

| Minutes

Provost Level Employee Communication Council meeting – September 14, 2004

Present: Brian Bader, Faye Snyder, E. Howard Booker, Iva Gillet, Lorrie Jean, Carolyn Laquatra, Jean Varner, Carole Lohman, Severyn Hanusz, Kent Merritt, Brenda Boyd, Vickie Faulconer, Jennifer Hitchcock, Jo Ann Addison, Becky Marshall, Deirdre Davie, Chris Loss, Alan Cohn, Brad Holland, Anda Webb, Heather Cullop, Rebecca Peters.

Jo Ann Addison called the meeting to order. Handouts included a proposed meeting schedule for September 2004-July 2005 with date, location, speaker/department, and topic(s) of upcoming meetings.

Council members, many of them new, introduced themselves and told where they worked and how long they have been with UVA.

The Council discussed old business. Alan Cohn of UVA Human Resources (HR) passed around written copies of answers to Provost Employee Council questions submitted to Chief HR Officer Tom Gausvik at the March 2004 Provost Council meeting. Alan promised to provide an electronic version of the answers.

Moving on to new business, Glenn Taylor sent his regrets that he was unable to attend the meeting to discuss the Provost Employee Council website. However, he will be at the next Council meeting to discuss it.

The Council then discussed the proposed schedule for upcoming meetings and speakers. Possible recommended changes included adding a tour on May 10, 2005, of the new Special Collections Harrison Institute/Small Library and holding the Council meeting on that date, as well as the February 8, 2005, meeting with Chief Executive Officer (CEO) Leonard Sandridge and Provost Gene Block, in the auditorium of the new building. A suggested change to the February 8 meeting was to invite other employee-level councils to hear Mr. Sandridge and Mr. Block.

It was pointed out that Provost Employee Council representatives need to obtain questions for Mr. Sandridge, Mr. Block and Police Captain Michael Coleman (or his representative) prior to the meeting days so that questions

can be supplied to these speakers beforehand. Captain Coleman is slated to speak on October 12.

Other suggested changes/additions included having Charlie Grisham speak. Mr. Grisham is involved with the organizational planning for the student registration system which will replace the current Integrated Student Information System (ISIS). Former UVA President and Director of the Thomas Jefferson Center for the Protection of Free Expression Robert O'Neil, Politics Professor Larry Sabato, and Senior Vice President for Development and Public Affairs Robert Sweeney were other suggested speakers. After deliberation, it was agreed that Professor Sabato would likely be quite busy in this election year and might not be available for a Council meeting and that Mr. O'Neil, though heavily involved in free expression issues, would not necessarily be an authority on UVA charter status, a topic which is of great interest and concern to UVA classified staff.

Once a revised Provost Employee Council meeting schedule is complete, it will be posted on the Council website.

The Council then heard about UVA-sponsored trips, detailed information about which may be found at: <http://www.hrs.virginia.edu/travelopp.html>. Upcoming UVA-sponsored travel offerings included Switzerland in November 2004, Budapest in March 2005, and Rio in November 2005. For a base price of \$999.00, travelers get air fare, hotel accommodations, and daily breakfast. Alan Cohn will bring brochures to the next Council meeting.

Continuing with new business, the Council discussed at length the proposed charter status for UVA.

Members were reminded about the six one-hour informational sessions on the topic, one of which had already been held on September 13 with the next scheduled for September 21. There are website updates and an audio recording of the September 13 session at: <http://www.virginia.edu/chartereduniversities/forEmployees.html#>

On several occasions during today's September 14 Provost Employee Council meeting, Council members were urged to attend one of the informational sessions and to encourage their constituents to do the same. Council members who attended the September 13 session reported that it wandered off topic a bit, that it was an informational session and not a

voting session, and that there are lots of uncertainties which will not and cannot be worked out until charter status is approved for UVA.

