



Benchmark Benefits Review

Human Resources



Purpose of Review

To provide an overview of primary UK employee benefits as compared to benchmark institutions



Data Sources

- Benchmark Institution Review
 - Aon Hewitt
 - Institution Websites
- Broader Samples
 - Willis Towers Watson – Higher Education Group
 - Society for Human Resources Management – national data



*Benchmark Institutions

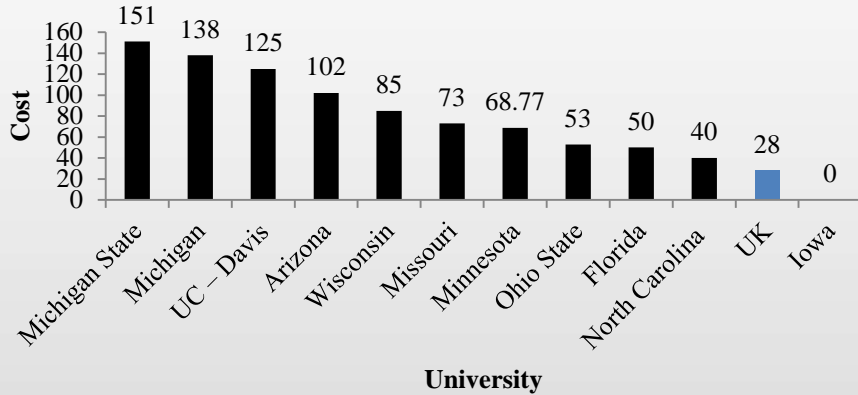
- Michigan State University
- Ohio State University
- University of Arizona
- University of California - Davis
- University of Florida
- University of Iowa
- University of Michigan - Ann Arbor
- University of Minnesota - Twin Cities
- University of Missouri - Columbia
- University of North Carolina - Chapel Hill
- University of Wisconsin - Madison

*UK Institutional Research and Advanced Analytics

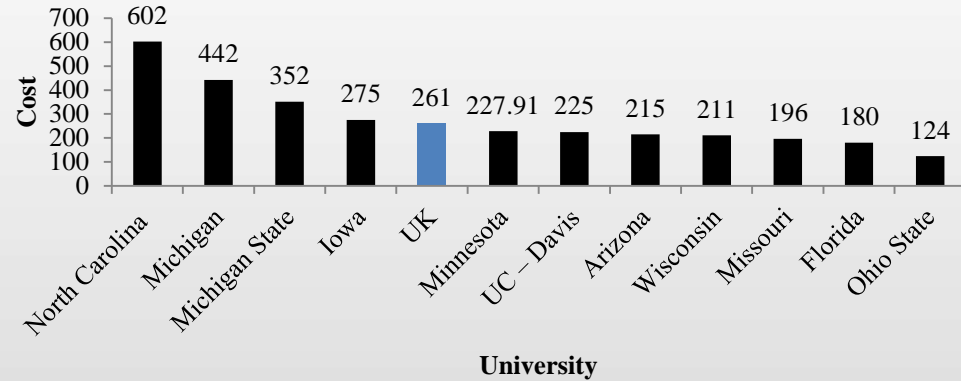


Monthly Employee Medical Premium Rates

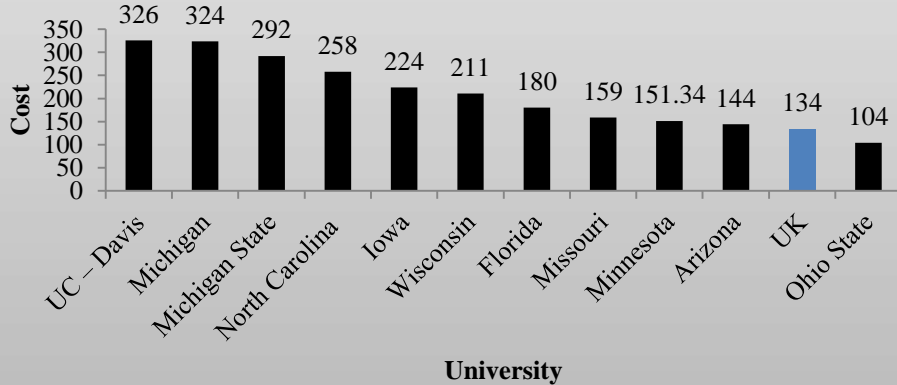
Employee only
Median = 71



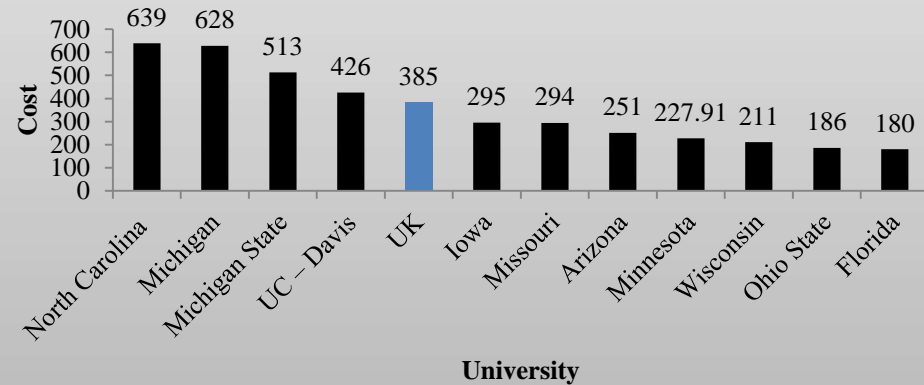
Employee + Spouse/Domestic Partner
Median = 226



