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UNIVERSITY  
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## News Release

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May 12, 2004

### UA Rolls Out New Health Plan

The University of Alaska is rolling out a new health benefits plan for its 2,500 non-union staff. The new plan, called UA Choice, is a flexible benefits plan that provides employees the opportunity to choose health coverage to fit their individual needs. The plan has been in development for over a year and is based on a cooperative effort involving employee representatives, the university's health plan administrator Premera Blue Cross, and Mercer Human Resources Consulting.

"The university is committed to providing the best health plan we possibly can for our employees," said university vice president Jim Johnsen. "In the face of rapidly increasing health care costs and the diverse needs of our employees, we felt it was critical to give our employees more choice, and more responsibility, for this important benefit."

In place of the one-size-fits-all plan the university has offered for many years, the new plan contains four major plan options. A deluxe plan provides a high level of coverage, a standard plan matches the university's current plan, an economy plan gives employees the choice of less coverage, and the opt-out option lets employees with other coverage select out of the plan. The university pays about 80% of plan costs and employees pay the rest, with employee charges linked to the level of coverage.

"In addition to giving employees more control over their benefits, the new plan should slow the increase in employee health care costs, which have been running at 10% to 15% per year," said Johnsen. The plan also takes advantage of several million dollars of savings each year that result from Premera's network of providers who have agreed to standard rates for their services.

UA benefits director Mike Humphrey indicated that "another key to our efforts this year is communication. In addition to mailouts, we are using e-mail, our website, audio and videoconferencing, and literally dozens of face-to-face meetings reaching our employees all the way from Ketchikan to Kotzebue."

Even before the new plan goes into effect this summer, UA is hard at work with faculty and staff on benefit enhancements and cost savings for the coming years. A wellness plan is in an early planning stage, a statewide health summit involving national experts is set for July, a comprehensive audit of the plan will be done this fall, and labor management committees have been formed with UA's faculty and staff unions to explore their participation in the new UA Choice program.

For additional information, please contact: Mike Humphrey, 907-474-7905.

NR 06-04