

# **Summary of Faculty Benefits**

**2007-2008**

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# Introduction

Benefits comprise an important segment of any employment compensation package. Michigan's public universities have traditionally offered enticing packages as a method of attracting talent to this state. Their value is such that faculty unions often sacrifice larger increases in salary for benefits protection during contract negotiations.

With the increasing cost of health care in the United States, the public sector is following the lead of private employers in limiting benefits and increasing cost-sharing. As this trend continues, it is important for faculty leaders at all of our institutions to understand the benefit packages of their peers. For most, this will be most critical during contract negotiations. For those faculty members in a non-collective bargaining environment, the protection of benefits is no less important; however, much harder to directly ensure. Either way, data regarding the trends in benefit packages is key to those discussions and negotiations.

This report is the first of what this committee anticipates as an annual record of the benefits at Michigan's public universities. All information contained in this report is from the websites of each university's Benefits Office. In some cases, that information was augmented by specifics obtained from the faculty contract. Benefits are for the 2007-08 academic year. For those institutions that modify their benefit packages on the calendar year, the 2008 information was used.

We recognize that health insurance packages are complex. The summaries are intended to be just that, conveying the only basic information. While we can only assume these websites accurately and completely portray the benefits package, these summaries contained in this report should not be looked upon as a definitive explanation of benefits.

# Unit I

## Health Insurance Plan Summaries

Public universities offer three main types of health insurance. First is the traditional Indemnity plan, frequently offered through Blue Cross/Blue Shield. This plan offers the greatest flexibility in choosing a health care provider. Health Care costs are typically shared on a percentage basis, for example, the patient may be responsible for 10% of the cost of an office visit with BC/BS paying the remaining 90%. As costs escalate, this system usually will cost the patient more than a dollar value co-pay. Most employers are moving away from this type of plan due to high premiums caused by the plans inherent inability to restrain costs. Four universities (Eastern Michigan University, Oakland University, University of Michigan and Wayne State University) offer the traditional BC/BS indemnity plan. In every case but one, this plan has the highest employee premiums. Three institutions whose faculty are represented by the MEA (Central Michigan University, Ferris State University and Saginaw Valley State University) have an indemnity plan through MESSA.

Health Maintenance Organizations (HMO) are the second type of insurance. Six universities offer HMO's. The value of an HMO is in the cost containment procedures. While out-of-pocket are small, typically only a small co-pay, patients must see an approved provider to enjoy these savings. In addition, usage of health care must be either through or pre-approved by the patient's primary doctor. While this is intended to limit unnecessary usage and costs, many patients feel this mechanism is too constricting. HMO's generally have the smallest employee premiums of any plan.

The third type of health insurance plan is the Preferred Provider Organization or PPO. Like HMO's, PPO's have a network of providers from which to choose. While HMO's pay little to nothing for treatment outside of their network, PPO's do offer coverage although at a much lower rate than for network providers. The benefit of a PPO lies in the freedom of treatment. Patients have more autonomy in selecting a doctor and in visiting a specialist. The out-of-pocket costs are generally higher than HMO's. All but one university (CMU) offers a PPO option.

## Central Michigan University

|                                     | <b>MESSA Super Care 1</b>             |               |               |
|-------------------------------------|---------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                         | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$165.84                              | \$3,001.92    | \$2,914.32    |
| Deductible                          | \$50                                  | \$100         |               |
| Standard co-pays/Reimbursement Rate | 100% (Major Med) / 90% (Office Visit) |               |               |
| In-store Prescription Co-pay        | \$5/\$10                              |               |               |
| Mail Order Prescription Co-pays     | \$2.00                                |               |               |

|                                     | <b>MESSA Tri-Med (HMO)</b> |               |               |
|-------------------------------------|----------------------------|---------------|---------------|
|                                     | <b>Single</b>              | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | -\$1,000.32                | \$380.04      | \$2.40        |
| Deductible                          | \$0                        | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$5 co-pay                 |               |               |
| In-store Prescription Co-pay        | \$5/\$10                   |               |               |
| Mail Order Prescription Co-pays     | \$2.00                     |               |               |

## Eastern Michigan University

|                                     | <b>EMU Community Blue PPO 1</b>       |               |               |
|-------------------------------------|---------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                         | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                                | \$0.00        | \$0.00        |
| Deductible                          | \$250                                 | \$500         |               |
| Standard co-pays/Reimbursement Rate | \$15 (Office Visit) / 90% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$10/\$20/\$30                        |               |               |
| Mail Order Prescription Co-pays     | \$20/\$40/\$60                        |               |               |

|                                     | <b>EMU Community Blue PPO 2</b>        |               |               |
|-------------------------------------|--|---------------|---------------|
|                                     | <b>Single</b>                          | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$650.00                               | \$950.00      | \$950.00      |
| Deductible                          | \$0                                    | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 (Office Visit) / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$10/\$20/\$30                         |               |               |
| Mail Order Prescription Co-pays     | \$20/\$40/\$60                         |               |               |

|                                     | <b>BCBS Traditional</b>               |               |               |
|-------------------------------------|---------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                         | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,200.00                            | \$1,200.00    | \$1,200.00    |
| Deductible                          | \$100                                 | \$200         |               |
| Standard co-pays/Reimbursement Rate | 90% (Office Visit) / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$10/\$20                             |               |               |
| Mail Order Prescription Co-pays     | \$10/\$20                             |               |               |

|                                     | <b>Care Choices HMO</b>                |               |               |
|-------------------------------------|--|---------------|---------------|
|                                     | <b>Single</b>                          | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,200.00                             | \$1,200.00    | \$1,200.00    |
| Deductible                          | \$0                                    | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 (Office Visit) / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$15/\$25                              |               |               |
| Mail Order Prescription Co-pays     | \$30/\$50                              |               |               |

## Ferris State University

|                                     | <b>MESSA Super Care 1</b>             |               |               |
|-------------------------------------|---------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                         | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,208.74                            | \$2,379.78    | \$2,614.04    |
| Deductible                          | \$100                                 | \$200         |               |
| Standard co-pays/Reimbursement Rate | 90% (Major Med) / 100% (Office Visit) |               |               |
| In-store Prescription Co-pay        | \$10/\$20                             |               |               |
| Mail Order Prescription Co-pays     |                                       |               |               |

|                                     | <b>MESSA Care Choice II PPO</b>        |               |               |
|-------------------------------------|--|---------------|---------------|
|                                     | <b>Single</b>                          | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$631.28                               | \$1,229.28    | \$1,348.88    |
| Deductible                          | \$0                                    | \$0           |               |
| Standard co-pays/Reimbursement Rate | 100% (Major Med) / 100% (Office Visit) |               |               |
| In-store Prescription Co-pay        | \$10/\$20                              |               |               |
| Mail Order Prescription Co-pays     |  |               |               |

