### In Oll **UNC** Employee Forum News Volume 1, Number 3 May 2000

From the Chair - Joanne Kucharski First let me thank everyone who responded to the Forum with the support and encouragement to continue future publications of InTouch. Please continue to contact us. This is a special opportunity for your voice to be heard.

#### **Chancellor McCoy Responds to Work Issues for SPA Exempt Employees**

The Personnel Issues Committee, chaired by Martha Barbour, conducted an extensive study and worked with representatives from Human Resources to respond to numerous complaints from wage-hour exempt SPA and EPA non-faculty employees. The committee talked to employees, held a public hearing and conducted a survey of wage-hour exempt employees to determine their experiences with the demands of their workload and the ways in which their departments implemented policies governing exempt employees. The committee developed a statement which accompanied an analysis of the data gathered from the survey. The Employee Forum approved the statement at the Dec. 1999 meeting, and forwarded their recommendations and analysis to the Chancellor's Office.

Chancellor McCoy, in response to the Employee Forum statement, discussed the analysis and recommendations with Associate Vice Chancellor for Human Resources Laurie Charest and requested that she insure the continuance of flexible work arrangements and monitor concerns of employees and supervisors related to these issues. Chancellor McCoy also discussed issues related to the reporting of leave time for exempt employees. Ms. Charest confirmed that appropriate policies are in place, that a major communication effort has taken place, and that she is committed to continuing this education effort through additional training or intervention when problems are noted. The Chancellor has asked that members of his Cabinet communicate with their respective areas the need to pay close attention to any concerns related to heavy workloads for some exempt employees. And finally, Chancellor McCoy has written to President Broad on the subject of geographic pay and asks for her continued support for competitive salaries and the funding to support those salaries, which would require legislative action.

InTouch: UNC Employee Forum News InTouch is published monthly and covers news from the Forum as well as questions and concerns from the Staff. We hope you enjoy it and find it useful. If you have any questions or comments, please let us know. This newsletter is compiled by the UNC Employee Forum Communications Committee and is edited by Suzan deSerres (sdes@med.unc.edu).

#### Mediation

A Mediation Policy was put into place on campus effective June 1, 1999. The purpose of this policy is to encourage supervisors and employees to work together to resolve their differences. The University values open communication between supervisors and employees and through this process provides a forum in which parties can talk freely while addressing mutual concerns. As part of the policy, the campus has offered and provided training to employees to serve as mediators on campus. All mediators are required to complete 40 hours of advanced training offered by a designated Dispute Resolution Center. I am proud to announce the following individuals successfully completed their Mediation Certification on April 14, 2000:

Peter Schledorn, Sharon Kelley, Clarence Harris, Joyce Hamlett, Loretta Bohn, Keith Fowler, Frances McIver, Blaise Faint, Patricia Brockman, Ron Lingley, Maybeth Rubano, and Joanne Kucharski.

Congratulations.....to Carolina's Graduating Class of May 2000 and to any staff who have children, friends or relatives who will be araduating.

### m University Committees Need You!

Several University Committees are looking for staff representation. If you are interested in serving on one of these committees, please complete the form on the Employee Forum web page by clicking on "Sign Up for a University Committee!" or contact John Heuer, Chair, University Committee Appointments, UNC Employee Forum Office. Future committee vacancies will appear in the University Gazette. You are not required to be an Employee Forum Delegate to serve on a University Committee. This is an exciting way to get involved!

**Chancellor's Child Care Advisory Committee:** Studies and evaluates alternatives for improving and strengthening child/family services for faculty, staff and students; makes recommendations to the Chancellor for programs and services; assists Human Resources in implementation. Meets monthly.

Staff Employee Grievance Committee: Hears Step Three grievances filed by SPA employees and makes recommendations to the Chancellor. Meets as needed.

Facilities Planning Committee: Reviews facilities planning before a building has been sited, architect selected, or any firm steps made and reviews the overall strategic planning of the University. Meets monthly.

