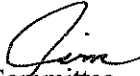





A LEADING AMERICAN UNIVERSITY WITH INTERNATIONAL REACH

April 30, 2015

To: Dr. Margaret Crowder, Instructor of Geography and Geology  
Chair, University Senate

FROM: Jim Cummings, Chief Financial Officer   
Co-Chair, Employee Benefits Advisory Committee

Tony L. Glisson, Director of Human Resources   
Co-Chair, Employee Benefits Advisory Committee

Subject: Faculty Responses to Health/Benefit Plans

The Employee Benefits Advisory Committee appreciates the feedback from faculty concerning the 2015 benefits program and we trust that this response provides helpful insight to the University Senate. At our regular Committee meeting on March 18, 2015, Dr. Eric Kondratieff (History) shared de-identified information collected by the University Senate from faculty members pertaining to the 2015 Health/Benefit Plans. The Committee continued discussions of this information at its regular meeting of April 15, 2015.

For convenience of discussion, the Committee categorized responses under several general topics/concerns. This document is attached for your information.

While not intended to be comprehensive in nature, the Committee offers the following responses pertaining to several topics/concerns expressed by faculty:

- Given the significant changes first implemented in 2015, general administration of the Health Plan and associated vendor/partners will be assessed and evaluated during 2015 for performance, service and program objectives.
- It is recognized that there were substantial changes in plans, programs, services and vendors implemented in 2015, with most going as planned; there were some technical and transitional problems experienced by employees and these will be addressed/fixed going forward.
- Specific to the Health Plan, favorable financial performance is especially important during 2015 and will dictate actions necessary for 2016; it is important to re-build the Plan financial reserve to the recommended level.
- Specific to the Health Plan, an assessment will be made to determine if the original intended employee/employer cost-sharing objectives were achieved through the revised premiums and plan re-designs.
- HSA/HRA accounts will be evaluated to measure the extent of account utilization.

*The Spirit Makes the Master*

Department of Human Resources | Western Kentucky University | 1906 College Heights Blvd. #11003 | Bowling Green, KY 42101-1003  
phone: 270-745-5360 | fax: 270-745-5582 | web: [www.wku.edu/hr](http://www.wku.edu/hr)

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- On April 6, Healthcare Bluebook was launched as a convenient tool to help employees save money by comparison shopping for certain high-cost and/or specialty healthcare services; the tool displays a range of cost by provider/facility, in addition to quality information.
- While allergy injections are covered by the Health Plan, they are subject to the Plan deductible. The Committee will evaluate the cost and other implications of having injections set up so that they require less cost-sharing by participants.
- In consultation with our Health Plan Consultant/Actuary (Sibson Consulting), bariatric surgery and services as well as other treatments associated with weight loss will be carefully reviewed for possible coverage under the Health Plan in 2016.
- The partnership with Know Your Rx Coalition and Express Scripts (as Pharmacy Benefit Manager) was established with the expectation of optimal utilization and cost containment (for both employees and the Plan) due to the extraordinary rise in the cost of pharmacy—and particularly the proliferation of compounding, specialty drugs and other high cost options. With more than six pharmacists available for personal consultation, the Coalition helps employees and covered dependents to better manage the cost and outcomes of prescription drug treatment. As calendar 2015 represents WKU's first year of participation in the Coalition, this partnership will be evaluated for desired service and outcomes.
- Wellness integration/pledges were originally designed and integrated with the Health Plan as a way to encourage and reward employees and spouses/partners for certain actions that promote a healthy lifestyle. Participation by employees and spouses/partners is at an all-time high, with numerous positive testimonials. Eighty-eight (88) percent of eligible employees took the Top Life Pledge which qualified employees for premium discounts and “wellness dollars” in HSA or HRA accounts. As another example of employees being engaged in wellness activities, more than 350 employees and spouses/partners are currently enrolled in Weight Watchers at Work, with more than 3,400 pounds lost to date. Wellness program metrics—including feedback from WKU employees and spouses/partners—will be utilized in overall program evaluation prior to formalizing plans for 2016.
- Weight Watcher participants in off-campus/community groups are now able to receive Tier II wellness credit when participation requirements are met and the required form submitted.
- Given unique administrative and regulatory issues pertaining to employees who waive the Health Plan, a new methodology will be developed to be effective 2016.
- As the Health Plan third-party-administrator, Anthem will be monitored for general performance, and in addition Anthem will be monitored for any new revelations pertaining to the cyber attack and data breach which adversely impacted numerous WKU employees. In consultation with the Division of Information Technology, all benefit vendors will be reviewed for appropriate safeguards to help minimize the exposure of WKU employees to any future cyber attacks experienced by vendors.
- Given perceived broad employee interest, Human Resources will evaluate the options for wellness incentives for employees utilizing the Preston Center and area gyms.

- It is realized that effective employee communication is foundational to a successful employee benefits program. As was practiced in implementing programs for 2015, the Department of Human Resources will continue to utilize a variety of tools and resources helpful to employee/participant understanding including: campus-wide sessions, departmental/small group meetings, HR Liaison outreach, e-mail, short-duration webinars, hard-copy notices, vendor outreach, personal phone consultations, etc.