## Grand Valley State University

|                                     | <b>Weyco Base PPO</b>         |               |               |
|-------------------------------------|-------------------------------|---------------|---------------|
|                                     | <b>Single</b>                 | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$144.00                      | \$588.00      | \$720.00      |
| Deductible                          | \$250                         | \$500         |               |
| Standard co-pays/Reimbursement Rate | \$20 co-pay / 90% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$10/\$20/\$30                |               |               |
| Mail Order Prescription Co-pays     | \$20/\$40/\$60                |               |               |

|                                     | <b>Weyco Enhanced PPO</b>      |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$564.00                       | \$1,356.00    | \$1,812.00    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$15/\$25                  |               |               |
| Mail Order Prescription Co-pays     | \$14/\$30/\$50                 |               |               |

|                                     | <b>Priority Health HMO</b>     |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$468.00                       | \$1,296.00    | \$1,764.00    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$15/\$25                  |               |               |
| Mail Order Prescription Co-pays     | \$14/\$30/\$50                 |               |               |

|                                     | <b>Grand Valley Health Plan HMO</b> |               |               |
|-------------------------------------|-------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                       | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$336.00                            | \$1,032.00    | \$1,500.00    |
| Deductible                          | \$0                                 | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med)      |               |               |
| In-store Prescription Co-pay        | \$10/\$20                           |               |               |
| Mail Order Prescription Co-pays     | \$10/\$20                           |               |               |

# Lake Superior State University

|                                     | <b>Community Blue PPO</b> |               |               |
|-------------------------------------|---------------------------|---------------|---------------|
|                                     | <b>Single</b>             | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                    | \$0.00        | \$0.00        |
| Deductible                          | \$250                     | \$500         |               |
| Standard co-pays/Reimbursement Rate | 10% co-pay                |               |               |
| In-store Prescription Co-pay        | \$10/\$20                 |               |               |
| Mail Order Prescription Co-pays     | \$10/\$20                 |               |               |

## Michigan State University

|                                     | <b>Community Blue PPO</b>      |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,352.16                     | \$2,839.20    | \$3,311.28    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$10/\$20/\$40/\$50            |               |               |
| Mail Order Prescription Co-pays     | \$20/\$40/\$80/\$100           |               |               |

|                                     | <b>Physician's Health Plan (HMO)</b> |               |               |
|-------------------------------------|--------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                        | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,052.88                           | \$2,211.12    | \$2,579.76    |
| Deductible                          | \$0                                  | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med)       |               |               |
| In-store Prescription Co-pay        | \$10/\$20/\$40/\$50                  |               |               |
| Mail Order Prescription Co-pays     | \$20/\$40/\$80/\$100                 |               |               |

## Michigan Technological University

|                                     | <b>Husky 1</b>                       |               |               |
|-------------------------------------|--------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                        | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$444.00                             | \$768.00      | \$1,044.00    |
| Deductible                          | \$0                                  | \$0           |               |
| Standard co-pays/Reimbursement Rate | 75% (Office Visit) / 100%(Major Med) |               |               |
| In-store Prescription Co-pay        | 10% (\$5-\$15) / 25% (\$10/\$30)     |               |               |
| Mail Order Prescription Co-pays     | 10% (\$15-\$45) / 25% (\$30/\$90)    |               |               |

|                                     | <b>Husky 2</b>                      |               |               |
|-------------------------------------|-------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                       | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$120.00                            | \$240.00      | \$300.00      |
| Deductible                          | \$250                               | \$500         |               |
| Standard co-pays/Reimbursement Rate | 65% (Office Visit) / 90%(Major Med) |               |               |
| In-store Prescription Co-pay        | 10% (\$5-\$15) / 25% (\$10/\$30)    |               |               |
| Mail Order Prescription Co-pays     | 10% (\$15-\$45) / 25% (\$30/\$90)   |               |               |

|                                     | <b>Husky 3</b>                      |               |               |
|-------------------------------------|-------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                       | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                              | \$0.00        | \$0.00        |
| Deductible                          | \$750                               | \$1,500       |               |
| Standard co-pays/Reimbursement Rate | 65% (Office Visit) / 90%(Major Med) |               |               |
| In-store Prescription Co-pay        | 10% (\$5-\$15) / 25% (\$10/\$30)    |               |               |
| Mail Order Prescription Co-pays     | 10% (\$15-\$45) / 25% (\$30/\$90)   |               |               |

# Northern Michigan University<sup>1</sup>

|                                     | <b>Community Blue PPO</b> |               |               |
|-------------------------------------|---------------------------|---------------|---------------|
|                                     | <b>Single</b>             | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,150.00                | \$1,150.00    | \$1,150.00    |
| Deductible                          | \$50                      | \$100         |               |
| Standard co-pays/Reimbursement Rate | \$10 co-pay               |               |               |
| In-store Prescription Co-pay        | \$10/\$20                 |               |               |
| Mail Order Prescription Co-pays     | \$10/\$20                 |               |               |

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<sup>1</sup> Faculty do not pay health insurance premiums, but pay into an overage account. At the end of the year, if the total health care expenditures exceed a certain level, money from the account is used to pay a portion of the additional costs. Likewise, if expenditures are lower than anticipated, the faculty is refunded some of the money.

## Oakland University

|                                     | <b>Community Blue PPO</b>      |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,998.72                     | \$4,019.64    | \$6,074.04    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$10/\$20                      |               |               |
| Mail Order Prescription Co-pays     |                                |               |               |

|                                     | <b>BCBS Traditional</b>       |               |               |
|-------------------------------------|-------------------------------|---------------|---------------|
|                                     | <b>Single</b>                 | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$2,495.40                    | \$5,136.84    | \$7,465.08    |
| Deductible                          | \$100                         | \$200         |               |
| Standard co-pays/Reimbursement Rate | 90% co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$15.00                       |               |               |
| Mail Order Prescription Co-pays     |                               |               |               |

|                                     | <b>Blue Care Network HMO</b>   |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                         | \$0.00        | \$0.00        |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$15                       |               |               |
| Mail Order Prescription Co-pays     |                                |               |               |

|                                     | <b>Health Alliance Plan HMO</b> |               |               |
|-------------------------------------|---------------------------------|---------------|---------------|
|                                     | <b>Single</b>                   | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                          | \$0.00        | \$0.00        |
| Deductible                          | \$0                             | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med)  |               |               |
| In-store Prescription Co-pay        | \$7/\$15                        |               |               |
| Mail Order Prescription Co-pays     |                                 |               |               |

