

In Case You Missed It: Unofficial Recap of the Faculty Senate Meeting

These “ICYMI - meeting update” notes do not replace the formal Journal of the Faculty Senate that will be distributed later, and that will be approved at the next monthly meeting. Rather, these are notes and highlights from the perspective of FS Secretary Dave Hambright, with input from Chair-Elect Keri Kornelson and Chair Amy Bradshaw.

September 14, 2020

The meeting was called to order at 3:31 p.m. by Chair Bradshaw. The Faculty Senate Journal for the regular meeting of May 4, 2020 was approved without revisions.

Announcements:

Chair Bradshaw:

- introduced new Senators for the 2021 Academic Year;
- reminded Senators that all meetings, at least for the Fall semester, will be held via *Zoom* unless notified otherwise;
- announced that Rick Tepker (College of Law) was elected by the Senate Executive Committee as Parliamentarian of the Faculty Senate;
- invited all Senators to attend the [State of the University Address](#) with President Joseph Harroz, Jr., on Wednesday, September 16, 2020 at 3:00 p.m.
- indicated that the 2020-21 list of faculty appointments to university-wide committees is available on the Faculty Senate website;
- reported the death of retired faculty member Jim Artman (Modern Languages, Literatures, and Linguistics) on July 19, 2020.

Chair Bradshaw apologized for not providing the Chair’s Report until shortly before the meeting; provided time for Senators to view the report; and asked for any questions or comments. There were none.

Chair Bradshaw then introduced the speaker for the day’s meeting, Lee Camargo-Quinn, Assistant Director for Benefits. Ms. Camargo-Quinn, accompanied by Colin Fonda, Associate Director of Total Rewards, addressed the Faculty Senate regarding HR-proposed changes for the Norman Campus Employees Benefits Plan. A closed-captioned video recording of the presentation and subsequent question and answer session can be viewed at: https://mymedia.ou.edu/media/1_rctecp83

Presentation Highlights:

- The OU Board of Regents tasked HR with:
 - ensuring that benefits provided were not materially outside of peer markets, and
 - that the medical plan design and contribution structure were consistent across the three campuses of OU.
- Comparison of OU’s health plan with the “market.”
 - OU’s health plan design is “well within the market range,”
 - OU is an outlier in terms of OU expense and employee cost,
 - employees with employee-only coverage pay a much lower portion of health insurance premiums than peers,
 - employees with family coverage pay a much higher portion of healthcare premiums than peers, and that of the peer institutions and private employers surveyed, OU is one of the only employers with more than one contribution ‘tier’. “All others had a single contribution strategy.” [Note: during Q/A: we learned that the University of West Virginia has a 12-tier contribution plan, and Baylor University has a three-tier contribution plan.]

- Pending Regents approval, highlights of the proposed 2021 Benefits plan are:
 - Both NC and HSC will continue with Blue Cross and Blue Shield of Oklahoma (BCBS);
 - Plan designs (deductibles, out-of-pocket maximums, co-payments, and coinsurance) will change;
 - All campuses will move to a single plan design and to a common three-tier medical insurance premium contribution structure for 2021 and a one-tier structure in 2022. Rates will be released soon (makeup of RFP committee not specified).
 - Dental plan administrator will change from Delta Dental to Blue Cross Blue Shield (recommended by RFP committee consisting of NC and HSC faculty and staff, members of Employees Benefits Committee, and HR);
 - Vision plan will change to MetLife with a cost savings to employees of ~15% on average, while being cost neutral to OU (recommended by RFP committee consisting of NC and HSC faculty and staff, members of Employees Benefits Committee, and HR);
 - Life insurance plan re-designed
 - Retiree medical plan will move to United Healthcare at a savings of \$4,701,706 to OU (recommended by RFP committee consisting of NC and HSC faculty and staff, members of Employees Benefits Committee, and HR).
- Proposal was justified as one promoting uniformity and consistency across campuses, one allowing leveraging economies of scale, and one reducing the predicted renewal increase from 11.1% to only 6.3% (lower than the average market renewal rate of 7%).
- Current and Proposed tier structure for medical premium contributions (Norman Campus only):

