

**RESOLUTION TO APPROVE BUDGET PLANNING COUNCIL  
RECOMMENDATION ON HEALTH CARE**

**Finance and Facilities Committee**

**March 9, 2009**

**First Reading**

Whereas the University is projecting a 2.4% increase (\$863,901) in budgeted health care costs for next year (FY10), and

Whereas Budget Planning Council has recommended a package of cost savings on health benefits, that includes cost increases for employees, for FY10 totaling \$3 million (see Appendix A), and

Whereas the Faculty Handbook requires that changes in employee contributions be approved by Faculty Senate,

BE IT RESOLVED that Faculty Senate approves the Budget Planning Council recommended changes (Appendix A), and

BE IT FURTHER RESOLVED that the Faculty Handbook (III.A), which now reads “The total contributions of all employees will be limited to 10% (or less) of the medical monthly dollar factor on an annual basis (the medical monthly dollar factor includes medical costs, prescription costs, and various administrative fees)” be revised to read as follows:

“The total contributions of all employees will be limited to **25%** (or less) of the medical monthly dollar factor on an annual basis (the medical monthly dollar factor includes medical costs, prescription costs, and various administrative fees).”

# \$3 Million Recommendation

	Current Benefit	Plan Change	Plan Change Impact
Premiums	9.85%	12.15%	\$900,000
Deductible	None	\$200 / \$400	\$800,000
Co-Insurance Limit	\$750 / \$1,500	\$1,000/\$2,000	\$137,500
Office Visit Copay	\$15	\$20	\$220,000
Mandatory Generic	not in place	implement	\$400,000
Mandatory Mail Order	not in place	implement	\$400,000
Spouse Surcharge (\$50 Month)	not in place	implement	\$100,000
Premium based on Highest Paid OU Spouse	not in place	implement	\$60,000
		<b>Changes Total</b>	<b>\$3,017,500</b>