## Saginaw Valley State University

|                                     | <b>MESSA Super Care 1</b>        |               |               |
|-------------------------------------|----------------------------------|---------------|---------------|
|                                     | <b>Single</b>                    | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                           | \$3,615.36    | \$3,809.64    |
| Deductible                          | \$100                            | \$200         |               |
| Standard co-pays/Reimbursement Rate | 90% (Major Med) / 100% (Off Vis) |               |               |
| In-store Prescription Co-pay        | \$10/\$20                        |               |               |
| Mail Order Prescription Co-pays     |                                  |               |               |

|                                     | <b>MESSA Care Choice II PPO</b> |               |               |
|-------------------------------------|---------------------------------|---------------|---------------|
|                                     | <b>Single</b>                   | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                          | \$2,637.36    | \$2,724.00    |
| Deductible                          | \$0                             | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$5 co-pay / 100% (Major Med)   |               |               |
| In-store Prescription Co-pay        | \$10/\$20                       |               |               |
| Mail Order Prescription Co-pays     |                                 |               |               |

## University of Michigan – All Campuses

|                                     | <b>BCBS Traditional</b>         |               |               |
|-------------------------------------|---------------------------------|---------------|---------------|
|                                     | <b>Single</b>                   | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$0.00                          | \$582.00      | \$1,213.92    |
| Deductible                          | \$500                           | \$1,000       |               |
| Standard co-pays/Reimbursement Rate | 80% (Office Visits & Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$14/\$24                   |               |               |
| Mail Order Prescription Co-pays     | \$14/\$28/\$48                  |               |               |

|                                     | <b>Health Alliance Plan HMO</b> |               |               |
|-------------------------------------|---------------------------------|---------------|---------------|
|                                     | <b>Single</b>                   | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$267.60                        | \$1,494.00    | \$2,499.84    |
| Deductible                          | \$0                             | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med)  |               |               |
| In-store Prescription Co-pay        | \$7/\$14/\$24                   |               |               |
| Mail Order Prescription Co-pays     | \$14/\$28/\$48                  |               |               |

|                                     | <b>Community Blue PPO</b>      |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,020.48                     | \$2,999.76    | \$4,622.88    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$14/\$24                  |               |               |
| Mail Order Prescription Co-pays     | \$14/\$28/\$48                 |               |               |

|                                     | <b>Priority Health HMO</b>     |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,035.84                     | \$3,030.48    | \$4,666.32    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$14/\$24                  |               |               |
| Mail Order Prescription Co-pays     | \$14/\$28/\$48                 |               |               |

|                                     | <b>U-M Premier Care</b>        |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$214.56                       | \$1,387.92    | \$2,350.32    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$7/\$14/\$24                  |               |               |
| Mail Order Prescription Co-pays     | \$14/\$28/\$48                 |               |               |

## Wayne State University

|                                     | <b>BCBS Traditional</b>              |               |               |
|-------------------------------------|--------------------------------------|---------------|---------------|
|                                     | <b>Single</b>                        | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$4,467.58                           | \$10,184.20   | \$13,643.76   |
| Deductible                          | \$100                                | \$200         |               |
| Standard co-pays/Reimbursement Rate | 0% (Office Visit) / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$5/\$10                             |               |               |
| Mail Order Prescription Co-pays     | \$5/\$10                             |               |               |

|                                     | <b>Blue Care Network HMO</b>   |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$920.40                       | \$2,227.42    | \$2,393.56    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$5/\$10                       |               |               |
| Mail Order Prescription Co-pays     | \$5/\$10                       |               |               |

|                                     | <b>Health Alliance Plan HMO</b> |               |               |
|-------------------------------------|---------------------------------|---------------|---------------|
|                                     | <b>Single</b>                   | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$819.52                        | \$1,995.76    | \$2,154.10    |
| Deductible                          | \$0                             | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 co-pay / 100% (Major Med)  |               |               |
| In-store Prescription Co-pay        | \$5/\$10                        |               |               |
| Mail Order Prescription Co-pays     | \$5/\$10                        |               |               |

|                                     | <b>Community Blue PPO</b>      |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$3,052.92                     | \$2,971.02    | \$3,932.50    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$5/\$10                       |               |               |
| Mail Order Prescription Co-pays     | \$5/\$10                       |               |               |

|                                     | <b>DMC Care (PPO)</b>          |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$1,257.62                     | \$2,971.02    | \$3,932.50    |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$5/\$10                       |               |               |
| Mail Order Prescription Co-pays     | \$5/\$10                       |               |               |

|                                     | <b>Total Health Care (HMO)</b> |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$368.42                       | \$767.52      | \$976.30      |
| Deductible                          | \$0                            | \$0           |               |
| Standard co-pays/Reimbursement Rate | \$10 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$5/\$10                       |               |               |
| Mail Order Prescription Co-pays     | \$5/\$10                       |               |               |

## Western Michigan University

|                                     | <b>Community Blue PPO</b>      |               |               |
|-------------------------------------|--------------------------------|---------------|---------------|
|                                     | <b>Single</b>                  | <b>Couple</b> | <b>Family</b> |
| Employee Annual Premium             | \$249.11                       | \$2,491.12    | \$3,736.69    |
| Deductible                          | \$150                          | \$300         |               |
| Standard co-pays/Reimbursement Rate | \$15 co-pay / 100% (Major Med) |               |               |
| In-store Prescription Co-pay        | \$15/\$25/\$35                 |               |               |
| Mail Order Prescription Co-pays     |                                |               |               |

## Unit II

### Health Insurance Cost Sharing

Only four universities publicize the breakdown of cost-sharing between the university and the employee. That number is limited, in some cases, due to the fact that at least three universities (EMU, NMU and WMU) self-insure. This means that the university does not pay insurance premiums, but instead is directly responsible for the costs of health care with an outside organization, usually BC/BS, administering the health care plan. When those costs are below the cost of a quoted insurance premium, the university saves money. The NMU-AAUP faculty have a clause that triggers a refund if costs are below expectation, and similarly, an employee payback when costs are higher than expected.

