

Unapproved Minutes  
Provost Employee Communication Council Meeting  
November 13, 2002 -- Zehmer Hall

Present: Joann Addison, Brian Bader, Annamarie Black, Alan Cohn (ex-officio), Susan Fogler, Linda Hunt, Douglas Moseley, Diane Russell, Kathryn Soule, Glenn Taylor, Sue Wharam, Kathy Woodson, Becky Yancy (ex-officio, for Anda Webb) Ann Zook, Mary Gentry

Guest speakers: Ida Lee Wooten, Interim Director, Community Relations; Jeffrey Overweg, Asst. Director, Employee Benefits; Ann Dawson, U.Va. Health Plan Ombudsman

Important dates to remember:

- close of VSDP Open Enrollment (and opt-out): Wed. Nov. 27<sup>th</sup>, 5 p.m.
- close of U.Va. Health Plan Open Enrollment: Fri. Dec. 6<sup>th</sup>, 5 p.m.
- close of Commonwealth of Va. Campaign: Fri. Dec. 6<sup>th</sup>.

Chair S. Fogler called the November meeting of the Provost Employee Communication Council to order. Next, she introduced guest speaker Ida Lee Wooten from UVA's Community Relations office, who proceeded to tell Council about the ongoing Commonwealth of Virginia Campaign (CVC). CVC gives all state employees an easy way to voluntarily donate to charities such as health and social service organizations, environmental organizations, and animal welfare groups. Ms. Wooten assured Council that charities who benefit from CVC have to meet certain criteria—they must prove they spend no more than 25% maximum of funds on administration and overhead and that they are non-discriminatory. Also, \*\*100% \*\* of the money employees donate to specific charities goes directly to those charities. Lastly, Ms. Wooten reminded Council about the Non-Profit Organizations Fair at Newcomb Hall today (Nov. 13<sup>th</sup>) 11am-2pm.

[N.B. For more information about the Commonwealth of Virginia Campaign, including a directory of participating charities, visit U.Va.'s CVC Campaign website: <http://www.virginia.edu/cvc/> ]

Chair S. Fogler then raised the issue of Council's December meeting, suggesting Council mark the upcoming holiday season with an informal, "pot-luck" breakfast meeting that would enable representatives to get to know one another better. This suggestion was enthusiastically carried. The Chair further suggested Council consider "adopting" a needy family and helping them over the holidays. After discussing pros and cons of working through a couple of groups, Council reps expressed preference for "adopting" an elderly person at this time and asked S. Wharam to investigate working through JABA or a similar agency to identify someone whom we could help and report back.

Chair S. Fogler then regrettably announced that two Council representatives, J. Scales from Arts & Sciences and L. Steva from Engineering, had tendered their resignations from Council due to workload and time constraints which they felt hindered them from giving Council work all the attention it deserved. The Chair then read the section of the By-laws that governs replacing representatives in term. After discussing the work and time involved in calling special elections vs. concerns about appointed

reps, the council decided to ask resigning representatives and their area deans to forward names of employees who could serve until scheduled Council rep elections in May 2003.

The Chair then brought up the issue of state classified employee evaluations, specifically employee ratings, by reading to Council (without attribution) a letter from a coworker who was upset because he/she had been told by their supervisor that he/she had to do **\*\*another\*\*** person's job in addition to their own in order to merit an "extraordinary contributor" rating. The correspondent went on to ask if employees must work beyond the parameters of their job description (or now, employee work profile) to have any hope for an extraordinary rating, and how to resolve the confusion that occurs when the employee, the supervisor, and the dean each have a different idea of what the ratings mean and how they are to be applied. Additionally, the correspondent's dean's office said that their "hard line" was dictated by University Human Resources.

The Chair then mentioned she had considered forwarding this concern (minus personally identifiable information in order to protect confidentiality) to the Chief Human Resources Officer, Mr. Gausvik, but felt that rather than dealing "piecemeal" with these recurring problems it would be helpful for Council to discuss these issues together and possibly recommend solutions to UHR. Council agreed and a lively discussion ensued regarding perceived problems in the current performance evaluation/compensation system.