Concerns about the charter status plan included the thought that relying less on state money and more on endowments and fund raising still leaves UVA affected by market-driven revenues, and (without a tuition cap) puts a financial burden on students and parents. Still uninformed about how charter status will work, an attendee at the September 13 session felt that UVA in a rush to solve a problem might create more problems. There was also concern about the possibility of creating two-tiered systems for both UVA employees and public higher education in Virginia. [The two-tiered system of pre-charter and post-charter UVA employees, with pre-charter employees having superior, "grandfathered" benefits, had been described at the September 13 meeting.] Elaborating on concern for Virginia public education, a Council member thought that with a limited pool of donors, UVA would win out over smaller Virginia colleges. It was pointed out, however, that with its prestige as "The University," UVA attracts donations more than other colleges in an already existing two-tiered system. Also on the topic of public education was concern for other institutions' state funds during any future budgetary cuts. What happens to other colleges during budget cuts when UVA might continue to receive an agreed-upon level of dollars unaffected by state funding reductions?

Other thoughts/issues concerning charter status were that charter status does not equal private status. Alan Cohn said that the Virginia Retirement System (VRS), grievance procedures, and benefits plan will not change. (It was thought that currently all contributions to the UVA staff in the VRS come from the University.) Newly hired people will have other options for retirement plans, but details are unknown.

One Council member thought that classified staff will not have a vote in the charter status proposal, that such status will be approved and then the details will be worked out, and that staff will have to trust leadership and remind themselves that they are "not out to get us." (One Council member reported that a faculty member in the Council's area thought that classified staff would "get screwed" under charter status

As an aside but related to administration concern for staff, it was pointed out that some 4,400 classified positions have been reviewed and had a market comparator assigned, and that recommendations to address compensation

inequities are being made. For example, UVA police salaries have been compared with salaries earned by Charlottesville and Albemarle County law enforcement and it was found that non-UVA police are making more money.

A discussion of leave benefit changes under charter status revealed a concern that staff will have to use annual leave for events such as jury duty under a new leave plan. One Council member reported that in a situation where staff changed to Paid Time Off (PTO) leave, unexcused absences went down. Uncertainty currently prevents answering all questions from people worried about leave benefits.

A question was asked about the Board of Visitor's role under charter status, i.e., Will the Board be in charge? Anda Webb from the Provost Office pointed out that there is already a lot of power vested in the Board, which delegates authority to the CEO, UVA President Casteen, and others. There will likely be more personnel issues for the Board to address under charter status, however. There should also be more freedom for UVA to look at issues, making the state "no longer the entity to blame." Alan Cohn pointed out that the Board, comprised of business people, will work accountably and Ms. Webb added that it would not dodge issues. Both Mr. Cohn (ac3k@virginia.edu) and Ms. Webb (alwebb@virginia.edu) offered to accept emailed questions about charter status. Mr. Cohn also told the Council that it can help separate speculation from facts during the charter status initiative. During a discussion of comparing UVA's situation with other institutions' experiences, St. Mary's College in Maryland, UC Berkeley, and Michigan were mentioned as places which had chosen charter status. It was noted that local cultural differences might make a comparison of our situation and that of others difficult, but Anda Webb will talk with Executive Assistant to the Vice President and Director, State Governmental Relations, Nancy Rivers, about any ideas she may have for helpful comparisons with other institutions.

The Council discussed the October 7 Thursday night UVA football game and its affect on staff parking. It was pointed out that one Thursday night home game per season will be a likely future scenario. Staff in some areas have to vacate parking lots by 4:00 PM and are wondering if annual leave must be used. (Cars in the Ivy parking garage do not have to move for the game.) It was suggested that affected staff speak with administration in their areas about the parking ban and also that flexible scheduling (come in and leave early) may be one solution.

A question was asked about time off for the Virginia state fair. UVA staff used to get four hours off on the day of the fair but no longer. State employees in Richmond do get time off.

Alan Cohn reminded the Council that supervisors need to ask employees if they wish to prepare a self-assessment during the upcoming performance evaluation time and recommended that staff do one, although the latter is not a requirement. A Council member commented that September is a "dead-statistics" month; due to the performance evaluation deadline the Council member is unable to include in the member's evaluation statistics for September, which is a busy work month. One suggestion was to discuss the matter with the member's supervisor to come up with a solution. Another possibility was to use statistics from the previous September. Alan Cohn said that any staff who has questions should call him.

Finally, a Council member reported that over the Labor Day holiday a staff member sought medical treatment in an emergency room and was unable to contact a Southern Health representative or leave a voice mail within 48 hours of the admission, as required by our health insurance provider. Anne Broccoli, Health Plan Ombudsman, should be contacted about this matter.