| University Name             | Insurance Plan        | Percent of Total Premium Paid by Employee |        |        |
|-----------------------------|-----------------------|---|--------|--------|
|                             |                       | Single                                    | Couple | Family |
| Central Michigan University | MESSA Super Care 1    | 2.5%                                      | 20.0%  | 17.5%  |
|                             | MESSA Tri-Med HMO     | -18.1%                                    | 3.1%   | 0.0%   |
| Oakland University          | BC/BS Traditional     | 34.3%                                     | 31.4%  | 36.7%  |
|                             | Community Blue PPO    | 29.5%                                     | 26.4%  | 32.0%  |
|                             | Health Alliance Plan  | 0.0%                                      | 0.0%   | 0.0%   |
|                             | Blue Care Network HMO | 0.0%                                      | 0.0%   | 0.0%   |
| University of Michigan      | Community Blue PPO    | 18.2%                                     | 26.8%  | 29.3%  |
|                             | BC/BS Major Medical   | 0.0%                                      | 6.6%   | 9.8%   |
|                             | Health Alliance Plan  | 5.5%                                      | 15.4%  | 18.3%  |
|                             | Priority Health HMO   | 18.4%                                     | 27.0%  | 29.5%  |
|                             | U-M Premier Care      | 4.5%                                      | 14.5%  | 17.4%  |
| Wayne State                 | BC/BS Traditional     | 17.7%                                     | 18.6%  | 19.6%  |
|                             | Community Blue PPO    | 36.2%                                     | 34.2%  | 33.1%  |
|                             | DMC Care HMO          | 20.0%                                     | 21.3%  | 23.1%  |
|                             | Health Alliance Plan  | 16.8%                                     | 17.7%  | 18.7%  |
|                             | Total Health Care HMO | 12.2%                                     | 12.2%  | 12.2%  |
| Average by Plan             | Traditional Plan      | 13.6%                                     | 15.9%  | 16.7%  |
|                             | PPO                   | 22.1%                                     | 25.4%  | 27.9%  |
|                             | HMO                   | 6.8%                                      | 12.1%  | 12.7%  |
|                             | Total                 | 12.4%                                     | 17.2%  | 18.6%  |

## Unit III

# Dental Care Coverage

Coverage for dental care is typically provided by the university at no cost to the faculty member. Only three institutions (CMU, SVSU and U-M) offer dental plans that require employee premiums. The reimbursement rate, i.e. coverage, of dental services is based on the type of procedure, of which there are four classes.

- Class I consists of preventative procedures including office visits, cleanings, and X-rays.
- Class II consists of restorative procedures including fillings, crowns, sealants and repairs to bridges and dentures.
- Class III consists of prosthodontic procedures including bridges, implants and dentures.
- Class IV procedures consist of orthodontic work.

Each dental plan has an annual benefit ceiling for Class I-III procedures. After this total is reached, any additional dental costs are the responsibility of the patient. A separate lifetime maximum benefit exists for Class IV procedures.

| <b>Institution</b>     | <b>Coverage per class<br/>(I/II/III/IV)</b> | <b>Maximum<br/>Annual<br/>Benefit</b> | <b>Maximum<br/>Lifetime<br/>Orthodontic<br/>Benefit</b> |
|------------------------|---|---------------------------------------|---|
| Central Michigan       | 100/50/50                                   | \$1,000                               | \$0   |
|                        | 100/75/50/50                                | \$1,500                               | \$2000 per child  |
| Eastern Michigan       | 100/100/75/50                               | \$1,000                               | \$1,500   |
| Ferris State           | 80/80/80/50                                 | \$1,000                               | \$1,100   |
| Grand Valley           | 100/80/50/50                                | \$1,000                               | \$1,500   |
| Lake Superior State    | 70/70/70/50                                 | \$1,000                               | \$1,500   |
| Michigan State         | 50/50/50/50                                 | \$600                                 | \$600   |
| Michigan Tech          | 100/80/50/50                                | \$1,500                               | \$1,500   |
| Northern Michigan      | 100/100/80/50                               | \$1,000                               | \$1,500   |
| Oakland                | 100/100/50/50                               | \$1,200                               | \$1,500   |
| Saginaw Valley         | 100/75/75/50                                | \$1,000                               | \$1,000   |
| University of Michigan | 100/100/50/50                               | \$1,000                               | \$1,000   |
| Wayne State            | 100/90/50/50                                | \$1,500                               | \$1,000   |
| Western Michigan       | 90/90/50/60                                 | \$2,500                               | \$2,500   |

## Unit IV

# Health Insurance Waiver Compensation

Many universities offer a cash payment for employees who opt out of employer provided health insurance. That payment may either be on an annual or a one time basis. To qualify for the waiver, the employee must have coverage through a spouse or family member who is not an employee of the university. While we could not find the waiver payment for nearly half of the universities, it should not be assumed that such an offer does not exist, only that it is not publicized on the Benefits Office website.

| <b>Institution</b>     | <b>Medical Opt-Out Payment</b> |
|------------------------|--------------------------------|
| Central Michigan       | \$960 per year                 |
| Eastern Michigan       | \$1000 to base                 |
| Ferris State           | \$1300 annually                |
| Grand Valley           |                                |
| Lake Superior State    |                                |
| Michigan State         | \$600 payment                  |
| Michigan Tech          | \$1800 payment                 |
| Northern Michigan      |                                |
| Oakland                | \$1000 per year                |
| Saginaw Valley         |                                |
| University of Michigan |                                |
| Wayne State            | \$1200 per year                |
| Western Michigan       |                                |

## Unit V

# Retirement Contribution

All of Michigan’s public universities offer some form of contribution to a retirement account as a portion of their benefits package. Contributions are typically made to a TIAA-CREF account, although Fidelity accounts and MPSERS pensions are also available at some schools. Most schools include this compensation without any contribution from the employee. Four schools, though, make their benefits available on a matching basis, either at a 2/1 basis (MSU, U-M and Wayne State) or a 3/1 basis (SVSU).

| <b>Institution</b>     | <b>TIAA-CREF Contribution</b> |
|------------------------|-------------------------------|
| Central Michigan       | 10%-12%                       |
| Eastern Michigan       | 10.5% of earnings             |
| Ferris State           | 12% of gross                  |
| Grand Valley           | 12% of base                   |
| Lake Superior State    | 12% of salary                 |
| Michigan State         | 5% Employee/10% University    |
| Michigan Tech          | 10.55% + optional 2% matching |
| Northern Michigan      | 15.64%                        |
| Oakland                | 14%                           |
| Saginaw Valley         | 4% Employee/12% University    |
| University of Michigan | 5% Employee/10% University    |
| Wayne State            | 5% Employee/10% University    |
| Western Michigan       | 11% of earnings               |

## **Unit VI**

# **Domestic Partner Benefits Policies**

Given the 2008 ruling by the Michigan Supreme Court, public universities are no longer allowed to provide benefits to domestic partners of employees on the basis of that relationship. Four universities, Michigan State University, Michigan Technological University, the University of Michigan and Wayne State University have enacted language which allows the university to provide benefits based on an alternative set of qualifications. Currently, nine universities do not have a University-wide policy regarding a replacement for domestic partner benefits. They are as follows:

- Central Michigan University
- Eastern Michigan University
- Ferris State University
- Grand Valley State University
- Lake Superior State University
- Northern Michigan University
- Oakland University
- Saginaw Valley State University
- Western Michigan University

The Flint and Dearborn campuses of the University of Michigan follow the same human resources policies as the Ann Arbor campus. The previous ten universities may have contracts with their faculty or staff which provide domestic partner benefits during the life of that contract. According to Michigan law, those benefits cannot be continued in a new contract without a redefinition of the basis of qualification.