Council representatives voiced concerns and frustrations around their sense that most University employees want to feel that their work is at least a little better than just average, but the bar has been raised so high by only having one grade above "contributor", i.e. "extraordinary contributor." One representative related that her supervisor recently told her, "you can't just do an excellent job -- you have to perform the equivalent of rescuing someone from the 110<sup>th</sup> floor of the World Trade Center." Another representative related that her supervisor had told her that, "You're doing a wonderful job, you are one of my best employees, but I just don't give exceptional [i.e. extraordinary] ratings." Another council member added that he thought from listening to employees and managers that the root of this problem is the state's compression of what was a 5-grade scale where you had an "exceeds expectations" between "meets" and "exceptional" to what is now a 3-grade scale or "pass/fail/walk-on-water." Since the state implemented this new grading scale, presumably with some input from a committee with University representation, why couldn't the state revise the scale to insert an "above contributor" grade to match the old "exceeds expectations" rating? Another representative added that with no money available for raises, employees especially want verbal recognition for doing above average work. The Chair mentioned that at a recent management meeting she had attended, it was stated that the only way an employee could get the equivalent of a raise is by using the "in-band adjustment" mechanism in the new pay plan, to which another representative responded with her observation that "the same ones get the in-band adjustments," i.e. that certain employees are arbitrarily rewarded with these pay adjustments while coworkers who have done equivalent quality and amount of work are not.

UVa's new Director of Employee Relations Alan Cohn, attending Council for the first time as UHR ex-officio, interjected that he was aware of some of the inconsistencies and misunderstandings about how the performance evaluation process is to be implemented, and that it was a priority for him in his new position to address these problems, likely with a task force including himself, Debbie Gausvik, and David Ripley, that would also hear employee concerns about the process. A. Cohn also stressed that **\*\*no\*\*** employee should go into an annual performance evaluation meeting not knowing what grade

they would get, that performance management is a communication process that needs to go on between employee and supervisor throughout the year.

Council's consensus on the employee performance evaluation/compensation process: "It all needs to be looked at."

Council Chair then moved on to introduce Jeff Overweg and Ann Dawson from University Human Resources, who came to provide written and verbal answers to employee questions about their benefits. [N.B. These employee questions and UHR answers have already been distributed by separate e-mail to staff in the Provost's area.] J. Overweg passed out to Council copies of the VRS Sept. 2002 "Memo to Members" with details about the VSDP Open Enrollment and a comparison between benefits in the VSDP system vs. the old non-VSDP leave system.

Council Chair adjourned the meeting until December 11<sup>th</sup>, 2002.

Below are the questions and answers that were sent out in the earlier email mentioned above.

**Questions regarding health care, VSDP and other issues  
Employee Council Meeting  
11.13.02**

1. I am wondering about the change in coverage for prescription medications and the lack of communications to employees about this change. It seems that now we have to pay more than the standard one rate co-pay and it varies depending on the medication. No one I have spoken to remembers anything being sent out about this.

*The UVA Health Plan has always required more than one rate copay. The plan originally had two copay rates, one for generic and one for brand name drugs. This was increased to 3 rates or tiers effective January 1, 2001. Information regarding this change was included in all open enrollment material sent on October 30, 2000 to all benefit eligible employees and was discussed extensively at employee meetings held November 6-November 28, 2000. The current drug plan is a three-tier plan. Tier 1 are generic drugs, Tier 2 are lower-cost brand name drugs and Tier 3 are higher-cost brand name drugs. If your prescription is not in Tier 3, it automatically falls into Tier 2 if it is a brand name drug or Tier 1 if it is generic. The plan is a mandatory generic plan. Coverage is limited to the cost of the generic drug if a brand name drug is chosen from Tier 2 or Tier 3 when a generic equivalent exists. In these cases, you will be required to pay the difference in the cost between the brand name drug and the generic drug in addition to the appropriate copay.*

2. Does UVA plan on offering long-term disability again?

To open VSDP it takes an act of legislation from the General Assembly. There is no way of knowing if VSDP will ever have another open enrollment session again.