Tier	Current plan	Proposed for 2021	Proposed for 2022
1	\$30,000 or below	\$41,999.99 or below	All employees
2	\$30,000.01 - \$41,999.99	\$42,000 - \$64,999.99	
3	\$42,000 - \$59,999.99	\$65,000 or above	
4	\$60,000 - \$99,999.99		
5	\$100,000 - \$184,999.99		
6	\$185,000 or above		

- Comparison of Current and 2021 all campus plan design (PPO Plan only; HDHP plan comparison can be seen in recording):

Plan provisions	Current PPO	2021 PPO	2021 PPO
	Blue Choice Network	Blue Preferred Network	Blue Choice Network
Annual deductible Individual/Family	\$750 / \$1,500	\$1,000 / \$2,000	\$2,000 / \$4,000
Copays primary/specialist	\$25 / \$35	\$20 / \$30	\$30 / \$40
Coinsurance OU/Member	80% / 20%	90% / 10%	70% / 30%
Out-of-pocket max Individual/Family	\$5,000 / \$10,000	\$5,000 / \$10,000	\$6,000 / \$12,000
Prescriptions Tiers I/II/III	\$10 / \$30 / \$60	\$10 / \$30 / \$60	\$10 / \$30 / \$60

Bold indicates reduction for employees; all others are increased or unchanged.

- 2021 Dental rates will generally decrease for all employee plans (basic and alternate), except for employees with an employee-only basic plan, for which the premiums will increase by \$8.72 (see video recording for details).
- 2021 Vision rates will decrease for all employee plans (standard and premium) (see video recording for details).
- See video recording for redesign of life insurance plan.
- Retiree impacts are generally positive: Copay-based, rather than co-insurance-based; lower out-of-pocket costs; minimal network provider disruption; minimal pharmacy disruption; value-added services include house calls, post-discharge meal delivery, silver sneakers, and up to six podiatry visits.
- Open enrollment will be October 19 - November 6.

At the conclusion of Ms. Camargo-Quinn’s presentation, the floor was opened for questions. Notable questions (with time stamps) in the video recording follow.

Time	Notable Questions and Concerns
19:06	<i>Compensation and Benefits Committee Chair, Senator Anthony Natale</i> expresses grave concern for the move away from equity represented by the reduction in tiered salary-based medical premium structure, noting that the proposal is in direct opposition to OU’s efforts with the greater diversity, equity, and inclusion initiatives.
27:02	<i>Chair-elect & Senator Keri Kornelson and At-Large Executive Committee member Mary Sue Backus:</i> Point out that there are no cost savings gained by collapsing the tiers. Rather the reduction in tiers redistributes the burden. While OU’s plan structure may be different than other institutions surveyed, the tier system is one thing the OU has been doing right.
29:52	<i>Senator Wayne Riggs:</i> Disproportionate harm to those with lower salaries not just in proportional cost of the plan, but also disproportionate with respect to out of pocket maxima, annual deductibles, etc., which will increase. He points out that combination of merging the tiers and increased expenses will be “devastating.”
35:02	<i>Senator Lori Jervis</i> pointedly asks who directed HR to do away with the tier structure. We learn that there was no explicit directive to change the tier structure, but the directive to conform to “market” came from the OU Board of Regents and that a driving factor behind the need to restructure the benefits plans includes recruitment and retention of faculty from the East and West Coasts who have complained of the high cost of OU health insurance. [Note: most costs are actually going up.]
40:13	<i>Senator Kate Raymond</i> asks for real examples of costs of the proposed plans relative to today’s plan only to learn that no actual rates or real costs are available. [Note: We were told that actual rates are forthcoming, week of 21 Sep; and definitely for the enrollment period.]
41:56	<i>Senator Greg Muller</i> asks if the OU Board of Regents mandated eliminating the tiered structure of the OU benefits plan.
43:47	<i>Senator Elaine Hsieh</i> attempts to push deeper into the comparison data from peer institutions, e.g., in the Big10 and Big12, in addition to the OSU data shown. Importantly, Senator Hsieh asks for additional information on mechanisms that one-tier peer institutions use to address the equity issue.