Employee + Child(ren)
Median = 196



Employee + Family
Median = 295

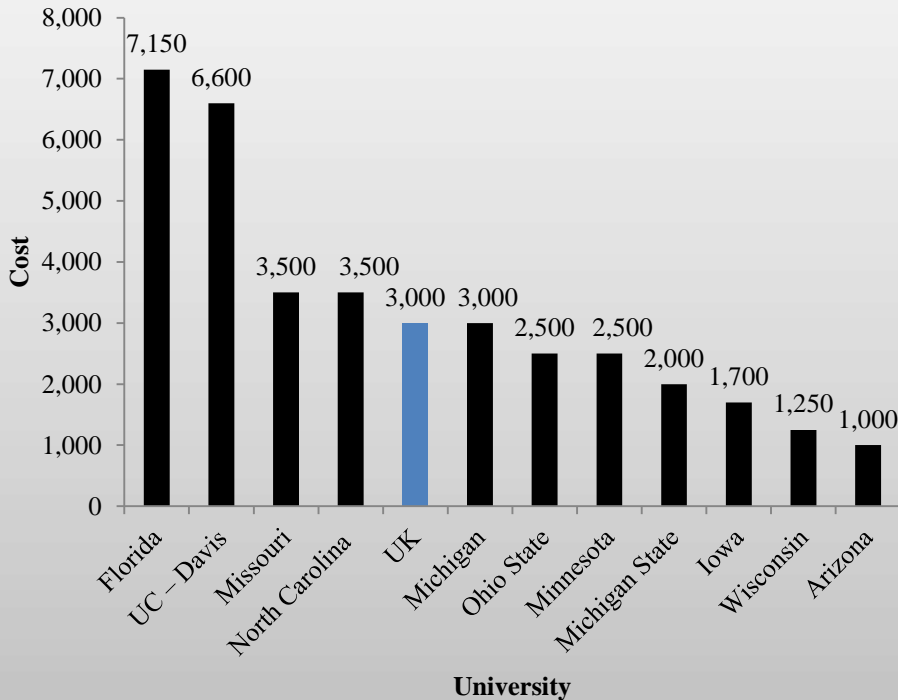


Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites

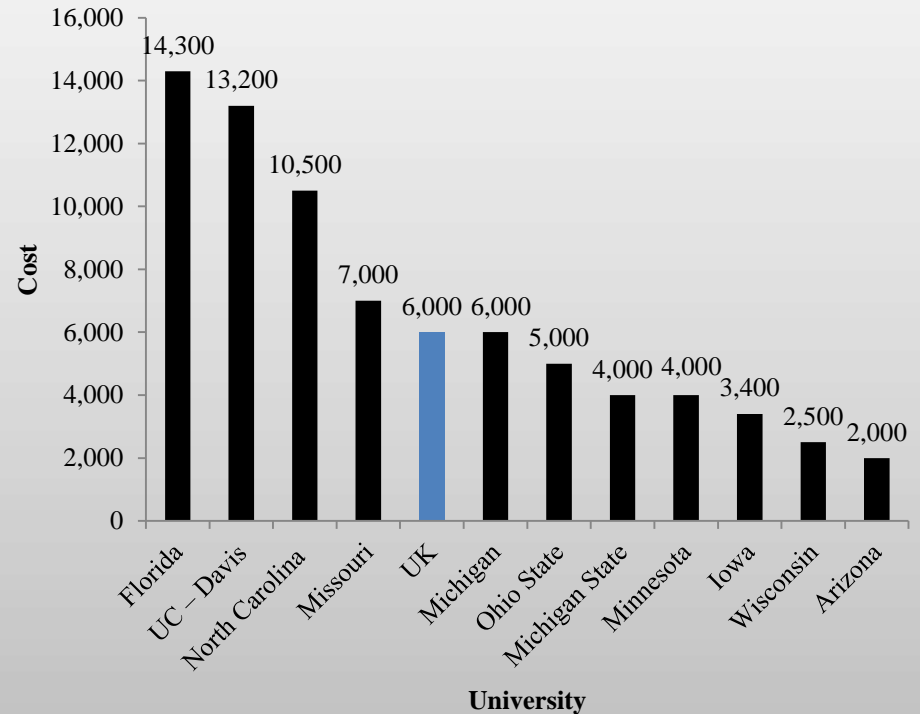


Medical Plan – Employee Out-of-Pocket Maximum Cost

Single Health Out-of-Pocket Max
Median = 2750



Family Health Out-of-Pocket Max
Median = 5000

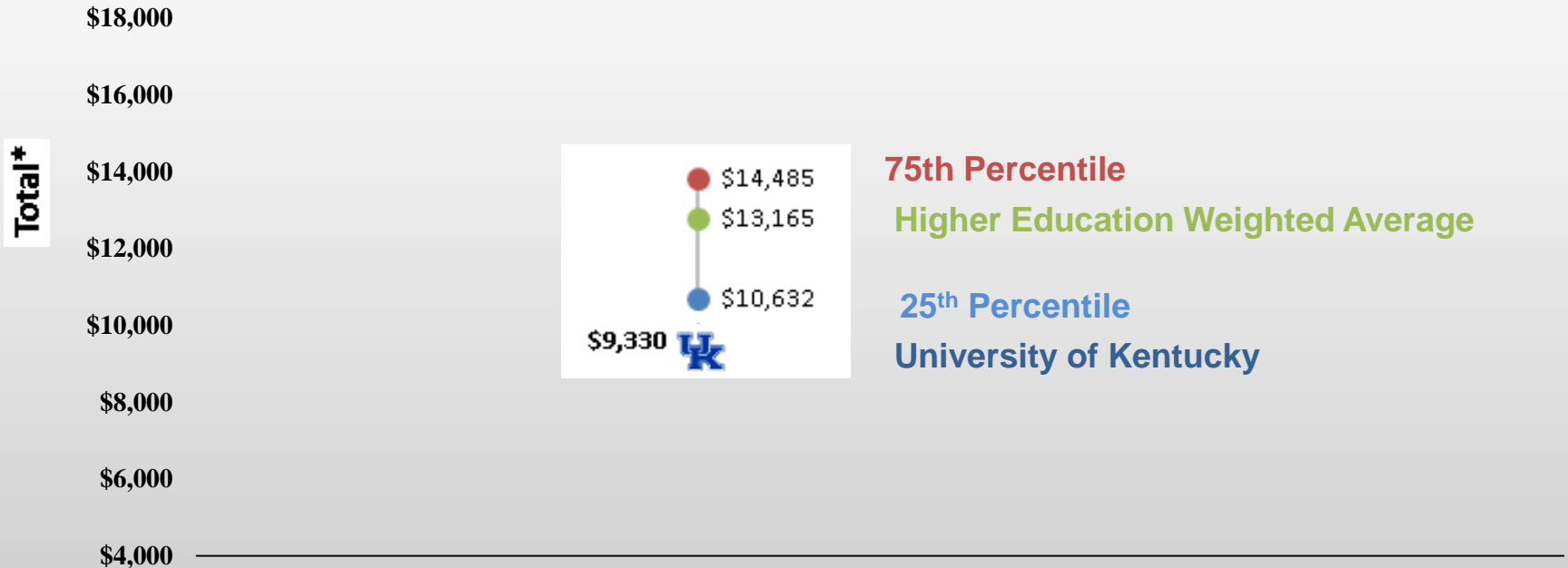


Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites



Medical Cost Benchmarks

Total Annual Cost per Covered Employee per Year



UK plan per employee cost is 29 percentage points less costly (more efficient) than the WTW Higher Education Group weighted average.

*Total costs represent the enrolled weighted average of all plan types.

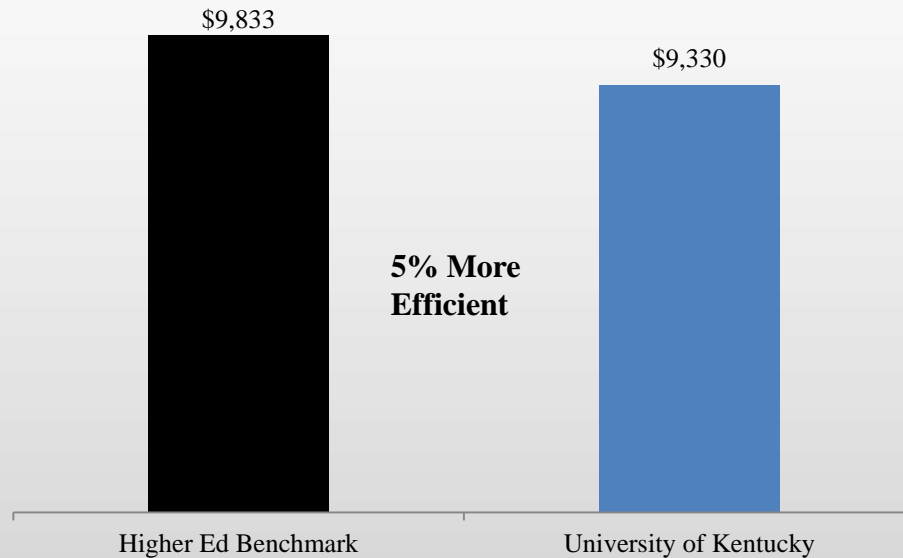