Under leadership of the Department of Human Resources, our objective is to provide a contemporary employee benefits program that promotes health and well-being while offering appropriate protection and care of employees and covered dependents. This objective includes remaining competitive within the higher education marketplace. Thank you.

xc: Ms. Ann Mead  
Dr. Gordon Emslie  
Dr. Gary A. Ransdell

Attachment: Concerns/Experiences With the New Health Plan

## Concerns/Experiences With the New Health Plan

### Summary of Email Responses from Faculty via University Senate

*(Note: numbers in parenthesis represent a given anonymous comment from faculty)*

#### Health Plan

- No understanding of the new health plan and/or how it works (11,12, 25, 28, 32, 35, 44)
- Not going to the doctor due to the high out of pocket cost, or not knowing how much it will cost, could lead to further health complications and more money spent by the University (2, 17, 18, 22, 31, 32, 39, 43, 49, 55, 56, 57, 78, 80, 85, 89, 90, 93)
- Higher deductibles, higher monthly premiums and out of pocket costs with less coverage (5, 6,14, 16, 28, 30, 32, 34, 39, 40, 42, 43, 47, 51, 53, 54, 55, 56, 57, 78, 93)
- Higher costs for senior employees between the ages of 55 and 65 (11, 18)
- The new plan is discriminatory to employees with a chronic illness, due to the high deductibles & out of pocket costs (14, 30, 49, 57, 93)
- Lower benefit and higher costs for employees who are already healthy and do not use the health plan as much as others (20, 32, 36, 50, 86)
- HSA and HRA funds will not last long enough (2, 17, 40, 43, 55)
- Technical difficulties with Anthem (23, 26)
- Technical difficulties with Wage Works and not understanding how/when to use the card (25, 33, 39, 42, 44, 50, 80, 81)
- Lack of cost of living salary increase making it more difficult to pay the higher monthly premium rates and out of pocket costs (5, 14, 17, 20, 27, 28, 34, 39, 43, 45, 47, 51, 93)
- No warning regarding the costs changes to the health plan, prior to open enrollment, leaving little time to make appropriate decisions & adjustments for the 2015 plan year (9, 19, 32, 35, 57, 93, 94)
- Preventive screenings are covered, but, any follow up appointments that may be required are paid out of pocket (2, 44, 78, 93)
- Changing FSA providers from year to year making it difficult to get claims processed (87)

#### Pharmacy

- Larger up front out of pocket costs, paying for medications in full until deductible is met (4, 5, 7, 8, 9, 12, 16, 17, 18, 22, 30, 31, 38, 45, 47, 53, 56, 79, 85)
- Prescriptions are no longer covered, preventative medications not subject to deductible is limited, must switch to generic brand which may not be as affective (7,8, 12, 44, 78, 79, 82, 89, 91)

#### Wellness

- Issues with the portal, such as, biometric screening results not received, no understanding of how to navigate the portal, and not sure what to do next to complete the Tier 2 requirements (19, 21, 25, 26, 33, 37, 39, 46, 48, 88)
- Only saving a few hundred dollars, may not be worth the hassle in the future (11, 32)
- Being required to disclose personal health information and screenings in order to have health insurance (20, 50, 54, 88, 89, 93)
- Spouse on the plan being required to participate in order to receive the benefit (20)
- Weight Watchers schedule does not offer an appropriate time for Faculty to attend (36)

#### Vision

- Have to find a new doctor that is in the new network (4)
- Avesis does not cover the routine dilation procedure (92)

### Health Plan Opt-out

- Not receiving the full benefit, taxes being deducted causing lower amount than planned on (15, 24)
- Couldn't purchase the HRA because of coverage already provided through the VA (52)

### General Suggestions

- Adding a third (or more) option under gender to include the transgender/transsexual population (19)
- Other options for discounts to premiums, based on prior years of health benefits utilization (20, 86)
- More dialog with employees during the process of developing & evaluating benefit options before a decision is made (20, 47, 93)
- Cost containment plan for those who earn under a given amount (2, 34, 40, 86)
- Possibilities of other insurance, moving away from being self-insured (36)
- Further cost comparison between plans (3, 10, 11)
- Free Preston Center membership for employees who take the TopLife pledge (29)
- HR should create a database of fees for each in-service provider (93)
- Benefits for Adjunct Faculty (1)
- WKU to take back control of Health Services, or, Graves Gilbert should offer more discounts for WKU faculty, staff, and students (27)
- Having to pay two deductibles in one plan year when turning 65 and transferred to Medicare. Employee later found out that the deductible could be rolled over by request only (76)
- Include coverage for hearing aids (74)

### Bariatric Surgery (58-75)

- Add to insurance coverage for the 2016 plan year
- The problems they had with the old gastric bypass surgery isn't the reality today
- Bariatric surgery would help treat other forms of illnesses caused by obesity, thus, lowering health care costs
- Employees who are obese are discriminated against when it comes to the medical treatment they need

### Happy Thoughts

- All of my questions have been answered by HR either through the informational sessions or the website (33)
- It is too soon to offer detailed feedback, employees will have a different opinion on the new health plan once their deductibles are met (33, 48)
- The new health insurance plan with its emphasis on healthy living habits is a very good thing for the University and its faculty (83)
- Monthly premium is \$100 lower than last year and the upfront money in the HSA has been very beneficial as well as the free wellness screening & coaching (90)

### Questions

- (2) How will the effects of the health plan be evaluated for the future?
- (2, 93) How to determine the values of the wellness program has it helped people live a healthy lifestyle?
- (16, 87) Doctors' Offices expect to be paid at the time of service, however, HR says to not pay anything until the EOB is provided from Anthem and a bill is received from the doctor. Which is correct?