

Grand Valley State University

Executive Committee of the Senate

November 19, 2004

PRESENT: Charles Baker-Clark, John Bender, Jay Cooper, Gayle Davis (ex officio), Rob Franciosi, William Hosterman, Jon Jellema (ex officio), George Lundskow, Jean Nagelkerk, Karen Novotny, Jon Osborn (student), William Rogers, John Peck, Lisa Rigsby, Barbara Roos (for Eileen Schendel), Kathleen Underwood

GUESTS: Michael Hill, Kurt Swardenski, Mary Warner

Agenda Items	Discussion	Action / Decisions
1. Approval of Agenda	The agenda of November 19, 2004 was reviewed.	The agenda of November 19, 2004 was approved.
2. Minutes approval	The minutes of October 29, 2004 were reviewed.	The minutes of October 29, 2004 were approved, as amended.
3. Report of Chair	a) The Chair reported that she and Vice Chair Franciosi met with Provost Davis and Jon Jellema to discuss the strategic planning process, early promotion and tenure guidelines and enhancing university communication mechanism.	
4. Report of Provost	a) Provost Davis reported that she will convene a University faculty meeting on December 10 from 1:30pm to 3:00pm to provide a "State of the University" report. b) Provost Davis asked for input on establishing guidelines for early tenure and promotion.	
5. Report of Student Senate President	a) Jon Osborn reported that the student senate is developing a strategic plan for implementation at the end of winter semester. Faculty input is welcome. b) The resolution to remove Taco Bell from campus has been set aside until February 2005.	
6. Old Business	a) Strategic Planning Global Issues from Retreat b) Workload Equity c) Prospectus for a Masters of Education (Chemistry Concentration) d) Prospectus for Major in Chinese Studies e) UCC role in prospectus and final plans	No Discussion No Discussion No Discussion No Discussion No Discussion

e) New Business	<p>a) Packets of information were distributed and a presentation was given by the Advantage Benefits Group (ABG), with ECS serving as a focus group to discuss health, prescription coverage, wellness initiatives and medical benefits to develop a long term strategy for the university.</p> <p>b) Center for Excellence in Science Education</p> <p>c) Center for Excellence in Scholarship and Creative Activities</p> <p>d) Summer Drop/Add Policy (APSC)</p>	<p>Jean Nagelkerk agreed to serve as a consultant to ABG as a strategy is developed.</p> <p>No Discussion</p> <p>No Discussion</p> <p>No Discussion</p>
f) Ideas for Future Fora	<p>Workload equity and enlarging regular faculty</p> <p>The "Next Level:" What is it?</p> <p>Graduate versus Undergraduate Programs</p>	
9. Adjournment	<p>The meeting adjourned at 5:00pm</p>	<p>The next meeting is scheduled for December 3 at the DeVos Center.</p>

Executive Committee of the Senate

November 19, 2004

142 Kirkhof Center, Allendale

11/19/04

Agenda

1. Approval of Agenda
2. Approval of Minutes - October 29, 2004
3. Report from Chair
4. Report from the Provost
5. Report from the Student Senate President
6. Old Business
 - a) *Strategic Planning – Global Issues from Retreat
 - o Visioning the “next level”
 - o Strengthening faculty governance
 - o Steps required to enhance the quality of education
 - Improving Faculty/Student Ratio
 - o Support of scholarship
 - o Evaluation Criteria
 - o Faculty Office space and resources when teaching off “home” campus
 - o Traffic flow & traffic patterns
 - b) *Workload Equity
 - o Release-Time equity and Accountability
 - c) Prospectus for a Masters of Education (Chemistry Concentration)
 - o At UCC Stage
 - o At FSBC Stage
 - d) Prospectus for Chinese Major
 - o At FSBC Stage
 - e) UCC role in prospectus and final plans
 - Resource Balance in graduate/undergraduate programs
 - o To be addressed at ECS Retreat 1/14/05
7. New Business
 - a) Center for Excellence in Science Education
 - a. Waiting for materials from Wendy Wenner & Ed Baum
 - b) Center for Excellence in Scholarship and Creative Activities
 - At Provost’s Office
 - c) Summer Add/Drop Policy (APSC)
 - d) Benefit Package
 - Human resources and advantage benefit group facilitation
8. Ideas for Future Fora
 - Workload equity and enlarging regular faculty
 - The “Next Level”: What is it?
 - Graduate versus Undergraduate programs

SUMMARY OF 2004-2005 BENEFIT BUDGET

<u>Benefit</u>	<u>2004-2005 Budget</u>
Medical Insurance (includes retirees)	\$13,540,828
Life Insurance	161,758
Dental	1,114,017
Retirement	9,542,750
Long Term Disability	204,997
Social Security	6,872,551
Tuition Reduction	1,000,000
Miscellaneous:	544,283
Workers Compensation	
Unemployment	
Parking	
Total Cost	\$32,981,184

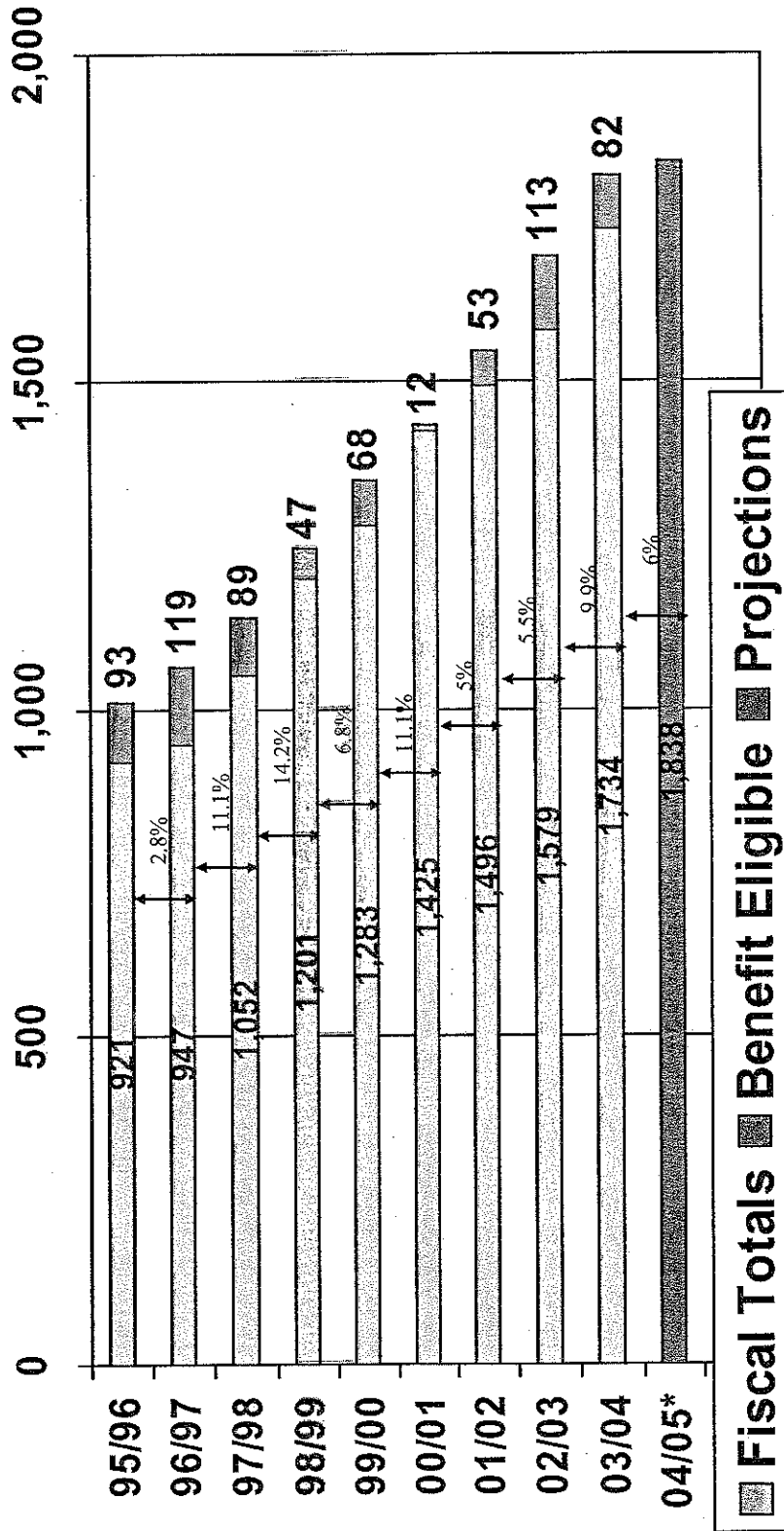
The above does not include compensated absences such as vacation, holiday, salary continuation, jury duty, sabbaticals or other paid leaves.

