The Welfare Committee is trying to find a time that all members can meet. We have not been able to meet as a committee this spring semester, but we have met with the University Benefits Committee on January 26th, 2006.

As you know, the members of the Welfare Committee are also members of the University Benefits Committee which deals with Health Insurance as well as other benefits. The Benefits Committee is presently working on our Health Insurance Benefits for the year 2006-2007. At this present time the national average for rising health care costs is approximately 12% to 15%. Anthem has notified EKU that the health plan should experience a 10% increase in claims and administrative fees for next year. Although the EKU plan is performing better than regional trends the projected increase is still significant and will add about one million dollars to the budget. This increase has to be covered in some way. It is possible that the University could do nothing and simply have both the University and employee pay for the increased healthcare costs. Since EKU is self insured each healthcare dollar is paid directly by EKU, there is no insurance company covering any portion of the costs. Currently the university is paying 66.3% of the total cost of the health plan while employee premiums cover the remaining (33.6%) of the required premiums. However, the Benefits Committee goal is to take appropriate action to minimize the impact of increasing cost while maintaining current plan design. The actions that are being taken to accomplish this include:

- Introduction of a comprehensive wellness program ([healthyyou@eku](mailto:healthyyou@eku)) that is designed to create an environment that enables EKU faculty and staff to engage in many wellness opportunities. The wellness program is designed to assist employees in making wise healthcare decisions while improving their overall quality of life.

- Aggressive negotiations with the three health plan administrators on administrative fees, pharmacy discounts, provider discounts and networks and performance guarantees.

- Use of Artemetrax, a firm that specializes in using health claim data to support healthcare quality and cost containment.

On January 26th the Benefits Committee met and voted to ask three health insurance vendors; Anthem, Humana, and FiServ, to present their proposals for administering EKU’s health insurance benefits for next year. On February 9th the Benefits Committee will meet from 11:00 AM to 3:00 PM to hear the proposals. The Benefits Committee is also looking at ways to create savings for the university and its employees in the prescription drug area through pharmacy discounts as well.

This report respectively submitted by the Welfare Committee;

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