

**MEMORANDUM**

**To:** Board of Regents

**From:** Board Office

**Subject:** Annual Governance Report of Fringe Benefits for Employees for Fiscal Year 2000

**Date:** November 6, 2000

**Recommended Action:**

Receive the report.

**Executive Summary:**

This annual report provides the Board with information concerning insurance, retirement, vacation and sick leave at the Regent institutions for fiscal year 2000, including data about usage and costs of these benefits.

Total employer cost of insurance and retirement programs at the Regent institutions and the Board Office was \$262 million (all funds) for fiscal year 2000, which is an increase of about 9% over the previous year. This is the highest increase in benefit costs in the last five years. Increases in the past years have ranged from 2% to 6%. Costs for insurance and retirement programs average about 25% of non-student payroll. Expenditures are detailed by institution in Attachment A.

The employer's share of health insurance premiums was \$74.2 million. Both SUI and ISU will experience significant increases in the cost of health insurance beginning January 1, 2001. The employer cost of the health insurance at UNI increased 14% in fiscal year 2001. The rates for the state health plans increased 17% on July 1, 2000, and will increase an additional 17% on January 1, 2001.

Employer contributions to retirement programs (TIAA-CREF or IPERS and Social Security) totaled \$169 million. The employer contributes 10% to TIAA-CREF (or an approved substitute) while the employee contributes 5% at the universities and Board Office. Contributions to TIAA-CREF at the special schools are at the IPERS rate. The IPERS contribution rate is 5.75% for the employer and 3.7% for the employee. Both the employer and employee contribute to Social Security (6.2% each) and to Medicare (1.45% each).

In May of 1999, the Board approved a change in TIAA-CREF retirement program to permit convertibility of TIAA-CREF accounts for retirees and former employees of the Board of Regents, who are at least 55 years of age, to the extent permitted by TIAA-CREF. Convertibility provides the employee with the option to move money from the "institutional approved option" to any other financial instrument of the employee's choice at the termination of employment. TIAA-CREF reports that in calendar year 1999, \$70.8 million in retirement funds were converted. TIAA-CREF has provided a report for the first three quarters of calendar year 2000, which shows conversion of \$29.1 million. This compares to \$60.5 million in the same three quarters of calendar year 1999. (Full conversion was not available until late May 1999, and the majority of the 1999 conversion occurred after that date.)

The cost of sick leave (149,837 days) used in fiscal year 2000 by employees of the Board of Regents was \$20.4 million. The overall average annual usage per employee was 6.6 days which is up slightly from the previous year (6.3 days). The overall average merit employee usage was 9.9 days per year; overall average P&S usage was 6.2 days per year. In accordance with the Iowa Code, full-time state employees earn 18 days of sick leave per year (1½ days per month).

The cost of vacation leave (354,639 days) used in fiscal year 2000 by employees of the Board of Regents was \$60.0 million. P&S employees and 12-month faculty accrue 22 days of vacation per year. Regent Merit System employees and other state employees accrue vacation based on years of service, i.e., two weeks per year in the first four years increasing to five weeks in the 25<sup>th</sup> year of service and beyond.

Total employer costs for specific programs for fiscal year 2000 are as follows:

Retirement Plans:	
Social Security	\$71,642,121
TIAA/CREF	94,257,127
Substitute Plans	212,995
IPERS	1,858,658
Federal	1,330,989
TIAA/CREF Waiver of Premium	2,267,177
Unemployment Compensation	265,397
Workers Compensation	1,877,728
Health Insurance	74,231,138
Life Insurance	5,464,596
Long-term Disability Insurance	5,916,075
Accidental Death and Dismemberment	351,716
Dental Insurance	5,198,504
TOTAL	\$264,874,221
Less interest received on cash reserves maintained by carriers	2,513,308
TOTAL	\$262,360,913

Highlights of this annual report are included as Attachment C.

### **Background and Analysis:**

Ohio State University publishes a comparison of benefit programs in the Big Ten and other similar institutions. Based on the last survey, Regent institutions continue to offer benefit packages comparable to those provided at peer institutions.

Fringe benefit costs as a percent of payroll are comparable to peer institutions according to the AAUP annual faculty salary survey.