- 2) Add'l. question: If there are only a few employees remaining in the old leave system after this VSDP Open Enrollment, would the state or U.Va. consider requiring those remaining persons to move into VSDP as a cost-savings/efficiency measure?

Answer: No, there is no financial incentive to U.Va. or the state for you to be in either program. We already have two leaves programmed into our computer system.

Also: Our new dental benefit administrator United Concordia is heavily recruiting area dentists to join its network. You can consult the U.Va. Employee's Client's Corner page to see if your dentist is listed, and if not, you can call Concordia's listed toll-free customer service no. to ask if your dentist has been recruited to join the network. Note that Concordia's U.Va. employee website was not up when we first listed it on our Open Enrollment page, but it is working now. U.Va. **\*\*students\*\*** also have dental coverage through Concordia; their Client Corner website address is almost identical to ours ("uva" vs. "univofva" for us) so beware confusing the two URLs.

3. When we were told about PHCS in the summer it was my understanding along with other coworkers, that the dental plan that we had with Southern Health/Qual Choice was not covered under PHCS. In January 2003 we would find out what dental plan we could take part in. A coworker of mine last week told me that we do still have dental coverage... it would be the same as before. If we do have dental how do we make sure that we are covered and what dentists are we aloud to go to?

*As a PHCS plan member you are entitled to the same dental benefit as those members covered under the standard in-area plan. If you have questions about eligibility you can contact Southern Health Customer Service at 1-888-975-9557 and a representative will review your eligibility with you. The Customer Service representative can also assist you with participating providers or you can search for participating providers by accessing the Southern Health website at [www.southernhealth.com](http://www.southernhealth.com). Effective January 1, 2003 United Concordia will administer the UVa Health Plan dental benefit. After that time if you have questions or need to find a participating dentist, you can visit the University of Virginia Client's Corner page at [www.ucci.com/was/uccweb/clients/univofva.jsp](http://www.ucci.com/was/uccweb/clients/univofva.jsp) or call toll free 1-866-215-2354.*

4. How does an employee handle physician referrals when we think all referrals were put in place for medical treatment? How does this apply to employees that are not in the Charlottesville area?

***It is the member's responsibility to make sure that a referral is in place before visiting a specialist.*** To obtain a referral to an in-network specialist, your PCP is required to obtain the telephonic referral by contacting Southern Health. Failure to obtain a referral will result in an Option 2 or Option 3 benefit level. Southern Health Customer Service representatives can confirm for you if the referral was approved by calling (888) 975-9557. A letter will be sent to you and your PCP only if the referral request was denied. Primary care physicians who wish to refer members for Mental Health or Substance Abuse services must contact Sentara Mental Health Management via the Southern Health Service Mental Health line at (800) 975-8919. You may also access Mental Health/Substance Abuse services through FEAP (Faculty and Employee Assistance Program) to take advantage of zero copayments for the first 8 visits. Referrals and authorizations must be in place before accessing services to receive Option 1 coverage. For referrals to Out-of-Network providers or services, Southern Health Services has the right to disapprove the referral request if similar services are available in-network.

4) Further notes on question 4: Our Health Plan was always designed as a tier system, in which the employee first sees his/her PCP, who then makes referrals as needed. Some employees have been going directly to a specialist, paying the higher 2<sup>nd</sup> tier co-pay, then sometimes finding out they would need a lengthy course of specialized treatment, then deciding they had better go back to their PCP and get a retroactive referral due to the 2<sup>nd</sup> tier costs involved. This circumvents how the Plan is supposed to work.

5. Ordering medication: Some medicine costs more than others with the mail order plan so I must not be doing something right. If the PCP gives me the prescription and I send it, do I have to have a letter from the PCP as well stating the necessity of using it? The drug in question is Avonex, and it's for my husband who has MS.