## **Michigan State University**

### **Other Eligible Individual (OEI)**

*The following language is from the MSU Benefits Office website:*

Under the pilot program a non-represented MSU employee who does not already enroll a spouse for health and/or dental benefits may enroll one (1) individual for health and/or dental coverage (“OEI” or “other eligible individual”), but only if ALL of the following eligibility criteria are met:

- The OEI currently resides in the same residence as the employee and has done so for the last 18 continuous months, other than as a tenant;
- The OEI is not a “dependent” of the employee as defined by the IRS; and
- The OEI is not eligible to inherit from the employee under the laws of intestate succession in the State of Michigan (see below).

Children who are qualified and claimed as IRS-defined dependents by an employee’s OEI are also eligible for health and dental benefits if they are members of the employee’s household or a full-time student and they are unmarried and under the age of 19 (up to age 23 if an IRS-defined dependent).

Eligibility to continue coverage for an OEI ceases at the end of the month in which the above criteria are not met. Employees must immediately notify MSU Human Resources Benefits of a change in eligibility status.

The following individuals do not fall within the eligibility criteria for this pilot program:

- Spouse
- Children and their descendants (i.e., children, grandchildren)
- Parents
- Parents’ descendants (i.e., siblings, nieces, nephews)
- Grandparents and their descendants (i.e., aunts, uncles, cousins)
- Renters, boarders, tenants, etc.

# Michigan Technological University

## Designated Eligible Individual

*The following language is from the MTU Benefits Office website:*

The Designated Eligible Individual (DEI) program is a pilot program effective January 1, 2008, that changes the eligibility criteria for enrollment in Michigan Tech's health plans. Since the Designated Eligible Individual (DEI) program is a pilot program it will be reviewed annually to determine if it will be continued for the next plan year.

Michigan Tech reserves the right to change or to suspend or terminate the DEI program, including any coverages then being provided at anytime.

### Requirements

Under the Designated Eligible Individual program, a Michigan Tech Employee who does not already enroll a spouse for the health plan may enroll one individual for health coverage but only if all of the following eligibility criteria are met:

- The employee is eligible for Michigan Tech's health plan options.
- The Designated Eligible Individual (DEI), at the time of proposed enrollment, resides in the same residence as the employee and has done so for the previous 18 continuous months, other than as a tenant.
- The DEI is not a "dependent" of the employee as defined by the IRS.

Children who are qualified and claimed as IRS-defined dependents by an employee's DEI are also eligible for health plans if they are members of the employee's household or an enrolled student and they are unmarried and under the age of 19 (up to age 25 if they meet the criteria of a dependent at 19 and if an IRS-defined dependent).

Eligibility to continue coverage for a DEI or a dependent of an employee's DEI ceases at the end of the month in which the above criteria are not met. Employees must immediately notify the Michigan Tech Benefits office of a change in eligibility status.

The following individuals do not fall within the eligibility criteria:

- Spouse,
- Children and their descendants (children, grandchildren),
- Parents,

- Parents' descendents (siblings, nieces, nephews),
- Grandparents and their descendents (aunts, uncles, cousins),
- Renters, boarders, tenants.

This pilot program does not affect the rights of or criteria applicable to any employee qualifying for the enrollment in Michigan Tech's health plans under any other applicable University policy.

DEI enrollment form must be completed during the regular TechSelect open-enrollment period or no more than 30 days after the above criteria are met.

## **University of Michigan**

### Dependent Benefits Eligibility - Other Qualified Adult (OQA)

*The following language is from the U-M Benefits Office website:*

(An Other Qualified Adult is a) person who:

- Shares the same primary residence as you and has shared a residence with you for at least 6 months
- Is not eligible to inherit from you under the laws of intestate succession in the state of Michigan.\*
- Is not legally married to another individual.
- At least one of the following is true:
  - ❖ Shares a joint checking account with you
  - ❖ Shares a joint credit account with you
- At least one of the following is true:
  - ❖ You have durable power of attorney for health care for each other
  - ❖ You have durable power of attorney for financial management for each other
- You have designated as your primary beneficiary for at least one of the following:
  - ❖ A life insurance contract you hold; or
  - ❖ A retirement contract (including IRA, 401(k), 403(b), or pension plan) you hold
- You cannot legally marry in Michigan

\* The following individuals do not fall within the eligibility criteria for OQA under the laws of intestate succession in the state of Michigan:

Spouse

Children and their descendents (i.e., children, grandchildren)

Parents

Parents' descendents (i.e., siblings, nieces, nephews)

Grandparents and their descendents (i.e., aunts, uncles, cousins)

# Wayne State University

## Domestic Partner / Other Eligible Person Program<sup>2</sup>

*The following language is from the Wayne State Benefits Office website:*

Effective September 1, 1995, Wayne State University has adopted a policy extending certain benefits to same-sex domestic partners. The benefits included are medical insurance, dental insurance and reduced tuition.

### **Definition of Domestic Partner**

Domestic partners are defined as two individuals of the same gender:

- who are both 18 years or older and,
- who are not related by blood and,
- who have resided together continuously for at least six months and,
- who have agreed to be jointly responsible for each other's welfare.

### **Definition of Other Eligible Person (OEP)**

Eligibility:

Under this program a non-represented WSU employee, or upon agreement by the applicable union, a represented employee, who does not already enroll a spouse for medical, dental and/or tuition benefits may enroll one other eligible person ("OEP"), if ALL of the following eligibility criteria are met:

- The OEP is an adult, age 26 or older;
- The OEP currently resides in the same residence as the employee and has done so for the 18 continuous months prior to the individual's enrollment, other than as a tenant;
- The OEP is not a "dependent" of the employee as defined by the IRS; and
- The OEP is not related by blood or by marriage.

