

STAFF CONGRESS MINUTES
JUNE 23, 1982

A special meeting of the Staff Congress was called to order at 3:30 p.m. on June 23, 1982. A quorum was present.

MEMBERS PRESENT: Terry Andrews, Mike Baker, Bob Barnes, Dan Bayes, Cindy Dunaway, Dorinda Giles, Jerry Groeschen, Carol Guthier, Patti Jeffries, Mary Kelm, Bill Lamb, Nancy Perry, Steve Priestle, Linda Sanders, Pam Taylor, Dolores Thelen, Nancy Utz, John Fries, Mike Martin.

MEMBERS ABSENT: Tom Barlow, Gail Cato, Pat Coleman, Gary Eith, Shirley Gallicchio, Don Gammon, Barb Herald, Dan Hoskins, Bonnie King, Joyce Maegly, Ken Ramey.

Dorinda Giles explained that this special meeting had been called to hear the report of the Personnel Policies and Benefits Committee regarding the proposed changes to the Blue Cross/Blue Shield/Major Medical Plan. Dorinda called on Linda Sanders as the chairperson of the Personnel Policies and Benefits Committee.

The members present were given a typed copy, and Linda read her report to the Staff Congress. For those members unable to attend the meeting, a copy of the report is attached to these minutes.

Dorinda Giles then opened the meeting for discussion and questions.

Mary Kelm asked what possible action could be taken if the proposed changes were not endorsed. Linda Sanders said she hesitated to answer at this point until the committee had recommendations to make. Linda said most people they talked to have not been in favor of the changes, but the committee feels that instead of just saying no to them, they would like to be able to offer some alternatives that would benefit the University and staff. Mary asked what the time frame is, and Linda answered the first of the year.

Nancy Utz said she guessed we should make a recommendation that it not be changed, and leave it to Dr. Scholes or the administration to make the decision. Nancy asked Gregg Schulte what the Faculty Senate is doing on this. Gregg said they are to meet on June 28, 1982, to discuss it. He said he feels they will do what we are doing, even though they may be more inclined to accept Item 2.

After general discussion, the chair entertained a motion. Dan Bayes moved to accept the committee's recommendation. Mary Kelm seconded the motion. The vote was taken and passed unanimously.

Dorinda Giles said she will have a letter forthcoming concerning the results of this meeting.

At 3:45 p.m., Mike Baker moved to adjourn and Mike Martin seconded the motion. The motion passed unanimously.

NORTHERN KENTUCKY UNIVERSITY
STAFF CONGRESS

PERSONNEL POLICIES AND BENEFITS COMMITTEE

Report to Congress

June 23, 1982

The Personnel Policies and Benefits Committee has discussed the proposed changes to our existing medical insurance (Log Item No.820601) on two different occasions. The membership unofficially polled constituents to get their reactions. Based on this activity, the following is recommended:

- 1) We concur with the proposal to delete the inpatient diagnostic studies rider. The committee is very concerned about the communication regarding this change. It is imperative that the staff understand its ramifications. They must realize that the burden is on the individual to get prior approval for inpatient diagnostic test hospitalization coverage. Physician orders will not always suffice. Personnel is encouraged to designate a contact person on campus who is well versed in this matter or someone who can get a reliable answer in a relatively short period of time. We do not want our constituents caught in the middle between physician and Blue Cross.
- 2) The committee does not endorse the change in the major medical deductible at this time. This change may prove to be a tremendous burden to the individuals presently utilizing this insurance coverage. For these individuals, the benefit lost far exceeds the cost saved on the monthly billing. Various ideas were offered to offset the added cost to the University. These will be pursued in future deliberations. The committee thought it best to delay action upon this proposed change until such time as the committee can review alternative recommendations. Upon conclusion of this study, a long term commitment can be made regarding the committee's stance on this subject.

Respectfully submitted,

Linda Sanders, Chair
Mike Baker
Pat Coleman
John Fries
Dorinda Giles

Jerry Groeschen
Bonnie King
Joyce Maegly
Mike Martin
Nancy Utz

MEMORANDUM

Davinda
may med 130/640

TO: Dr. Gene Scholes

DATE: May 26, 1982

RE: Blue Cross/Blue Shield/Major Medical Program

We have been notified by Blue Cross & Blue Shield that, effective this July 1, our plan rates will be increasing dramatically as follows:

Single Plans: From \$36.92 to \$51.26 per month (up 38.8%)
Family Plans: From \$79.39 to \$109.93 per month (up 38.5%)
Employee's share
of family plan: From \$42.47 to \$58.67 per month (up 38.1%)

58.67
42.47
16.20
53.74
32.40
194.40

The tremendous cost increases reflect higher medical costs and a huge increase in the number of cases (claims) which were paid during the past year.

The new rates will cost the University in excess of \$110,000 additional this year. And employees with family plans will pay a whopping \$194.40 more for coverage this year.

To relieve these financial strains I propose and recommend we make two modifications to our health care plan:

1. Increase the major medical annual deductibles from \$100 per person/\$200 per family to \$200 per person/\$400 per family. This is not a new idea; rather, it follows a well defined national trend. Making this change would result in a savings of \$2.21 per month for employees with family plans (over \$6,200 per year total), and a savings of over \$15,400 per year for the University.*

2. Remove the inpatient diagnostic studies rider from Blue Cross. This is the provision which covers hospital costs when an individual is admitted for diagnostic tests even if the tests could be performed on an outpatient basis. Since the plan already covers diagnostic X-ray and laboratory services for outpatients, removal of this inpatient rider would not pose a problem to us. Services of a diagnostic nature which absolutely require hospital admittance would still be covered.

Savings from elimination of this rider would be \$2.72 per month for employees with family plans (over \$7,600 per year total), and over \$18,000 per year for the University.

All I read speaks of strong national trends toward having employees pick up more of the costs of various benefits. It is indeed a shame that inflationary pressures are mandating such action.

R. Gregg Schulte

cs * *Recommend January 1 date for change.*