BLG Members

- Donald Beck – Professor, Physics
- Jane Berner, Retiree
- David Chard - Manager, Instructional Resources
- Larry Davis – Associate Professor, School of Business
- Brett Hamlin – Sr Lecturer/Asst Department Chair
- Mike Hendricks - Institutional System & Analysis Director
- Joe Herbig - Controller
- Renee Hiller - Manager of Benefit Services
- Ellen Horsch - VP for Administration
- Amy Hughes - Internal Auditor
- Deb Lassila - Budget Director
- Rudy Luck - Associate Professor, Chemistry; Senate President
- Anita Quinn - HR Director
- Tony Rogers - Associate Professor, Chemical Engineering
But Why Me?

• Sacrificial lamb?
• Drew the short straw?
• Late to the meeting?
• Renee conveniently “out-of-town?”

• I’m very interested in developing a sustainable wellness program and to help imbed wellness into what Michigan Tech is.
UPDATE ON HEALTHCARE AND RETIREMENT

• Enrollment
• Cost Comparison
• Retirement Plans
• Next Steps
<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>HuskyCare PPO</th>
<th>HuskyCare HSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>915 employees/2,149 covered lives</td>
<td>429 employees/1,306 covered lives</td>
</tr>
<tr>
<td>2010</td>
<td>836 employees/1878 covered lives</td>
<td>538 employees/1615 covered lives</td>
</tr>
</tbody>
</table>
Cost Comparison

• Calendar Year Total Medical Costs
  • 2009 CY net costs: $13.79 million
  • 2010 estimated CY net costs: $14 million

• Net cost per employee
  • 2009: $10,404
  • 2010 (estimate): $10,248

• Net cost per covered lives (employee + dependents)
  • 2009: $3,936
  • 2010 (estimate): $4,032
CY 2010 Retirement Plans

• Enrollment Summary
  
  – 2009 (10.55-2-2 plan): 1,083 employees (93% maximum contribution)
  
  – 5-5-5 plan: 387 employees (80.0% maximum contribution)
  
  – 0-7.5-7.5 plan: 598 employees (82.4% maximum contribution)
BLG Plans for CY 2011

• Review Healthcare Plans
• Develop / Implement Wellness Program •
• Review / Increase Retirement Vendors •

• Recommendations from / alignment with University Senate Benefits Committee
Healthcare Plans

• Review Healthcare Plan Designs Considering:
  – National healthcare reform
  – Cost containment philosophy
• Continue to Educate Employees to be Better Informed and Manage their own Healthcare Costs
Health Care Education - Why?

- Emphasize Prevention and Effective Health Management
- Assure the Flexibility to Meet the Needs of a Diverse Workforce
- Provide Comprehensive Protection for Seriously Ill
- Provide Employees with all the Tools Necessary to Make Educated Decisions
- Help Prevent Unnecessary Healthcare Spending
Health Care Education - Why?

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- Assure the Flexibility to Meet the Needs of a Diverse Workforce
- Provide Comprehensive Protection for Seriously Ill
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Wellness Program

- Year 1: Survey and focus groups
- Year 2: Incentives, plan, and expand
- Year 3: Review, expand, follow success and seek feedback
- Year 4 & Beyond: Continue to assess and expand
Retirement Vendors

• Subcommittee of BLG
• Reason:
  – Several years ago, options cut short (Tax law changes)
• Purpose:
  – discuss and review retirement vendors and fund options
  – Increase vendor options and choices
QUESTIONS?
### HSA

#### Key Statistics

<table>
<thead>
<tr>
<th>Demographics Summary for Medical</th>
<th>Customer Prior</th>
<th>Customer Current</th>
<th>% Change from Prior</th>
<th>Aetna BOB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Employees</td>
<td>N/A</td>
<td>429</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Number of Members</td>
<td>N/A</td>
<td>1,306</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Ratio of Members to Employees</td>
<td>N/A</td>
<td>3.0</td>
<td>N/A</td>
<td>1.6</td>
</tr>
<tr>
<td>Percent Male Members</td>
<td>N/A</td>
<td>49.3%</td>
<td>N/A</td>
<td>50.3%</td>
</tr>
<tr>
<td>Percent Female Members</td>
<td>N/A</td>
<td>50.7%</td>
<td>N/A</td>
<td>49.7%</td>
</tr>
<tr>
<td>Average Age of Membership</td>
<td>N/A</td>
<td>30.3</td>
<td>N/A</td>
<td>32.7</td>
</tr>
</tbody>
</table>