Children who are qualified as WSU-defined dependents by an employee's OEP are also eligible for benefits.

### **Benefits Available to Domestic Partners**

- Medical Insurance
- Dental Insurance
- Reduced Tuition
- Designation as Beneficiary on life insurance and/or retirement plan

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<sup>2</sup> OEP benefit language not included in current AAUP-AFT contract

## **Unit VII**

# **Health Care Benefits for Retirees**

Just as retirement savings is a part of any discussion regarding salary and benefits, retiree health care must also be included. The escalating costs of health care require pre-planning. Increasing premiums and cost-sharing can easily overwhelm retirees on a fixed income. For persons without university coverage, the limits of Medicare and the near prohibitive costs of individual health insurance create a situation where severe illness or infirmity can be financially catastrophic.

The health care benefits Michigan's public universities offer their retirees vary from none (Ferris State University) to identical in cost and coverage to current faculty (Western Michigan University). In situations where the university offers coverage and subsidizes some of the costs, policies generally require the retiree to enroll in Medicare when eligible, at which time the university provided coverage become supplemental to Medicare.

## Retiree Health Care Matrix

| <b>Institution</b>     | <b>University Provides Access to Coverage</b> | <b>Cost to Retiree</b>                                  | <b>Supplement to Medicare When Age 65</b> |
|------------------------|---|---|---|
| Central Michigan       | Yes (limited coverage)                        | Retiree responsible for all costs                       | No  |
| Eastern Michigan       | Yes   | Retiree responsible for all costs minus a small stipend | Yes                                       |
| Ferris State           | No  | n/a   | n/a                                       |
| Grand Valley           | Yes, until age 65                             | Retiree responsible for all costs minus a small stipend | n/a                                       |
| Lake Superior State    | No  | n/a   | n/a                                       |
| Michigan State         | Yes   | Retiree responsible for all costs minus a small stipend | Yes                                       |
| Michigan Tech          | Yes   | unpublished   | unpublished                               |
| Northern Michigan      | Yes   | Costs same as active faculty                            | Yes                                       |
| Oakland                | Yes   | Retiree responsible for all costs                       | Yes                                       |
| Saginaw Valley         | Yes   | Retiree responsible for all costs                       | No  |
| University of Michigan | Yes   | University covers nearly all health care costs          | Yes                                       |
| Wayne State            | Yes   | Retiree responsible for all costs                       | Yes                                       |
| Western Michigan       | Yes   | Costs same as active faculty                            | Yes                                       |

# Central Michigan University

## Summary

Limited coverage can be continued on the faculty member's current health care plan. The faculty member will be responsible for the total cost of health; however, insurance premiums can be deducted from directly from retirement payouts.

## Contract Language

2005-2008 Contract

Article 36

8. A bargaining unit member who retires from Central Michigan University shall be eligible to continue the group hospitalization and surgical insurance coverage he/she had while a Central Michigan University employee. The full cost of this coverage shall be borne by the retiree.

# Eastern Michigan University

## Summary

Coverage can be continued on the faculty member's current health care plan until age 65. The faculty member will be responsible for the total cost of health with the exception of a small stipend (at most \$130). For those aged 65 and older, the university will contribute a small stipend (at most \$130) towards the purchase of insurance to supplement Medicare.

## Contract Language

2006-2010 Contract

Sections 949-956, 959-965

949 Faculty Members who terminate their employment with EMU for retirement purposes and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service to EMU, or are at least sixty (60) years of age with ten (10) years of full-time service at EMU, shall be eligible, until age sixty-five (65), to continue, at their own expense, group medical benefits if enrolled at the time of retirement, consistent with the terms of EMU's master plan document unless otherwise provided in this Agreement. Faculty Members electing to continue their group medical benefits shall pay the full cost of such continued benefits. Proper application and arrangements for payment of continued benefits must be made in the Benefits Office by no later than thirty (30) calendar days prior to the effective date of the Faculty Member's retirement. The Faculty Member shall pay the full cost of such benefits on a calendar year quarterly basis commencing with the date he/she is removed from the active payroll. The initial payment shall be for the period commencing with the date the Faculty Member is no longer eligible for benefits paid for by EMU, through the end of that calendar year quarter. Payments shall thereafter be remitted in full to EMU's Benefits Office at least fifteen (15) days prior to the beginning of each calendar year quarter.

950 Medical Benefits for Defined Contribution Plan Retirees

951 a. Faculty Members enrolled in a defined contribution plan who retire prior to age 65 have one (1) of two (2) insurance options available to them:

952 (1) Blue Cross/Blue Shield Option

953 Faculty Members who terminate their employment with EMU for retirement purposes and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service at EMU, or are at least sixty (60) years of age with ten (10) years of full-time service at EMU, shall be eligible, until age sixty-five (65), to continue, at their own expense, group medical benefits if enrolled at the time of retirement, consistent with the terms of EMU's

master plan document unless otherwise provided in this Agreement. Faculty Members electing to continue their group medical benefits shall pay the full cost of such continued benefits. Proper application and arrangements for payment of continued benefits must be made in the Benefits Office by no later than thirty (30) calendar days prior to the effective date of the Faculty Member's retirement. The Faculty Member shall pay the full cost of such benefits on a calendar year quarterly basis commencing with the date he/she is removed from the active payroll. The initial payment shall be for the period commencing with the date the Faculty Member is no longer eligible for benefits paid for by EMU, through the end of that calendar year quarter. Payments shall thereafter be remitted in full to EMU's Benefits Office at least fifteen (15) days prior to the beginning of each calendar year quarter.

954 (2) HMO Option

955 Faculty Members who terminate their employment with EMU for retirement purposes who are enrolled in an HMO offered through the University during their last year of active employment, and who, as of the date of separation, are at least fifty-five (55) years of age with fifteen (15) years of full-time service at EMU, or are at least sixty (60) years of age with ten (10) years of full time service at EMU, shall be eligible until age sixty-five (65) to continue group HMO benefits if enrolled at the time of retirement, consistent with the terms of the contract between EMU and the HMO provider unless otherwise provided in this Agreement.

956 EMU shall supplement the cost of such coverage up to but not to exceed one hundred thirty dollars (\$130) per month. The remainder of any cost for such coverage is to be borne by the retiree

959 b. Medical Benefits for Defined Contribution Plan Retirees at Age 65

960 The University shall reimburse Bargaining Unit members enrolled in a defined contribution plan who separate from employment with EMU for retirement purposes for costs associated with medical insurance that supplements Medicare Part A, Part B, and Part D subject to the following limitations:

961 (1) The Bargaining Unit member shall have attained at least sixty-five (65) years of age and shall have completed at least ten (10) years of regular full-time service at EMU.

