Human Resources and Labor Relations Committee


Absent: Kurt Adams, Angela Faherty, Kevin McCarthy, and Wayne Newell.

Trustee Medd, Chair, convened the meeting.

UMS Health Plan: Bending the Trend to Slow the Growth in Healthcare Costs for UMS. Ms. Tracy Bigney, Chief Human Resources and Organization Development Officer, explained that the UMS is engaged in work to slow the growth in healthcare costs by reducing the annual increase of costs in the group health plan to 3% by FY2016. She provided a briefing on this work and the role of the Employee Health Plan Task Force.

Healthcare costs are escalating faster than revenue, and total compensation and employee benefits are integral to achieving the New Challenges, New Directions initiative. The Employee Health Plan Task Force includes union representatives, a president, a CFO, human resources representatives, a controller, and non-represented employees. The Task Force will submit its recommendations to the Chancellor by March 31, 2011 with the focus on “Bending the Trend” to reduce healthcare costs to 6%, 5%, 4%, 4% and 3% for FY2012 to FY2016. The next steps for the Task Force will explore communication, education, and options and potential cost impacts such as wellness incentives, consumerism, quality tiers, and plan design.

The initiatives currently underway for the UMS Health Plan include the National Health Reform, the Advisory Board analytics, wellness, and communication. The huge challenge to slow the cost increase in healthcare is being approached with optimism by the Task Force and the rate hold for calendar year 2011 provides a brief breather but does not solve the problem.

The Committee had a discussion about the aspect of 50% of health care costs are driven by 5% of members. More data is needed to find out more information in this area. The Committee also discussed details of the retiree health plan coverage and the importance of disease management and wellness.

Executive Session
On a motion by Trustee Fournier, which was seconded by Trustee Collins, the Human Resources and Labor Relations Committee went into Executive Session under the provisions of 1 MRSA Section 405 6A & 6C for the purpose of discussing personnel appointments, reassignments and duties, and labor contracts.

On a motion by Trustee Johnson, which was seconded by Trustee Fournier, the Committee concluded the Executive Session.

Adjournment.

Ellen Doughty for
J. Kelley Wiltbank, Clerk