE 2005

ABOUT THIS NEWSLETTER: *It is the goal of the Civil Service Committee to keep all constituents informed of issues that can affect employment, salary and benefits at the University of Minnesota. For this reason, we send our monthly e-In Touch to all Civil Service employees so identified through data in the Human Resources (PeopleSoft) system.*

Recap May 26 Meeting

The committee met from 9 a.m. to noon on May 26, 2005, in 225 Kaufert Lab, St. Paul campus. The University of Minnesota Retiree Association canceled their visit to the committee. There were no other presentations scheduled.

Our next meeting is scheduled from 9 a.m. to noon on Thursday, June 30, 2005, at Coffman Union Conference Room C. As this is the last meeting for the business year 2004-05, the committee will discuss its strategic planning. No other presentations are scheduled.

Senate Election

Congratulations to our new Senators and thank you for volunteering your time to represent Civil Service on the University Senate.

Area

Civil Service Committee Chair (1 year term)
Civil Service Committee Chair Vice Chair (1 year term)

Crookston (1)

Gary Willhite (3 year term)

Duluth (1)

Linda Olcott (1 year term)

Morris (1)

Lynn Schulz (3 year term)

Academic Health Center (7)

Barbara Creswell (1 year term)
Beth Hagel (1 year term)
Dee McManus (1 year term)
Michael Nordberg (2 year term)
Amy Olson (2 year term)
Becky Hunt (3 year term)
Lisa Rogers (3 year term)

SVP AA/Provost (7)

Anne Caton (1 year term)
Suzanne Livingston (1 year term)
Debra Haessly (2 year term)
Bonnie Jude (2 year term)
Wendy Williamson (2 year term)
Teresa Fruen (3 year term)
David Golden (3 year term)

Non-Collegiate Units (6)

Chuck John (1 year term)
Rick Moore (1 year term)
Anne Falken (2 year term)
Renee Rivers (2 year term)
Bonnie Marten (3 year term)
Patricia Roth (3 year term)

More information will be sent. Senators will be invited to an orientation session to meet the Civil Service Committee and to learn more about their role as senators. The session is scheduled for the afternoon on July 27, 2005, at the Earl Brown Center on the St. Paul campus.

Merit Task Force (MTF)

The MTF is now meeting on a regular basis. Our next meeting is scheduled from 10 a.m. to noon June 21, 2005, in 215/240 Donhowe. The meeting schedule and minutes are now posted on our website at

www.umn.edu/csc. Two groups have been formed: the Performance Management group and the Merit Pay group. Each group is gathering information on internal and external practices. Results will be discussed at the next meeting and used to develop a questionnaire for internal and external users. During July, the MTF will finalize, send and collect results of the questionnaire.

Again, we welcome participation of any Civil Service employee who is able to commit their time and bring their experience to the table. You may also e-mail your comments to hafne005@umn.edu.

Board of Regents Public Forum on Strategic Positioning

The forum was held on May 16, 2005. The presentation is now posted on our website at: <http://www1.umn.edu/csc>.

Past Brief and e-InTouch Articles

Past articles can be found on our website at <http://www1.umn.edu/csc>.

For More Civil Service Information . . .

For more information on Civil Service Committee meetings, the committee membership and the work of its subcommittees, please visit the Civil Service Committee website at <http://www1.umn.edu/csc> or e-mail the committee at UM-UCSC@LISTS.UMN.EDU.

Dorit Hafner
Civil Service Committee Chair

Health Care Update

The Benefits Advisory Committee (BAC) this past year worked on RFP provisions for our 2006 UPlan. Many issues were discussed, such as dependent tiers, pharmacy and wellness. Other events involving health benefits included a Minute Clinic opening October 27, 2004 in Coffman Memorial Union, QuickCare (University operated) opening in Duluth February 2005, and UPlan Wellness sent out "Mayo Clinic Guide to Self-Care" to all participants. In addition, a Farmers Market is coming to Church Street in mid-July 2005. Watch for details.

The RFP responses are in and contract negotiations are under way. There were 20 interviews. The interview committee forwarded a list of vendors to purchasing and the President. On May 12, 2005 they made presentation to the Regents. Contract negotiations are underway with the successful vendors.

The 2006 UPlan, at this point, will have two providers in the tight network; the low cost provider will be Medica for the base plan and Health Partners will still be a low cost provider. However, Health Partners will be a buy up from the Medica base plan (Essential/Elect). Medica will also provide the coverage for the remaining UPlan options; which include:

1. Medica PPO (which was PreferredOne) will also be greater MN Base Plan.
2. CDHP (which was Definity Health) will now be Medica HRA and Medica HAS.
3. Tiered Network will be Medica (which bought out Patient Choice) TC Base Plan and Duluth Base Plan.

