

Minutes
HEALTH PLAN TASK FORCE
Wednesday, January 14, 1998
9:00-11:00
229 Nolte Center

Present: Richard McGehee (Chair), Avner Ben-Ner, Robert Fahnhorst, Bart Finzel, David Hamilton, Matt Maciejewski, Richard Purple, Harlan Smith, Robert Sonkowsky

Absent: None

Regrets: Amos Deinard, Judith Gaston, Mary Yamashita

Guests: Chris Kent

Others: None

[Meeting topics: Market Research Update, Executive Summary]

Approval of Minutes

Past meeting minutes will be considered at the next meeting.

Chair's Report

FCC and SCFA will hear a preliminary report on January 15 and the final report on January 29.

Market Research

Mr. Maciejewski obtained some proprietary information on the condition that it not be made public. The task force approved a motion to close the meeting in order to discuss this information.

Executive Summary

It is not possible to conclude if the University would incur greater costs or save money by joining BHCAG because the information that is available shows that the University is in the same price range for health care coverage as BHCAG companies. However, the price spread between the high and low cost options is smaller among BHCAG companies than it is for the current plans offered at the University.

Review of the Recommendations

1. The University should not separate from the State in 1999 since it is basically impossible to do so at this late date.

2. The University should not commit to staying with the State for the year 2000 because it cannot be concluded that the State will provide the benefits most important to the University.
3. The University should continue to work with the JLMC to address University concerns.
4. If the University does stay with the State, all of the University's needs may not be met.
5. The University should be prepared to separate from the State in July if the State's offer does not satisfy the University's most important needs.

Comments:

- Explicitly stating that the University has needs the State is not willing to consider might interfere with achieving University goals at the State level.
- Outlining all of the University's needs in the report is necessary because needs such as medical coverage while traveling are not covered under the current State plan.
- The State has considered offering rider coverage for out-of-area service, but has not done anything about it because the State health plan would have to cover anything not already covered by the rider.
- The recommendations should incorporate that the administration is obligated to follow through on the recommendations since health care coverage is a condition of employment.
- All plans cover out-of-area emergency coverage.
- Employees who have the State health plan and are out of the area for more than three months have coverage at a 70/30 rate.
- Group Health and HealthPartners have good out-of-area coverage even though they are not contractually obligated to do so.
- FCC and SCFA will demand that the final report include the fourth recommendation even if it jeopardizes the University's position at the State.
- Incorporating, "encouraged by..." would soften the demands in the recommendations.
- More investigation of the BHCAG model should take place because the figures that were presented prove that joining BHCAG is a viable option for the University.
- Many may not support the University separating from the State unless the State fails to address the major issues of the University.
- It is not certain if the University will be able to cover its major issues if it separates from the State.
- The University would not have been involved in the most recent discussions at the State if the State wanted the University to go on its own.
- UCare should be commended for their progress towards merger, but that merger will not take place for at least two more years.
- UCare will remain a HMO while UMP will become a care system.
- The recommendations should urge University providers to complete integration sooner than they plan to.
- The executive summary and the research report will be distributed to FCC and SCFA at their next meetings.

Open Discussion

The committee thanked Matt Maciejewski for all of the work he did under such short time constraints.

The task force will meet before January 29 to discuss a draft version of the final report.

Adjourn

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