September 17, 2010

Dear University Employee:

UA employees usually say that their benefits are a very important part of their total compensation. This view is in line with national surveys of employees. Hewitt, a benefits consulting firm, did a national study of employees’ attitudes regarding compensation and benefit programs. Hewitt found that employer-provided health care coverage ranked as the most important benefit to employees from their employment, outscoring compensation by a margin of two to one. More than half of employees enrolled in an employer-sponsored health plan ranked it as the number one component of their pay, while 82 percent ranked it number one or two. In addition, two-thirds of respondents viewed their health-care coverage as a primary factor in staying or choosing employment.

As you prepare to vote in the upcoming union election, you may want to compare how your current health care plan compares to the plan in place for General Government Unit (GGU) employees who work for the State of Alaska. (GGU employees are represented by ASEA/AFSCME.) The ASEA Trust is the health and pharmacy coverage for GGU employees, as determined by negotiations between ASEA/AFSCME and the State of Alaska.

If ASEA/AFSCME is voted in as the bargaining agent for UA staff, ASEA/AFSCME would negotiate over health care with the university. Through negotiations, it could be determined that UA staff would move onto the ASEA Health Care Trust for health care benefits rather than remaining on the university’s plan.

To help UA staff assess the features and value of each plan, the university asked its benefits consultant, Lockton Dunning, to compare UA’s plan with that of the ASEA Trust.

Here are some questions to think about as you look at the comparison Lockton has prepared:

1. Will the plan provide me and my family the coverage we need when we need it?
2. What health care services do I use and value the most?
3. How big is ASEA’s provider network and is my doctor part of that network?
4. Are there penalties if I don’t pre-certify?
5. How much will I have to pay for medications?

The university currently has two active health care committees that involve UA staff as participants; the Joint Health Care Committee and Staff Health Care Committee. These committees provide valued input and help the university make decisions regarding health care coverage, plan design, employee charges and wellness offerings. In considering your current health care coverage compared to what ASEA/AFSCME has negotiated for employees it represents, you may want to
consider how much influence you would have regarding your health care benefits if you received health care coverage under the ASEA Trust.

The health care comparison prepared by Lockton is available at the following link: http://www.alaska.edu/files/labor/UA%20and%20ASEA%20Health%20Plan%20Comparison.pdf

For additional information about the UA Choice and the ASEA Local 52 Health Benefits Trust please review materials at these websites:

http://www.alaska.edu/files/benefits/handbook.pdf

https://www.aseahealth.org/

Sincerely,

Beth E. Behner
Chief Human Resources Officer