*Avonex is a Tier 2 injectable medication that requires preauthorization so you must have approval from pharmacare prior to obtaining the medication. Up to a 90-day supply is available through the mail-order benefit. Copayment per prescription through mail order is \$18.00 for a Tier 1 medication, \$36.00 for Tier 2 and \$72.00 for Tier 3 so your copayments may vary based on the Tier of the drugs you are ordering through the mail-order process. If you choose to use a brand name drug when a generic drug is available, you will be responsible for paying the difference between the cost of the generic and the brand name drug as well as the copayment for the brand name drug.*

6. Although I'm not classified, could you ask Ann Dawson when the dental program for Northern Virginia (through PHCS) will be improved? The closest dentist is an hour away in Culpeper. In the interim, will they honor out of network providers for us as in-network? The current program is like having no program at all.

*A national dental network will be available effective January 1, 2003. There are many participating dentists in this United Concordia network in Northern Virginia. Meanwhile, you can see providers not in the current network and submit claims for partial reimbursement. As an example, there are 54 providers listed as participating in Manassas, Virginia as of 11/5/02.*

7. The question is will there be a list of comparisons between the old plan and the new Virginia Sickness & Disability Program so people can compare what they might gain or give up between one and the other. I think the University had a comparison sheet last time; maybe they are planning on bringing one to your meeting.

*The list of comparisons can be found out on the VRS website in the special "Memo to Members" newsletter. The website address is : <http://www.state.va.us/vrs/vrs.htm>.*

8. With the market driving insurance rates up, will we see another premium increase this time next year? Recently Mr. Sandridge sent us an email giving us a breakdown of the increase we will have January 1<sup>st</sup>. If I have read his email correctly, it appears that we could possibly see a 34% increase in our premium costs.

*Each year the University reviews the healthcare plan and its cost to the employees. This year the University has increased the employee cost by only 5% and the University is contributing over 30% more towards the health insurance benefits.*

8) Further notes on 8: The University recently had a comparison done between our Health Plan and the state's, and it showed that our Plan's benefits are 8% richer than the state's top-of-the-line Key Advantage Expanded plan. Even with the modest premium increases effective next Jan., our single rate is \$17 (versus the state's \$33 rate), employee + 1 is \$108 (vs. the state's \$153), family rate is \$206 (vs. the state's \$272) , and double-state employee is \$108 (vs. the state's \$164).

Additionally, Key Advantage has a large deficit, and there is talk that the state may have to raise its employee premiums by up to 18% next July.

Our retirees stay in the U.Va. Health Plan (at a somewhat higher retiree premium rate) until age 65, at which time they move into the state's Key Advantage Medicare supplement plan.

## 9. What is a lifestyle drug?

*Some examples of lifestyle drugs are Male Erectile Dysfunction drugs such as Cavarject, Viagra, Muse and Edex (for which there are quantity limits) and Diflucan.*

Further notes on 9: a male Council representative objected to labeling Viagra (sildenafil citrate) a "lifestyle drug." Reason: yes, if a younger employee took Viagra as a performance enhancer, that term might be appropriate, but if an older, married employee was diagnosed with, say, prostate cancer, took treatment that caused impotence, then Viagra would be a necessary and appropriate drug to prescribe, and there should be no stigma attached, such as the judgmental term "lifestyle drug" could imply. Ombudsman A. Dawson took note of this complaint.

10. Can we opt in for just one or more of the programs? Say I am just interested in the long-term care program.

*No. VSDP is a package of benefits, you can not sign up for just one. If you are only interested in long-term care insurance faculty have been eligible to purchase the insurance through Aetna or TIAA-CREF and Classified Staff can purchase it only through Aetna. Further information on long term care insurance can be found in this years open enrollment materials.*

11. Are these policies personal policies, i.e., if for some reason one decided to leave employment with the university, are the policies canceled? Or can the person take the policy with them?

