As in the past several years, the principal concern of the EBC has been employee health insurance. This involves complex and controversial issues, and is a subject of discussion at every meeting. The most immediate issues are insurance rates and contribution strategy.

**Health insurance rates:** In early August, the EBC received preliminary rate increase estimates. Aetna’s estimated increase, and an even higher estimated OSEEGIB increase, were well above national trends of 12-15%.

At the end of August, the EBC considered and approved a plan that held the premium increase under 12%, avoiding a further 6% increase by raising deductible amounts. The EBC’s letter to President Boren, notifying him of the approval, also expressed serious concerns about the impact of these higher costs on University employees, especially those at lower compensation levels. The EBC recommended that a high-level review of the University’s approach to health insurance be conducted.

**Contribution strategy:** This refers to the portion of health insurance premiums that the University provides for employees, versus the portion that it provides for employee dependents. At OU, the levels are 100% of the employee premium and 0% of dependent premiums. These are rather far from national norms, both at comparable academic institutions and at corporations, since most employers require employees to cover a relatively small portion of their own premium, but provide a significant portion of the dependent premium. Contribution strategy has been discussed extensively in the EBC for some time, as many in the University community have strongly-felt concerns that our high costs for dependent coverage hinders us in recruiting and retaining faculty and staff. At the same time, a great many are equally concerned about the impact that less-than-full premium coverage would have on employees, especially those at lower levels of compensation. This dilemma was a principal motivation of the EBC’s recommendation for the high-level review.

**Review panel:** In October, the EBC learned that President Boren had approved the review. The steering committee of the review panel is now constituted and has begun work. To examine health insurance and contribution
strategies, it has appointed a 14-member committee, which includes EBC members Brenda Freese and Darryl McCullough. No doubt the panel and its findings will be a topic of vigorous examination by the EBC in the coming months.

**Other matters:** A number of other matters received attention during the past year. These include the following:

1. **Retiree Association member:** For some time, the EBC has had a non-voting member representing the OU Retirees Association. At its February meeting, the EBC unanimously approved a resolution to extend voting privileges to the OURA member. This was also approved by President Boren and the main campus Faculty Senate, and has taken effect.

2. **OTRS choice:** There is a longstanding matter involving retirement plan options. New employees can now make a one-time choice between participation in the Teacher’s Retirement System or in a defined contribution plan. The University has asked the IRS for approval to make this retroactive for current employees who came to OU before the defined contribution option became available, allowing them to make a one-time choice to change over to it. The IRS has had this under “expedited” review for several years, and the University continues to await the outcome.

3. **Annual benefits enrollment:** During the past two years, the Office of Human Resources has implemented a system of online benefits enrollment, which appears to be quite successful. The EBC received several updates about this effort.