

**Senate Benefits and Welfare Committee
University of Pittsburgh
Minutes of November 13, 2012 Meeting**

9:00-10:30am, 134 Trees Hall

Attendees: Elected: Sandra Founds, Judith Lave, Angie Riccelli, Eleanor Schwarz, Sachin Velankar

Appointed: Carey Balaban, Ron Frisch, John Kozar, Elizabeth Richey

Guests: Dr. John Jakicic, *John Jakicic PhD, Chair of Health and Physical Activity (HPA)/School of Education*

Absent: Lucy Cotter, Colleen Culley, Roger Flynn, Nancy Giles, Judy Hallinan, James Holland, Irene Kane, Belinda McQuaide, Alan Meisel, Anna Roman, Linda Tashbook, Harry Wolfe,

Topic	Discussion	Action to be Taken
Call to Order	Angie Riccelli called the meeting to order at 9:10 am	
Committee Business	<p>Minutes from October 8, 2012 meeting were approved as circulated. Motion to accept the minutes made by Sachin Velankar, and 2nd by Ron Frisch.</p> <p>Angie informed the members that she is scheduled to present a B & W Committee report for the November 27th Faculty Assembly meeting.</p>	Approved
Benefits Office Report (J. Kozar)	<p>John informed the members that the post-65 retiree meetings are coming up; information has been sent out. A fair is planned also. Any questions, please call John.</p> <p>John Kozar presented a summary on the financing of health care benefits. According to his report, the University covers over nearly 26,000 lives. This is an increase of 3.7% over the prior year. Increased membership is one of several factors that account for the escalation of total health care costs. Other factors that lead to increased costs include utilization, inflation, and plan design. The Benefits Department works closely with Finance. The total cost of health care for the current fiscal year is expected to reach \$112,000,000. To place this in perspective; the University pays out \$307,000 every day of the year for health care claims.</p> <p>The payment cycle of a claim was described starting with the claim generated at a physician's office, the submission of the claim to the insurance carrier, their re-pricing and discounting of the claim, the request for payment of funds to cover the claim, the</p>	Informational

	<p>payment of the claim to UPMC Health Plan, and their payment to the provider. Where does all the money go? The top categories of utilization include in order of expenditures are: Pharmacy, Diagnostics, Inpatient Care, Medical Services and Supplies, Specialists, and Outpatient Surgery. Primary care visits only accounts for 2.8% of the total expenditures. Visits to Urgent Care Centers are on the rise. Leading a healthy lifestyle is critical to holding down health care costs. One statistical sample that was provided included the fact that less than one percent of the membership accounts for 27% of total paid claims.</p> <p>Other statistics of interest include pharmacy utilization. Generics now account for nearly 77% of drug usage but only 26% of the costs. Conversely, brand name utilization accounts for 23% of expenditures but 74% of the costs. Specialty medications are now the driver behind total prescription drug costs.</p> <p>A discussion took place regarding an increased effort that is needed to communicate the University's commitment to sound benefit programs. This includes the value of the medical benefits and other benefit programs. The benefit programs can be a recruiting tool as well as asset for retention of valued faculty.</p>	
Main Topic	Discussion	Action to be Taken
<p>Dr. John Jakicic, Chair and Professor, Department of Health and Physical Activity – “Trees Hall Renovations “</p>	<p>Dr. Jakicic presented on Health and Fitness programming. He stated that there was a small budget from Provost's office for the wellness program. Due to a decrease in participation in past few years, and the testing/classes costs increasing; the Community program was merged with the Health and Fitness Program. The program was revamped, allocated new facilities, and now participation is on the rise. In addition the types and amount of classes that are offered solely to faculty and staff have been expanded.</p> <p>The “Wellness Program” previously included a fitness assessment and access to as many classes as the person wanted. Significant revenue was lost and, most complained that they had to participate in the Fitness assessment just to register for a fitness class. Thus, the changes that were made implemented eliminated the need to the fitness testing, and the payment structure was reworked to allow the Program to break even. Taking a fitness class that meets two times a week for the entire semester that only costs \$40 - \$50 is inexpensive compared to what one would pay in the commercial market. Faculty/staff are no longer allowed into classes that are solely offered to students for academic credit. Classes offered to faculty/staff are completely independent of the classes offered to the students. The new facility in Trees is utilized by students in the Health and Physical Activity Program and it serves as a training ground for working with faculty and staff. Developing a scheduled that allows students</p>	<p>Informational</p>

	<p>access to the facilities at certain times and faculty and staff at other times helps take full advantage of the investment.</p> <p>Currently health activity classes are scheduled in Trees Hall, Bellefield and the University Club UCLUB is a separate membership and not included in the Wellness Program fee.</p> <p>This is first semester new Trees facility has opened; costs are nominal; if this works, looking and are open to any space on Lower Campus that is available.</p> <p>Dr. Jakicic provided the members with a tour of the Trees facility.</p>	
Unfinished Business	<p>Flu vaccines feedback: need better signage for next year; Falk Pharmacy site works efficiently.</p> <p>Survey to identify the B & W meeting time for the spring term will be emailed to the members; please respond to email query</p>	
Adjournment	<p>Angie Riccelli adjourned the meeting at 10:20am. Members were invited to tour the Trees facility.</p>	