All permanent employees (faculty, professional and scientific, and Regents Merit System staff) of the three state universities and the Board Office with a budgeted annual salary of at least \$7,800 are eligible to participate in the Teachers Insurance and Annuity Association--College Retirement Equities Fund (TIAA-CREF). Eligible employees may choose (1) TIAA-CREF, (2) an annuity plan substituted within the framework approved by the Board (such as Metropolitan or VALIC), or (3) IPERS. The rate of contribution by employer and employee to TIAA-CREF is 10% of the first \$4,800 of salary for staff members with less than five years of service and 15% on all additional salary. The contribution for employees with more than five years of service is 15% up to IRS limitations (\$170,000). The employer pays two-thirds (10%) of the contribution. The employee pays one-third (5%).

Employees of the special schools may select between TIAA-CREF and IPERS. The rate of contribution to TIAA-CREF is at the current IPERS rate, which is 5.75% for the employer and 3.70% for the employee.

Contributions are also made to Social Security and Medicare. Current salary limitation for Social Security contributions is \$76,200. The contribution rate for both employer and employee is 6.2% on salary up to the maximum limitation. The Medicare contribution rate is 1.45% applied to all salary.

Contributions to retirement programs account for a large portion of the fringe benefit expenditures. In fiscal year 2000, retirement expenditures were 65% of the total expenditures.

Regent Merit System staff in AFSCME bargaining units at the universities and all employees of the Iowa School for the Deaf, the Iowa Braille and Sight Saving School, and the Board Office participate in health and dental plans administered by the Iowa Department of Personnel. The overall cost of the state health plans will increase about 17% in calendar year 2001. This increase follows a 17% increase, which was effective July 1, 2000. The state offers an indemnity plan as well as several managed care options. Regent institutions account for 3,889 single and 2,811 family contracts in the state plans. The total number of contracts is about 14,004 single and 12,760 family.

Each university administers insurance programs for faculty, professional and scientific staff, and nonrepresented employees in the Regent Merit System.. Both

the University of Iowa and Iowa State University offer flexible benefits programs for this group of employees.

The University of Iowa offers its employees five different health insurance plans. The University's health insurance program consists of 4,160 single and 4,514 family contracts (includes employee/spouse and employee/children contracts). The cost for health insurance will increase about 17% in calendar year 2001. The University of Iowa also offers a health insurance plan to graduate students.

Iowa State University offers its faculty, professional and scientific, and nonrepresented Regent Merit System employees four health insurance plans. The University's health insurance program consists of 2,305 single and 2,916 family contracts (includes employee/spouse and employee/children contracts). The employer contribution for the four plans will increase by 14% for calendar year 2001.

The University of Northern Iowa offers one health insurance plan to its organized faculty. Nonorganized faculty, professional and scientific staff and nonrepresented Regent Merit System staff are offered one additional option. The University's health insurance program consists of 619 single and 705 family contracts. The University's health insurance costs increased about 14% in fiscal year 2001.

Employee costs for single coverage in the university-administered plans can range from zero to about \$140 per month depending upon the option selected. The employer contribution to family plans at the University of Iowa and Iowa State University differs depending upon the coverage (family, employee/spouse or employee/children) and the plan selected. The collective bargaining agreement with the UNI United Faculty requires that the employer pay 75% of the cost of family coverage.

The AFSCME collective bargaining agreement requires that the employer pay 70% of the cost of family coverage for the Blue Cross Blue Shield indemnity plan and the full cost of single coverage. This amount can be applied toward the indemnity plan or any of the managed care plans.

Health insurance is the second largest component of fringe benefit expenditures. Fiscal year 2000 cost for health insurance was about 27% of the total expenditures for fringe benefits.

Each university offers faculty, professional and scientific, and supervisory merit employees variations of flexible benefit programs as well as opportunities for employees to pay their share of benefit costs on a pre-tax basis and establish dependent care and medical expense pre-tax spending accounts. Pursuant to the state AFSCME Master Agreement, pre-tax payment of health, life and dental insurance is offered to bargaining unit employees at the five Regent institutions. Additionally, AFSCME covered employees at Regent institutions may elect to make pre-tax reductions in wages which will be paid to accounts from which allowable dependent care and medical expenses will be reimbursed.

