

Health Insurance and Salary Presentation for BEC

Tuesday, December 3, 2024

Distribution of Employees Across Insurance Plans

	Employee	Couple	Employee & Kids	Family	CR Couple	CR Family	Total
Healthy PPO 1100	120	31	21	63	6	12	253
Healthy PPO 1600	155	19	19	30	3	1	227
Healthy Saver	433	56	144	158	19	40	850
Total	708	106	184	251	28	53	1,330
Total Percentage	53%	8%	14%	19%	2%	4%	

- Only employees on Healthy Plans
 - AKA: They took the Top Life pledge

Breakeven Salaries

- These are the 2024 salaries where the health insurance premium increases are exactly canceled out by the 2% raise.
- Anyone making below these amounts will see their paycheck get smaller if they are staying on the same plan at the same coverage levels.

	Employee	Couple	Employee & Kids	Family	CR Couple	CR Family
Healthy PPO 1100	\$15,252	\$61,302	\$42,102	\$73,452	\$15,252	\$21,750
Healthy PPO 1600	\$3,402	\$40,650	\$20,652	\$54,702	\$3,402	\$3,402
Healthy Saver	\$7,302	\$52,650	\$30,252	\$64,248	\$7,302	\$9,852

- For employees only insuring themselves and cross reference couples/families, the breakeven salaries are low enough that no one will slide backward on their paycheck

Number of employees with decreasing paychecks

	Couple		Employee & Kids		Family		Total	
	Above BE	Below BE	Above BE	Below BE	Above BE	Below BE	Above BE	Below BE
Healthy PPO 1100	31		21		63		115	
	18	13	18	3	25	38	61	54
Healthy PPO 1600	19		19		30		68	
	14	5	19	0	19	11	52	16
Healthy Saver	56		144		158		358	
	44	12	144	0	92	66	280	78
Total	106		184		251		541	
	76	30	181	3	136	115	393	148

- Overall, absent other factors, 148 employees will see paychecks in January that are less than what they receive now if they stay on the same plan, with those insuring families comprising the majority of those affected.
- That is over 11% of WKU employees.
- A significant number of these same employees also saw decreases after last year's 1% raise.

Implications

- In 2025, 1 in 9 WKU employees will see a paycheck decrease.
 - A significant number of these will endure this for the second straight year.
 - This has clear effects on morale and loyalty to the institution.
- This top-level analysis also doesn't consider the many employees not far above the breakeven points who will see only very minor paycheck increases.
- There are many pros to decentralized budgeting, but this is one of the cons.
 - BEC makes a salary recommendation to executive leadership
 - Benefits committee makes a health insurance recommendation to the president's cabinet
 - Parking sets their rates
 - All three of these affect almost all employees and might best be considered as a whole if we are to make the best possible recommendations.