

*Welcome*



# *Agenda*

- Philosophy
- Data & Trends
- 2010 Changes



# *Philosophy*

- Provide healthcare that meets the needs of the majority of ACU employees
- Provide healthcare that is relatively affordable to ACU employees
- Provide healthcare that is relatively affordable to ACU.



# *Data & Trends*



# Health Care Cost Components

(in \$000's)

	2009	2010
Medical	\$3,291	\$3,795
Rx	\$ 923	\$1,008
Fixed Costs	<u>\$ 746</u>	<u>\$ 852</u>
Total Cost	\$4,960	\$5,655
Employee Premiums	<u>\$1,235</u>	<u>\$1,365</u>
ACU Share	\$3,725	\$4,290
Employee Share	25%	24%

Based on data through 6/30/2009

# *Employer/Employee Trends*

	Employer %	Employee %
CY 2007	77%	23%
CY 2008	74%	26%
CY 2009	75%	25%
CY 2010	76%	24%

# *Employee Premiums*

*(monthly)*

	Single	Family
CUPA median 2008-09	\$78.00 HMO \$116.00 POS	\$375.00 HMO \$404.00 POS
ACU – 2008	\$20.00 HMO \$30.00 POS	\$275.00 HMO \$315.00 POS
ACU – 2009	\$25.00 HMO \$35.00 POS	\$290.00 HMO \$330.00 POS

# *Theoretical Trends*

- Political Climate
- Uninsured Americans
- Availability and use of more expensive treatment and drug therapies
- Technological changes and their effect on the intensity of care
- Utilization Increase
  - Aging Population
  - Promotion and Improved Diagnostic Services



# *2010 Changes*



# *Flexible Spending Accounts*

- ACU has made the decision to change vendors for 2010.
- In order to allow the grace period we will have to make the move prior to the end of 2009.
- We pledge to communicate frequently about the move and we will be working with the ACU Benefits HelpLine to make the transition as smooth as possible for you.



# *Adoption Assistance*

- Effective January 1, 2010
- Full-time employees may be eligible for a reimbursement up to \$5,000 of cost of adoption
- Kinship adoptions do not qualify



# *Dental*

- ACU will remain with Assurant for dental insurance in 2010
- Assurant now has contracted providers in the Abilene area
- The plan pays the same percentage no matter what dentist you see; however you may pay less if you see a contracted provider
- Decrease in premiums



# *Premium Structure*

<b>Dental</b>	<b>2009</b>	<b>2010</b>
Employee Only	\$28.88	\$28.01
Employee & Spouse	\$56.73	\$55.03
Employee & Child(ren)	\$68.28	\$66.23
Employee & Family	\$106.79	\$93.25

# *Voluntary AD&D*

- The Voluntary AD&D plan is being restructured to mirror the Voluntary Life plan and give you more flexibility.
- Employee coverage will be in increments of \$10,000 with the maximum benefit being the lesser of 10x annual earnings or \$500,000
- Spouse coverage will be in increments of \$5,000 with the maximum benefit being the lesser of 50% of the employee's election or \$250,000
- Child(ren) coverage will be in increments of \$5,000 with the maximum benefit being the lesser of 50% of the employee's election or \$50,000



# *Health Insurance*



# *Premium Structure*

HMO	2009	2010
Employee Only	\$25	\$28
Employee & Child	\$120	\$132
Employee & Spouse	\$185	\$204
Employee & Family	\$290	\$319

# *Premium Structure*

POS	2009	2010
Employee Only	\$35	\$39
Employee & Child	\$140	\$154
Employee & Spouse	\$205	\$226
Employee & Family	\$330	\$363

# *Misc.*

- Specialist Copay
  - \$30 copay for any provider besides your PCP
- MRI's
  - \$100 copay per visit
- Procedures performed in Physician's office
  - \$50 copay per visit



# *Retirement*

The decision has been made to reinstate the university's retirement contributions for all eligible employees for the time period of June 1, 2009 to May 31, 2010.

We will be sharing more specific information in the coming weeks, including the effective date for this reinstatement.



Q & A