962 (2) EMU shall supplement the cost of such coverage up to but not to exceed one hundred thirty dollars (\$130) per month. The remainder of any cost for such coverage is to be borne by the retiree.

963 (3) In the event that the retiree becomes eligible for or is covered by any other medical benefits plan after having attained age sixty-five (65), he/she shall forfeit all rights to said EMU provided reimbursement for supplemental insurance for the period of time that he/she is eligible for, or is covered by, any other medical benefits plan.

964 (4) The retiree must pay for the coverage and provide the Benefits Office with proof of payment for said supplemental insurance on a calendar year quarterly basis to be eligible for reimbursement.

965 (5) Retirees shall receive reimbursement for the above provided supplemental insurance within thirty (30) days following each calendar year quarter that proof of payment is submitted to EMU's Benefits Office.

# Ferris State University

## Summary

The university does not provide a mechanism for faculty members to retain health care after retirement outside of mandatory COBRA rights.

## Contract Language

None

# Grand Valley State University

## Summary

Health Insurance can be purchased through GVSU until age 65. The faculty member will be responsible for the total cost of health with the exception of a small stipend (up to \$150) based on the years of service. For those aged 65 and older, the university will contribute a small stipend (up to \$150), based on the years of service, towards the purchase of insurance to supplement Medicare. Spouses are also eligible for the stipend but for \$25 less than the retiree. The university does not contribute to prescription drug coverage although such coverage may be purchased through the university.

## University Policy

Official Retirees of GVSU may purchase medical coverage in the GVSU Retiree Medical Plan until they turn 65. An Official Retiree is an individual whose years of service at GVSU and age total a minimum of 75 at the time of retirement. The amount paid towards a retiree's medical coverage is based on years of service, with 25 years needed to be eligible for the maximum.

After age 65, the University recommends that official retirees secure a Medicare Supplement policy that meets their needs. The retiree makes premium payments to the insurance company and the University reimburses the retiree for a portion of the cost of their Medicare Supplement policy based on years of service. A reimbursement schedule is included in this document. The retiree must also purchase Medicare Part B.

Spouses of official retirees are also eligible for reimbursements. The spouse monthly reimbursement is \$25 less than the amount reimbursed for the retiree.

## *Prescription Coverage*

Prescription drug coverage is not included in the GVSU retiree medical plan or most Medicare supplements. Regardless of age, all official retirees of GVSU have the opportunity to participate in a prescription discount program. This discount program is coordinated with GVSU's current group prescription provider. Retirees over the age of 65 should investigate Medicare Part D prescription drug coverage.

The University retains the right to modify or terminate this plan upon reasonable notice to faculty, staff and retirees.

Official retirees under the age of 65 may enroll in the GVSU Retiree Medical Plan at any time between their date of retirement and their 65th birthday. Spouses of official retirees are also eligible for this program. Premium amounts are based on the official retiree's years of service at

GVSU. After completing and submitting an enrollment form the retiree is billed monthly by UMR for this coverage.

GVSU will pay up to \$150/month for the retiree's coverage and up to \$125/month for the retiree's spouse's coverage. Prescription drugs are not a covered benefit in this medical plan. However, a separate prescription discount program is available.

# Lake Superior State University

## Summary

The university does not provide a mechanism for faculty members to retain health care after retirement outside of mandatory COBRA rights.

## Contract Language

None

# Michigan State University

## Summary

Coverage can be on the faculty member's current health care plan until age 65. The faculty member will be responsible for the total cost of health with the exception of a stipend based on the months of service. For those aged 65 and older, the faculty member must enroll in Medicare and the university coverage will be switched to appropriately supplement Medicare.

## University Policy

### *Prior to age 65*

If participating in an MSU health and prescription plan, the coverage remains in force with the University contribution toward the premium\*\*, based on the number of Full-Time Equivalent (FTE) Service Months at retirement. Coverage is available for the retiree, spouse, MSU recognized same-sex domestic partner and any eligible dependents\*\*\*. Retirees are billed on a regular basis for any premium payment required.

### *Age 65 and After*

Retirees and their spouse or MSU recognized same-sex domestic partner (when 65 or older) must enroll in Medicare (Parts A and B). There is a premium for Medicare Part B. Individuals already receiving Social Security benefits should not have to apply for Medicare. You should automatically be enrolled in both Part A and B and your Medicare card should be mailed to you about three months before your 65th birthday. Individuals not receiving Social Security benefits need to apply for Medicare at their local Social Security Office, at least three months before turning 65. MSU Blue Cross/Blue Shield or Physicians Health Plan coverage is adjusted to a Medicare Supplement. You and your spouse or MSU recognized same-sex domestic partner, continue to receive the University contribution toward the premium, which is based upon the number of FTE service months at retirement. Remind health plan providers to file claims with both Medicare and your MSU health plan provider. Community Blue is unable to coordinate with Medicare, if enrolled with Community Blue you will be transferred to another MSU health plan provider when you obtain Medicare (Parts A and B). Retirees are billed on a regular basis for any premium payment required.

\*\*Which is determined at least annually.

\*\*\*For Support Staff hired on or after July 1, 2002, who subsequently meet the minimum retirement requirements will receive a University contribution toward health care and dental coverage for the retiree only. The retiree may pay the applicable premium to cover eligible dependents.

# Michigan Technological University

## Summary

Coverage can be on the faculty member's current health care plan. The university's contribution is unclear from published Benefits Office materials.

## University Policy

Unpublished

# Northern Michigan University

## Summary

For TIAA-CREF contributors, coverage can be continued on the faculty member's current health care plan until age 65 at the same rate as active faculty. Retirees receiving a pension through MPSERS can enroll in a group plan paid for by MPSERS. Those aged 65 and older must enroll in Medicare to continue on the active faculty plan.

## Contract Language

2006-2009 Contract

9.2.5.5

Retirees who retire under the provisions of the MPSERS are afforded an opportunity to participate in a group health insurance policy for retirees. The retirement system (MPSERS) presently contributes to the cost of this coverage. Arrangements for such coverage are normally made at the time of retirement.

Retirees who retire under the TIAA-CREF program, and who have met the retirement qualifications consistent with University regulations may participate in the group health coverage that is available to regular full-time employees of the University. The cost of this coverage will be paid by the retiree and will be the same as for an active employee, or as established by the Board. Arrangements for this coverage must be made with the Human Resources Department normally at the time of retirement, and payments are to be made to Financial Services. The retiree and spouse, when eligible, must participate in the Medicare Program Part A and Part B.

