Again this year, employee health insurance benefits dominated the agendas of the EBC. The principal matters of concern were the following:

**Contribution strategy:** In a September, 2006 letter to President Boren, the EBC requested a comprehensive review of health insurance benefits. This was motivated in large part by the rapidly escalating cost of health insurance, which had placed an increasing burden for the University’s overall budget. Moreover, it had pushed coverage for dependents out of reach for many low-salaried employees, and put the University at a competitive disadvantage in recruiting and retaining young faculty.

In response, President Boren established the Contribution Strategy and Health Insurance Options Committee, which includes several members of the EBC. It released its first report in August, 2007. The most controversial of its many recommendations was that OU employees begin to contribute a portion of their health insurance premiums, at levels determined by a salary-based tier system. Enhanced by a significant increase in the University contribution, these would lower the cost of spouse and family coverage to a level near national averages.

The EBC reviewed the report at its September meeting, which was attended by several OU employees who gave their views on elements of the report. After extensive discussion, the EBC supported implementation of the report’s recommendations by January 1, 2008. The vote was eight in favor, one opposed, and two abstentions. The University has implemented most of the recommendations. In particular, the increased support for dependent coverage is now in effect, with some changes in timing and contribution tier levels.

**Retiree healthcare benefits:** Some of the most complex healthcare benefits issues involve the retiree insurance benefit. The Contribution Strategy and Health Insurance Options Committee recommended that the University end its commitment to pay toward retiree health insurance premiums for employees hired after January 1, 2008, while continuing to provide employees access to the group insurance plan after retirement, at their own expense. This policy was adopted by the Regents. The Committee is now conducting
a full review of retiree medical matters, with its second report expected later in 2008.

Wellness initiative: Employee wellness was another major topic of recommendations by the Contribution Strategy and Health Insurance Options Committee. Smoking cessation, walking and other exercise, healthcare compliance, and healthier diets are among the lifestyle choices that could over time substantially reduce healthcare costs, and thereby health insurance benefits costs to employees. A Wellness Committee has been examining ways to encourage these choices. The EBC supports these efforts and looks forward to examining the forthcoming recommendations.

Health insurance RFP: The Contribution Strategy and Health Insurance Options Committee recommended that the University conduct a health insurance RFP at three- or four-year intervals. An RFP was conducted during 2007-08, overseen by a task force that included several EBC members. The EBC followed the evaluation process very closely. After examining several competitive bids, the REP committee recommended that the University pursue negotiations with Blue Cross/Blue Shield for medical insurance and Delta Dental for dental. The EBC supported this recommendation unanimously. The University was ultimately successful in its negotiations, and BCBS and Delta will begin covering most OU employees on January 1, 2009. Because of an unavoidable gap in the BCBS network, however, the University is conducting RFP to obtain an HMO provider for employees in the Tulsa area.

Other matters: In addition to healthcare benefits, some other matters received attention during the past year. These included the following:

1. Bylaws update: The bylaws of the EBC had become out of date, so a new set was drafted. Particular attention was given to the membership, and although there were no material changes, the updated wording was cleared with the Tulsa Staff Senate and Health Sciences Faculty Senate before final approval by the EBC.

2. Website: The new bylaws call for an EBC website, which will be maintained by the Office of Human Resources. The EBC hopes to have the website up and running by next fall.

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