The next Council meeting is October 12 in the Booker House.

Submitted by Brian Bader

QUESTIONS FROM PROVOST ECC CONCERNING HR

1. *What were the results of the salary survey HR was supposed to do with regards to equity issues?*

Response to # 1:

UHR is in the process of presenting its recommendations to senior management. The recommendations are based on several factors including estimated market deviations, recruitment and retention issues, and University strategic plans.

2. *What can be done for those employees who have an over abundance of annual leave and comp time and lose hours each year? Can the "lost hours" be converted to \$\$ for the match plan for the tax-deferred savings plan? There is also a payout difference in the annual leave balances after a certain number of years service when one retires. Could the difference be applied to the match plan rather than the employee losing it?*

Response to # 2:

This is a problem, which I do not know how to solve. State leave policies are very rich when compared to other states and employers in the private and public sector. Currently, there is no provision in the leave policies to do what is suggested in the question. The state's Cash-Match Program is governed by the Code of Virginia and does not permit this. Even if this could be done, UVA would have to come up with sources of funding, which are in tight supply.

As for payout upon separation, these are also controlled by state policy. However, we are exploring whether the University may legally permit employees who have leave balances paid out per state policy to be able to tax-defer some or all of the payout into the University's 403(b) Program or the state's 457 Plan per the limits permitted by the IRS. This would permit the employee to avoid immediately paying taxing on these dollars and deferral of these dollars into a retirement investment. However, it is likely that such a deferral would have to be done prior to the separation date, which may be doable.

As for the potential to lose leave, employees should sit down with their supervisor at the beginning of each calendar year to plan their leave usage, so as not to lose leave.

3. *What is the reason for submitting the time management forms twice a month? Is this some power move on the part of certain personnel in HR or do they believe we are all irresponsible employees and can not be trusted to submit one monthly. I see the twice a month submission as unnecessary and time consuming*

Response to # 3:

Submitting the University Time Management form (UTM form twice a month is necessary as leave is accrued and recorded on a semi-monthly pay period basis. This is set by state policy. Under the legacy system, leave was submitted after payroll ran and was always “behind” requiring many retroactive adjustments to leave balances. This was a tremendously labor-intensive and manual process that was handled in University Human Resources. Also, employee overtime was paid in a future or later pay period and not at the end of the pay period when it was earned. With implementation of the new Integrated Human Resource Management System, overtime worked and leave is now captured during and at the end of each pay period of when it is used. By processing leave right at the end of a semi-monthly pay period, this ensures employee overtime is paid at the end of the pay period and leave balances are up-to-date. Employees have reacted positively to receiving their overtime at the end of the pay period and their leave balances being correct as they enter the next pay period.

In the future, the University will be reviewing the possibility of moving to a service-style time management system that would eliminate the need for the completion of paper forms.

4. *How about pro-rated benefits for part timers above 20hr/week? Is this in our future?*

Response to # 4:

“Part-time salaried” employees who work between 32 and 39 hours a week are treated as full-time for health benefits purposes. Part-time salaried employees who work between 20 and 31 hours received pro-rated benefits such as retirement, annual leave and short-term disability (sick) leave. Part-time salaried employees also receive life insurance as well being able to participate in Tax Deferred Savings Plan. During the 2003 General Assembly Session, the state passed legislation that now allows salaried employees who work 20 to 31 hours to be able to have access to the UVA Health Plan. However, this bill is structured such that the part-time employee is responsible for the full cost of the premium (employee and employer premium combined) making it more likely that this could create an adverse impact on the UVA Health Plan due to adverse selection. Adverse selection occurs when the cost of health insurance is prohibitively high such that only those that expect heavy usage of the health plan would be willing to pay the higher premium.

5. *Approximately 2 years ago, we were told that employees that were currently paid monthly would have the opportunity to change to semi-monthly. This was never implemented due to budget concerns. My question: Has the plan for this change been totally abandoned or will it be implemented in the future? If so, when?*

Response to # 5:

Permitting classified salaried employees who are paid monthly to switch to being paid semi-monthly has a financial impact to the University, in particular, and school and departmental budgets, in the neighborhood

\$2,000,000. We certainly would like to have all classified employees paid semi-monthly, which would reduce the number of payrolls from seven to five payrolls a month, which would make running payrolls more administratively efficient. As the University's financial situation improves over time, this may be revisited in the future to permit the choice to change. Until then, all newly hired classified employees are set up as semi-monthly paid since there is no cost associated with doing this unlike the move of a current monthly paid employee's salary back into the current fiscal year based on state-mandated lag in pay.