Permanent full-time employees of the State of Iowa earn 1 1/2 days of sick leave per month. Unused leave is carried forward each year. Sick leave may be used for personal illness; for attendance at funerals of immediate family members; and for temporary emergency care of ill or injured family members.

Employees of the Regent Merit System and other state employees earn vacation leave based on years of service as noted below:

Vacation Leave Accrual -- State of Iowa Employees

Years of Employment	Weeks of Vacation Leave
First through 4th	2 weeks
5th through 11th	3 weeks
12th through 19th	4 weeks
20th through 24th	4.4 weeks
25th and beyond	5 weeks

Full-time professional and scientific employees and 12-month faculty accrue vacation at the rate of 22 working days (plus two holidays as noted below) per year. Vacation leave may be accumulated to an amount twice the annual entitlement.

The following holidays are granted annually to Regent employees:

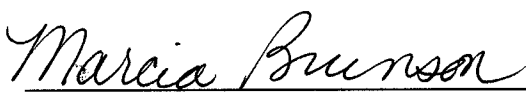
New Year's Day	Thanksgiving Day
Memorial Day	Friday after Thanksgiving
Independence Day	Christmas Day
Labor Day	
Two days designated by the head of each institution*	
Two days to be accrued as vacation.	

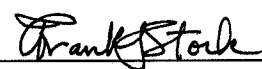
\*(Other state employees receive the number of holidays, which includes Veteran's Day and the birthday of Dr. Martin Luther King, Jr.)

Fiscal year 2000 sick and vacation leave usage and costs are shown in Attachment B.

The entire report will be available at the Board meeting in the Regent Exhibit Book.

It is recommended the Board receive the Annual Governance Report of Fringe Benefits for Employees.

  
Marcia R. Brunson

Approved:   
Frank J. Stork

EXPENDITURES FOR INSURANCE AND RETIREMENT PROGRAMS -- FISCAL YEAR 2000							
	University of Iowa	Iowa State University	University of Northern Iowa	Iowa School for the Deaf	Iowa Braille and Sight Saving School	Total Regent Institutions	Board Office
Mandated Benefits							Total
Social Security	44,000,399	20,518,066	6,392,210	407,503	254,357	71,572,535	69,586
IPERS	812,382	576,406	248,231	116,534	97,180	1,850,733	7,925
TIAA CREF	59,588,669	26,129,017	8,157,698	205,670	89,308	94,170,362	86,765
Substitute plans	140,911	46,102	25,982	-	-	212,995	-
Federal Retirement	-	1,330,989	-	-	-	1,330,989	-
TIAA CREF Waiver of Premium	1,421,304	764,733	73,246	4,335	1,636	2,265,254	1,923
Unemployment Compensation	164,273	92,276	8,848	-	-	265,397	-
Workers Compensation	1,394,260	340,843	137,667	939	3,739	1,877,448	280
Total Mandated	107,522,198	49,798,432	15,043,882	734,981	446,220	173,545,713	166,479
Other Benefits							
Life Insurance	2,968,288	1,872,082	545,902	45,223	24,992	5,456,487	8,109
Accidental Death and Dismemberment	-	292,381	52,255	4,013	2,302	350,951	765
Health Insurance	46,392,060	19,176,758	7,706,758	560,814	337,720	74,174,110	57,028
Long-term Disability	3,660,891	1,712,795	459,582	47,764	26,765	5,907,797	8,278
Dental Insurance	3,677,284	1,107,503	363,136	29,892	17,801	5,195,616	2,888
Total Other Benefits	56,698,523	24,161,519	9,127,633	687,706	409,580	91,084,961	77,068
Total Expenditures	164,220,721	73,959,951	24,171,515	1,422,687	855,800	264,630,674	243,547
Less interest received on cash reserves maintained by carriers	2,089,916	-	423,392	-	-	2,513,308	-
Total Cost of Insurance and Retirement Programs	162,130,805	73,959,951	23,748,123	1,422,687	855,800	262,117,366	243,547
Percent of Non-student payroll	25.30%	24.72%	27.28%	24.04%	25.15%	24.65%	23.21%
							24.30%

