

BENEFITS ADVISORY COMMITTEE
MINUTES OF MEETING
MAY 2, 2002

[In these minutes: RFP Updates, MEDEX – Emergency Medical Services, Wellness]

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Assembly; none of the comments, conclusions or actions reported in these minutes represent the views of, nor are they binding on, the Senate or Assembly, the Administration or the Board of Regents.]

PRESENT: Fred Morrison, Chair, Linda Aaker, Gavin Watt, Pam Wilson, Jody Ebert, Phyllis Walker, Nancy Wilson, Joseph Jameson, Carla Volkman-Lien, Wendy Williamson, Carol Carrier, George Green, Gailon Roen, Susan Brorson, Richard McGehee, Larry Thompson, Theodor Litman, Dann Chapman, Keith Dunder, Barry Melcher

REGRETS: David Johnson, Amos Deinard, Peh Ng, Marjorie Cowmeadow

ABSENT: Don Cavalier, Frank Cerra, Rachel Estroff

OTHER(S): Kathy Pouliot, Linda Blake, Tonya Soley

GUEST(S): C. Eugene Allen, Martha Johnson, Kathleen Sellew

I). Professor Morrison called the meeting to order.

II). RFP Updates: Professor Morrison reminded members that the bidding law prohibits the Committee from discussing vendors, therefore, the discussion should focus on plan design. Professor Morrison reviewed the Committee's recommendations from the April 4th meeting.

Life Insurance:

- Reduce life insurance coverage for people over 65 years old in accordance with the Age Discrimination in Employment Act (ADEA). By doing this the University will see substantial savings. This money will be transferred to improve dental benefits in 3 ways: provide a wider network, allow implants as a substitute for dentures and permit additional preventive visits for those with pre-periodontal disease.
- As part of the optional employee life insurance, eliminate retiree paid up insurance and replace it with lower rates for everybody with optional coverage. Additionally, the Committee proposed phasing out the optional AD & D insurance based on findings that it is not useful coverage. Those currently enrolled can continue coverage as long as they would like to do so.

Retiree Insurance:

- Consider adding a coordinated plan that would reduce the prescription insured benefit.
- Do not offer dental insurance through the plans being considered but continue offering dental insurance through the University's plan.

Dental Insurance:

- Increase annual maximum for all plans.
- Allow implants.
- Additional preventative visits for those with pre-periodontal disease.
- Provide a broader network.

The Committee agreed to these changes. All savings (e.g., from the life insurance) must be used to support other benefits suggested. The Committee also agreed that a "low cost plan" approach could be implemented in dental insurance, as it already is in medical insurance, so that employees contribute the cost of insurance that is above the low cost for their zone.

III). Future Meeting Schedule and Agenda Items:

- May 16, 2002 meeting will discuss privacy of data. There have been requests to use banked data for health research.
- June 6, 2002 meeting will outline the annual report presentation that will be made to the Regent's the week of June 10th.
- June 20, 2002 meeting will summarize the activities of the 2001-2002 academic year and will recognize those rotating off the Committee.
- August 1, 2002 – discussion of rates and plan adjustments. Rates will be set by the administrative group but the BAC will need to raise issues or concerns members have prior to open enrollment.

IV). Next, C. Eugene Allen from the Office of International Programs gave a presentation on travel emergency medical service. Some services offered include medical emergency evacuation, repatriation (preparation and return of remains), family visits, medical support, etc.

Current UPlan international medical coverage includes some of the same coverage as “out-of-network” coverage but does not include the following:

- Worldwide liaison service; on-site assistance
- Medical evacuation costs and repatriation costs
- Allowances for family members to join
- Medical support services and travel support services

The International Programs Office is asking the University to consider offering to its faculty and staff the same services that are currently offered to the University’s graduate assistants (with a 25% appointment or more) and graduate and undergraduate students on the student health benefit plan.

The graduate and undergraduate student plans are provided by MEDEX. Features of the MEDEX emergency medical insurance plan include:

- Travelers are covered 100 miles or more from their home. (There are a few countries that MEDEX deems unsafe e.g. North Korea, Afghanistan, Iraq, etc. and in those countries they do not guarantee full service support capability).
- Evacuation to appropriate health care facilities rather than the closest point.
- The services of an experienced individual that knows how to deal with emergency situations in an extremely timely manner.
- Emergency family reunion.
- Evacuation back to the United States.