Data Source: Willis Towers Watson - Higher Education industry group, 76 institutions



Medical Cost Benchmarks

Total Cost per Covered Employee per Year

Adjusted for age/gender, family size, geography, and plan value



Adjusted weighted average



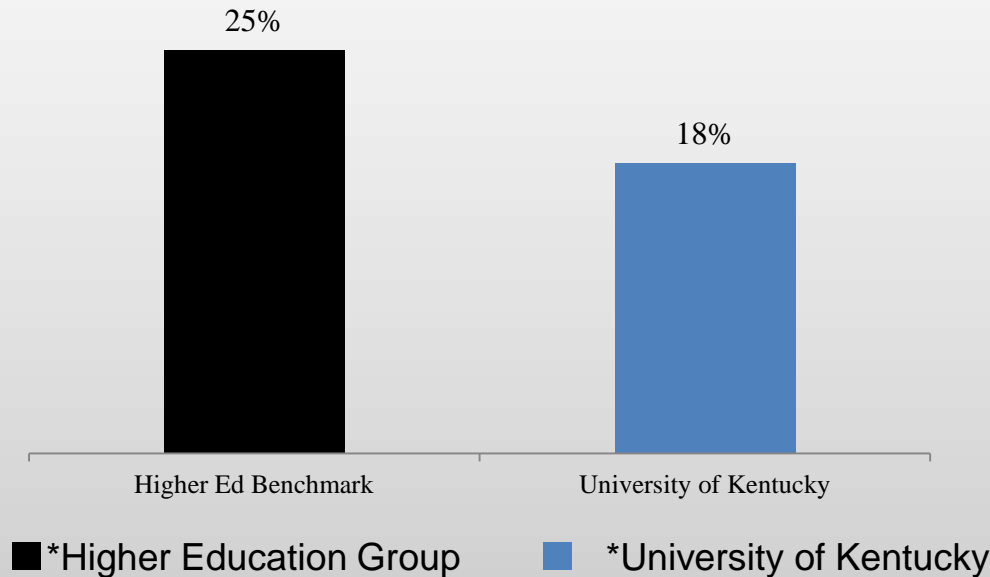
“Apples to apples” - UK cost per employee per year is 5 percentage points, or \$8.5 million/year less than its peers – the plan is providing a strong benefit at a great value.

Data Source: Willis Towers Watson - Higher Education industry group, 76 institutions



Medical Cost Benchmarks

Employee Contributions as a Percentage of Plan Cost



Overall, UK employee contributions are 7 percentage points less than the Higher Education database averages. UK employees receive excellent value.