Sick and Vacation  
Leave Usage  
Fiscal Year 2000

SUI	Faculty		P&S		Merit		Total	
	Sick	Vacation	Sick	Vacation	Sick	Vacation	Sick	Vacation
Total Employees Earning Leave	1,764	1,056	6,065	6,065	5,621	5,621	13,450	12,742
Total Cost of Leave Used	1,159,530	8,208,474	6,682,834	20,779,135	5,832,500	10,109,303	\$13,674,864	\$39,096,912
Total Days Used	2,834.38	17,160.88	42,059.38	119,199.25	55,928.38	91,950.13	100,822	228,310
Average Days Used Per Employee	1.61	16.25	6.93	19.65	9.95	16.36	7.50	17.92

ISU	Faculty		P&S		Merit		Total	
	Sick	Vacation	Sick	Vacation	Sick	Vacation	Sick	Vacation
Total Employees Earning Leave	2,309	957	2,427	2,407	2,293	2,293	7,029	5,657
Total Cost of Leave Used	868,480	4,261,044	1,887,909	8,644,017	2,369,074	4,679,269	\$5,125,463	\$17,584,330
Total Days Used	3,265	13,758	11,559	49,023	21,937	41,326	36,761	104,107
Average Days Used Per Employee	1.41	14.38	4.76	20.37	9.57	18.02	5.23	18.40

UNI	Faculty		P&S		Merit		Total	
	Sick	Vacation	Sick	Vacation	Sick	Vacation	Sick	Vacation
Total Employees Earning Leave	770	31	436	436	687	687	1,893	1,154
Total Cost of Leave Used	168,684	218,187	413,816	1,435,524	755,162	1,315,451	\$1,337,662	\$2,969,162
Total Days Used	682	558	2,535	7,803	7,175	11,628	10,392	19,989
Average Days Used Per Employee	0.89	18.00	5.82	17.90	10.44	16.93	5.49	17.32

Sick and Vacation  
Leave Usage  
Fiscal Year 2000

ISD	Faculty		P&S		Merit		Total	
	Sick	Vacation	Sick	Vacation	Sick	Vacation	Sick	Vacation
Total Employees Earning Leave	61	n/a	41	41	66	66	168	107
Total Cost of Leave Used	68,106	n/a	20,540	63,204	66,807	107,418	\$155,453	\$170,622
Total Days Used	379.50	n/a	151.38	283.00	617.13	908.88	1,148	1,192
Average Days Used Per Employee	6.22	n/a	3.69	6.90	9.35	13.77	6.83	11.14

IBSSS	Faculty		P&S		Merit		Total	
	Sick	Vacation	Sick	Vacation	Sick	Vacation	Sick	Vacation
Total Employees Earning Leave	35	n/a	14	14	60	60	109	74
Total Cost of Leave Used	38,256	n/a	14,206	57,427	43,582	77,878	\$96,044	\$135,305
Total Days Used	195.50	n/a	72.75	286.88	446.50	754.63	715	1,042
Average Days Used Per Employee	5.59	n/a	5.20	20.49	7.44	12.58	6.56	14.07

REGENTS TOTAL	Faculty		P&S		Merit		Total	
	Sick	Vacation	Sick	Vacation	Sick	Vacation	Sick	Vacation
Total Employees Earning Leave	4,939	2,044	8,983	8,963	8,727	8,727	22,649	19,734
Total Cost of Leave Used	\$ 2,303,056	\$ 12,687,705	\$ 9,019,305	\$ 30,979,307	\$ 9,067,125	\$ 16,289,319	\$ 20,389,486	\$ 59,956,331
Total Days Used	7,356	31,477	56,378	176,595	86,103	146,567	149,837	354,639
Average Days Used Per Employee	1.49	15.40	6.28	19.70	9.87	16.79	6.62	17.97



**Highlights of Annual Report:**

The Regent institutions provide a number of group insurance and retirement programs for their employees. Programs mandated by law are as follows:

- Social Security (FICA)
- Unemployment Compensation
- Workers Compensation
- Iowa Public Employees Retirement System (IPERS) or University Funded Retirement Programs

Insurance programs that are not specifically mandated by law but are provided to Regent employees are:

- Life Insurance
- Accidental Death and Dismemberment Insurance
- Long-Term Disability
- Comprehensive Medical Plans
- Dental Insurance

**SOCIAL SECURITY:** All Regent employees are covered by Social Security. Federal law prescribes employer/employee contributions and employee benefits. The employee and the employer each contributed 6.2% applied to maximum salary of \$72,600 for Old Age Security and Disability Insurance for the first six months of the fiscal year and 6.2% applied to a maximum of \$76,200 for the latter half of the year. Employer and employee contributions to Medicare were 1.45% each on all salary earned. The Social Security costs for the Regent institutions for the fiscal year were \$71.6 million.