Real Property Committee: Advises the Vice Chancellor on acquisition and disposition of real property. Meets monthly.

Space Use Committee: Makes recommendations concerning space usage in academic buildings, rental properties, etc. which involve such uses as office space, food services, and storage. Ensures effective use of University space. Meets monthly.

Student Stores Advisory Committee: Advises the Vice Chancellor for Business and Finance and the Student Stores management on the policies and procedures established by Student Stores. Meets once a semester.

Trademark Licensing Committee: Helps formulate licensing policy, and assists in communication between Licensing Director and the University Community. Meets semi annual.

### Your Forum Delegates

are here to help you. Please feel free to contact one of us or the Forum Office if you have comments, questions, or issues for discussion by the Employee Forum.

discussion by the Employee Forum.			
<u>Delegate</u>	CB#	<b>Phone</b>	Div
Forrest Aiken	1800	2.1145	2
Brenda Ambrose-Fortune	3914	2.0153	1
Chris Barfield	7470	6.7328	6
Terry Barker	7450	6.4451	5
Anita Booth	3914	2.0153	1
Maceo Bullock	1060	2.5014	2
Suzan deSerres	7210	6.8548	8
Deedra Donley	7321	2.8886	5
Kathy Dutton, Vice Chair	1040	2.3895	9
Monisia Farrington	7000	2.3957	7
Linda Ford	7450	6.2731	5
Jeffery Fuchs	3320	2.5695	1
Karen Geer, Secretary	1090	2.9043	6
Dorothy Grant	3385	2.1191	7
Tracey Haith	7400	6.3245	5
John Harris	1800	2.2069	2
Mike Hawkins	3420	2.5390	8
John Heuer	1800	2.9023	7
Dianne Hill	3100	3.9689	4
Tom Jenswold	1800	2.2069	2
Andy Johns	1150	2.5927	8
Karen Jordan	7360	6.3039	5
Ramona Kellam	7455	6.3541	5
Charlotte Kilpatrick	7280	6.0551	5
Joanne Kucharski, Chair	2100	2.6092	8
Ruthie Lawson	1020	2.2591	4
Bobbie Lesane	7471	6.3658	6
Dave Lohse	8600	2.7257	1
Denise Mabe	7585	2.1389	7
Jill Mayer	7585	6.0960	1
John Meeker	7360	2.0031	8
Margaret Moore	7585	2.0703	1
Diana Newton	1045	2.2550	8
Ken Perry	8600	2.7496	2
Lynn Ray	7570	6.4589	7
Cathy Riley	8040	2.7355	7
Rickey Robinson	1800	2.5086	3
JoAnna E. Smith	3490	2.3533	4
Rita Stone	7570	6.5287	5
Cindy Stone	3450	2.2571	8
Sheila Storey	7450	3.7251	9
Darian Sturdivant	1800	2.1086	3
Joanne Terry	3914	2.0171	4
Robert Thoma	1800	2.9026	7
Elaine Tola	3450	2.9434	8
Susan Toppin	3100	2.9269	7
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If you would like to make general comments concerning the newsletter or help us identify specific issues or topics to be addressed, please direct them to Matt Banks at the Forum Office or to Suzan deSerres, Chair of the Communications Committee.



# UNC Policy Response: HEALTH INSURANCE BENEFITS

At the April 10th meeting of the Employee Forum Personnel Policies Committee, Laurie Charest, Associate Vice Chancellor for Human Resources, responded to questions of concern to UNC Staff about Health Insurance Benefits. This is part of a deeper discussion about Human Resources Issues to be published in the June Gazette Employee Forum insert.