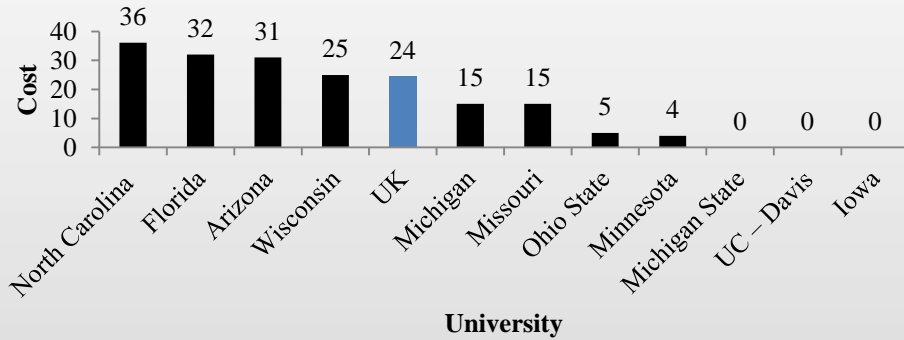
*Dependent includes spouse, children, family, etc.

Data Source: Willis Towers Watson - Higher Education industry group, 76 institutions

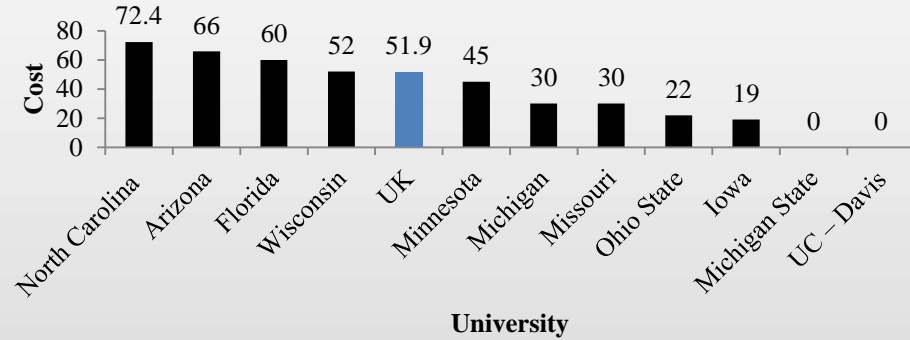


Employee Premium Cost for Dental

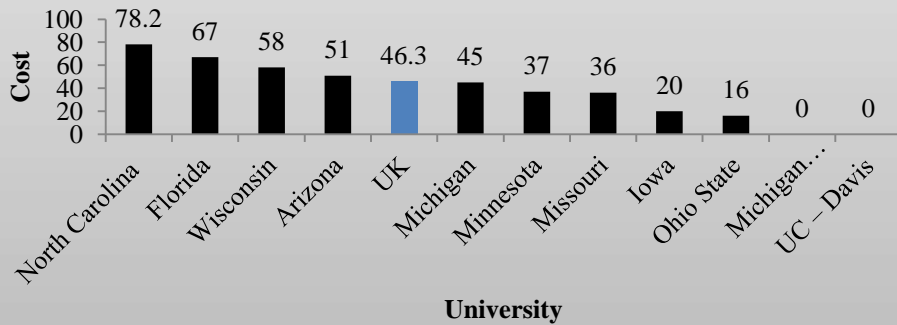
Employee only
Median = 15



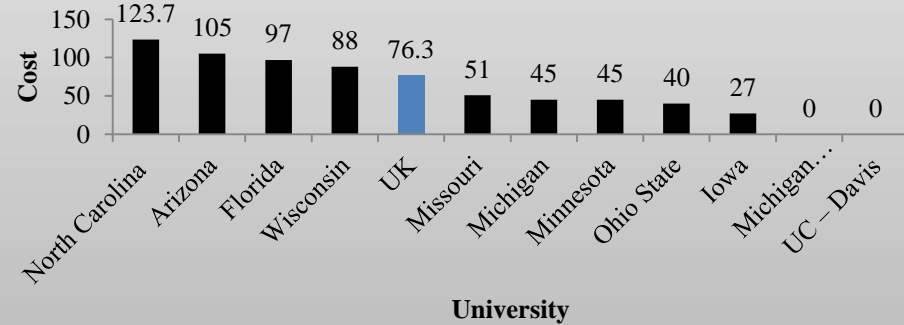
Employee + Spouse/Domestic Partner
Median = 37.5



