University Relations
News Bureau
Administration 302
Warrensburg, MO 64093
Office 660-543-4640 FAX 660-543-4943
ucmo.edu

NEWS RELEASE

FOR IMMEDIATE RELEASE

For more information contact:
Jeff Murphy
University Relations-Media Relations
660-543-4640
jmurphy@ucmo.edu

UCM Board Approves Health Plan Rates and Options

WARRENSBURG, MO (Sept. 24, 2013) – After a year-long review of employee health care coverage, the University of Central Missouri's Board of Governors has renewed Blue Cross/Blue Shield of Kansas City as the insurance provider and approved plan options beginning Jan. 1, 2014. Open enrollment will be Oct. 28-Nov. 8, with information about these opportunities to be sent to campus employees Oct. 21. The coverage plan includes a 1.6 percent overall premium increase for the university and some minor changes from the current plan, including provisions to insure domestic partners.

The board approved the health care plan and options following discussion led by Rick Dixon, UCM director of Human Resources, and Bob Charlesworth, health care consultant. Board members in August approved Blue Cross/Blue Shield as the health insurance provider, but asked Dixon and Charlesworth to explore options such as a Health Savings Account (HSA) and an approach to health care that would help to lower costs while maintaining quality health care for employees and their families.

Dixon said he was pleased that the university is able to maintain quality health care coverage without realizing significant increases in cost to the university and employees. One percent of the 1.6 percent increase is attributed to the implementation of the Affordable Care Act. Individual and family plan increases will range from 1.47 to 2 percent, depending on the option selected.

According to Dixon, "Employee Only" contributions in the first coverage tier will remain the same as last year, and "Employee Only" contributions in tiers two and three will increase $1 per month. Family, spouse and child rates will be adjusted accordingly to ranges listed above.

Under the proposal approved by the board, the university's most popular health care coverage option, Plan A, will remain in place as a $500 individual/$1,000 family deductible plan. The maximum out-of-pocket cost, however, will increase from $2,000 individual/$4,000 family to $2,750 individual/$5,500 family.

--more--

“That is because beginning in January 2014, in accordance with the Affordable Care Act, all copays and coinsurance payments (except prescriptions) will count towards the maximum out-of-pocket cost, whereas they currently do not,” Dixon said. “This change keeps the plan cost neutral.”

Dixon said that with only 11 employees currently enrolled, Plan B has been underutilized. This $1,000 deductible plan is being discontinued in 2014.

Plan B will be replaced with a $2,500 individual/$5,000 family high-deductible plan and a Health Savings Account option. The HSA is a tax-exempt account that an employee establishes to use in reimbursing or paying certain medical expenses they incur. Unlike a Flexible Spending Account, funds roll over and accumulate annually if they are not spent. According to Dixon, if an employee chooses this option the university will make a one-time contribution of $600 to their HSA to help offset the higher deductible. Employees, however, must determine whether or not this type of account is right for them. Training sessions related to how to use the HSA will take place prior to enrollment for health care coverage.

Dixon said for the first time, the university is adding domestic partners to the health coverage plan. This applies to both heterosexual and same-sex domestic partners.

Also included in the agreement with Blue Cross/Blue Shield is a $35,000 contribution to be used for wellness activities.

In addition, UCM will continue its “A Healthier You” program, which begins next week. Dixon said this program takes about 30 minutes, and features a Health Risk Assessment of employees as a positive effort to help faculty and staff assess their overall health. The program, he said, also directly impacts future health rates for the university, so it is an investment in the future. About one-third of the university’s employees have participated in this program in recent years, and the university hopes to see a dramatic increase in attendance this year.

# # #