May 11, 2016

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Institutions’ Health Plan Changes 2016-17

Issue

Annually, the Board of Regents receives a summary report regarding USHE institutional health benefit plans for the upcoming fiscal year.

Background

The attached report provides Regents with several key metrics for an institution’s health benefit plans including:

- Number of plans available
- Annual costs for employer and employee
- Cost increases (total, employer, employee)
- Major plan design changes

The health benefits package is a critical component of the overall compensation package provided to institutional employees, and is subject to significant conversation and review at each institution. Several institutions’ insurance plans will be experiencing design changes as outlined in the attached information.

Commissioner’s Recommendation

The update of Health Plan changes is an informational item only; no action is required.

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David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS/JBV
Attachments
<table>
<thead>
<tr>
<th>Institution and Medical Provider</th>
<th>Number of Plans</th>
<th>Annual Medical Employer/Employee Costs</th>
<th>Premium Split</th>
<th>Cost % Increase Total</th>
<th>Cost % Increase for Employer</th>
<th>Cost % Increase for Employee</th>
<th>Information (e.g., Plan Design Changes)</th>
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</table>
| UU University Health Care and Regence, Blue Cross/Blue Shield partnership (self-insured) | 5 | Advantage Single $6,108/$624 Two-Party $10,689/$1,092 Family $16,126/$1,647 | 90/10 | 7.1% | 7.3% | 4.0% | • Increased incentive to use University of Utah providers with payer-provider partnership  
• UUHC office co-pay $5; coinsurance 0%  
• In network providers (non-UUHC) coinsurance increase from 15% to 20%  
• Opened worksite employee clinic May 2016  
• Decreased number of plan options from 7 to 5 by combining UUHP and ValueCare  
• 90/10 split represents all plans combined |
| USU Blue Cross/Blue Shield (self-insured) | 3 | Blue Plan Single $4,661/$908 Two-Party $10,521/$2,043 Family $15,183/$2,951 | 90/10 | 5.0% | 0.0% | 5.0% | • 90/10 split represents all plans combined |
| WSU PEHP (not self-insured) | 3 | Traditional Advantage/Summit Single $5,518/$613 Two-Party $11,376/$1,264 Family $15,187/$1,687 | 90/10 | 7.3% | 7.3% | 7.3% | • As part of the Affordable Care Act (ACA), when services are provided by an in-network provider, individual members cannot spend more than $6,550 in out-of-pocket expenses for individual Traditional plans. The individual member cap goes up to $6,850 when the coverage is double or family on Traditional plans |
| | | Preferred Single $5,518/$2,551 Two-Party $11,376/$5,260 Family $15,187/$7,021 | 68/32 | 7.3% | 7.3% | 7.3% | • Chiropractic services will no longer be covered for out-of-network providers. This is in an effort to help manage costs and quality for chiropractic services |
| | | HDHP (STAR) Summit/Advantage Single $4,723/$0 Two-Party $9,788/$0 Family $13,599/$0 | 100/0 | 8.5% | 8.5% | 0.0% | • As part of the Affordable Care Act (ACA), when services are provided by an in-network provider, individual members cannot spend more than $6,550 in out-of-pocket expenses for individual Traditional plans. The individual member cap goes up to $6,850 when the coverage is double or family on Traditional plans  
• Chiropractic services will no longer be covered for out-of-network providers. This is in an effort to help manage costs and quality for chiropractic services |
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<tbody>
<tr>
<td>SUU Educators Mutual (self-insured)</td>
<td>1</td>
<td>High Deductible Single $4,692/$528 Family $13,608/$1,512</td>
<td>90/10</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>• No changes</td>
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<tr>
<td></td>
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<td>Traditional Single $4,656/$1,320 Two-Party $10,488/$3,000 Family $15,060/$4,320</td>
<td>78/22</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>• No changes • Traditional plan has been frozen to existing employees 10/15/2013 – 6/30/2015</td>
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<td>SNOW PEHP (not self-insured)</td>
<td>3</td>
<td>Traditional Advantage/Summit Single $5,517/$613 Two-Party $11,376/$1,264 Family $15,187/$1,687</td>
<td>90/10</td>
<td>7.3%</td>
<td>7.3%</td>
<td>7.3%</td>
<td>• No changes</td>
</tr>
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<td>DSU PEHP (not self-insured)</td>
<td>2</td>
<td>Traditional Advantage/Summit Single $5,517/$613 Two-Party $11,376/$1,264 Family $15,187/$1,687</td>
<td>90/10</td>
<td>7.3%</td>
<td>7.3%</td>
<td>7.3%</td>
<td>• Adding STAR plan July 1, 2016</td>
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<tr>
<td></td>
<td>1</td>
<td>Star HDHP Single $4,723/$0 Two-Party $9,788/$0 Family $13,599/$0</td>
<td>100/0</td>
<td>8.6%</td>
<td>8.6%</td>
<td>0.0%</td>
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<td>UVU UMR UHC (self-insured)</td>
<td>4</td>
<td>Traditional Single $5,185/$576, Two-Party $11,978/$1,331, Family $17,300/$1,922</td>
<td>90/10</td>
<td>1.6%</td>
<td>1.6%</td>
<td>1.6%</td>
<td>• Discontinued Teledoc service, • Added Autism Spectrum Disorder coverage, • Added 3-D mammogram coverage</td>
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<td>SLCC Blue Cross/Blue Shield (self-insured)</td>
<td>2</td>
<td>Traditional ValueCare Single $6,070/$660, Two-Party $13,674/$1,476, Family $19,128/$2,040</td>
<td>90/10</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>• No changes</td>
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