University provided benefits represent over 36% of the average base pay for faculty and staff.

The total cost for the university provided benefits will increase over 16.5% from the 2003/2004 fiscal year.

Individual Benefit Statements will be available on-line for faculty and staff during the annual benefits enrollment.

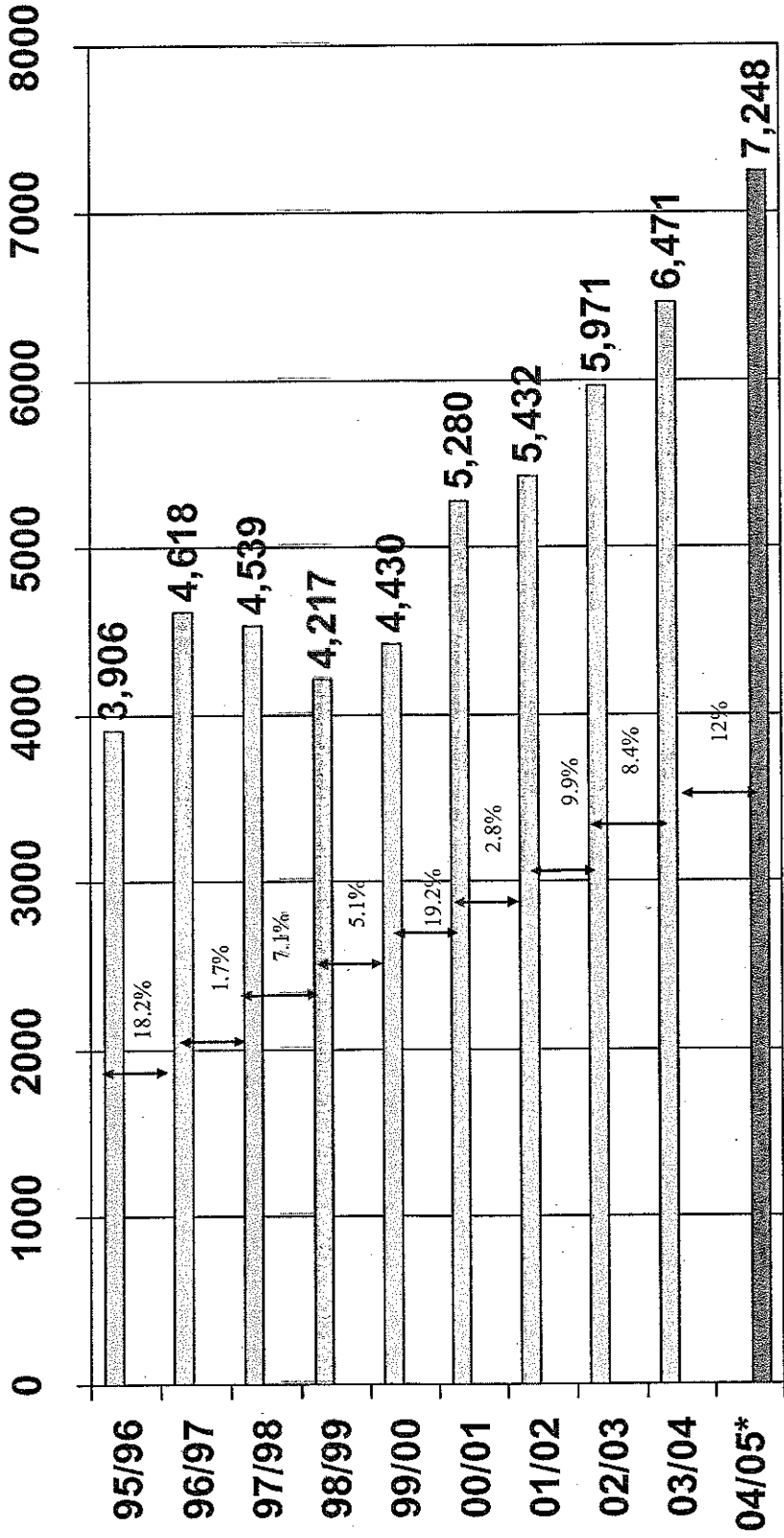
Total Faculty/Staff Covered by Medical Plans