**UNEMPLOYMENT AND WORKERS' COMPENSATION:** All employees are covered by these two programs with benefits determined by state and/or federal law. The costs for these programs for the fiscal year were \$2.0 million.

**IPERS:** Eligible employees of the universities, special schools and the Board Office may elect to participate in IPERS, TIAA-CREF, or an approved substitute plan. In fiscal year 2000, 1,218 employees at the University of Iowa participated in IPERS; 1,177 at Iowa State University; 182 at the University of Northern Iowa, 71 at the Iowa School for the Deaf, 81 at the Iowa Braille and Sight Saving School, and 2 in the Board Office. The cost to the institutions for IPERS for the fiscal year was \$1.9 million.

Basic IPERS benefits for a person retiring at age 65 or over with 30 years or more of creditable service is 60 percent (effective July 1, 1994) of the annual covered wages, averaged for the highest three years of service. Currently there is a \$55,000 cap on covered wages for retirement calculations but not for contributions.

The contribution rate for IPERS is 5.75% by the employer and 3.7% by the employee.

There are 191 federal civil service employees at Iowa State University covered by the federal retirement program. These employees do not have the option to participate in either IPERS or the university funded retirement program. Employer contribution to the federal retirement program is 7% of salary and amounted to \$1.3 million in fiscal year 2000.

**UNIVERSITY FUNDED RETIREMENT PROGRAMS:** The great majority of employees at the three universities participate in the Teachers Insurance and Annuity Association--College Retirement Equities Fund (TIAA-CREF). The contribution to TIAA-CREF is 10% on the first \$4,800 of salary of employees with less than five years of service and 15 percent on all additional salary. The contribution for employees with more than five years of service is 15% of the total annual salary. The employer pays two-thirds of the contribution. Under TIAA-CREF the vesting of employee and employer contributions is immediate.

Benefits from the TIAA program are in the form of a fixed annuity which is adjusted periodically. CREF includes variety of accounts -- a Stock Account, a Money Market Account, a Social Choice Account, a Global Equity Account, an Equity Index Account and two bond accounts.

Employees may choose to participate in an approved substitute plan. The number of employees participating in substitute annuity plans at the universities in fiscal year 2000 was 55 as compared to 21,247 participating in TIAA-CREF. As noted above, 2,731 employees participated in IPERS.

In fiscal year 2000, the institutions contributed \$94.2 million to TIAA-CREF.

**TIAA-CREF WAIVER OF PREMIUM:** The universities provide a TIAA-CREF Waiver of Premium to their employees which continues contributions during periods of disability. This cost for fiscal year 2000 was \$2.3 million.

**LIFE INSURANCE:** Each university offers a slightly different life insurance program to its employees. The University of Iowa provides coverage of 2 1/2 times the annual budgeted salary to a maximum of \$700,000. The university pays an annual rate of \$4.56 per \$1,000 of coverage.

Iowa State University provides life insurance coverage of basically twice the budgeted annual salary with a minimum coverage of \$7,000 with no maximum. Coverage decreases at age 65. The annual cost is \$3.60 per \$1,000 of coverage. Faculty, P&S and supervisory merit have the full cost of their basic life insurance funded by the university through the ISU Plan. AFSCME-covered employees pay an annual rate of \$0.60 per \$1,000 of coverage with the balance of the premium paid by the university.

The University of Northern Iowa provides life insurance coverage for merit employees at 2 times the annual salary and for professional-scientific employees and organized faculty at 2 1/2 times salary. Maximum benefit for all three groups is \$250,000. Coverage decreases 5 percent per year following age 61. Employees of the Board Office and the special schools are included in this group with coverage of 2 1/2 times salary. The employer pays the full annual rate of \$4.80 per \$1,000 of coverage.