Employee + Child(ren)
Median = 41



Employee + Family
Median = 48

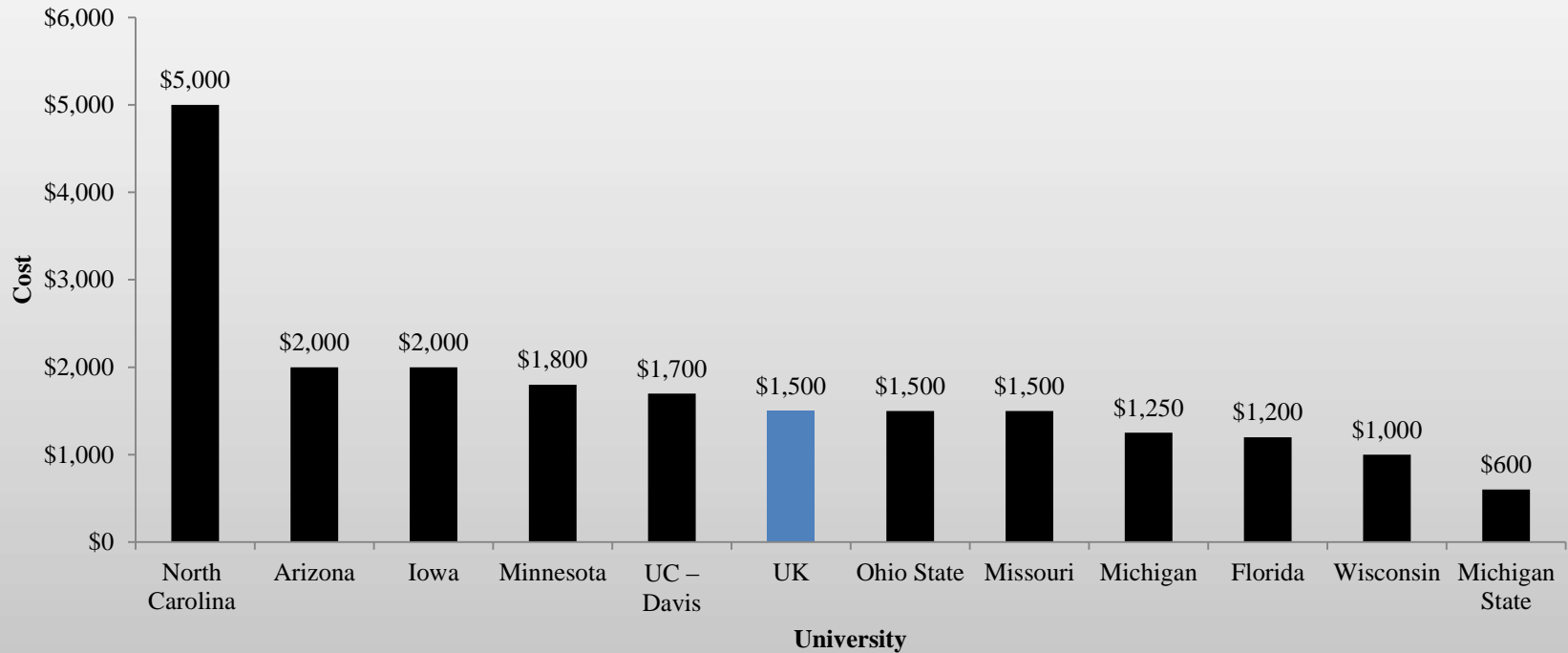


Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites



Dental Benefits Provided

Maximum Annual Benefit
Median = \$1,500

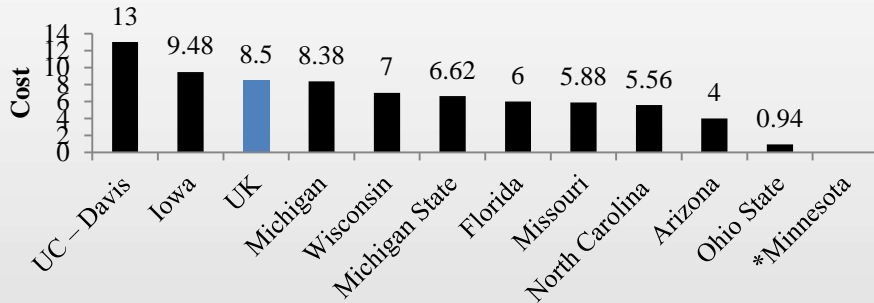


Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites

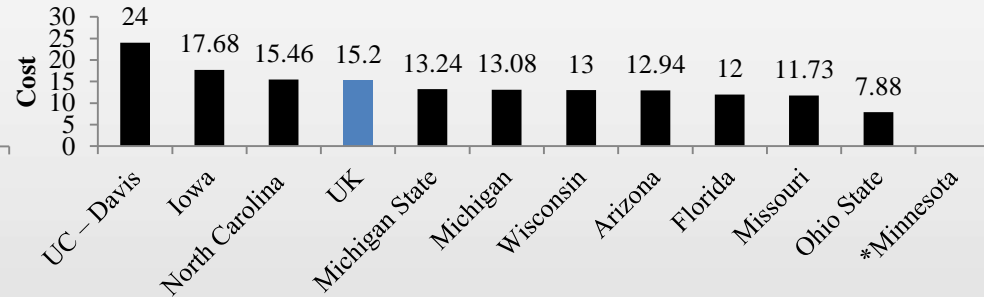


Employee Premium Cost for Vision

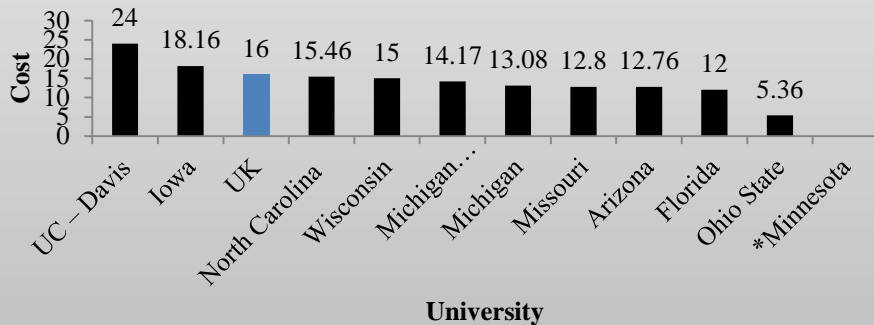
Employee only
Median = 6.62



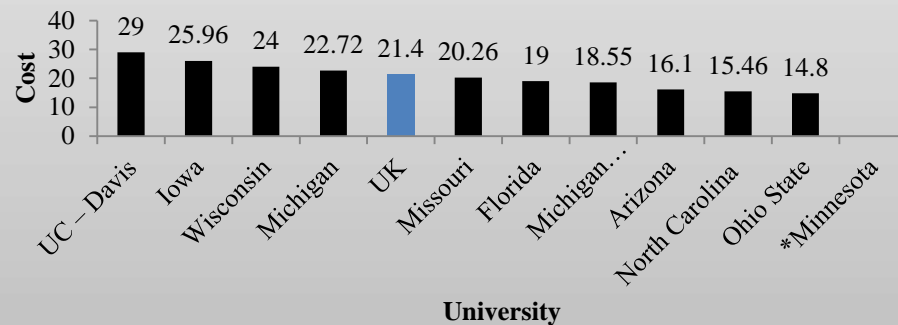
Employee + Spouse/Domestic Partner
Median = 13.08