Estimated cost for University faculty and staff is roughly \$7 year for similar coverage. The cost for the graduate assistance plan is .80 cents per member per month. The cost is low because not everyone travels.

Issues the University needs to consider on behalf of its faculty and staff include:

- How can an individual access the necessary care while traveling?
- Who should be called and is the person that is called experienced in dealing with handling a medical emergency situation?
- Where will the individual be evacuated to?
- What kind of health care can be expected once evacuated?
- Without having a significant amount of cash in many developing third world countries there is no admission into a hospital regardless of ones medical condition. MEDEX provides someone that is familiar with this type of situation to act as a representative for the individual needing medical assistance.

Associate Dean of the Graduate School, Professor Green, relayed a story that spurred the graduate school into offering this type of coverage. MEDEX is a service that supplements medical coverage, it does not pay medical expenses. Most medical insurance companies do not have a plan in place to handle these types of situations and a lot of them do not pay for the services that MEDEX offers. Rather, it covers all the extra

services to get the person needing medical attention to the appropriate doctor and/or hospital as well as necessary drugs.

Professor Green highlighted services offered by MEDEX:

- 24 hour nationwide medical referrals
- Evaluation and monitoring of treatment
- Medical evacuations and repatriation if necessary
- Assistance with coordination of on-going rehabilitation after evacuation
- Coordination of emergency medical vaccine and blood transfers
- Help replace lost medication and/or medical supplies
- Verification of insurance coverage to facilitate hospital admission
- Continuous updates to the family and home physician
- Assist with the transferring funds
- Help with lost passports or other important documents
- Language interpretation services
- Emergency cash advances
- Referrals to translators or lawyers
- Emergency message transmittals
- Return of children and traveling companion

MEDEX has a support system and a communication network in place. Individuals are covered worldwide on personal travel as well as University business.

The University needs to consider:

- If it offers such a plan, the method under which it will choose a provider e.g. add faculty and staff to current plan or go out to bid
- Whether the bid will be for full or secondary coverage
- Consequences of not offering this coverage
- Whether it will choose to be a third party administrator or self-insure the plan

The University has an old policy that offers very limited services and is applicable only for accidents (not sickness), only for persons traveling on official business, and is not available for dependents. If the University decides to offer a plan such as MEDEX it could drop the other plan and use the premium toward this type of plan.

Professor Green suggested forming a Subcommittee to research this type of coverage. Additionally, he mentioned conducting a random survey to determine how many faculty and staff travel.

The Committee unanimously voted to form a Subcommittee to investigate offering this type of coverage in the future. Subcommittee members will include George Green, Pam Wilson as well as Kathleen Sellew and Martha Johnson from the Office of International Programs (OIP).

V). Complaints on health plan providers:

- Concerns about Definity's claim processing procedures - Definity is aware they had some problems at the beginning of the year but assures the University that those have been corrected. The Committee and Employee Benefits will continue to monitor these concerns.
- Choice Plus concerns – the provider directory does not accurately represent its providers and the directory doesn't indicate which specialists are in what areas and the clinics refuse to release that information. Other complaints include processing claims for those 65 and older and issues around co-pays.

Dann Chapman, Employee Benefits, requested that all issues not being resolved by health plan administrators in a timely manner be brought to the attention of Employee Benefits.

VI). Wellness Update: It has been recommended that the University have someone come in to assist with plan design. Two institutions, Duke and Ohio State, were cited as having fairly extensive wellness programs. Examples of each institution's programs were highlighted. Of particular interest to members was the concept of a farmer's market. Ms. Carrier, Ms. Aaker and Joe Jameson will investigate the logistics of bringing a farmer's market to campus.

Carol Carrier, Vice President of Human Resources, suggested a systematic approach to implementing a wellness program. She proposed conducting a feasibility study that incorporates a health survey to determine what services the University currently offers and services it would like to offer. The University needs to be careful not to duplicate offerings that are covered under its health plan offerings. A motion was made and the Committee unanimously agreed that the University conduct a feasibility study for a wellness program.

Professor Morrison raised the question as to whether the University should be offering any services such as flu shots, in the interim, until a wellness program is put in place. Members were open to considering this and will investigate its feasibility.

VII). With no further business, Professor Morrison adjourned the meeting.

Renee Dempsey
University Senate