#### Key Statistics

- **Total Medical and Pharmacy Paid Amount**: $0, $3,087,971, N/A, N/A
- **Total Pharmacy Paid Amount**: $0, $380,359, N/A, N/A
- **Pharmacy Paid Amount per Member**: $291, N/A, $434
- **Total Medical Paid Amount**: $0, $2,707,611, N/A, N/A
- **Medical Paid Amount per Employee**: N/A, $6,307, N/A, N/A
- **Medical Paid Amount per Member**: N/A, $2,074, N/A, $2,469
- **Total Medical Capitation Payments**: N/A, N/A, N/A, N/A
- **Medical Capitation Paid per Member**: N/A, N/A, N/A, N/A
- **Total Medical Paid (Claims and Capitation)**: N/A, N/A, N/A, N/A
- **Medical Paid per Member (Claims and Capitation)**: N/A, N/A, N/A, N/A
- **Inpatient Paid Amount per Member**: N/A, $689, N/A, $843
- **Ambulatory Paid Amount per Member**: N/A, $1,385, N/A, $1,625
- **Admissions/1,000 Members**: N/A, 40, N/A, 65
- **Days of Care/1,000 Members**: N/A, 134, N/A, 228
- **Average Length of Stay**: N/A, 3.4, N/A, 3.5
- **Total Surgeries/1,000 Members**: N/A, 322, N/A, 424
- **Inpatient Surgeries/1,000 Members**: N/A, 26, N/A, 36
- **Ambulatory Surgeries/1,000 Members**: N/A, 296, N/A, 387
- **Office Visits/1,000 Members**: N/A, 2,320, N/A, 2,779
- **ER Visits/1,000 Members**: N/A, 140, N/A, 165
### Key Statistics

#### Demographics Summary for Medical

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<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Ratio of Members to Employees</td>
<td>N/A</td>
<td>2.3</td>
<td>N/A</td>
<td>16.0</td>
</tr>
<tr>
<td>Percent Male Members</td>
<td>N/A</td>
<td>46.5%</td>
<td>N/A</td>
<td>50.0%</td>
</tr>
<tr>
<td>Percent Female Members</td>
<td>N/A</td>
<td>50.5%</td>
<td>N/A</td>
<td>50.0%</td>
</tr>
<tr>
<td>Average Age of Membership</td>
<td>N/A</td>
<td>41.0</td>
<td>N/A</td>
<td>32.5</td>
</tr>
</tbody>
</table>

#### Key Statistics

| Total Medical and Pharmacy Paid Amount | $0 | $9,475,197 | N/A | N/A |
| Total Pharmacy Paid Amount             | $0 | $2,042,497 | N/A | N/A |
| Pharmacy Paid Amount per Member       | N/A | $950       | N/A | $7/6 |
| Total Medical Paid Amount              | $0 | $7,432,700 | N/A | N/A |
| Medical Paid Amount per Employee       | N/A | $8,125     | N/A | N/A |
| Medical Paid Amount per Member         | N/A | $3,459     | N/A | $3,073 |
| Total Medical Capitation Payments      | N/A | N/A        | N/A | N/A |
| Medical Capitation Paid per Member     | N/A | N/A        | N/A | N/A |
| Total Medical Paid (Claims and Capitation) | N/A    | N/A        | N/A | N/A |
| Medical per Member (Claims and Capitation) | N/A    | N/A        | N/A | N/A |
| Inpatient Paid Amount per Member       | N/A | $578       | N/A | $1,063 |
| Ambulatory Paid Amount per Member      | N/A | $2,881     | N/A | $2,010 |
| Admissions/1,000 Members               | N/A | 64         | N/A | 90  |
| Days of Care/1,000 Members             | N/A | 196        | N/A | 400 |
| Average Length of Stay                 | N/A | 3.1        | N/A | 4.4 |
| Total Surgeries/1,000 Members          | N/A | 832        | N/A | 662 |
| Inpatient Surgeries/1,000 Members      | N/A | 42         | N/A | 59  |
| Ambulatory Surgeries/1,000 Members     | N/A | 500        | N/A | 609 |
| Office Visits/1,000 Members            | N/A | 3,470      | N/A | 3,416 |
| ER Visits/1,000 Members                | N/A | 214        | N/A | 175 |