The Wisconsin border counties are still being defined and are expected to be a Medica plan. In 2006 UPlan will have a Rx Pharmacy Manager, Rx America [with Generic Plus (\$10 Co-Pay), Brand Formulary (\$20 Co-Pay) and other brands (\$35 Co-Pay) and annual out of pocket of \$750 individual and \$1,500 Family. Also we will have a Wellness program provided by Harris Health Trends. When contracts are completed, more detail will be available. Until then provisions can change.

The 2006 health care premium structure will likely include Employee and a tiered dependent structure. The tiered structure will be:

1. Employee plus Spouse/Partner.
2. Employee plus one or more Children.
3. Employee plus Spouse/Partner and Children.

The cost increase is in the Employee plus Spouse/Partner and Children, while the others dependent tiers will see savings. The BAC approved the tier plan with the cost increase phased in. The tier fits today's family structure which often includes two working adults. This allows the spouse/partner working for another company the option to use the employee coverage from that employers insurance without purchasing the full family coverage from the University, because employee plus children is less than employee with spouse/partner and children. Also employees that are single parent with child or children also experience savings because of their family structure. One can also opt out if it is less expensive to use the spouse/partner's coverage at their employer and save on the purchase of the University single Employee coverage cost.

The 2006 plan in summary:

1. Many can stay with their physician at base rate.
2. Many will be able to see their physician at base rate for the first time.
3. New Health Improvement programs.
4. Access to UMP & Boynton in all options.
5. Health Improvement Program.
6. Carve-out Pharmacy Benefit Management.

This year everyone will need to re-enroll. While the plan is similar, the structure has changed; your physician of choice maybe in a different plan. Some will pay more if they choose to stay with their physician, some may not. Again, until the contracts are completed, the plan structure is subject to change.

Where to now? Since employers identified health care benefits as a major cost on their bottom line because of the high increasing annual rate, some employers have chosen to divert a portion of this benefit cost to the employees. Employers have deferred a share of the premium cost and increased co-pays and out of pocket maximums. Employers have strived to educate the employee on the need to utilize health care appropriately and make good economic choices which achieve the needed care with consideration of cost. Cost considerations we give when we purchase other commodities.

When health care insurance moved from an employer benefit to an employer benefit/employee expense, the discussion of what, why and who should pay has emerged. Discussions include:

- healthy employees saying I don't use the insurance, why should I pay so much, shouldn't it be based on those that use it the most, pay more?
- why shouldn't families pay more based on the number insured?
- why shouldn't health care costs be based on life style, as used by insurance companies when purchasing life insurance, those that practice/live poor health life styles pay more?
- why shouldn't those that earn more pay more, they can afford it?

At this point we need to remember why we have insurance. We have insurance to manage our financial risk associated with events we can not control which could cause us financial destruction. The guiding Principles for the UPlan Medical Coverage: UPlan is a partnership between the University and its employees to provide quality, cost- effective health benefits to employees, retirees, and their families. By teaming together we create a risk pool that can generate financial benefit for all. While you may be healthy today, that could change tomorrow. The UPlan provides affordable and effective coverage options and choices for all. As employees/consumers we need to engage in our own health and participate in our own health improvement. The UPlan is adding assistance that will encourage and assist employees in making informed health care decisions and participants are expected and encouraged to participate in UPlan programs for health improvement and cost control. It is when you take control of maintaining the quality of our health all in the UPlan benefit. The healthier the UPlan group, the lower UPlan risk, the lower the UPlan rates.

The BAC presented to the Regents the "UPlan, as a partnership between employer and employees, should focus on reducing cost in the marketplace rather than shifting it to employees".

In a recent BAC meeting, the committee heard a presentation on employee health care premium cost based on income. That is, as you earn more you will pay more for your health care coverage without added value, or health care premium cost shifting from employee to employee, based on salary. Please let me know if you support or oppose such a plan. Send your thoughts and comments to jamesonj@facm.umn.edu and copy the BAC Chair gdw@umn.edu.

Staff Development Funds Still Available for Fiscal Year 2004/2005!

Enroll in a workshop, seminar or course and enrich your skills and knowledge! Staff development funds for fiscal year 2004-05 are still available for out-of-pocket expenses of Civil Service staff members (non-bargaining unit) with a 75% or more appointment. Preference is given to applicants who do not have other sources of funds, such as department contributions. Eligible applicants may apply for a one-time grant of up to \$100 per fiscal year. For more detailed information and an application, please go to the Civil Service Committee website at: www.umn.edu/csc.

Watch for the next Civil Service e-In Touch Newsletter on July 14, 2005.

Editor's Note: Due to circumstances beyond our control, you may not be able to access all the hyperlinks by simply clicking your mouse on the link. An option is to highlight the URL, copy, then paste it in your browser. We apologize in advance for any inconvenience.

