Faculty Senate request for input regarding benefit cost increases
College of Design Comments

1. If the University is unable fully to cover increasing health care costs in 2012, how should we respond?

Health care is an important benefit that is one of the reasons people stay at the University. College of Design faculty and staff responding to the request for input, were divided in their responses. A few suggested that it not be either/or decision of across-the-board or higher co-pays but a combination of the two. Concerns included the impact of higher co-pays significantly impacting families with children and those with chronic health conditions.

- One of the reasons people stay at the U is health care benefit. This benefit is in exchange for lesser pay than the private sector, not as many opportunities for career growth, or even lateral moves, and in some cases no 401K retirement. If premiums go up, the University should significantly reduce other U of M services that contribute to overall quality of life such as recreational memberships, fitpass costs, Northup Events and other opportunities that would improve an employee’s health.
- Option of same or similar coverage with increasing the co-pay seems better; those who use more health care would pay more without having to pay additional across the board costs
- A combination of higher co-pays and higher premiums; not just one or the other.
- I wouldn’t mind paying for higher premiums/co-pays, but then get rid of monthly parking fees.
- Hope that an increase across-the-board would spread out the burden of premium costs.
- I believe that across-the board increases would most fairly distribute the pain.
- Agree with a moderate increase in co-pays in combinations with across-the-board increases. HOWEVER, this could significantly impact families that have chronic health conditions, children, etc.
- I’d like to see a combination of the two; our co-pays are really low right now.

2. If we impose higher employee premiums, should we cap the amount that an employee must pay for coverage as a percentage of salary, in order to avoid substantial federal financial penalties that would be imposed on the University beginning in 2014?

All respondents from the College of Design supported a cap on the amount employees pay for coverage as a percentage of salary.

- Yes, cap as a percentage of salary. Those who are on the lower end of the pay scale should not bear an undue burden for their insurance.
- Yes. I like limiting the amount that an employee must pay for coverage as a percentage of salary.
• Yes. If a higher employee premium is enforced, I strongly believe that it should be capped. I also feel that with a higher employee premium there should be a higher employee hourly wage/salary. Increasing premiums will create higher expectations of services provided, the quality of services received, and the timeliness/efficiency of the services given. Increase in premiums will have a serious ripple effect. If premiums go up, the University should be prepared to offer services like the recreational center, fit passes, and other U of M benefits at lower costs to keep morale up. If people feel cheated or dispensable, quality of work commonly goes down... this could affect the student population as well. If they feel they are not getting the kind of assistance, service, and education they are paying for, most students do have the option to pay tuition elsewhere.

• Yes. We need a cap.
• Yes. Unless the amount alters before 2014.

3. **Should we substantially reduce the premiums or co-pays for employees who either (a) have satisfactory biometrics, or (b) are making real progress in improving their biometric results through health improvement activities?**

*There was no clear response to the use of biometrics as a means of lowering benefit costs for some employees.*

*Concerns included issues of privacy regarding medical records as well as situations in which a person may not have control of health outcomes.*

*A question was raised regarding the substantial reduction of costs—would that imply a substantial INCREASE of costs for other employees?*

• Yes, incentives for “controllable” biometrics would be a fine thing
• Yes. Absolutely reduce premiums for employees that meet the criteria identified. I am an avid supporter of healthcare for everyone, but also feel that people who take extensive time to maintain their quality of health through the use of exercise, spend more money to buy healthy foods, and take home to prepare home-cooked meals should be rewarded for good health behavior and choices.
• No. Neither of these would be fair to those like me who have had transplants and other medical problems. I would not be in favor of this.
• No. I do NOT like the idea of the University probing into private medical data. That’s between the individual and their health care provider.
• No. I don’t know how this would be determined and it does not seem equitable. Other things are going to be more motivating toward good health.
• No. There are too many situations outside a person’s control and I would hate to see the institution penalize individuals.
• Maybe. There needs to me more information. It is not clear what is meant by “biometrics”. Is this the same as “health screenings”? Does substantially decreasing costs for some imply substantially increasing costs for others?
4. Should we offer, as an option, a network that consists only of providers who provide above-average quality of care at below average costs? Such a network might not be available in all locations.

*Again, the response was divided on this suggestion. Among the concerns was the decision-making regarding which providers would and would-not be in the network. Also, questions regarding employee choice and pre-existing relationships were raised. As one person said, I really like Health Partners and would not like to have to change providers.*

- Yes. A low-cost, high-effective network alternative sounds good. Though it might not be an option for non-metro participants (ie, coordinate campus or extension centers), it would likely to be easy to implement for metro folks.
- Yes. One of the reasons we all pay so much for health care is that a huge cost for average to poor quality care. As a very large employer, the University of Minnesota should be using it’s group buying power to push the health care market toward better quality care at lower cost.
- Yes. If one can be found, sure. But don’t cut out the lower income employees.
- Maybe. I really like Health Partners and would not like to have to switch.
- Maybe. This is worth considering. It seems a good options would also be able to provide more information about quality of care and cost of care of providers and networks.
- No. I do not feel the network should be limited. Who gets to decide which providers get to stay, go, or are added? By limiting the access to providers that employees have pre-existing relationships and healthcare history with, you would affect the consistency in patient care as well as someone’s potential ability to utilize their healthcare benefits. Who gets to decide who is in the network and who is no longer in the network.
- No.

Additional question:

- *Can people who have other insurance decline the University’s insurance? Can employees DECLINE health benefits?*

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