11/19/04

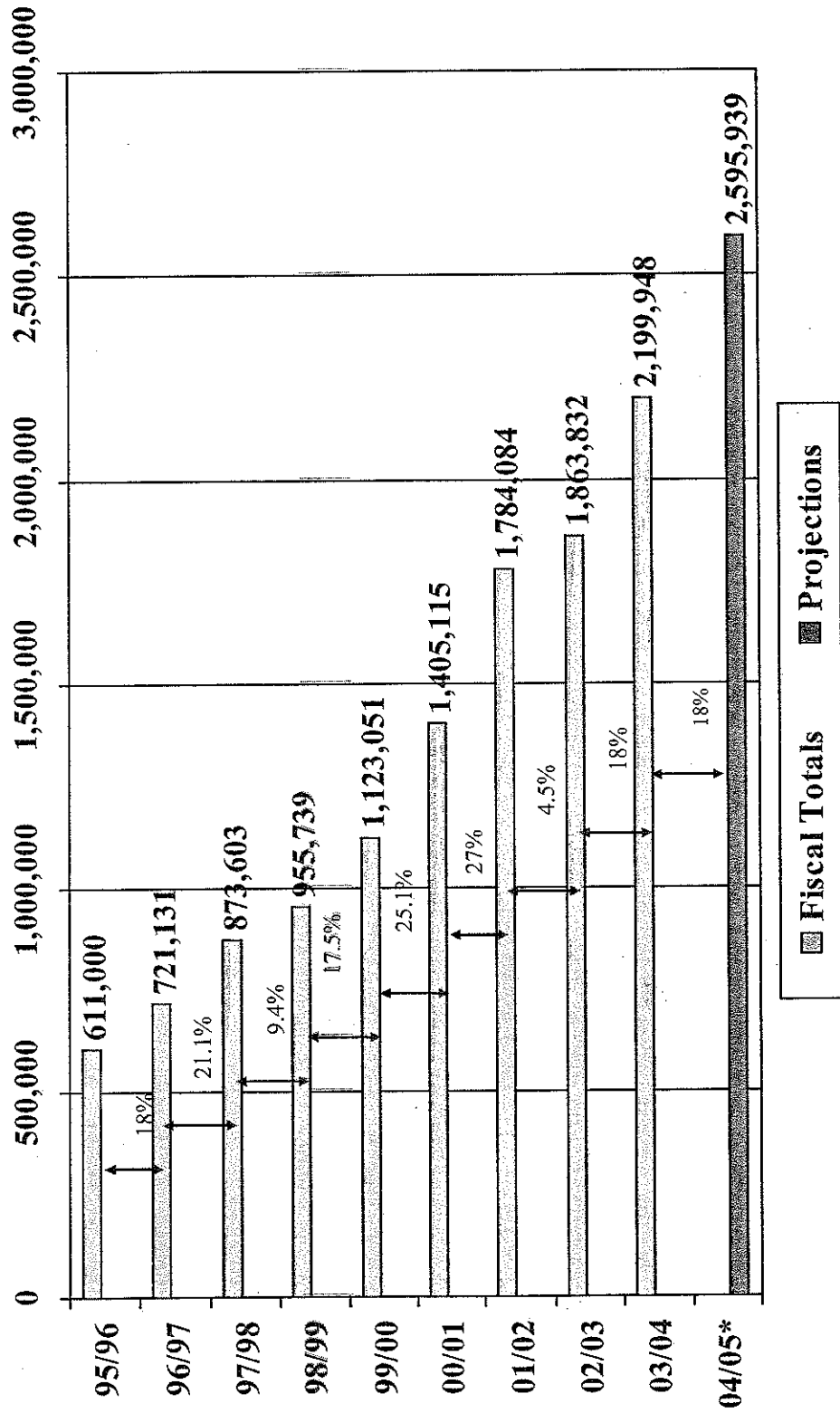
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Average Medical Cost Per Faculty/Staff Member

