

**FACULTY SALARY AND BUDGET COMMITTEE**

FEBRUARY 27, 2015

**PRESENT:** Marty Abramson, Neal Buckwalter, Larry Burns, Gregg Dimkoff, Steve Glass, Kathy Gulembo (ex-officio), Robert Hollister (Chair), Lori Houghton-Rahrig, Nancy Mack, Paul Murphy, Zack Kurmas, Julia Mason, Jon Rose, Ashley Rosener, Paul Stephenson, Joel Stillerman, Lawrence Williams (student), Mike Yuhas.

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1. The meeting was called to order at 12:00pm.
2. The Minutes of February 13, 2015 were reviewed and approved.
3. The New Program Proposal Health Information Management was reviewed. The committee agreed to request more information before voting.
4. Dave Smith provided an update on benefits. The total employer cost to healthcare went down last year due to a cost shift from the employer to the employee; total cost did increase. Pharmacy and medical claims showed the biggest increase. The industry standard is typically quoted as 20% of the population accounts for 80% of the cost; last year at GVSU less than 1% of the population accounted for 23% of the cost and 11% of the population accounted for 83% of the cost. The biggest cost increases were due to specialty drugs. On a positive note, our generic dispensing rate is now 83% (in other words most people are using generics when they are available). All employee groups are also contributing significant funds to their HSA and nearly 85% are in the High Deductible Plan. The administration estimates an 8% increase in cost from 2015 to 2016; currently the benefits committee in conjunction with the administration is recommending that the deductible be raise by \$250/\$500 (single/family) for 2016 and again in 2017. The administration is attempting to minimize costs by expanding the wellness program and is hopeful that Priority Health will be able to provide incentives for using tools to minimize costs such as apps for your mobile device. While the cost of our healthcare program rises for employees it is important to recognize they are well below national averages which are a premium of \$780/\$4,126 and a deductible of \$2,205/\$4,391. For comparison GVSU has a no premium and a deductible of \$1,500/\$3,000 (single/family).
5. The meeting adjourned at 1:30pm.