The life insurance costs for the Regent institutions for fiscal year 2000 was \$5.5 million.

**ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE:** The University of Iowa gives employees the option to participate in an accidental death and dismemberment insurance program. Staff members pay the entire premium and may purchase coverage in increments of \$25,000 to a maximum of \$750,000.

Iowa State University provides coverage to employees who participate in the life insurance program. The amount of accidental death coverage is twice the basic life coverage or approximately four times the annual budgeted salary. The university pays the entire annual premium of \$0.30 per \$1,000 coverage.

The University of Northern Iowa provides accidental death and dismemberment coverage to organized faculty in the amount of 2 1/2 times the annual budgeted salary and professional and scientific staff in the amount of twice the annual budgeted salary with a maximum benefit of \$250,000. The entire annual rate of \$0.39 per \$1,000 coverage is paid by the university.

The accidental death and dismemberment insurance program at the University of Northern Iowa covers employees of the Board Office and the special schools.

The fiscal year 2000 cost for accidental death and dismemberment coverage was \$351,716.

**LONG-TERM DISABILITY INSURANCE.** The University of Iowa provides disability benefits to permanent and continuous 50% time or greater budgeted staff members on an increasing basis after one year of service. Two options are offered, and staff members are required to select one of the two programs. The benefit after one year of service is 10% or 14% of the annual salary depending on the option selected. This benefit increases annually until the maximum of 50% or 70% after five years of service is reached. No monthly benefit may exceed \$11,666. The university pays the entire cost of this coverage.

Iowa State University provides long-term disability coverage to all permanent employees with a one-third time or greater appointment for nine months following one year of continuous employment. ISU Plan participants (faculty, P&S, supervisory merit staff) have a choice of either a 75/60% or 50% LTD plan. The maximum monthly benefit for the 75/60% plan is \$10,000. The maximum monthly benefit for the 50% plan is \$8,000. Nonsupervisory merit system staff are covered by the 75/60% plan only with a maximum monthly benefit of \$8,000.

The University of Northern Iowa provides coverage to employees after one year of service. Escalating coverage is provided similar to that described for the University of Iowa employees with a maximum monthly benefit of \$5,833. The employees of the Board Office and the special schools are covered under the disability program provided by the University of Northern Iowa. The employer pays the entire cost of the coverage.

The fiscal year 2000 cost of long term disability insurance to the Regent institutions and Board Office was \$5.9 million.

**STATE OF IOWA HEALTH INSURANCE PROGRAM:** Employees of the Board Office, Iowa School for the Deaf, Iowa Braille and Sight Saving School, and AFSCME-covered Regent Merit System employees at the three universities are covered by the State of Iowa health insurance programs. The overall cost to the employer increased about 17% effective July 1, 2000, and will increase an additional 17% for calendar year 2001.

The employer pays the full cost of single coverage and 70% of the cost of family coverage of the Blue Cross/Blue Shield Plan 3 Plus. This amount can be applied to Plan 3 Plus or any of the managed care options.

Monthly health insurance rates for calendar year 2000 and 2001 are shown below:

**State of Iowa Plan 3 Plus Rates**

	<b>CALENDAR YEAR 2000*</b>	<b>CALENDAR YEAR 2001</b>
	Plan 3 Plus	Plan 3 Plus
<b>SINGLE</b>	\$244.60	\$286.18
Employer	\$244.60	\$286.18
Employee	0	0
<b>FAMILY</b>	\$597.65	\$707.76
Employer	\$412.05	\$482.10
Employee	\$185.60	\$225.66

\*effective July 1, 2000

**UNIVERSITY COMPREHENSIVE HEALTH PLANS FOR FACULTY AND PROFESSIONAL-SCIENTIFIC EMPLOYEES and REGENTS MERIT SYSTEM SUPERVISORS:** The University of Iowa offers three versions of a comprehensive health plan and two managed care plans. The University's premiums will increase about 17% in calendar year 2001. Monthly rates for calendar year 2000 are shown below with calendar year 2001 rates shown in parentheses.

