

Benefits Design Workgroup Meeting Summary

Meeting Date: April 20, 2023

2022 Medical & Rx Plan Performance (Calendar Year January 1, 2022 – December 31, 2022)

- Medical spend up 4.6% or \$2.2 million over prior year (2021 \$49M vs. 2022 \$51.2M)
- Rx spend up 13.2% or \$1.8 million over prior year (2021 \$13.4M vs. 2022 \$15.2M)
- Medical and Rx combined up 6.4% over prior year (2021 \$62.4M vs. 2022 \$66.4M)
- Plan operated at a deficit in 2022 - costs exceeded revenue by 9% or ~\$6M
 - Costs = Plan payments - medical and Rx claims and administrative fees
 - Revenue = Plan accruals - employee premiums and employer contributions
 - The university funds plan deficits

FY2023/24 Health Plan Budget Rate

- Effective July 1, 2023, the Employer Contribution will increase from \$888/month to \$979/month (fiscal year budget rate)
 - ~ \$6mil in additional university funding
- Any change to employee premiums would be effective January 1, 2024 (calendar year premiums)

Dental/Vision RFP Timeline

- RFP will be issued May 5th
- Responses due June 2nd
- Finalist meetings week of June 26th
- Vendor selection week of July 10th
- Implementation and communication July 17th-December 31st
- Effective date January 1, 2024

Respectfully submitted,

Jason Beare

Staff Senator, Med-05