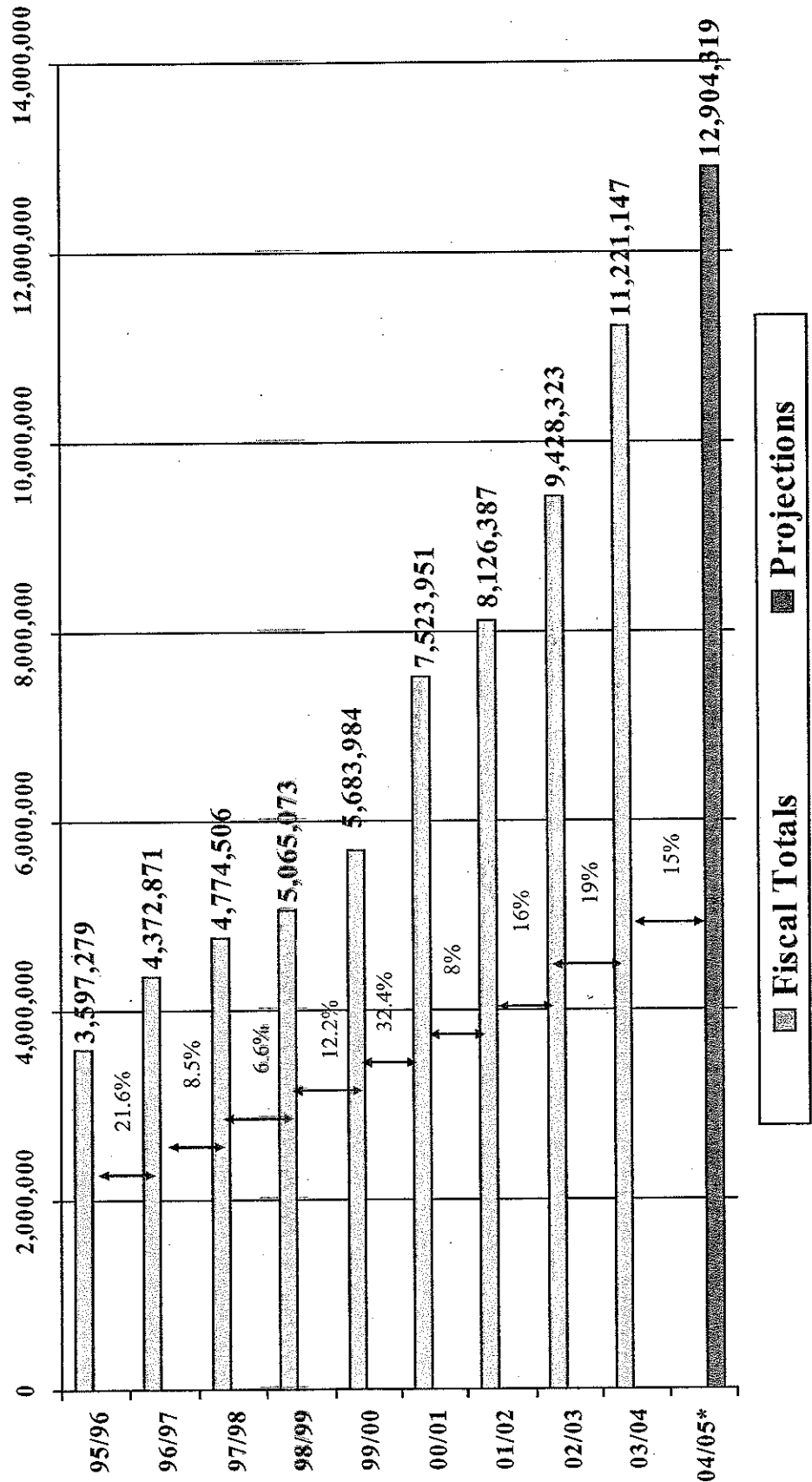


■ Annual Premiums ■ Projections

Prescription Drug Costs



Total Medical Costs



University Medical Comparison

University	Plan Name	Monthly Faculty Cost			Monthly University Cost			Major Med Co-Pay	Annual Deductible	Drug Co-Pay
		Single	2 Person	Family	Single	2 Person	Family			
2004 GVSU	Group Med	\$5.00	\$35.00	\$52.50	\$342.00	\$663.00	\$808.50	0% in - 10% out	\$0 in - \$200/400 out	\$5/\$10/\$20
	Flexible Med.	\$0.00	\$5.00	\$10.00	\$269.00	\$535.00	\$654.00	0% in - 20% out	\$0 in - \$300/600 out	\$7/\$15/\$25
	Priority Health-HMO	\$2.50	\$30.00	\$52.50	\$301.50	\$639.00	\$798.50	0%	\$0	\$5/\$10/\$20
	GVHP - HMO	\$0.00	\$10.00	\$20.00	\$276.00	\$598.00	\$753.00	0%	\$0	\$5/\$10
CMU	MESSA-Super Care	\$76.21	\$341.73	\$352.31	\$424.00	\$780.00	\$894.00	10%	\$50/\$100	\$2
	MESSA- Tri-med	\$0.00	\$120.54	\$106.61	\$424.00	\$780.00	\$894.00	0%	\$0 in - \$250/720 out	\$5/\$10
EMU	Com Blue	\$0.00	\$0.00	\$0.00	\$312.27	\$692.64	\$819.89	0%	0/\$250	\$10/\$20
	Care Choices-HMO	\$0.00	\$0.00	\$0.00	\$334.97	\$770.46	\$926.87	0%	\$0	\$10.00
	MCARE - HMO	\$0.00	\$0.00	\$0.00	\$360.85	\$828.49	\$856.28	0%	\$0	\$10/\$15
FSU	MESSA-PAC	\$83.98	\$83.98	\$83.98	\$708.28	\$708.28	\$708.28	10%	\$50/\$100	\$5/\$10
	BCBS Trad	\$0.00	\$0.00	\$0.00	\$191.70	\$402.58	\$450.53	10%	\$100/\$200	\$5
MSU	Comm Blue	\$18.26	\$65.90	\$76.87	\$324.01	\$680.71	\$800.27	0%	\$0 in - \$250/500 out	\$10/\$15/\$30
	PHP - HMO	\$32.14	\$95.03	\$110.81	\$324.01	\$680.71	\$800.27	0%	\$0 in - 500/1000 out	\$10/\$15/\$30
MTU	BCBSM PPO	\$0.00	\$0.00	\$0.00	\$301.00	\$833.00	\$976.00	30%	\$0	20%

University Medical Comparison

University	Plan Name	Monthly Faculty Cost			Monthly University Cost			Major Med Co-Pay	Annual Deductible	Drug Co-Pay
		Single	2 Person	Family	Single	2 Person	Family			
NMU	BCBS PPO	\$62.50	\$62.50	\$62.50	\$322.16	\$676.54	\$789.93	0%	\$50/\$100	\$10/\$20
	BCBS Trad	\$170.23	\$327.66	\$492.31	\$372.10	\$872.82	\$980.04	20%	\$150/\$300	\$15
	BCBS comb blue	\$59.15	\$82.92	\$209.72	\$416.46	\$919.59	\$1,125.42	0%	0 in \$250/500 out	\$15
	HAP-HMO	\$0.00	\$0.00	\$0.00	\$315.53	\$741.34	\$851.80	0%	\$0.00	\$5/\$10
	BCN-HMO	\$15.17	\$37.26	\$30.73	\$372.10	\$872.82	\$980.04	0%	\$0.00	\$7/\$15
SVSU	Messa	\$0.00	\$270.27	\$375.78	\$423.88	\$680.00	\$680.00	10%	\$100/\$200	\$2
	Health Plus	\$0.00	\$198.17	\$327.28	\$411.11	\$680.00	\$680.00	0%	\$0	\$0
	Health Plus-POS	\$0.00	\$0.00	\$26.93	\$288.53	\$616.33	\$680.00	0%	\$0	\$10/\$20
UM	BCBS Trad	\$193.50	\$436.86	\$636.42	\$303.18	\$556.50	\$764.24	20%	\$250/\$500	20% +\$150 deductible
	Mcare HMO	\$8.62	\$67.10	\$115.06	\$303.18	\$556.50	\$764.24	0%	\$0	\$7/\$14/\$24
	Mcare POS	\$57.18	\$164.22	\$251.98	\$303.18	\$556.50	\$764.24	0%	\$0	\$7/\$14/\$24
	Care Choices-HMO	\$24.22	\$98.30	\$159.04	\$303.18	\$556.50	\$764.24	0%	\$0	\$7/\$14/\$24
	HAP - HMO	\$23.28	\$96.42	\$156.40	\$303.18	\$556.50	\$764.24	0%	\$0	\$7/\$14/\$24
WSU	BCBS Trad	\$238.28		\$632.00	\$222.00	\$495.12	\$100/\$200	10%	\$100/\$200	\$5/\$10
	BCN - HMO	\$30.64		\$81.28	\$217.16	\$570.40	\$0	0%	\$0	\$2
	HAP - HMO	\$20.72		\$66.24	\$214.28	\$485.96	\$0	0%	\$0	\$2
	OMNI - HMO	\$15.40		\$89.32	\$191.12	\$509.88	\$0	0%	\$0	\$2
	DMC - PPO	\$36.68		\$140.32	\$247.36	\$691.36	\$0	0%	\$0	\$1
WMU	BCBS Com Blue	\$0.00	\$162.50	\$244.83	\$365.92	\$607.03	\$724.77	0 in-20% out	100/200in-250/500out	10%
	BCBS Indemnity	\$27.50	\$275.00	\$366.67	\$366.52	\$552.45	\$675.92	0%	\$250/500	20% (\$10-\$20)

**GRAND VALLEY STATE UNIVERSITY
ACTUARIAL PLAN DIFFERENTIAL
Plan Year 2004**

	GVSU Group Medical		GVSU Flexible Medical		Priority Health HMO	Grand Valley Health Plan HMO
	In Network	Out of Network	In Network	Out of Network		
Deductible						
Individual	None	\$200	None	\$300	None	None
Family	None	\$400	None	\$600	None	None
Office Visit	\$15	90%, after deductible	\$20	\$25	\$15	\$15
Coinsurance - (Plan Pays)	100%	90%, after deductible	100%	80%, after deductible	Covered - 100%	Covered - 100%
Prescription Copay	Includes Contraceptives		Includes Contraceptives		Excludes Contraceptives	Excludes Contraceptives
Generic	\$5		\$7		\$5	\$5
Brand Name/Formulary	\$10		\$15		\$10	\$10
Brand Name/Non-Formulary	\$20		\$25		\$20	-----
Mail Order Copay(s)	1x copay for 90 day supply		1x copay for 90 day supply		1x copay for 90 day supply	1x copay for 90 day supply
Network	PPOM		PPOM		Priority Health	GVHP Health Centers
Out-of-Pocket Maximum						
Individual	None	\$2,000	None	\$2,500	None	None
Family	None	\$4,000	None	\$5,000	None	None
Actuarial Plan Differential	1.00		0.98		0.975	0.97
Monthly Premiums						
Employee	\$354.06		\$273.94		\$310.08	\$276.27
Double	\$712.51		\$551.03		\$682.22	\$607.75
Family	\$878.55		\$676.96		\$868.33	\$773.49
Monthly Employee Contributions						
Single	1.4%		0.0%		0.8%	0.0%
Double	4.9%		0.9%		4.4%	2.0%
Family	6.0%		1.8%		6.0%	2.6%
Current Enrollment	765		678		164	49

* The actuarial plan differential is based on tables that assign values to plan features like copays, deductibles, coinsurance and out of pocket maximums.