6. *When will we hear about the distribution of money that the BOV set aside for in band adjustments and rewards and recognition?*

Response to # 6:

See Response #1. UHR is in the process of presenting its recommendations to senior management.

The \$200,000 for one-time bonuses under the University Rewards and Recognition Program has been distributed to the appropriate vice presidents for use.

7. *I used to be able to go to Employee Health in the "old hospital" clinic wing when I sometimes felt sudden illness while at work, had a pain management problem, or needed to get quick checks of my blood pressure. Now I've been told that my dept. will get charged if I visit Employee Health, and the office is now at the Virginia Ambulatory Center, back behind Jordan Hall. Why were these changes made for Academic employees?*

Response to # 7:

Our health plan is designed to have your physician be the primary person involved in your health care. We encourage employees at work who feel ill to contact their physician or go to the Emergency Room, if necessary. If it is an Occupational Health issue, then the employee should go to OcH over in the VASI building.

8. *The University, when it first pulled employees out of the state health plan, set up "Qual-Choice" to manage our UVA health benefit, but then eventually went to have Southern Health, a private health insurance manager, run our Health Plan. Has thought been given to having our Employee Wellness and/or Employee Assistance Programs outsourced and managed by an outside insurance firm with expertise in this area, like Magellan? They, as specialists, also would have ways of measuring effectiveness that we don't?*

Response to # 8:

Currently, we have a good programs for these types of services, but we know that we can improve upon them and we are looking at ways of doing this. This may involve more outsourcing with vendors who offer comprehensive wellness, employee assistance, disease and outcome management programs and services. We want high qualify programs, which will make a difference for our employees.

9. *Are employees allowed to take on-Grounds, Athletics Dept. or dept.- sponsored exercise/wellness classes on work time, subject to supervisor approval, or must they use their lunch/break time?*

Response to # 9:

Under the State of Virginia Human Resources Policy, exercise/wellness classes would not be considered work-related training/development, or work-related education. Participation in such classes would therefore not be allowed as part of an employee's normal work time. We must follow state policy. This may be an example of where the University could consider a different policy under Charter status. One of the issues we would have to discuss is if the University did this, how would we handle the fairness and consistency issue for all employees.

10. *Last August I read in the New York Times that obesity among workers is estimated to cost American companies \$12.7 billion a year. Could our UVA Health Plan give a premium discount or rebate to employees who get close to their ideal weight, as a way of encouraging employees to take positive steps to improve their health thus lowering health claims costs for the University? Or to employees who quit smoking? Or maybe even just a discount to those employees who go through our "IQ Health" health risk assessment and work on any problem areas with their doctor?*

Response to # 10:

You are correct that individuals maintaining a healthy life-style do, on average, utilize health care less than those that don't. These types of incentives are being explored by a very small number of employers across the country. There is little empirical evidence to substantiate that they have made a difference in reducing health care costs. There are also a host of legal issues with such programs namely in the area of potential discrimination. With spiraling upward health care costs, we will be researching every option that may help us to manage these rising costs, however, these types of program designs are too new at this point to implement here. We are actively exploring what is possible.

11. *With our new prescription drug manager, Eckerd Health Services, they have a program called "Specialty Pharmacy Services" in which employees who need injectible drugs or drugs for special illnesses need to go through EHS rather than buying locally. What is the thought behind this, and in the future, might our UVA Health Plan identify employees with especially high health care costs for voluntary wellness or disease management counseling by medical staff, as some private companies have started doing as part of their health insurance?*

Response to # 11:

Specialty Pharmacy Services is a company that is a part of our Pharmacy Benefits Manager (PBM). The program is called SPS, like the name of the company, and this program was instituted to provide employees with additional pharmacy case management when it comes to taking specialty type medications, which are typically very, very powerful and high cost drugs (some of the more widely used of these drugs cost on average more than

\$10,000 annually and single doses may be as high as \$5,000. I know of cases of where these drugs cost as much of \$250,000 annually. Specialty Pharmacy Services assigns licensed health professionals as case workers to participants in our plan who are enrolled in the program. The case workers monitor a patient's medication to watch for adverse drug interactions, as many patients usually are taking multiple drugs given the seriousness of their situation. Also, the case worker works with the patient and the physician to ensure that all prescriptions stay up to date, that renewals are handled on a timely basis and that other issues are addressed as needed. We have had positive feedback from participants enrolled in the program. Currently, we have fewer than 200 participants out 22,000 enrolled in the program.