*The benefits under VSDP are group benefits and cannot be purchased on a individual basis when a person leaves University employment. The only exception to this is the Aetna Long Term Care policy, which can be converted to an individual policy upon leaving the University.*

12. (a) Currently I earn 10 hours per month of sick leave. Under VSDP it looks like I would earn 72 hours sick leave plus 32 hours of personal and family leave for a total of 104 hours. This seems substantially less. Why would I want to switch over to VSDP in this regard? (b) Are there are other benefits to VSDP's sick policy that I am not seeing? (c) I see that from year to year under VSDP sick leave balances are not carried forward. What happens if I retire, am I compensated for any sick leave not taken? (d) If I opt out of the VSDP program, does my sick leave continue to accrue at the current 10 hours per month rate?

*Under VSDP you will receive 120 hours (80 sick and 40 personal) once you have 10 years of service time with the state. VSDP does not just provide you with leave but provides you with a short and long term disability program, along with a free Aetna long term care policy. You can be compensated when you retire or can choose to convert your disability credits into service time. Disability credits come from having your current sick time converted one for one when you move from the existing sick leave plan to VSDP. If you opt out you will continue the same benefits you have today at the same accrual rates.*

13. When VSDP goes into effect, what will happen with the short-term disability program currently offered by Colonial through Barry Stokes?

*The decision has not been made yet as to whether the individual policies for Colonial will continue through payroll deduction. Even if the decision is made not to continue payroll deduction for these individual policies you will still be able to maintain the policies by having Colonial bill you directly.*

14. How smoothly does the system work if one becomes sick for 7 days or more? Do you have to worry from your sickbed that you should turn in some form so that your short-term disability would kick in beginning with the 8th day until you are well? Can you make these arrangements retroactively, when you are well again? Is a doctor's signature necessary for one to be considered for short-term disability? What would happen, for instance, if you were unconscious for 10 days?

*If you are going to be out ill for long than seven calendar days you need to call CORE at their 800 number. CORE is the administrator of the VSDP plan. CORE needs to be notified by yourself, a family member or the employer about your potential disability case. They will then send out information to the individuals home to get release information so they can get all the necessary medical information from your doctor.*

15. I currently have accumulated 625 hours of sick leave. If I am reading things correctly, does this mean that I will get 625 disability credits? Let's assume the answer is yes - then if I am ill and out of work for two weeks - how would these two weeks be covered i.e., so many days of sick leave and then disability leave kicks in?

*You are correct you will receive 625 disability credits. The first 7 calendar days (5 work days) you would need to use any leave you have such as sick, family/personal, comp, or annual to cover the waiting period. Once the waiting period has been met and the short term disability claim approved you can use any leave balances you have, including your disability credits, to increase your income replacement to 100%.*

16. Is it only possible to convert these sick hours to disability credits or is it possible to exchange them for family sick leave hours?

*The General Assembly along with VRS have determined that you can only convert the sick hours to disability credits.*

17. In the VRS - what is the maximum amount of sick leave I can cash-in when I retire?

*You can cash in 25% of your sick leave up to \$5,000.*

In the VDSP - what is the maximum amount sick leave I can cash-in in when I retire?

*If you join VSDP and have your sick leave converted to disability credits you will be able to cash out 25% up to \$5,000 when you retire. You can also convert the disability credits to service time at a rate of 173 credits for one month of service.*

18. My mother is elderly and lives overseas. If she takes ill it may necessitate my having to make several trips over there to be with her. Or...it may take an extended stay of one month....how would all of this be covered by the VSDP

*VSDP is for when you get sick or ill. It does not provide you with income replacement for taking time off to care for an ill family member. Remember under your existing sick leave plan you are only eligible to use 1/3 of your accrued hours to take off to be with a family member in a FMLA situation.*

19. On page 5 - right hand column - it clearly states that sick leave may not be carried forward from one calendar year to the next, nor will there be any payment for unused sick leave on termination/retirement. But in the Gausvik memo it says that "credits can be cashed-out up to \$5,000. Can you clarify what this all means?

*If you join VSDP you will have your existing sick leave balances converted to disability credits. Upon retirement or separation you can cash out 25% of your disability credits up to \$5,000.*

20. (a) In the HR memo sent out by Thomas Gausvik there is a sentence "Be sure you understand the benefits you are giving up." Can you tell me what benefits I will be giving up if I join the VSDP? And (b) there a chart listing VRS versus VSDP points and comparisons? Such a chart would make it easier for those of us wrestling with the question of "should I or shouldn't I change to the VSDP."