GVSU Employee Benefit Focus Group

Fall 2004

- Current trends in health insurance in America:
 - Costs continue to rise and employers can no longer shoulder the burden
 - There were few options for employers in the past, cost shifting and benefit reductions were the only options
 - Introduction of Consumer Driven Health Plans in 2002, new plan designs allow employee/consumers to drive down the cost of health care
 - What have you heard

- Current trends if benefits at GVSU
 - Spend \$33 million annually
 - Full package of benefits
 - Goal is to control the annual increase, reduce contribution increase
 - Comparable benefits to other universities

- What is important to you?
 - High level of benefits
 - Lower payroll deduction
 - Coverage from a "Brand Name" insurance carrier
 - The ability to self-refer
 - Why did you pick the plan that you chose
 - Do you ask about generic drugs
 - You tell us....

- Would you be willing to?
 - Take an active role in your health care (Do your homework, Health Risk Appraisal)
 - Become an effective consumer (shop around)
 - Participate in a wellness program, did you use PERKS
 - Pay a higher deductible instead of higher payroll deductions
 - Use YMCA facilities
 - Participate on a health benefits sub-committee throughout the spring and summer of 2005



- How can we communicate with you?
 - How do you receive and understand information best
 - What can we do better

*must participate & receive
Don't lose at year-end* *lose at year-end*

HEALTH SAVINGS ACCOUNTS (HSAs) COMPARED WITH FSAs AND HRAs



	HSA	FSA	HRA
General Description	Trust account used to accumulate pre-tax funds. Pays for Section 213(d) expenses. May be offered through cafeteria plan. Base account is generally interest-bearing checking	Employer-sponsored benefit – employees receive reimbursement for Section 213(d) expenses Offered as part of cafeteria plan	Employer-sponsored benefit- employees receive reimbursement for Section 213(d) expenses
Eligibility	Determined monthly. Must have High Deductible Health Plan (HDHP), \$1,000 single, \$2,000 family. Cannot contribute if Medicare eligible	Employer eligibility rules and make prior election under cafeteria plan. No mandate for high deductible	Employer eligibility rules. May be offered with high deductible health plan, but not required
Tax Treatment	The best asset accumulation vehicle available. Federal income and payroll taxes are not levied on contributions, investment earnings or withdrawals, if spent on qualified medical expenses	Excluded from gross income	Excluded from gross income
Retirement Implications	Employer can provide an attractive vehicle for retirement accumulation. No employer contribution is required	None	Possible application, but not well established from a regulatory point of view
Portability	Yes	No	No
Funding	Cash in personal account. Both employer and employee can contribute	Pay as you go bookkeeping accounts. Usually employee funded	Pay as you go bookkeeping accounts Employer funding only
Employee Contribution Limits	Complex – vary by single/family, age and deductible. Annual maximum is number eligible months times 1/12 of lesser of deductible or \$2,600 single, \$5,150 family (indexed). Employer contribution included in limit	Defined by Summary Plan Description	No employee contribution
Employer Contribution Limits	Allowed, but subject to discrimination requirements "comparable contributions" – same dollar amount or same percentage of HDHP deductible	Generally none	Defined by medical plan
Availability of Funds	Like a Dependent Care account – payable only if cash has been deposited into the account – a significant downside to cash flow for plan member	Available on first day of plan year, regardless of amount actually funded	Usually available first day of plan year, depending on plan document
Vesting	Immediate and portable	Immediate, but not portable	Employer control
Carryover of Funds	Yes	No - The unpopular "use-it-or-lose-it" rule still applies	Yes, may be limited by plan design
Rollover Between Plans	Allowed with special rules	Not allowed	Not allowed
Death of Account Holder	If spouse is designated, treated as account holder. Other beneficiary receives taxable distribution	Reimbursements for pre-death expense	Yes, may be limited by plan design
Employee Discretion on Reimbursement	Complete control: Can allow funds to accumulate with tax-free earnings or spend as desired	Use it or lose it – but not if auto reimbursed, can choose what claims to submit	Defined by plan. Some are automatic, some are discretionary. But no vesting encourages claim filing
Claim Substantiation	Employee is responsible and must retain records with tax documents. No TPA required	Extensive requirements	Extensive requirements
Debit Card	Self-substantiation makes this the ideal product for debit card reimbursement. Personal checkbook is also popular.	Removal of 1099 requirement makes this more attractive, but onerous substantiation requirements can still make debit cards more hassle than old-fashioned paper.	Allowed, with similar substantiation issues as FSA
Auto Reimbursement	Allowed, but not likely to be popular, as many plan members will want assets to accumulate rather than use them in the current year	Attractive, and a major selling feature	Not available for most plans, as HRA administration is usually integrated with medical plan
Non-Qualified Distributions	Allowed, subject to income tax and 10% excise tax	Not allowed	Not allowed
Multiple Plans	HRA and/or FSA not allowed to reimburse expenses that accrue to HDHP deductible	No rule	Order of FSA/HRA reimbursement must be defined by plan
Eligibility of Premiums	No medical coverage except LTC, COBRA health. If over 65: Medicare Part A or B, Medicare HMO, employee share of group medical plan, but NOT Medigap	Not eligible	Defined by plan document. Cannot include employee share of group medical plan – but can include COBRA and retiree medical care, LTC, etc.
Trustee or Custodian	Required	Not required	Not required
COBRA	Does NOT apply	Required	Required. Can pay COBRA premium from account
Impact on Medical Benefit Plan			
Employer Control of Benefits	Employer controls only the amount it contributes	Employer can restrict benefits, but seldom does since employee funds FSA	Employer determines amount funded and eligible services
Drug Benefits	Subject to medical deductible by 1/1/06. Will force integration of PBM claim process with medical plan administration	No impact	Preferred benefit is integration with major medical deductible
Office Visits	Subject to medical deductible	No impact	Preferred benefit is integration with major medical deductible
Preventative Care, Vision, Dental, Accident, Disability, Long-Term Care	Carve-out allowed	No impact	Carve-out allowed

**GVSU Employee Benefits
Focus Group 2004**




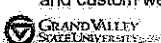
GVSU HR Department Objectives

- To learn how GVSU faculty and staff use and value their health benefit plan offerings
- To educate the GVSU faculty and staff on the current trends in health benefits
- To work with the GVSU faculty and staff to develop a long term strategy for the evolution of the GVSU health benefits