**University of Iowa Health Insurance Rates**

	<b>CHIP I</b>	<b>CHIP II</b>	<b>CHIP III</b>	<b>UI CARE</b>	<b>UI SELECT</b>	<b>GRAD CARE*</b>
<b><u>SINGLE</u></b>	\$298.00 (\$346.00)	\$171.00 (\$199.00)	\$223.00 (\$291.00)	\$177.00 (\$195.00)	\$223.00 (\$186.00)	\$100.60 (\$125.00)
Employer	\$188.00 (\$207.00)	\$171.00 (\$199.00)	\$188.00 (\$207.00)	\$177.00 (\$195.00)	\$223.00 (\$186.00)	\$89.26 (\$110.91)
Employee	\$110.00 (\$139.00)	0 (0)	\$35.00 (\$84.00)	0 (0)	0 (0)	\$11.34 (\$14.09)
<b><u>FAMILY*</u></b>	\$738.00 (\$889.00)	\$314.00 (\$344.00)	\$492.00 (\$621.00)	\$442.00 (\$442.00)	\$522.00 (\$522.00)	\$255.00 (\$319.00)
Employer	\$333.00 (\$366.00)	\$314.00 (\$344.00)	\$333.00 (\$366.00)	\$333.00 (\$366.00)	\$333.00 (\$366.00)	\$174.26 (\$218.00)
Employee	\$405.00 (\$523.00)	0 (0)	\$159.00 (\$255.00)	\$109.00 (\$76.00)	\$189.00 (\$156.00)	\$80.74 (\$101.00)
<b><u>EMPLOYEE with CHILDREN</u></b>	\$461.00 (\$600.00)	\$199.00 (\$235.00)	\$417.00 (\$476.00)	\$319.00 (\$351.00)	\$344.00 (\$344.00)	n/a
Employer	\$265.00 (\$292.00)	\$199.00 (\$235.00)	\$265.00 (\$292.00)	\$265.00 (\$292.00)	\$265.00 (\$292.00)	n/a
Employee	\$196.00 (\$308.00)	0 (0)	\$152.00 (\$184.00)	\$54.00 (\$59.00)	\$79.00 (\$52.00)	n/a
<b><u>EMPLOYEE w/SPOUSE</u></b>	\$711.00 (\$724.00)	\$311.00 (\$405.00)	\$533.00 (\$693.00)	\$407.00 (\$420.00)	\$453.00 (\$550.00)	n/a
Employer	\$285.00 (\$314.00)	\$285.00 (\$314.00)	\$285.00 (\$314.00)	\$285.00 (\$314.00)	\$285.00 (\$314.00)	n/a
Employee	\$426.00 (\$410.00)	\$26.00 (\$91.00)	\$248.00 (\$379.00)	\$122.00 (\$106.00)	\$168.00 (\$236.00)	n/a

Grad Care rates are on an academic year basis.

Iowa State University provides four health insurance plans to faculty and professional-scientific employees and supervisory merit employees. The calendar year 1999 rates are shown below along with the rates for the ISU Plans beginning in calendar year 2000 shown in parentheses. Total health insurance premiums will increase 13% for the Indemnity Plan, 18% for the Point of Service/Preferred Provider Organization Plan, 17% for the HMO Plan, and 22% for the Catastrophic Plan. The employer contribution for all plans will increase by 14%.

**Iowa State University Health Insurance Rates**

	<b>SINGLE</b>	<b>EMPLOYEE WITH SPOUSE</b>	<b>EMPLOYEE WITH CHILDREN</b>	<b>FAMILY</b>
Indemnity	\$221.00 (\$250.00)	\$507.00 (\$573.00)	\$397.00 (\$448.00)	\$647.00 (\$732.00)
Catastrophic	\$159.00 (\$194.00)	\$366.00 (\$446.00)	\$286.00 (\$349.00)	\$467.00 (\$569.00)
POS	\$185.00 (\$218.00)	\$424.00 (\$501.00)	\$332.00 (\$391.00)	\$542.00 (\$640.00)
HMO	\$174.00 (\$204.00)	\$400.00 (\$468.00)	\$313.00 (\$366.00)	\$510.00 (\$596.00)
ISU Contribution	\$183.00 (\$209.00)	\$316.00 (\$360.00)	\$261.00 (\$298.00)	\$422.00 (\$481.00)
Opt-out	\$40.00 (\$54.00)	\$40.00 (\$54.00)	\$40.00 (\$54.00)	\$40.00 (\$54.00)

The University of Northern Iowa offers one health insurance program to its faculty and professional and scientific employees. Unity Choice, a managed care plan, is offered to P&S and supervisory merit staff. The rates increased about 14% in fiscal year 2001. The fiscal year 2000 rates are shown below with the fiscal year 2001 rates shown in parentheses.