47:00	<i>Senator Liz Butler</i> iterates the confusion between elimination of the tier structure and the market-based objectives.
48:40	<i>Senator Claude Miller</i> wonders openly if HR does not have a cost breakdown of how the changes will affect employees in the various tiers, was there any thought into how costs of employees in tier 1 might increase with the decision to move to one tier?
51:45	<i>Senator Shehata</i> queries whether the Senate can consider a resolution voicing concerns or opposing the proposed changes to benefits due to the equity concerns raised by an apparent majority of the faculty present.
53:13	<i>Senator Kirsten Edwards</i> succinctly summarizes much of the previous thirty minutes of Q&A with her question: How are the other institutions in the Big 12 with a single tier structure responding to the equity issue with their one-tier system?
57:07	<i>Chair Amy Bradshaw</i> emphasized a point (which was previously made to President Harroz and HR in Faculty Senate Exec meetings, and then again in the Q&A session of the President’s State of the University Address) that, if we are not also looking at issues of inversion and compression and salary equity at the other institutions, then holding up the other institutions as examples to emulate is a one-sided, incomplete picture. To quote Chair Bradshaw from the State of the University Q&A conversation two days after the senate meeting, “We will continue to push on this. We have to continue pushing on this. Because even if there is a temporary fund for a year or two, or ten, the fact remains that our lowest paid employees – some of them getting less than 10% of our higher-paid [employees], will still be paying the same amount [as those higher-paid employees] if we have a single tier. So it doesn’t matter how many years we extend out temporary support funding. This is a very serious issue of equity that faculty have demonstrated this week [that] we object to. It’s – no matter how many years it goes out – it’s an inequity.”

In compiling this (unofficial) update, I am reminded that while elimination of the tiers was certainly a major focus of the feedback and questioning from members of the Faculty Senate, there also was concern regarding the major increases in out-of-pocket costs, annual deductibles, etc., which several Senators noted would be exacerbated for OU employees in the lower salary tiers. Senators also noted that financial burden is being shifted in favor of families. Single-payer employees’ monthly plan costs will increase, while costs for family members (who do not actually work at OU) will go down, and proportional costs for those at the highest ends of the salary range will also go down. One wonders how these changes ultimately serve to mitigate OU’s COVID-related losses. For example, we are told explicitly how much OU is saving with the changes to the Retiree benefits plan (\$4.7 million), and that changes to the Dental plan were cost neutral to OU, but no such indications were provided for medical, vision, and life insurance plans. Overall, it seems that we are not being allowed to have enough information to fully understand all the ramifications of the changes being proposed, but from what we’ve seen, faculty concerns and objections are strong. We also note with frustration, that the proposed plan was only being discussed with the Faculty Senate a little over two weeks before it is set to be presented and likely approved by the Regents. The general faculty are without adequate data or time to be fully informed, or to have opportunity for providing feedback to HR. It was also concerning that HR has resisted allowing distribution of their presentation, in even PDF form. Without knowledge of the proposed benefits plan changes, it is unclear how faculty and staff at OU are to know and understand what is about to happen to them. The Faculty Senate Executive Committee rushed to get closed captioning completed for video of the presentation part of the meeting because we feel that it is absolutely necessary that the broader faculty

and staff be informed, if only partially. It was abundantly clear from numerous concerns repeatedly expressed by members of the Faculty Senate, that HR must provide a comparative cost analysis immediately.

Following the HR presentation, the FS continued discussing the HR presentation before moving on to other items on the agenda. Chair Bradshaw requested input from the members of the Faculty Senate on a list of priorities for the Faculty Senate for 2020-21. She then opened the floor to discussion, which included questions and discussion relating to recent changes in Title IX, and the inclusion of transparency, equity, and responsiveness in relation to the university strategic plan and the new initiative coming out of the VPRP's office.

Chair Bradshaw then moved to New Business. Senator Shehata proposed a resolution voicing our strong objection based on equity concerns to the proposed changes to faculty and staff benefits. The motion was seconded by Senator Schwartz. Following discussion, there was supportive discussion and a series of friendly amendments until the point of full agreement among those present on the wording of the resolution (still allowing for minor word changes for clarity) and for the resolution to move to the FS Executive Committee for release as expediently as possible. Support for the resolution was unanimous.

The final resolution [can be found here](#).

Senator and Faculty Compensation Committee (FCC) Chair Natale recommended that we send the approved resolution to the administration and to identify opportunities for the FCC and FSEC to meet with the administration to discuss the issue further.

The meeting adjourned at 5:05 p.m.

The official Faculty Senate Journal will be made available in draft form prior to the next regularly scheduled Faculty Senate meeting (October 12, 2020) for approval during that meeting.



Dave Hambright
Faculty Senate Secretary