The meeting was called to order by the Chair at 1:38 pm.

I. Approval of Minutes

Minutes of the January 17 meeting were approved without discussion.

II. Update on Revised Bylaws (Darryl McCullough)

The bylaws will be postponed until next month. After discussion with Sonya Fallgatter, there were a few items that needed further discussion:

- Technically, it is not necessary to list ex-officio members, however, they need to be mentioned in the official charge of the committee.
- Sonya mentioned this preserves a record of those who should be included and is customary for other committees. The Provost’s Office is willing to update titles if it is necessary.
- The added language can be stated as “Ex-Officio members of the EBC are the Director and Assistant Director of Human Resources and additional Human Resources personnel to be determined by the Director of Human Resources”
- HSC Faculty Senate and Tulsa Staff Senate need to be asked if there is any problem with dropping the “Tulsa Medical School” language from the bylaws.

Bob Farringer, Chair Tulsa Staff Senate, has responded that their committee feels it is OK to drop the language. Kevin Haney, HSC Faculty Senate, has not responded yet. They are meeting today, February 21, 2008.
• Discussion continued on how EBC members are appointed, whether it is from Governing bodies or the President.

Sonya Fallgater told Darryl the Norman Faculty Senate used to nominate two Faculty members for each vacancy, for certain committees, including EBC. The President would then make the appointment. About 15 years again, the Norman Faculty Senate arranged with the President that the Senate would directly appoint about two-thirds of the Faculty membership and the Administration about one-third of the membership.
• Next months’ meeting will have a draft of the bylaws so they can be approved.

III. Update on Rate for Proposal (RFP) Process (Julius Hilburn)

Bids closed on January 22, 2008. There is an 11 member committee, in addition to HR members, our consultants, and members from purchasing, that will evaluate the bids.
• Aetna, Blue Cross Blue Shield (BCBS), and United showed interest in our Active Medical plan.
• Humana has expressed an interest in our Retiree Medical plan.
• Along with Blue Cross and Aetna, MetLife and Delta Dental bid on the Dental plan.
• The 3 carriers for Medical also stated they could administer our Flexible Spending Accounts. ASA Flex also bid on our Flexible Spending accounts.

The evaluation process will continue with a meeting on February 22, 2008. This is the first meeting of the evaluation team. Consultants from Segal have done some preliminary screening by reading all the information from the proposal responses and have prepared summaries for the committee.
• On March 12 and 13, finalists will be asked to make a presentation to allow the committee to ask questions and address any concerns.
• Specific issues will be addressed with the vendors to see what is best for OU.
• End of April is our goal to have a company chosen and communications with campus will begin. Governance groups will be addressed, preferably, before the end of the spring semester.
• The State plan will be a point of comparison.
• We want a 3 year rate guarantee.

Questions/Comments from Committee (Julius’s answers in bold)

In regards to the 3 year rate guarantee, do the vendors have leverage to increase the percentage each year or have a locked in rate?

The ideal would be to have the vendor lock in a maximum increase for each year for three years. They may want to negotiate an increase based on your experience but it wouldn’t exceed a certain percentage or based off certain performance guarantees (i.e. refund if we do not process claims within a period of time). Currently, we do not have any guarantees with Aetna. We have negotiated our rates over the past 2 years based on our experience.
Do you know what Oklahoma State received? We heard that it was a 2 year guarantee but do you know if was a rate one year and a maximum percentage the next year?

I heard they received an initial rate and a maximum not to exceed increase for the next 2 years.

Is 3 years about as long as an insurance carrier will cover someone or is that what we would like?

Three years is a little longer than usual. Two years is more of the norm.

We have looked at the state plan each year from a comparison stand point. If our goal is to lock-in for three years, that exercise may not generate value in the future. The state plan has expressed an interest in becoming our provider.
  - The state does not expect any significant changes to the plan for 2009.
  - Plan design, out-of-network issues, out-of-state coverage, and some restrictions on what they offer are issues that make the state plan less attractive.

Once the vendor is decided, do we have to continue the process of comparing our plan to the state plan?

Comparing to the state plan each year will no longer be of value since we would like to stay with the same vendor for the next three years. Previously, we were debating whether we wanted to stay with the State plan or go to a private policy. We were self funded, then had to go on an emergency basis to the state. We started comparing the State to private policies and have been comparing ever since.

