

University of Oregon
HEALTH CENTER
Student Health Advisory Committee Meeting
March 16, 2007

Student Members:	Faculty:	Alternates	ExOfficio Members:
E Chiem, Jennifer Kehdi, Norma	* Munroe, Dennis E Olson, Deborah	* Kurnert, Allison * Malasig, Cheryl	E Kerr, Shelly * DeHaven-Murdoch, Daralyn
* Ronco, Noelle Scholl, Ben	E Pangburn, Micheal E Russell, Chantelle	Marberry, Manisha * Phillips, Ann	E Leith, Ramah * Megerssa, Becky
* Soetan, Folake		E Smith, Kaylie	E Pressman, Ernie
E Stiffler, Lesley	Guests:	* Thrower, Ashley	* Ryan, Tom
* Straight, Leslie	* Kate Davis	Wee, Brett	* Staight, Paula
E Wintermute, Ben	Natalie Kinsey		
E Wu, Angela	Jen DeVrie		
	* Sara Wee		

The meeting was called to order at 3:00 p.m.

1. **Approval of Minutes** – The minutes of the previous meeting were approved as distributed.
2. **Budget Review** – Daralyn DeHaven-Murdoch is present today to provide SHAC members general information on what makes up the Health Center budget. This information is to aid in your understanding as we move forward in determining the 2007-08 proposed budget.

Dr. Ryan and Daralyn expect the Health Center to be fiscally responsible on how we manage your money. Each department manager is expected to understand and be accountable to their individual departmental budget.

Creating a budget with enough *flexibility* to handle the unforeseen revenue or expense fluctuations is becoming more challenging each year as costs continue to increase. We have to keep in mind the unknowns that can impact our operating budget. Examples of unknowns are decline in student enrollment, student utilization of the Health Center, medical crisis/outbreaks, mandated increases due to collective bargaining, personnel costs, maintenance, service and supplies, shipping, utilities, travel, just to name a few.

The Health Center is self-funded - 100% funded by students. We receive no revenue from the general fund. As an auxiliary, we are responsible for covering all costs.

Our revenue source comes from the Health Fee and charges for services. The Health Fee is assessed per term to all registered students. The current academic Health fee is \$114.75 per term. \$91.00 of this fee is for the Health Center and \$23.75 is for the Counseling Center.

Summer Fee is \$73.00; \$62.00 for the Health Center and \$11 for CC.

For students who have graduated or who are not currently registered, however, were registered during the immediate prior term, a stop-out fee can be assessed for students wanting to have access to the Health Center. This stop-out fee is only the Health Center portion of the total fee.

There is a \$7.00 office visit charge.

Each department (Pharmacy, Lab, PT/SM, Clinic, Dental, X-ray, Nurse Specialty Clinic etc.) charge for services provided to students.

Revenue – 63% of our revenue is generated from the Health Center fee; 32% from departmental charges; and 5% from the Office Visit charge, interest, and FPEP. Daralyn works closely with the Budget and Resource Management Office on projecting fee revenue based on enrollment.

Expenses – 75% of expenses are labor costs; 25% service, supply, assessments.

Labor – Costs associated with paying the salaries of all Health Center employees. The Health Center must fund all COLA (cost of living allowances), merit, and special selective increases (as approved by collective bargaining). We have 34 unclassified employees (Officers of Administration who are physicians, managers,

administration, etc.); 80 classified employees (support staff, nurses, nurse practitioners, pharmacists, lab technicians, dental hygienist, etc.); a relief and temporary pool of individuals; and approximately 25 student employees.

OPE – Other Payroll Expenses which are employment related expenses for benefits which the Health Center incurs in addition to an employee’s actual salary.

OPE includes the employee’s medical & dental insurance premiums which currently come to \$882 per eligible employee, retirement, Social Security, Medicare, Workman’s Comp, Unemployment, Lane County Transit tax and the State Accident Insurance Fund (SAIF). We pay approx 45-60% in addition to each employee’s salary.

OPE costs increase every year. The highest increase is for the medical/dental insurance premium, which is projected to increase approximately 10%. Most of our unclassified and classified employees are on a 9-month appointment. We are required to cover their insurance premiums as if they were on a 12-month appointment. For example: The Health Center contributes approximately \$11,000 for each full time employee’s health insurance premium per year.

Assessments - As an auxiliary, the Health Center is assessed several state, OUS and UO assessments which is approximately \$180,000. The Health Center pays \$2.21 per benefit eligible employee for the employee assistance program; the Health Center pays a matching amount to support the Crisis Center approx. \$29,000

Maintenance/Utilities – The Health Center is charged for all building, equipment and elevator maintenance performed by Facilities Services or outside vendors. We pay for garbage, steam, water, electricity, and lock shop services.