*The biggest changes would be in your changes in sick leave and no longer having a disability retirement because you would now be covered under a long term disability program. The comparison chart can be found in the special "Memo to Members" which talks about VSDP. You can find this memo at the VRS website: <http://www.state.va.us/vrs/vrs.htm>.*

21. We all received an informational packet, to include a brochure, on the VDSP. Where can we obtain a brochure for the retirement plan we are presently in (VRS)?

*The brochure can be download or viewed online at the VRS website:  
<http://www.state.va.us/vrs/vrs.htm>.*

22. (a.) How are drugs for acid-reflux disease (like Nexium and Prilosec) covered under our prescription drug benefit? (b.) Are they considered medically necessary? (c.) Is the Benefits Committee planning to end coverage for certain prescription allergy medicines if they become available over the counter?

*(a) Gastrointestinal drugs such as Nexium and Prilosec are covered under the Prescription Drug plan. In 2002 and for 2003, Nexium is a Tier 2 medication and Prilosec is a Tier 3 medication. There are also a number of other drugs available in this category.*

*(b) Yes, non-sedating antihistamines such as Allegra, Claritin and Zyrtec will no longer be covered under the Prescription Drug plan when the over-the-counter sales of Claritin begin in early 2003.*

23. What company will administer our dental benefits, and what changes are likely in the short-term to our dental benefits?

*United Concordia is the new administrator of the dental benefit effective 1/1/2003. There are no changes to the dental benefit for 2003.*

24. Instead of the FAVS eye care discount plan, why can't our plan simply offer fixed coverage for eyeglasses and contact lenses? The state's extended plan pays \$50 for frames and \$50 for lenses (or \$100 for contacts) every 2 years. Having good eyesight is essential for most of us who work in offices and in front of computers every day.

*The sort of vision plan you describe does nothing more than require prepayment in the form of premiums for frames or lenses until the time you can purchase the frames or lenses. A discount plan allows you to purchase as much as you would like at the discounted rate. There are no limits to the amount of discounts you can receive. In addition, family members can use your discount card whether or not they are enrolled on your health plan policy.*

**Additional notes on VSDP program (mentioned in several questions)**

- VSDP participants are now eligible to participate in the Leave Share program.
- Employees who switched to VSDP in 1999, as well as employees who move into VSDP next Jan., are eligible to convert unused disability credits to

retirement service (173 credits=1 month service) when they retire or leave the state (or you can receive cash for 25% of your credits, up to \$5,000).

- VSDP service periods are counted only as uninterrupted service, if you leave the state, then come back, the “clock” starts over.
- a current version of the VSDP Handbook is available online at the VRS website: <http://www.state.va.us/vrs/pdfs/2002VsdpHbook.pdf>

If there are further questions about employee benefits, Jeffrey Overweg can be reached at [jpo2q@virginia.edu](mailto:jpo2q@virginia.edu) and Anne Dawson can be reached at [abd4f@virginia.edu](mailto:abd4f@virginia.edu) or [healthplanombuds@virginia.edu](mailto:healthplanombuds@virginia.edu).

A rep then asked J. Overweg if the Benefits Office was considering implementing “Commuter Choice” for U.Va. employees, that is, setting up a program so that employees could pay city bus fares or carpool expenses to and from work with their “pre-tax” dollars. J. Overweg replied that this benefit was under consideration, but that it would be helpful to bring this idea to the Benefits Committee, a group of staff and faculty who advise the President on employee benefits. Several reps expressed surprise that such a committee existed, asked how it was appointed, and whether it published minutes. It was explained that members were appointed by the various deans each year, and that this council publishes its minutes on its website: <http://www.people.virginia.edu/%7Eadt/bencom/>

Alan Cohn, Director of Human Relations, asked that attached link be put in the Council’s minutes. This link is for the 2003 University trips. <http://www.hrs.virginia.edu/travelopp.html>