Employee + Child(ren)
Median = 14.17



Employee + Family
Median = 20.26



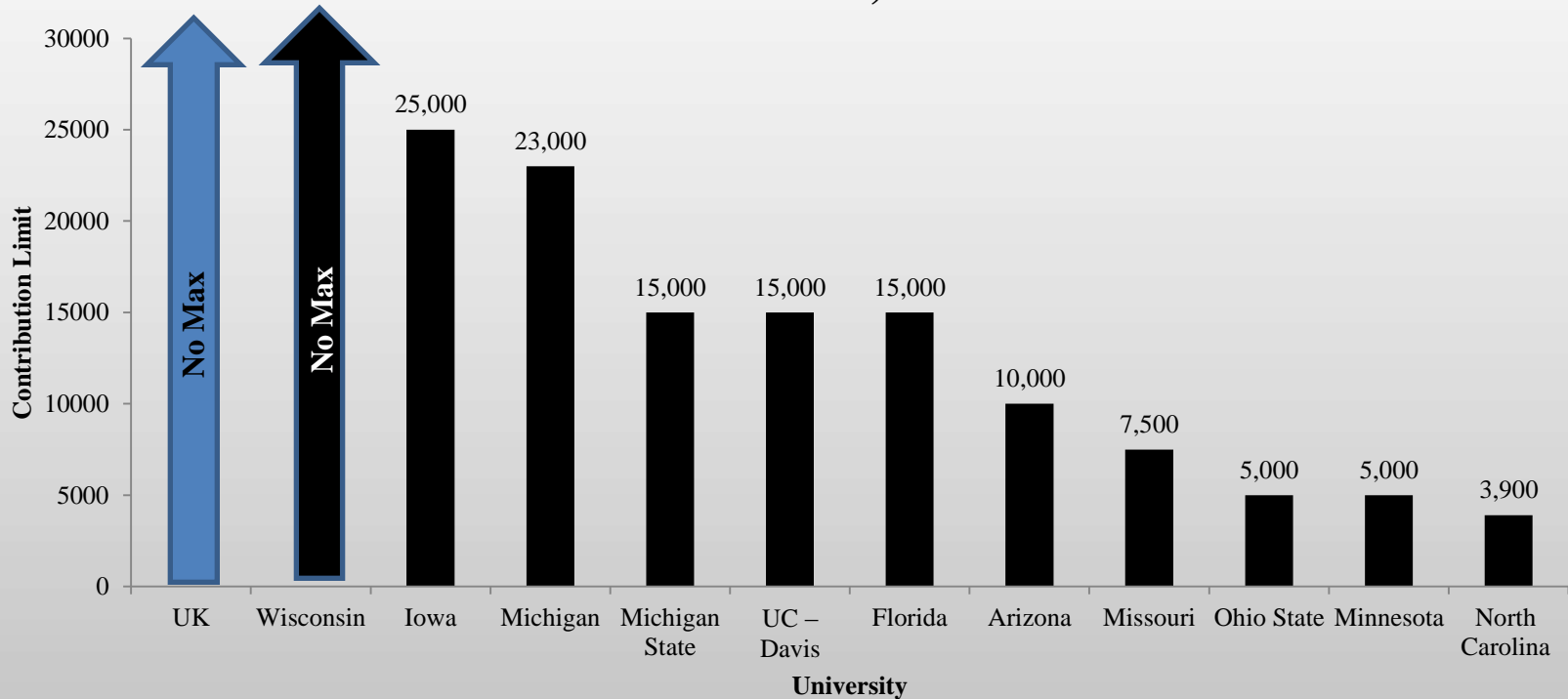
*University of Minnesota: no offering

Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites



Long Term Disability (LTD) Employer Provided Benefit

Maximum Monthly Benefit
Median = 12,500



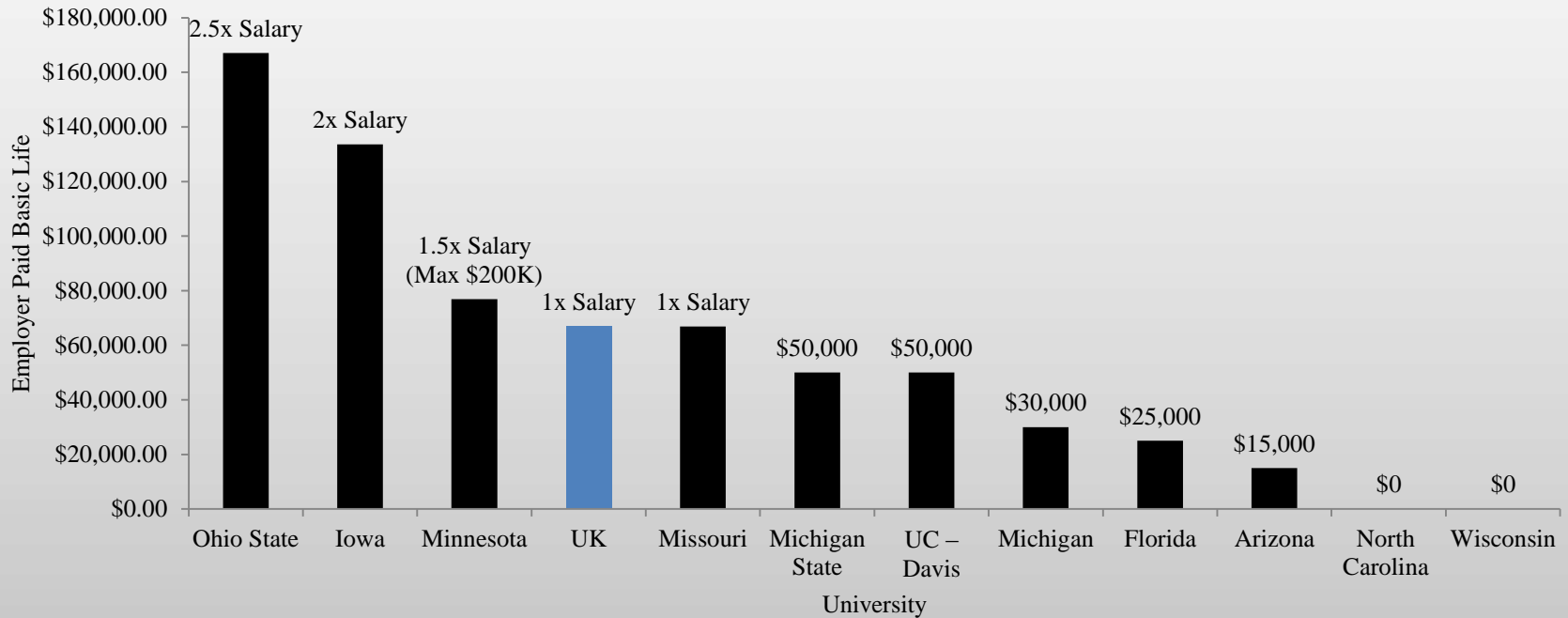
UK is one of two schools among benchmarks that does not have a maximum monthly benefit. UNC has no max but provides only 40% of earnings compared to 60% for UK.

Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites



Life Insurance

***Employer Provided Life Insurance
Median = UK Median Salary (\$66,822)**



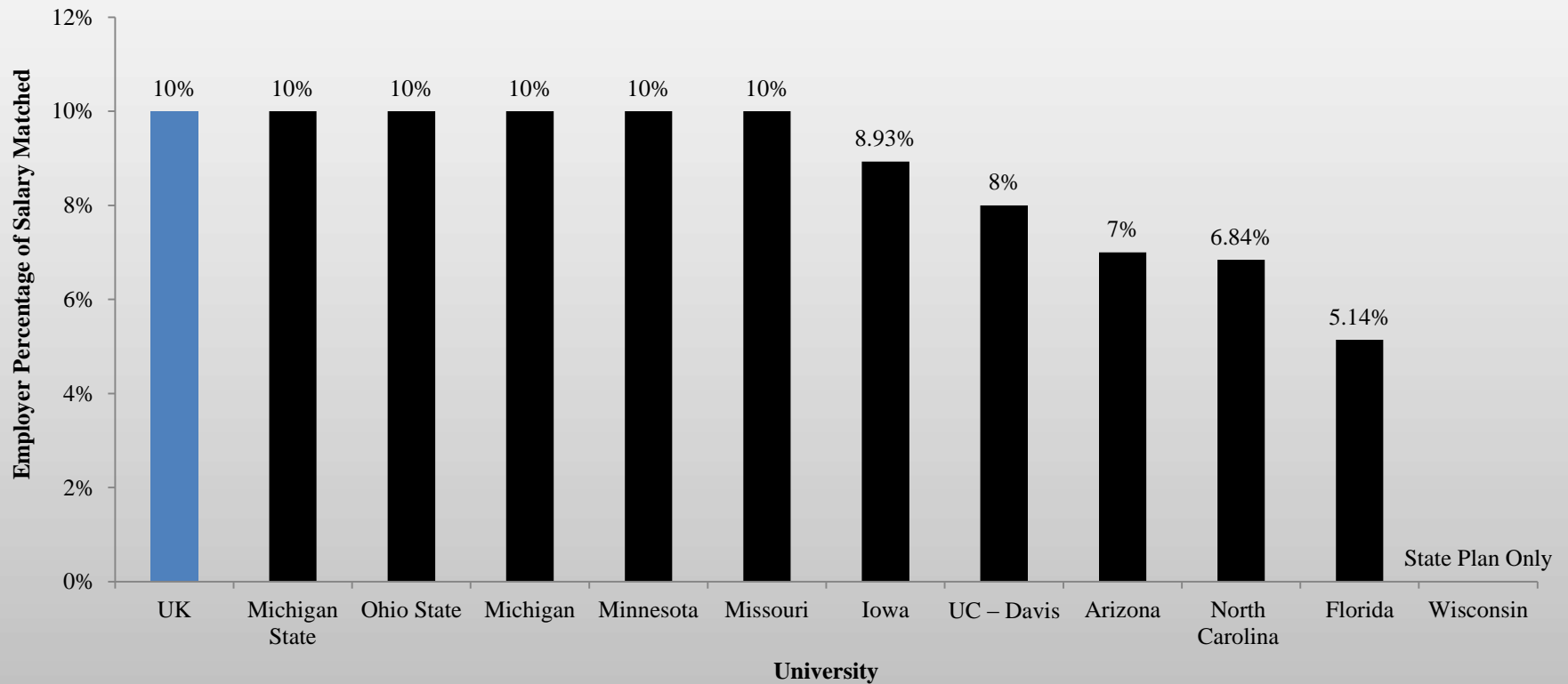
****"Apples to apples" comparison using average UK benefit value and applying 1x, 1.5x, 2x, etc., salary. UNC and Wisconsin offer vs. provide**

Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites



Retirement 403(b) Plan

Employer Match Contribution Median = 10%

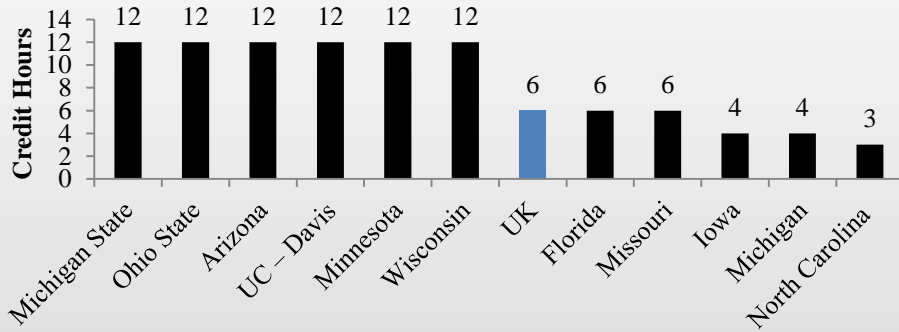


*Offer choice between state plan and optional plan (AZ, UNC, UCD, UF). Wisconsin has a state plan only
Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions, Institution Websites



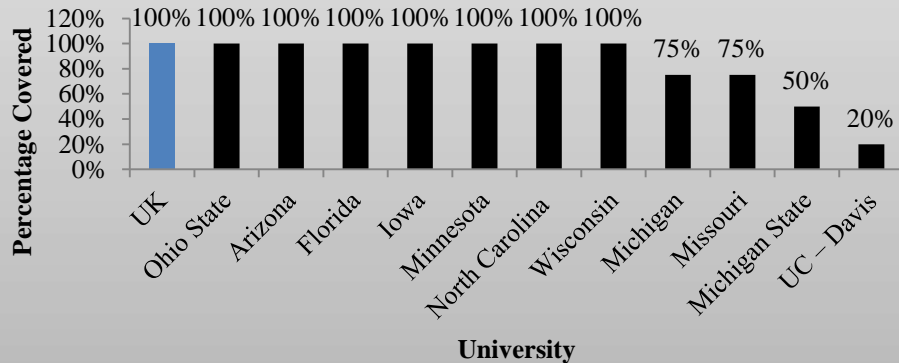
Tuition Assistance

Credit Hours Per Semester
Median = 12 hrs.

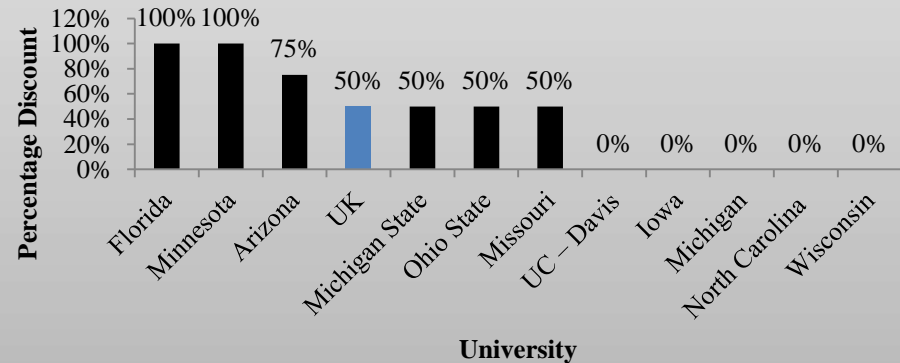


Employees eligible at other schools (not dependents)	
Yes	No
	Michigan State
Arizona	Ohio State
Iowa	UC – Davis
Michigan	Minnesota
Wisconsin	Missouri
Florida	North Carolina

Percentage of Tuition Covered
Median = 100%



Family Discount on Tuition
Median = 50%



Data Source: Aon Hewitt – 12 Benchmark Higher Education Institutions



*Specified Additional Staff Leaves

Organization	Paid Maternity Leave	Paid Paternity Leave	Paid Adoption Leave
	(Beyond STD / VAC / PTO)	(Beyond VAC / PTO)	(Beyond VAC / PTO)
University of Arizona	6 wk. paid leave	6 wk. paid leave	6 wk. paid leave
University of Minnesota	6 wk. paid leave	2 wk. paid leave	2 wk. paid leave
Ohio State University	6 wk. paid leave	3 wk. paid leave	None
Michigan State University	6 wk. paid leave	None	6 weeks for children age <6 and/or not full-time student
University of Iowa	6 wk. paid leave	None	None
University of California – Davis	None	None	None
University of Florida	None	None	None
University of North Carolina	None	None	None
University of Wisconsin	None	None	None
University of Michigan	None	None	None
University of Missouri	None	None	None
	None	None	None

***Defined as over and above standard accrued paid time off**

Data Source: Institution websites



SHRM Survey (National) 2017 Employee Benefits




Percentage of Employers Offering Additional Paid Leave
3,227 HR professionals across all sectors participated in the survey

Leave Benefits by Year	2013	2014	2015	2016	2017
Paid Maternity Leave	16%	12%	21%	26%	30%
Paid Paternity Leave	15%	12%	17%	21%	24%
Paid Adoption Leave	16%	12%	17%	20%	23%

Data Source: www.SHRM.org (Society for Human Resources Management)



Observations

-  benefits are overall more beneficial than most of its benchmark peers and a wider higher education grouping
-  and its employees receive a favorable value
-  benefits support the mission and strategic vision
- Improving the effectiveness, efficiency and understanding of benefits is a constant goal



HR Delivering Service and Value Fiscal Year 2017

– Benefits Team

- 38,879 unique UK family customer contacts
- Costs avoided - \$1M (life insurance renewal)

– Health & Wellness Team

- 10,721 unique participants in BeWell and EatWell
 - 20,391 instances of attendance
- 52,892 total attendance in MoveWell (2,649 members)

– Know Your Rx Coalition Team

- 54,521 Coalition Member customer calls
- Rx costs saved/avoided: UK - \$2.5M; Coalition - \$3M



Thanks to our  HR TEAM!





Thanks to the Board of Trustees

- For your support
- Opportunity to share our work

Questions and comments?