

WESTERN HEALTH INSURANCE RATES

1991 Traditional 2000 with restrictions on hospitals used:

	per month	Western pays	You pay	Increase
Single coverage	\$141	\$107 (13%)	\$ 34	13%
Family coverage	335	107	228	13%

1990 Traditional with no hospital restrictions:

Single coverage	125	95	30
Family coverage	297	95	202

1991 CMMA 2000, Major Medical, \$200/600 deductible, hospital restrictions:

Single coverage	116	107	9	<18%>
Family coverage	275	107	168	13%

1990 CMMA, no hospital restrictions:

Single coverage	106	95	11
Family coverage	253	95	148

1991 CMMB 2000, Major Medical, \$400/1,200 deductible, hospital restrictions:

Single coverage	107	107	0	0
Family coverage	254	107	147	21%

1990 CMMB 2000, same coverage as above

Single coverage	91	91	0
Family coverage	216	95	121

1991 CMMB, no hospital restrictions:

Single coverage	123	107	16	433%
Family coverage	293	107	186	31%

1990 CMMB

Single coverage	98	95	3
Family coverage	237	95	142

WESTERN LIFE INSURANCE BENEFITS (PROPOSED)

After an open bidding process, the insurance committee has recommended that the university change carriers and adopt a new plan for either flat-rate or tiered life insurance coverage.

Our first choice was a plan from CIGNA, who offered a flat rate of \$0.340 per thousand per month as opposed to the current rate of \$0.410 per thousand per month. Not only would this save the university about \$14,000 a year on our standard life insurance coverage, but individuals could save 40 to 70 dollars a year on optional life insurance, depending on how much they purchased.

Our second choice was a more complicated tiered proposal from CNA which would save the university around \$25,000 a year, but would penalize older workers, whose base and optional insurance rates would rise a bit, while rewarding younger employees, whose rates would drop about the same amount. The committee felt this plan was too complicated to be understood easily and that the benefits of younger workers, most of whom do not enroll for optional life insurance, would not match the costs to older employees, most of whom do.

As of 12.4 the university had yet to decide which bid to accept.