Secondary to the above, the University is now able to accurately look at all the health plans pharmacy cost. In the past these specialty medications have been billed through the medical side of our plan as opposed to the pharmacy side, which made it impossible to accurately determine usage and ability to obtain the best market prices. In making this change, we discovered that some providers were marking up the cost for some of these prescriptions. Now we pay fixed pricing based on a discounted average wholesale price, which helps control pharmacy and total plan costs in terms of what employees and the University pays in premiums.

12. *I have an elderly relative, and I've recently read that as part of the new Medicare drug benefit law Congress passed last year, **The Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003**, employees whose health plans have high deductibles can set up "Health Savings Accounts" to which they, and their employer, can contribute, and the money rolls over and gains interest like an IRA account, instead of being forfeited at year's end like with our FlexAmerica medical savings account. Would those UVA employees who went into our new Direct Access Option qualify for this new federal benefit? And in the meantime, is it definite that we can't use the FlexAmerica Visa debit card to access our medical savings acct. for health care purchases?*

Response to # 12:

Recently, Health Savings Accounts and Health Reimbursement Accounts (HRAs) are getting a lot of press as they are relatively new to the industry. We are assessing these to see how they may be used as a benefit for our employees and help manage their health costs. They typically involve high deductible plans of \$1,000 or more. They also may involve more creative plan designs such as a consumer-driven plan design where the employee directs the expenditures of dollars from their own account. The level of education provided by employers and health providers to participants to support implementation of such plans is very high.

We believe that the federal government may in the future permit roll over of unused Flexible Spending Account dollars from one calendar year to another. We are also continuing to monitor and review the Debit Card program for our FSA Plan; however, at this time there is not much of an administrative burden in administering this program. Using the Debit Card would not

eliminate the need for employees to submit receipts and forms. However, the University would have to monitor that the forms and receipts were sent, contact individuals when they weren't sent, and then collect funds through payroll deduction if receipts were never sent. FSA participation is very low to implement it at this time.

13. *Assuming that our Chartered Universities bill goes through the General Assembly next year, would University senior management have interest in setting up an Early Retirement initiative for state classified employees here, as they did last year for our faculty?*

Response to # 13:

The University of Virginia Separation Incentive Program for Faculty was established to meet institutional needs created by reductions in the University's 2002-2004 biennial budget. The program was designed to reduce or reallocate positions in keeping with budgetary and programmatic needs.

14. *Back in February, I read in the Daily Progress about how some staff at the Virginia Dept. of Transportation got in trouble for overuse of the Internet at work, non work-related, during an internal audit. VDOT managers were quoted as saying that employees would be disciplined for spending two hours or more on one day viewing Web sites unrelated to their work. Also, last year, during the Iraq War, we all got an email from the Secretary of Administration in Richmond, saying we could use work computers to send emails to friends/relatives on duty in Iraq. Could Mr. Gausvik review state and U.Va. policy on office computer use? Also, I guess that employers have some liability concerns that force some computer use oversight at work, but should state employees (or faculty) be monitored without warning or review of policy? That feels like entrapment to me.*

Response to # 14:

There is a state policy on Internet use. It is important to understand use of the Internet at work should be used primarily for job-related purposes, especially during work hours. We understand that employee may use the Internet on their breaks and during lunch period. This is okay so long as conforms to the policy on Internet use. As in any situation, if any employee is not performing his or her work during work hours then this is an issue that would need to be addressed by management. Use of University equipment should only be used for work purposes. If you have questions, you should ask your supervisor and they can seek clarification on specific questions that you may have.