Advantage Benefits Group

- A locally owned firm specializing in employee benefits
- Licensed consultants with over 50 years of combined experience
- Steady growth since 1997, currently over 160 corporate clients
- Dedicated to providing creative and unique solutions to meet our clients needs
- Focused exclusively on employee benefits, including health plans, retirement plans, executive benefits and ancillary lines
- Employee education through meetings, written materials and custom web sites



GVSU Benefits Team

- GVSU:
 - Scott Richardson
 - Mary Warner
 - Tara Bivens
 - Ruth Ann Griffin
 - Laura Kennett
- ABG
 - Kurt Swardenski
 - Michael Hill
 - Stephanie Surrell



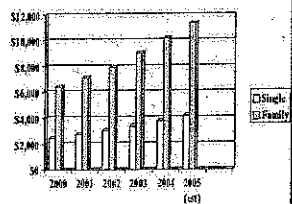
Current GVSU Benefit Package

- Life Insurance
- Short Term Disability
- Long Term Disability
- Vision
- Dental
- Health and Prescription Drug
- Retirement
- Wellness (PERK's)



History of Increasing Health Costs

- Health care costs have steadily increased due to medical cost increases, new technology, new drugs and R&D, and increased utilization



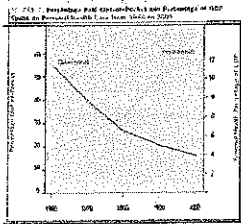
Where do these costs come from?
 What is self-insuring?

- Weyco processes medical claims for GVSU
- GVSU pays all claims up to a specified limit (\$150,000) for each employee annually
- Efficient medical spending by each employee positively effects the bottom line



Utilization has increased while an employees share of the cost has decreased

- Throughout the past 4 decades, a patient's share of health expenses has steadily declined
- This has given patients more incentive to consume health care



Managed Care failed in reducing costs

- Managed care attempted to reduce these incentives by limiting the ability of patients and doctors to spend third-party insurance/employer money
- Managed care may have worked too well as patients became addicted to \$10 co-pays. We are now of the mindset that everything after \$10 is free
- You can visit your doctor for less than you can get a haircut



What has GVSU done to control costs?

- Increased deductibles and annual out of pocket maximums
- Increased faculty and staff payroll contributions
- Increased co-pays
- Implemented a three tier Rx co-pay
- Changed Rx providers
- Changed Stop-loss vendors and made benefit limit change
- Partnered with HealthEOS to assist in health care management
- Carved the prescription drug benefit out of Priority Health



Are these changes short-term or long-term?

- Increased deductibles and annual out of pocket maximum
- Increased faculty and staff payroll contributions
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Past recommendations by faculty and staff

- Continue to offer flexibility and choice
- Charge higher co-pays in lieu of reducing benefits
- Increase the amount of payroll deductions, and maintain excellent coverage
- Keep GVSU competitive with other local universities and employers
- Maintain a high level of benefit for catastrophic illness
- Be conscience of other family and lifestyle choices
- Increase cost/co-pays in a manner reflective of where our costs are occurring (make it fair)
- Consider the impact of taxable income as costs and co-pays are increased
- It is important to provide resources for salary increases and other initiatives



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Long term recommendations from focus group 2004:



What we can't control:

- Increasing drug costs
- The cost of new technology (R & D)
- Network discounts
- Other people's behavior
- Genetics
- Medical inflation
- The number of uninsured
- Legislation
- Cost shifting due to cuts in Medicare/Medicaid





What we can control:

- Our own behavior (diet, exercise)
- How we spend our medical dollars (Do I research my spending?)
- Our involvement in our own health care (Do I follow preventive care guidelines)
- What drugs we buy
- What doctors we see
- Where I seek services (ER vs. Urgent Care, etc.)





History of Consumer Driven Health

- "People spend other peoples money differently than they spend their own" Milton Friedman
- "We must reform health care in America. We must build a modern, innovative health care system that gives patients more options and fewer orders, and strengthens the doctor-patient relationship." President George W. Bush
- Patients must be re-engaged in the sensation of spending money
- Consumer Driven Healthcare (CDH) unleashes the power of the American consumer





What is consumer driven health care?



Control



Responsibility



Both are needed for success!

What is a Health Savings Account (HSA)?

- An interest bearing **account** into which an employer and an employee can contribute money, pre-tax, for qualified medical expenses
- The three T's: Money goes in pre-tax, grows tax deferred, comes out tax free
- Newly available January 1, 2004, replaces MSA
- Must be utilized in conjunction with a High Deductible (at least \$1000 per individual, and \$2000 per family) medical plan
- No office visit co-pay or Rx co-pay allowed, except for preventative care



How does a HSA work?

- A high deductible medical policy is purchased by either the employer or an individual (premium savings approximately 25%-40%)
- A HSA is established to fund qualified medical expenses (premiums, deductibles, Rx, long term care, COBRA)
- Unused contributions roll over and continue to earn interest



The accumulation potential is dramatic

POTENTIAL HSA GROWTH OVER 30 YEARS*

Yr. Annual HSA Contribution	2% return	4% return	6% return
\$500	\$20,231	\$29,302	\$39,526
\$1,000	\$40,462	\$58,605	\$79,052
\$2,500	\$101,155	\$146,512	\$197,630
\$5,000	\$202,310	\$293,025	\$395,260

* Examples are based on 2, 4 and 6% annual compound interest over 30 years deposited in a Financial Institutions' savings account. Annual \$500 deposit shown here for ease of use. Actual savings may vary. Maximum annual contribution limits may restrict the amount you can deposit.

** Annual contributions equally, less any expenses withdrawn.



Consumer Driven Health Plans

- Results from early experience
 - Aetna HealthFund® risk adjusted results
 - Average increase in 2004 = 1.5%
 - Traditional PPO = 15.7%
 - 16% increase in preventive care utilization
 - 11%-13% increase in Internet based provider tools and financial calculators
 - 48% increase in IntelliHealth® health information website
 - More than 50% of participants had account balances remaining at an average of 31% of the fund rolling over
 - 90% satisfaction rating



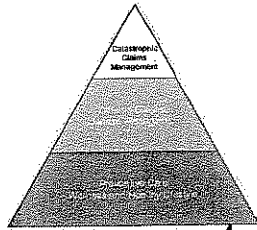
What tools can GVSU give me to make an impact?

- A consumer driven plan:
 - Rewards those who spend their health care dollars effectively
 - Protects against catastrophic loss
 - Directs the power of the American consumer, my spending drives costs (think expedia.com)
- A Wellness program:
 - Healthy lifestyle is rewarded with lower health care costs



Wellness and Disease Management

- Managing Health
 - Wellness
 - Increase plan limits on preventive care
 - Communication campaign
 - Use information from Health Risk Assessable to create communication focus
 - Disease Management
 - Management of current chronic conditions
 - Personal health desktops on web
 - One-to-one coaching
 - Identification and early intervention of "at risk" employees and spouses
 - ROI 2:1 and growing to 4:1
 - Using plan contributions and incentive





KAISER FAMILY FOUNDATION | www.kff.org

About the Kaiser Family Foundation

The Henry J. Kaiser Family Foundation is a non-profit, private operating foundation focusing on the major health care issues facing the nation. The Foundation is an independent voice and source of facts and analysis for policymakers, the media, the health care community, and the general public.