A spouse and dependent children as defined by the University group health insurance policy, upon the death of the retiree, may also make arrangements to continue health coverage, dependent on the retirement program of the retiree and the rules then in effect.

# Oakland University

## Summary

Coverage can be continued on the faculty member's current health care plan. The faculty member will be responsible for the total cost of health. University contributions may exist for past retirees.

## Contract Language

### 2006-2009 Contract

130. Retired faculty members shall be entitled to participate in the health care coverages in paragraphs 105, 106, 107, or 108 and 112. Oakland's contributions to such coverage are specified in paragraphs 131 and 133. Subject to federal regulations, when the retiree (and/or spouse) becomes eligible for coverage through Medicare, coverage through the aforereferenced group medical insurance programs would be available solely as a supplement to Medicare. Retirees eligible for Medicare may choose to participate in a Blue Cross/Blue Shield Medicare Complementary Option 2-1 (with riders GPC-D, GPC-SAT II, Master Medical 65, MM 65-AL, MMC-PD, Prescription Drug \$10, PD-MAC instead of the exact fill Medicare Complementary versions of the coverages in paragraphs 105,106,107, or 108 and 112).

131. For faculty members who have retired between January 1, 2001 and September 1, 2006, or have committed to a phased retirement approved prior to August 14, 2006, Oakland shall contribute toward retiree medical and vision benefits as follows:

- a. Oakland's contributions to retiree medical and vision insurance shall be limited to those individuals who retired with 25 years of service at any age or with 15 years of continuous full-time service and attained at least 62.
- b. Until the retired faculty member reaches age 62, he or she will be responsible for all costs.
- c. For those retired faculty members who have reached the age of 62, Oakland shall make a contribution toward the health care coverages as provided in paragraphs 105, 106, 107, or 108 and 112. This contribution shall be subject to the limitations of paragraph 105, except the maximum contribution shall be for one-party coverage. If the monthly cost of health care coverage for which this retiree is enrolled exceeds the amount of Oakland's contribution, the retiree shall remit payment for the additional cost to the Staff Benefits Office prior to coverage. Oakland's contribution shall end when and if the retiree becomes eligible for health care coverage through Medicare.
- d. When the retired faculty member becomes eligible for health care coverage through Medicare, Oakland shall contribute \$121.67 monthly in 2006 toward single party coverage and \$243.34 monthly in 2006 toward two-party coverage for a retired faculty member in accordance with procedures established by Oakland. This amount shall be increased annually by 4%. Such funds

may be used to continue participation in the faculty health plans contained in this Article, or may be used to purchase independent health insurance plans.

# **Saginaw Valley State University**

## **Summary**

Coverage can be continued on the faculty member's current health care plan although the faculty member will be responsible for the total cost of health.

## **Contract Language**

2005-8 Contract

### **M 4.5.4 AVAILABILITY OF GROUP HEALTH INSURANCE RATES**

Individuals who retire meeting either of the following criteria:

- a. At least fifty-five (55) years of age and at least ten (10) years service with SVSU,
- b. At least sixty-two (62) years of age and at least five (5) years of service with SVSU

will, at the expense of such individual, be able to continue health insurance at the group rates available through the University, in accordance with the terms and conditions imposed by the insurance company involved in providing such coverage, so long as this coverage is available through such insurance company at no substantial additional cost to the University. (See M 13.2)

# University of Michigan

## Summary

Coverage can be continued on the faculty member's current health care plan until age 65. For those aged 65 and older, the faculty member must enroll in Medicare and the university coverage will be switched to appropriately supplement Medicare. Cost sharing varies depending on the plan and the number of individuals covered, but in 2008, the university subsidized nearly all of the health care premium costs.

## University Policy

### *Medical Insurance*

- Only the person(s) covered under your medical insurance at the time of your retirement can remain on the insurance.
- No one can be added to the coverage after you retire.
- Each year at Open Enrollment, you may change your medical insurance plan.
- Plan costs may vary each year.

### *University Coverage and Medicare Enrollment*

Most individuals when they turn age 65 (and certain disabled individuals) are eligible to participate in the federal Medicare Health Insurance Program administered by the Health Care Financing Administration (HCFA).

If you have already applied for Social Security income payments, HCFA generally will notify you several months before you turn age 65 that you have been automatically enrolled in Medicare Part A (hospital insurance) and Medicare Part B (medical insurance). Part A is free. Part B requires a monthly premium payment which will be deducted from your Social Security check.

### *UM Medical Insurance*

After you are retired and eligible for Medicare, all of your UM medical care coverage will be changed to coverage that fills in the gaps that Medicare does not pay. Medicare provides coverage in most cases, but not all, that is similar to the coverage you had as a UM faculty or staff member. You will have minimal coverage if you fail to enroll in Medicare at the appropriate time. No medical insurance will pay for benefits Medicare would cover. If you plan to live in a foreign country longer than six months or to continue working after you retire, you should advise your retirement counselor.

# Wayne State University

## Summary

Coverage can be continued on the faculty member's current health care plan until age 65. The faculty member will be responsible for the total cost of health. For those aged 65 and older, the faculty member must enroll in Medicare and the university coverage will be switched to appropriately supplement Medicare. Again, all health care costs will be the responsibility of the retiree.

## Contract Language

2006-2009 Contract

Article XII

D. Health Care

6. All bargaining-unit members who qualify for retirement and retire from Wayne State University between the age of fifty-five and the age of Medicare eligibility are eligible for coverage under the five plans available. Retirees shall be responsible for paying the full premium for coverage.

All bargaining-unit members who qualify for retirement and retire from Wayne State University at the age of Medicare eligibility are eligible for coverage under the five plans currently authorized to administer Medicare contracts. Retirees shall be responsible for paying the full premium for coverage.

# Western Michigan University

## Summary

Retirees receiving a pension through MPSERS can enroll in a group plan paid for by the University. For the remaining retirees, coverage can be continued on the faculty member's current health care plan until age 65 at the same rate as active faculty. Those aged 65 and older must enroll in Medicare to continue on the active faculty plan.

## Contract Language

2005-2008 Contract

35. §3.2 Medical Benefits.

A faculty member who elects to retire before the age of sixty-five (65) and is not eligible for MPSERS benefits, shall remain in the PPO plan as provided to full-time employed faculty until he/she qualifies for Medicare, at which time the University PPO plan becomes supplemental to Medicare. Those who are eligible for retirement benefits under MPSERS shall have a different plan under the aegis of the state of Michigan. The University shall pay the MPSERS premium for retired faculty.