15. *Could Mr. Gausvik recap what resources does UHR, or FEAP, offer employees who are having financial difficulties in this bad economic time with small, if any, raises?*

Response to # 15:

There are agencies in the community which have specific roles and expertise to assist individuals with financial difficulties. FEAP can provide employees with names of organizations in the community that provide financial counseling and assistance.

16. *I may need to forward this question to P&T, but is it correct that employees at the UVA Medical Center pay \$600 a year for parking, because the Hospital is under codified autonomy, and would parking fees for Academic staff then have to go up if we become a Charter University next year?*

Response to # 16:

The employee reserved parking areas in the Health System precinct do go for a higher monthly rate, but not because of codified autonomy. Several years ago, the medical center administration wanted to establish a separate cost center for the parking areas within that precinct such that permit and fees revenue got plowed back into the precinct rather than being spread across the entire university system. A memorandum of agreement was signed all those years ago (has to be about 10 years ago now), that established the medical center precinct and the terms of setting rates and expenditures. Part of the agreement subsidizes patient parking in the precinct and allowed for the medical center to make up any shortfalls in revenue. The economy of scale that we have on the university side is not gained in the medical center so the employees end up paying more in that precinct. I don't think it has anything to do with that codified autonomy. Overall, parking permit rates are set to cover P&T's costs including capital improvements. We maintain lower cost alternatives in many areas for those who are waiting to park closer or who don't want to pay premiums for parking closer in.

17. *I have a question about our Health Plan premiums. I read in the Cavalier Daily last month where Mr. Gausvik was quoted as saying that anytime you increase your enrollment, your costs go up. Is this accurate, and is this what usually happens when new persons get access to a group health plan?*

Response to # 17:

Enrollment growth may impact health premiums in a positive or negative manner due to such factors such as age, health, and other aspects of a plan's membership. This a tough question to answer as it depends on a lot of actuarially-based factors.

18. *Could Mr. Gausvik update staff on the progress in providing health-benefits to part-time employees, based on what the General Assembly has recently done?*

Response to # 18:

See Response #4. We allow part-time salaried employees in the Academic Division who work 20 to 31 hours per week to enroll in the UVA Health Plan effective July 1, 2004.

19. *What actions do depts. and UHR need to take when a UVA employee in the military reserves is called to active duty? Must they pay their own insurance, and how long is their position held for them?*

Response to # 19:

UHR works with the school/department and employee in ensuring that they receive all the privileges accorded to those called to military service as required under USERRA (federal law). Regarding healthcare, the employee

can continue coverage via COBRA for themselves and/or their family for up to 18 months. However the employee who got called up to active duty who selects COBRA only has to pay the employee portion. UVA continues to pay the employer portion and the employee does not pay the administrative fee as well. USERRA requires that a position be held for personnel called to active duty for five years or less.

20. *Which UVA employees are eligible to purchase time towards VRS retirement credit, and how long do they have to do so?*

Response to # 20:

Employees were able to purchase prior VRS service at a lower rate up until July 1, 2004. You can purchase the eligible service at any point; however, the cost to you is higher now.

21. *Do employees who never opted into the Virginia Sickness & Disability Program (VSDP) still have an optional state-approved disability plan by Aetna or other private insurer they can buy into?*

Response to # 21:

Those employees who have opted twice now not to participate with VSDP do not have access to any Short or Long Term employer-sponsored disability plans. Employees in VRS still maintain their ability to apply for Permanent Disability Retirement through the VRS. Employees who opted out of VSDP and wish to have some sort of Disability Plan would need to look into purchasing individual disability policies through an insurance agent. The University does not have a sufficient number of employees interested for a disability vendor to be willing to provide a group plan. Typically, disability vendors want a guarantee of least 25% enrollment of eligible participants. The majority of employees within the University are currently covered by an employer paid short and long-term disability program.

You mention Aetna in your question and we want to make sure that you realize that the Aetna policies that employees can apply for are Long-Term Care Insurance (LTCI) Policies. This coverage would cover such things as stays in Nursing Homes or In-Home Care. When you mention VSDP and short and long-term disability plans, you are talking about plans that provide you with income replacement.