KFF develops and runs its own research and communications programs, often in partnership with outside organizations. The Foundation contracts with a wide range of outside individuals and organizations through its programs. Through our policy research and communications programs, we work to provide reliable information in a health system in which the issues are increasingly complex and the nation faces difficult challenges and choices.

The Foundation is not associated with Kaiser Permanente or Kaiser Industries.

Kaiser Family Foundation Programs:

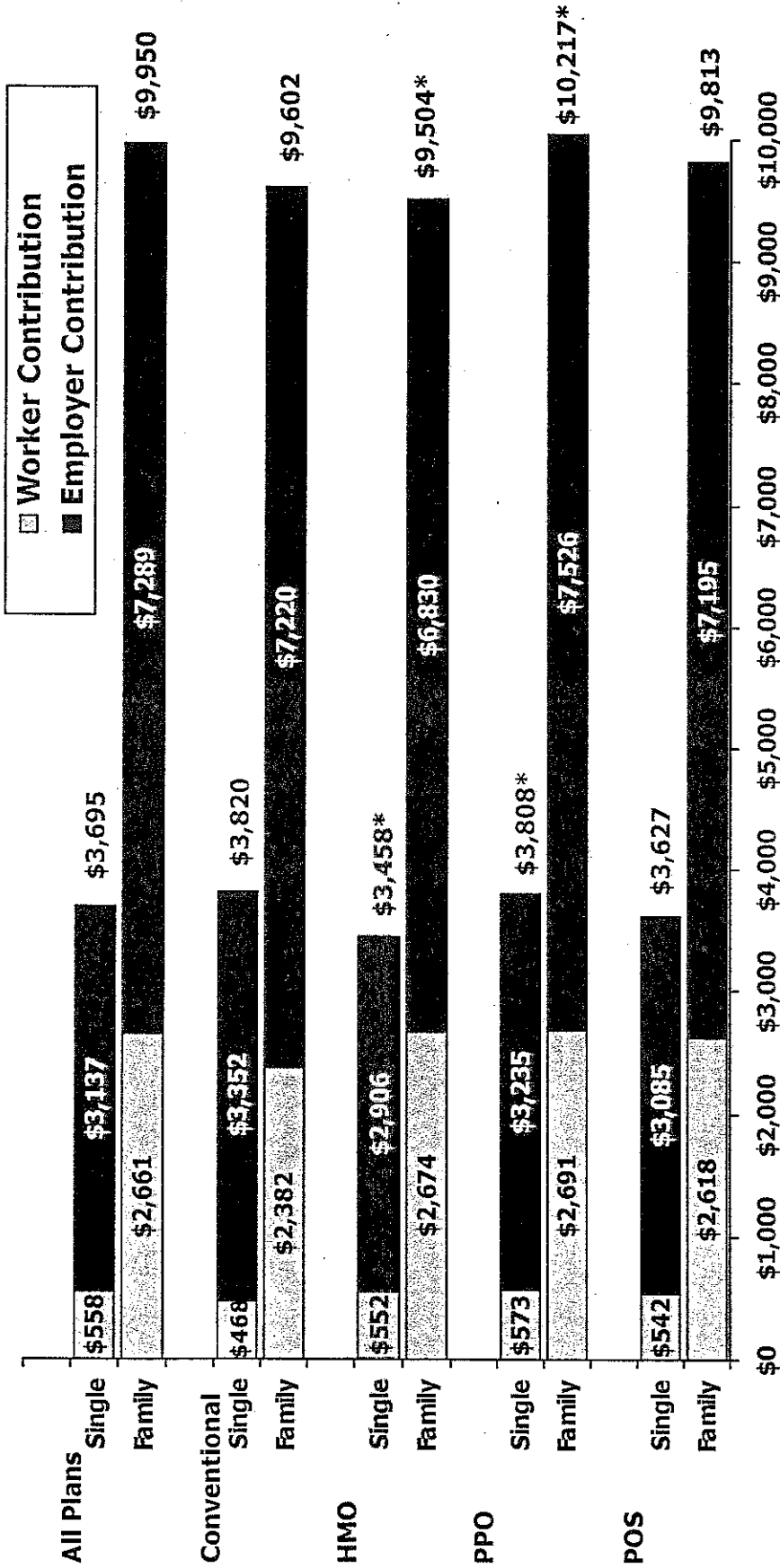
- > Kaiser Commission on Medicaid and the Uninsured
- > Media Fellowships and Internship Programs
- > California Health Policy Project
- > Entertainment Media Partnerships
- > Health Care Marketplace Project
- > HIV Policy Program
- > Medicare Policy Project
- > Program for the Study of Entertainment Media and Health
- > Public Opinion and Media Research Program
- > Race/Ethnicity and Health Care Program
- > Program for Health and Development in South Africa
- > Women's Health Policy Program

Kaiser Family Foundation Websites:

- > kaisernetwork.org
- > kaiserEDU.org

Chart #4

Average Annual Premiums for Covered Workers, by Plan Type, 2004



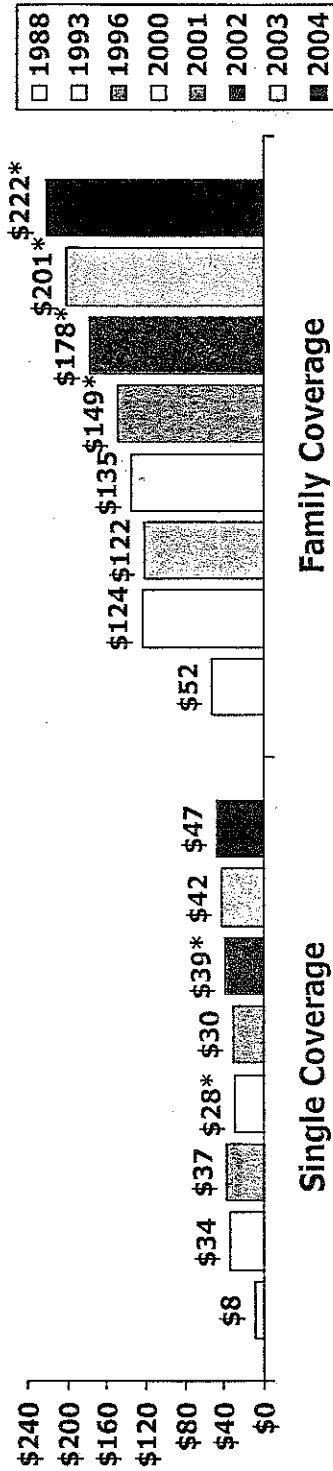
* Estimate of total premium is statistically different from All Plans by coverage type at p < .05.