**University of Northern Iowa Health Insurance Rates**

	UNIVERSITY PLAN	UNITY CHOICE
<b>SINGLE</b>	\$224.28 (\$255.68)	\$152.80 (\$163.90)
Employer	\$224.28 (\$255.68)	\$152.80 (\$163.90)
Employee	0 (0)	0 (0)
<b>FAMILY</b>	\$583.20 (\$664.85)	\$382.04 (\$409.77)
Employer (unit faculty)	\$437.40 (\$498.64)	Not available
Employer (P&S, nonunit fac.)	\$466.56 (\$531.88)	\$305.64 (\$327.82)
Employee (unit faculty)	\$145.80 (\$166.21)	Not Available
Employee (P&S nonunit fac.)	\$116.64 (\$132.97)	\$76.40 (\$81.95)

Under terms of the agreement reached with the United Faculty at the University of Northern Iowa, the unit faculty pay 25% of the family premium throughout the two-year contract which ends June 30, 2001.

The five Regent institutions and the Board Office paid \$74.2 million in health insurance premiums during fiscal year 2000.

**STATE OF IOWA DENTAL INSURANCE PROGRAM:** The employees of the Board Office, the two special schools and Regent Merit System employees of the universities are covered under the statewide dental insurance program. The State of Iowa dental insurance program is provided by Delta Dental. The 2000 rates for are shown below. The rates will not change in calendar year 2001.

**State of Iowa Dental Insurance Rates**

	2000	2001
<b>SINGLE</b>	\$15.56	\$15.94
Employer	\$15.56	\$15.94
Employee	0	0
<b>FAMILY</b>	\$41.52	\$42.72
Employer	\$15.56	\$15.94
Employee	\$25.96	\$26.78

**UNIVERSITY DENTAL INSURANCE PROGRAMS:** The university rates for fiscal year 2000 (calendar year 2000 for SUI and ISU) are shown below with fiscal year 2000 (calendar year 2001 for SUI and ISU) rates shown in parentheses.

**Dental Insurance -- University of Iowa**

	DENTAL I	DENTAL II
<u>SINGLE</u>	\$17.00 (\$22.00)	\$31.00 \$45.00)
Employer	\$17.00 (\$22.00)	\$31.00 (\$45.00)
Employee	0	0
<u>FAMILY</u>	\$55.00 (\$72.00)	\$87.00 (\$127.00)
Employer	\$17.00 (\$22.00)	\$31.00 (\$45.00)
Employee	\$38.00 (\$50.00)	\$47.00 (\$82.00)

**Dental Insurance -- Iowa State University**

ISU PLAN	SINGLE	EMPLOYEE + SPOUSE	EMPLOYEE + CHILDREN	FAMILY
Basic Dental	\$17.00 (\$18.00)	\$41.00 (\$42.00)	\$46.00 (\$47.00)	\$52.00 (\$53.00)
Comprehensive	\$29.00 (\$29.00)	\$70.00 (\$72.00)	\$77.00 (\$79.00)	\$85.00 (\$87.00)
ISU Contribution	\$16.00 (\$18.00)	\$16.00 (\$18.00)	\$16.00 (\$18.00)	\$16.00 (\$18.00)
Opt-out	\$16.00 (\$18.00)	\$16.00 (\$18.00)	\$16.00 (\$18.00)	\$16.00 (\$18.00)

**Dental Insurance**

**University of Northern Iowa**

(The rates did not change for fiscal year 2001)

<u>SINGLE</u>	\$14.86 (\$14.86)
Employer	\$14.86 (\$14.86)
Employee	0 (0)
<u>FAMILY</u>	\$43.38 (\$43.38)
Employer	\$14.86 (\$14.86)
Employee	\$28.52 (\$28.52)

Regent institutions and the Board Office paid a total of \$5.1 million in dental insurance premiums in fiscal year 2000.