Shared Services:
Employee Benefits

OUS Alternate Health/Welfare Plans (Prospective)

Oregon University System

Gallagher Benefit Services, Inc.
July 13, 2012
Effectiveness & Efficiencies

- Redesign benefit plan alignment
  - Recruiting and retention needs
  - Total compensation
  - Marketplace – employee cost sharing/contributions
  - OUS-specific characteristics/attributes
  - Rational consumerism
  - Population health improvement
  - Retirees
  - Life/disability
Single Legal Entity w/ Local Boards

- Little/no impact regardless of whether remaining with PEBB or independent
- May lend itself well to local board representation, whether in advisory or decision-making capacity
- Would not permit/allow for local institutional autonomy
- Optimum leverage, scale
- Very conducive to self-insuring
- Uniformity, or at a minimum, managed variation
Separate Legal Entities & Local Boards

- Requires statutory authority, whether remaining with PEBB or independent
- System-wide plan possible, whether insured or self-insured
  - Would require a separate governance structure
- Flexibility as to extent of uniformity/customization, while retaining leverage, pooling efficiencies, stability
  - “cooperative” approach
Employee Benefit Cooperatives

- Retains the advantages of group size – pooling, scale, and potentially:
  - Retains predictable, institution-specific autonomy, experience
  - Creates self-funded pooling mechanism to increase cost efficiency and stability
- Additional complexity and engagement
Stand-alone Entities

- Requires statutory authority

- If one institution opts out of a System program, little to manageable impact on scale for balance of the System
  
  ➢ Potentially problematic if more wide-spread

- Resulting loss in scale and increase cost volatility for stand-alone institution
  
  ➢ Inversely proportional to size

- If structured properly, constraints on System re-entry