Reserves – The Health Center funds an equipment (\$275,000) and building reserve. With the new building I’m not sure what the required reserve will be. Organized Storeroom reserve for Pharmacy and PTSM for resale drugs and supplies approximately \$155,000.

Questions:

Q: Can we increase the visit charge?

A: Yes. That is another option to look at. Last year the Health Center Administration came to the SHAC with an increase in the per visit fee to \$7 from \$6.

Q: Should this be done instead of increasing the health fee?

A: We don’t want to create a cost barrier to accessing health care at the Health Center. It’s important to keep a balance between costs for users and the health fee.

Q: How many visits are there over a year?

A: Clinic visits are tracked each year. Overall there are 60,000 student visits a year with office visits making up approximately 40,000-45,000.

Q: In 2004-05, the Health Center reserves were much higher than they are now. Is this a concern? Should it be higher?

A: A significant portion of the reduced year-end balance this year is related to building project costs. The amount provided by students for the construction/renovation project was a little over 10 million. Once the project approached that limit the budget was frozen, but significant amounts of furniture and equipment were still needed to complete the new facility. This has been a large expense that was absorbed into the operating budget. As a result the year-end balance has fallen. Having two years with no increase in the Health fee and mandated increases for salary/wages has also had an effect on the year-end balance.

Q: Are we hoping to increase the reserves?

A: The Health Center is required to maintain building and equipment reserves following guidelines set by the university. The year-end balance is not a true reserve but represents the difference between projected and actual revenues and expenses.

Q: Is there a way to reduce the service supply expense?

A: Services and supplies include everything from exam room supplies to stocking restrooms and everything we use here in the Health Center. We have centralized purchasing so are always looking for ways to do things better— to get better prices. Another thing we do not have control over is maintenance costs. Facilities Services charges us to do any repairs or changes, including things like locks, plumbing, heating, and lighting. The cost of pharmaceuticals also keeps rising, sometimes between one order and the next, and Gregg Wendland, the Pharmacy manager works to identify the most cost effective options for medications.

Q: Does facilities services do custodial work here?

A: No, we have our own custodial staff that has been trained to work in a medical facility. Their wages come out of our budget.

Q: How are you able to make projection on salary increases?

A: The university will provide guidance and benchmarks for increases.

Q: We have talked about mandatory insurance, would this be beneficial for the Health Center as far as the budget goes?

A: We know it would be better in some ways for students, but there are many variables involved. For many uninsured students the Health Center is the only place they can afford to come. If all students had insurance we would probably shift more of our budget to insurance payments, which would probably shift our funding and most likely place less pressure on the student fee. The only insurance billed currently is the U of O student health insurance. We do not bill private insurance for students, but do provide an itemized statement for them to submit for reimbursement.

During the first part of spring term, Daralyn will be presenting the projected 2007-08 budget when we will discuss in more detail recommendations for changes or increases in costs for services and the health fee. Putting a proposed budget together typically involves the mandated increases are as well as new programs or services we are interested in providing or SHAC tells us that we should be providing. We will then do a cost analysis on those to see whether this would require some increase in the fee. Because the bargaining outcomes will be unknown, we will make the best estimate of what could occur.

1. **Items Not on the Agenda:**

- a) **Recruitment** – As we do every spring term, SHAC recruitment will be done, so be looking for that special someone who might be interested.
- b) **SHAC Group Picture** – The first Friday of spring term, April 6, 2007, Kim Barker will be taking pictures of the SHAC so bring your smiles.
- c) **ISA Coffee Hour** – The flyer for the coffee hour will be sent to SHAC members the first week of spring term. Look it over and email Kim if you think there should be any changes so it can be ready to hand out at the meeting on April 6, 2007. A PDF version of the flyer will be sent to Becky Megerssa who will put it out through the OIP email list.

Folake Osoetan is working to get someone lined up from the Counseling Center to join us at the coffee hour. Gregg Wendland, Pharmacy Manager, will make sure there is something put together regarding over the counter pharmaceuticals for the event.

Kate Davis has put together a survey. The suggestion was made for an introduction to the survey and Kate will work on this. There will be hard copies of the survey available at the coffee hour and Becky Megerssa will send it out through the OIP email before and after the coffee hour. Leslie Straight will accept these surveys at her email address. When the survey is completed, Becky will also send this out through the OIP email list.

2. **Adjournment** – The meeting was adjourned at 4:00 p.m.

Kim Barker, Recorder

****Next Meeting****
April 6, 2007
Health Center Medical Library