## Is the State thinking of charging for individual health insurance coverage this year?

North Carolina is one of only a few states to pay the full cost of Employee health insurance coverage. However, the State does not in any way subsidize dependent care coverage. Estimates are that the State Health Plan expects a 32% increase in costs this year. The last time costs rose by such a level, the State agreed to cover the entire increase for individual Employees, while providing nothing to reduce dependent care cost increases. Again this year, the State will face the same question of whether to start subsidizing dependent care coverage and/or not provide a full 100% subsidy for individual Employee coverage. The State Health Care Board will bring its recommendations to the Legislature, which places a great deal of weight on the Boards recommendations. The Board will experience lobbying from SEANC and various health care organizations, and will face another difficult decision in how to continue funding for Employee coverage without a great deal of available money. We have not heard a specific recommendation to cut reimbursements for Employees, but these proposals are circulated every year as part of the legislative process. Recently, experts have revised their figures and now expect a 29% increase in cost of coverage. This figure might be revised again, but there will still be an increase in cost next year.

# What happened to the health care reserve which had existed in the early 90s?

The State had built a reserve by overcollecting on premiums during a time when costs were not going up as fast. The State lived off this reserve for several years and was able to avoid premium increases during this time. However, the reserve has been almost depleted and the State must now pay the full cost of increases as it goes along. The reason for these continuing health care cost increases is primarily rising prescription drug costs, which are thought to be partially related to deregulation of that industry to allow advertising. Another factor in the State plans cost increases is the inclusion of State retirees, who cost a great deal to cover. Most Employees do not want to eliminate this aspect of their coverage, which is far superior to that which private companies offer. Generally, an Employee must work at least five years for the State to pay full benefit. This program has changed since 1995; before then, an Employee received the full benefit after 5 years of contributory State Retirement Service. An Employee who

contributes to the State Retirement System for 30 years and has reached age 50 receives State Health Insurance for life.

# Has the State considered a health insurance option by which Employees could choose a "spouse-only" option?

Every time the State has calculated the rates for Employee/spouse coverage, these rates are higher than the full family rate. The reason for this counter-intuitive fact is that adult illnesses are statistically much more costly than children's illnesses. However, this is the first year in which the costs for family and Employee/spouse coverages have been computed at close to the same level. Twentysomething Employees do not face the same health care issues but are placed in the same group. Part of buying insurance is that you are placed into a rating pool based on everyone else's risks as well as your own. For example, your auto insurance rates are based on your driving records but also everyone else's records in your group. The University completed a survey of Employees when plan rates rose last time. The survey found that most Employees were covered by some other plan if not by the State. Of course, every time rates rise some Employees are forced to drop their coverage, and Employees at lower salary grades are hurt more by increases than Employees at higher salary grades. Even though the deductible and the employee contribution have risen, the State health plan has added coverage for routine physicals and is a comparably rich plan. Most Employees seem to carry insurance for catastrophic events. The State plan has attempted to reduce these catastrophic events by covering proactive health items such as physicals and mammograms. Each person must take stock of their own needs when comparing the State plans features to HMOs. In a country in which 20% of the population have no health insurance, University Employees are fortunate to have a fairly affordable health plan, which can be carried for life if they work for the State a certain number of years. Human Resources has tried to provide better information about health care coverage and has held question and answer seminars on the subject.

### Some Employees face a net loss in their salary when a token raise is balanced against increases in health care insurance and parking. Is anything being done about this?

The University has tried to address this question for faculty through the proposed tuition increase. Unfortunately, the State is in a difficult situation this year and will find it difficult to support substantive increases in SPA salaries. The Human Resources Advisory Board has advised President Molly Corbett Broad on these issues as they relate to health insurance. The Board has gathered a lot of information in an attempt to get President Broad to be proactive on this issue. Kitty McCollum and other System benefits directors are now working on a proposal to start a real Flex benefit program with money otherwise devoted to the annual State bonus. Many Employees see the annual bonus, which was last year \$125, as a kind of cop-out in providing proper compensation by the State. This plan would use this one-time money in Flex accounts that are tax-free. The money would be used on a pretax basis and would thus have more value. While this is a bad year for finding funding from the General Assembly, the Assembly might be more willing to try creative solutions to address funding needs.