22. *It is my understanding that UVA hired a consulting firm to collect and compile information on market values for various UVA jobs, and the firm was unable to accomplish that for various reasons. Are there other current resources to determine our market value that can be consulted by UVA employees?*

Response to # 22:

A firm was not retained to provide a market analysis of UVA jobs, etc. UHR has matched market data to classified jobs in order to make strategic recommendations as where to invest the \$500,000.00 approved by the BOV for classified staff.

23. *My W-2 for 2003 showed me earning less money from my UVA salary than I did on my 2002 W-2. A couple of my friends at work have noticed the same thing. Is this because of our 1-time state bonus in 2002, or something that happened to us last year?*

Response to # 23:

Employee's who elected to receive the one-time State bonus in 2002, without having any other increases in pay for 2002 or 2003, will see higher W-2 earnings for 2002 compared to 2003. Employee can verify these amounts by reviewing the year end earnings statements which detail all pay received during each tax year.

24. *Would including more persons in our UVA Health Plan tend to lower premiums for all, by spreading the risk, or raise premiums, by upping claims expenses?*

Response to # 24:

See Response to #17.

25. *My medicine for acid-reflux disease [GERD] is no longer covered since Jan. in our prescription plan, why was that?*

Response to # 25:

In our change to EHS, as our new Pharmacy Benefits manager, we initially implemented a new program called Contingent Therapy Protocol; however, we reviewed this after implementation and decided to grandfather all employees as of December 31, 2003 in terms of their being able to remain on their current PPIs even if they had not been through a step-up program for drugs such as Nexium. If you have questions about this, you should contact Anne [formerly Dawson] Broccoli, the UVA Health Plan Ombudsman and she will be able to answer any questions you may have. Her telephone number is 924-1031.

26. *I have a child who has ADHD, attention-deficit disorder. I can't use mail-order drug services from Eckerd to save money, because the drug my child uses is considered a "controlled" substance. Plus, there is a new drug, "Strattera" that my doctor has recommended we try, that is not a controlled substance, and that could be bought by mail, but our plan won't cover this one. Why is Strattera not covered to treat ADHD?*

Response to # 26:

Controlled substances that are Maintenance medications can be ordered through EHS's mail-order drug services. Federal law requires that a signature be obtained when they are delivered. If you have submitted this to EHS Mail Order and it was denied please contact Anne [Dawson] Broccoli so she can investigate this further.

To answer the question on Strattera, it is a recently approved FDA drug. Strattera is covered by the UVa Health Plan as a non-formulary drug. Again

if you had problems, I encourage you to contact Anne Broccoli, the Health Plan Ombudsman to look into this for you.

27. *Why have our co-pays for specialist doctor visits gone up to \$30 as of Jan., even with pre-authorization done as required in our "Point-of-Service Plan" that many of us stayed with? I was seeing an orthopedic specialist and getting physical therapy to help with my back pain, but the \$30 per visit payments have stretched my budget, so I've stopped seeing him at Health South and now I just take pain medicine.*

Response to # 27:

Each year the University has to reassess the healthcare plan to ensure we are continuing to offer the best benefits at a reasonable and affordable cost. As you see in the news almost daily, healthcare costs are rising at a dramatic rate. In order to address these increases and continue to offer the same level of benefits in our health plan, we had to adjust co-pays. In 2004, this was the first time co-pays were increased since 1995. We will likely have to increase co-pays, co-insurance and deductibles in the future.

28. *Exempt employees didn't used to have to fill out time sheets on a daily basis except for when they used time. That is they didn't need to complete the "8" if they worked 8 hours. What is the correct way to fill out an exempt employees timesheet? If it has changed from only reporting time used, when did it change?*

Response to # 28:

The change took place October 2002 when the Integrated System was implemented. The University Time Management form that is generated for exempt employees is pre-populated with 8 hours each day during the standard University work week (Monday through Friday). Filling out the time sheets for exempt employees is on an exception basis. Since 8 hours is pre-populated, the employee would not have to make changes unless they used leave.

29. *The Governor's budget calls for increasing agency contributions to the accounts; will this be done by UVA as employer, or indeed, will UVA be able to continue contributing the employee's portion to their VRS account?*

Response to # 29:

The Code of Virginia requires state agencies to pay the entire VRS contribution rate for it participating employees. There is no employee contribution. The University's does not have the authority to require employees to contribute to the VRS as this is statutorily determined.