Note: Family coverage is defined as health coverage for a family of four.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2004.

Chart #5

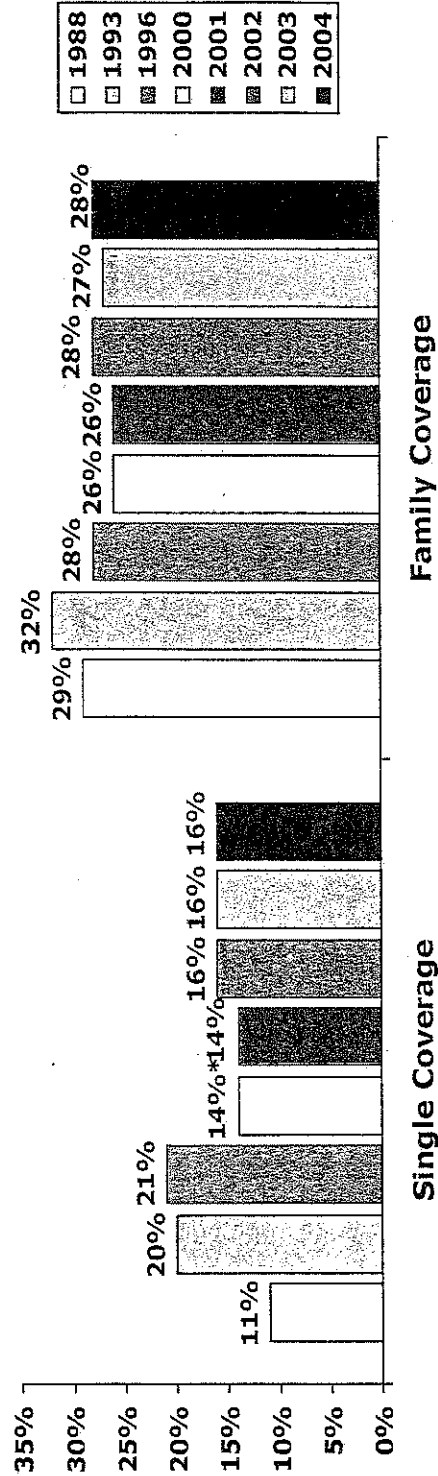
Average Monthly Worker Contribution, 1988-2004



* Estimate is statistically different from the previous year shown at p<.05.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2000-2004; KPMG Survey of Employer-Sponsored Health Benefits: 1993, 1996; Health Insurance Association of America (HIAA): 1988.

Percentage of Premium Paid by Covered Workers, 1988-2004

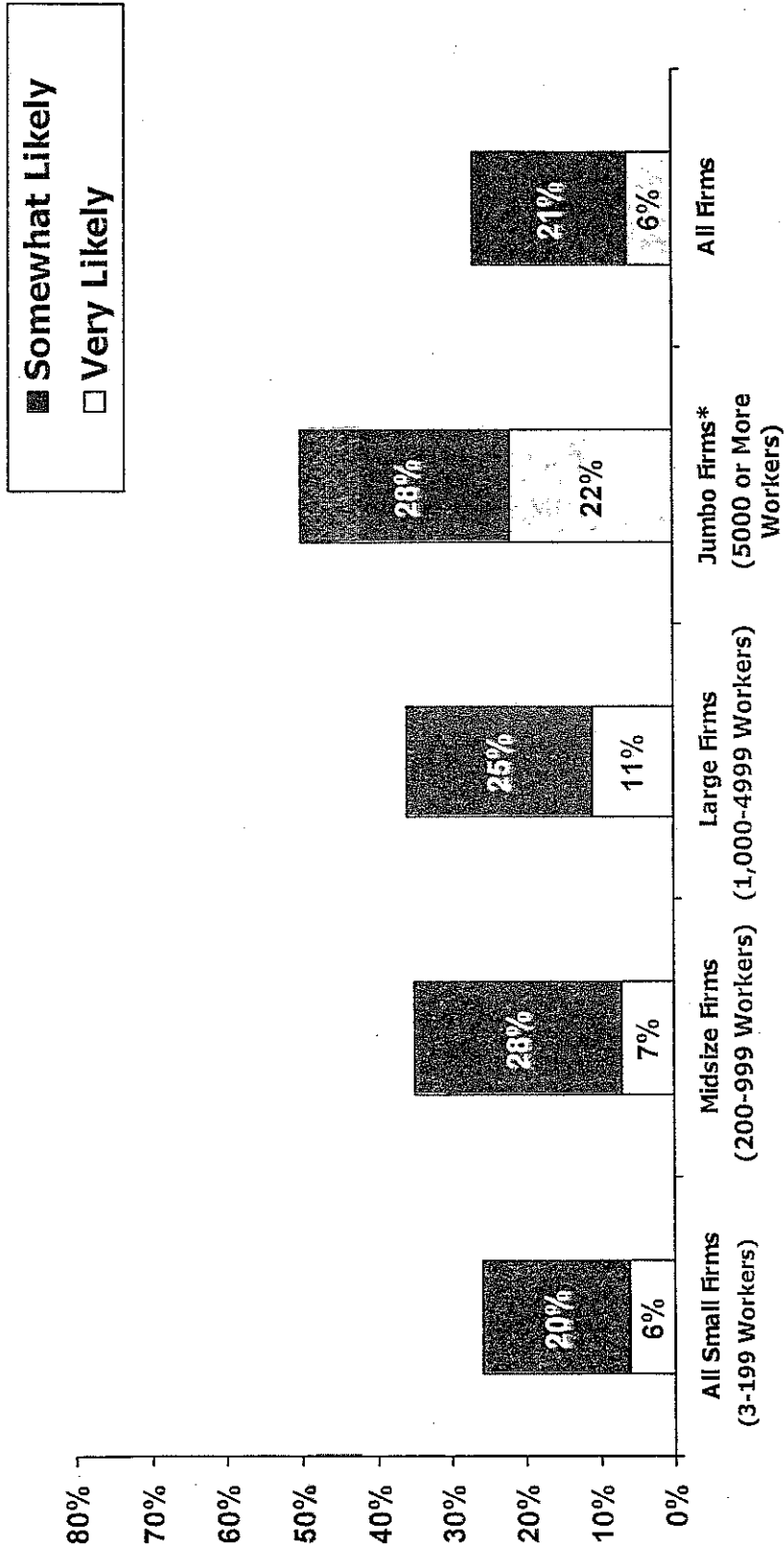


* Estimate is statistically different from the previous year shown at p<.05.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2000-2004; KPMG Survey of Employer-Sponsored Health Benefits: 1993, 1996; Health Insurance Association of America (HIAA): 1988.

Chart #13

Likelihood of Offering High-Deductible Health Plan with a Personal or Health Savings Account Option in the Next Two Years, 2004



* Column total is statistically different from All Firms at p < .05.

High-deductible health plan: A plan with an annual deductible of more than \$1,000 for single coverage. High-deductible plans can be offered with or without a personal or health savings account.

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits: 2004.