For this RFP process, it is in our interest that once we pick our private policy, we do not compare to the State plan every year.

Once we pick our policy, if it is someone other than Aetna, communication, enrollment, new systems and processes will take about 6 months of transition planning.

Some colleagues said United Healthcare is similar to Aetna with their network issues, especially in the Tulsa area. Are you looking into these issues?

The consultants are looking at network access issues to check the in and out of network areas.

What is the role of EBC in this process?

EBC is the first sounding board after the evaluation team. After the March 12 and 13 meeting, I expect to have an update that will be mentioned to the EBC.

The insurance vendor should communicate better with the employees and I feel they make changes to the plan throughout the year. I have to make a commitment to my plan
for 12 months. I think the insurance company should keep their promise for 12 months as well, instead of changing parts of their plan?

Nick answered unfortunately the medical field is complex and it changes often. Pharmacies and specific procedures have changed due to technological advancement and with those changes, some drugs are no longer covered or some procedures are being covered at a smaller percentage. It is very difficult to communicate. Certain medications can change formularies and no longer be covered by the insurance company.

**IV. Update on Retiree Medical Project (Julius Hilburn)**

The committee has not met since the last EBC meeting (February 1, 2008). The issue is very complex and we continue with the overall goal that any contribution strategies we propose do not adversely impact current retirees, employees close to retirement, and employees that are least able to respond to the change.

- In the next 5 year, 20% of current faculty and staff are eligible to retiree.
- In the next 10 years, 40% of current faculty and staff will be eligible.
- The consultants compiled data from the rest of the Big Twelve and other universities in our benchmarking of 14 schools.
- OU is unique because we are 1 of 2 Big Twelve schools (the other being the University of Texas) that pay 100% premium for retirees. Texas also pays some for dependents.
- Most universities give the employees access to their retiree medical but it must be paid at employees’ own cost.
- OU’s post retirement benefit obligation was $500 million as projected in 2005.
- Today the post retirement benefit obligation is approximately $750 million.
- OU will pay $6 million in 2008 to pay for OU retiree medical benefits.
- Our trend projects that in 10 years, the amount will be $24-$25 million to pay for OU retiree medical.

**V. Update on Wellness Initiative (Nick Kelly)**

The wellness committee has met once. Representatives from all three campuses are on the committee.

- Wellness activities are going on with the different campuses.
- We want to have a coordinated program with all three campuses that has a University brand.
- There are different approaches so we will be trying to figure out what will work best.
- At the next meeting, the consultants will provide a presentation of their nationwide Healthy Campus Survey to help with some benchmarking data.
- The committee has discussed smoking cessation, nutrition, screenings, Health Risk Assessments (HRA), walking, etc.
- 80 employees over the past 4 years have completed an HRA with Aetna but there is no incentive to complete this.
• There are barriers to communication between and among the three campuses.
• All insurance companies in the RFP have a good disease management program.
• We are conducting inventory of what we are doing currently and what we have access to.
• Will continue to meet each month and hopefully will begin to communicate with the campus community in the fall 2008.
• Implementing a program in conjunction with a new insurance program or beginning something in the fall semester is the current discussion.
• In the RFP, vendors will provide disease management programs in regards to wellness. The committee is looking at working with the insurance plan to provide wellness programs to employees.
• Still need to determine what resources are needed to have a full wellness program designed.

Susan commented it would be nice to have some resources available to us in regards to wellness. If the resources are on campus, it makes it more convenient for employees to take advantage and improve their health. I’ve also noticed that employees have mentioned that previous supervisors have made it difficult for employees to take time off. I think if we tried to change attitudes of supervisors and administrators to encourage healthy behaviors amongst their employees would be an inexpensive way to help with the wellness initiative.

Julius answered some departments do have strict policies when it comes to leave time due to the constraints of their department.

Debbie commented some employees get harassed for taking a thirty minute lunch break to go to the gym and work out. As long as someone is not abusing the leave policy, it would be to the advantage of the department to allow employees to take time off due to illness, wellness, etc.

VI. Updates from the Director

No other updates.

VII. Other Business

Darryl mentioned the March meeting needs to be moved due to conflicts. We will reconvene on March 27, 2008.

Julius noted the April meeting might be moved due to decisions that may be made with the RFP committee. EBC’s input is very import and is the first governance group that will be addressed before addressing the other governance groups on campus.

There being no other business, the meeting was adjourned at 3:00 p.m.