

University of Central Missouri
Board of Governors
Special Plenary Session Minutes
September 21, 2018

The University of Central Missouri (UCM) Board of Governors convened in a Special Plenary Session via conference call on Friday, September 21, at 9:00 a.m. The call originated from the Elliott Student Union, Room 219, on UCM's main campus in Warrensburg, Missouri. Participating in the meeting by phone were Governors John Collier, Marvin E. Wright, Mary Long, Walter Hicklin, and Gus Wetzel II, and General Counsel Lindsay Chapman. Participating in the meeting from Room 219 of the Elliott Student Union were Governors Mary Dandurand and Stephen Abney, Interim President Roger Best, Interim Chief Financial Officer Bill Hawley, and Assistant Secretary to the Board Monica Huffman. The meeting was open and others from campus were present. Student Governor Casey Short was unable to participate and was excused.

Note: Mr. Hicklin was present at the start of the meeting, but absent from the call when votes were taken for agenda items 2 and 3.

Call to Order – Agenda Item No. 1

Mr. Collier presided over the meeting and called it to order. He asked Ms. Huffman to do a roll call and determined that a quorum was present to conduct business.

Calendar Year 2019 Employee Health Insurance – Agenda Item No. 2

Dr. Best thanked Board members for meeting to discuss the proposed rates for employee health insurance plan year 2019. He explained claims data was not made available until the end of July, and consequently, 2019 premium rates could not be determined in advance of the August Board meetings. In order to communicate 2019 insurance plan year information to employees and complete the enrollment process before the year-end, a special Board meeting was needed to obtain approval to move forward. In future years, a timeline will be established to ensure claims data is received earlier and a recommendation is brought forward to the Board in August.

Mr. Hawley reviewed information contained in a briefing paper provided to the Board in advance of the meeting (Attachment). He reminded the Board of the three health insurance plans offered to employees – Exclusive Provider Option (EPO), Preferred Provider Option (PPO), and a Qualified High Deductible Plan (QHDP). As noted in the briefing paper, terms of the contract with BCBS includes fixed EPO rates for the 2019 and 2020 calendar years. However, the PPO and QHDP are subject to rate changes based on plan performance and health care cost variations. The payout on EPO claims for 2018 is 54%, and for PPO claims 96%. The standard payout is 80%. Mr. Hawley stated UCM successfully negotiated a lower premium rate of 1.83% for the PPO and QHDP plans, as the result of a high initial enrollment and positive claims experience for the EPO plan.

Dr. Best said enrollment in the QHDP decreased 50% from this time last year, and the plan very closely mirrors the PPO. UCM hopes to eliminate the QHDP an option beginning with plan year 2020. A communication plan would be implemented in early 2019 to inform employees enrolled in the QHDP of the upcoming change. In addition, as part of the communication plan, efforts will be made to further educate employees about the EPO. Mr. Wright recalled UCM contributes to the Health Savings Account (HSA) of those employees enrolled. UCM contributes \$720 annually to eligible employee HAS's; however, this will stop with the elimination of the QHDP in plan year 2020. Dr. Wetzel asked about the deductible for the QHDP; Ms. Ranea Taylor responded the QHDP includes a two-tier out-of-pocket structure -- \$5,000 in-network and \$14,000 out-of-network. Discussion was held about the EPO and employee concerns. Ms. Taylor shared one issue is ensuring providers understand the billing process. Dr. Best noted BCBS has been responsive in trying to resolve issues, and has reached out to providers to educate them regarding billing. From employees' perspectives, the Plan falls short in pediatric and mental health care providers. This is being addressed.

Mr. Abney asked what the benchmarks are for enrollment in the EPO. Dr. Best responded the goal was for 50% of employees to be enrolled in plan year one; 75% in year two; and 100% in year three. UCM reached 44% in year one. Mr. Wright asked what UCM is currently doing to communicate the EPO plan to employees. Dr. Best responded Human Resources (HR) is responsible for developing a communication plan to employees and will also share information through open enrollment sessions, one-on-one counseling sessions with an HR Specialist or Generalist, and will use other special strategies for those employees who have limited or no access to computers. Additionally, spouses and other family or friends are invited to help their member navigate through the process. Mr. Wright requested the Board receive updates on the status of the health plan throughout the year. Dr. Best suggested updates be provided through the Finance and Administration Committee and a first report be given after the start of the new calendar year.

Mr. Hawley reviewed the negotiated rates for CY 2019, as well as Appendix A of the briefing paper outlining monthly premiums by dollar and employee tier. UCM currently covers the majority of the premium cost at 73%; however, a slight shift will occur in CY 2019 and employees will assume a slightly higher share of the increase. Dr. Best noted UCM has a long history of ensuring employees at the lowest salaries receive the greatest subsidy. These individuals fall into Tier 1 and typically enroll for "Employee Only" due to the high cost of adding family members to their plan. Tier 1 employees will experience an 88 cent per month premium-rate increase for "Employee Only" insurance. For the same coverage, Tier 2 employees will see a \$1.76 per month increase, and Tier 3 a \$2.64 per month increase. Premium cost will also increase for those plans that include added family members.

There being no further discussion, *Mr. Wright* moved that the Board of Governors approve (1) the proposed rate increase of 1.83% for the BlueKC Preferred Provider Option (PPO), and a Qualified High Deductible Plan (QHDP); and (2) the cost share changes as proposed in Appendix A of the briefing paper. The motion was seconded by *Mr. Abney* and carried with the following roll call vote:

<i>Stephen Abney</i>	<i>aye</i>	<i>Gus Wetzel II</i>	<i>aye</i>
<i>Mary Long</i>	<i>aye</i>	<i>Mary Dandurand</i>	<i>aye</i>
<i>Marvin E. Wright</i>	<i>aye</i>	<i>John Collier</i>	<i>aye</i>

Request for Closed Session – Agenda Item No. 3

Ms. Dandurand moved pursuant to the Missouri Revised Statutes, Section 610.021, that the UCM Board of Governors meet in closed meeting, with closed record and closed vote for the purpose of considering contractual and personnel matters. The motion was seconded by *Mr. Wright* and carried with the following roll call vote:

<i>Stephen Abney</i>	<i>aye</i>	<i>Gus Wetzel II</i>	<i>aye</i>
<i>Mary Long</i>	<i>aye</i>	<i>Mary Dandurand</i>	<i>aye</i>
<i>Marvin E. Wright</i>	<i>aye</i>	<i>John Collier</i>	<i>aye</i>

Adjournment – Agenda Item 4

The Board resumed in Plenary Session at 10:00 a.m. and immediately after doing so, *Mr. Hicklin* moved for adjournment. The motion was seconded by *Mr. Wright* and carried with the following roll call vote:

<i>Walter Hicklin</i>	<i>aye</i>	<i>Stephen Abney</i>	<i>aye</i>
<i>Mary Long</i>	<i>aye</i>	<i>Mary Dandurand</i>	<i>aye</i>
<i>Marvin E. Wright</i>	<i>aye</i>	<i>John Collier</i>	<i>aye</i>
<i>Gus Wetzel II</i>	<i>aye</i>		