

JOURNAL OF THE UNIVERSITY SENATE
January 29, 1947, 4:10 p.m.
Monnet Hall, Room 101

The University Senate met in regular session with Chairman G. L. Cross in the Chair.

The minutes of the previous meeting were approved as published.

A report was made by Dr. L. E. Winfrey, Chairman of the University Senate Committee on Curriculum and University Standards on a plan for "Changes in Curricula and Courses of Study."

- I. The following plan is established in order that:
 - (a) One over-all University authority may have responsibility for coordination of curricular and course changes, for the preventing of needless duplication of courses and curricula as between colleges, for preventing one college from making course and curricular changes which interfere with or cause injury to other colleges:
 - (b) There may be always in one office of the University an official statement of the description of courses, including correct course titles, hours of credit, prerequisites, fees and/or deposits, etc.
- II. The basic features of the plan are:
 - (a) The University Senate shall exercise general coordinating responsibility over all Catalog changes;
 - (b) The Office of University Publications (Catalog Office) is designated as the recording office for all changes in the Catalog.

The report was approved and the procedure for carrying out this plan which will become University Statutes when finally approved, was approved in principle. However, a motion was made and approved that the Chairman of the Senate should appoint a committee of three to re-write these statutes in legal form and report back to the Senate at the next meeting.

President Cross suggested that we should make a study of the advisability of the University's changing from the semester system to the quarter system. A motion was made and approved that this study should be referred to the Committee on Coordination.

A proposal was made to create an University Council for Social Research. The proposal was referred to the Committee on Research.

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Professor C. P. Green, Chairman of the Senate Committee on Faculty Personnel, gave a report on the "Study of Health Insurance for the University Faculty."

The Committee on Libraries and Laboratory Facilities reported that Dr. John H. Leek had been elected as Chairman of the Committee.

The Senate adjourned at 5 p.m.

Respectfully submitted,

E. E. Hatfield, Secretary.

REPORT TO THE UNIVERSITY SENATE

by the

FACULTY PERSONNEL COMMITTEE

OR

GROUP LIFE, HEALTH AND ACCIDENT INSURANCE

I. PRELIMINARY ACTION.

A. On November 4, 1946 the Faculty Personnel Committee of the University Senate met to consider the question of accident and health insurance coverage for University Faculty members. After a general discussion of health insurance programs to which University Faculty members could subscribe the Committee agreed on the following procedure:

1. To consider plans which would include all full-time University employees and not restrict the program to faculty members only.

2. To set up a uniform company "yard-stick" so as to limit the Committee's contacts to companies whose financial strength and long years of successful service had earned for themselves favorable ratings in Best's Reporting Service. On the basis of these ratings 17 companies were invited to submit plans and/or send representatives to meet with the Committee.

3. The Committee took cognizance of the fact that at that time (November 1946) University employees were not eligible for any type of Group Insurance, in that Group Insurance required: (1) Employer participation in payment of premiums and (2) pay-roll deduction for premiums. (The latter difficulty has been eliminated by action of the last State legislature.)

The Committee obtained the age, salary and job classification data for University employees and submitted this data to the seventeen insurance companies, as listed:

Oklahoma Blue Cross	World
Continental Casualty	Great Southern
Indiana Lumbermens Mutual	Reserve Loan Life
Massachusetts Mutual Life	Lewis A. Sale & Associate
Mutual Benefit Health and Accident	Occidental Life
National Casualty	Business Men's Assurance
North American Accident	Phoenix Mutual
Pacific Mutual	C. L. Frates & Company
Washington National	

II. RESULTS OF INTERVIEWS.

A. Representatives of most of the companies listed above were interviewed by the Committee during the months of November, December (1946) and February and March 1947. The Committee questioned each representative about surgical, hospital and timeloss benefits; premium costs, dependents coverage, waiting periods and minimum group unit of University employees, required to permit their plan to be available to University employees.

As a result of these interviews the following items were noted:

1. That one or more groups, associations or committees would need to be organized with officers, with whom the Insurance Company could make a master contract. These groups, associations or committees would have some, and in a few instances most, of the responsibility of securing and maintaining the necessary enrolment of employees to meet the specified minimum enrolment required.

2. Provisions could be made for uniform benefits at uniform premium rates.

3. Provisions could be made whereby each employee could have his benefits "tailor-made" with individual premium rates. This option would result in a loss of most of the savings to be derived from a group plan.

4. That a Franchise plan could be adopted, which would amount to little more than a recommendation for one company to solicit insurance prospects among University employees. (It is to be noted that solicitation is currently carried on without recommendation or even approval.)

5. That the benefits of the several plans submitted varied rather directly to the premium charged. The ration of benefits to premium costs is fairly constant.

6. That group unit membership requirements could vary from 50 to 85% participation of eligible employees.

B. In view of the results of the interviews and a study of plans submitted, the Committee decided to formulate a uniform list of plans and specifications, so as to be able to compare rates on comparable insurance programs.

1. Standardized Group Insurance and a standardized Franchise Insurance plans were prepared and submitted to the seventeen companies on March 27, 1947. Only five of the seventeen companies elected to use the plan submitted.

2. The types of coverage and the annual cost, based on the standardized Group type responses are shown in the following tables.

Table I. Employee Coverage
For Employee earning \$4000 and Above

Item	Maximum Benefit	Annual Cost by Companies				
		No. 1	No. 2	No. 3	No. 4	No. 5
1. Lump Sum, Accidental Death and Dismemberment	\$2500.00	\$3.10	\$2.92	\$4.50	\$ 3.00	\$ 1.20
2. Weekly Disability Income (For time lost, due to disability)	\$ 40.00	\$55.68	\$54.04	\$55.54	\$63.36	\$60.00
3. Hospital Expense Allowance, per day in hospital (total 31 days) Hospital Expense (total)	\$ 6.00 30.00	\$10.82	\$10.34	\$11.37	\$10.02	\$11.52
4. Surgical Expense Max. Allowance	\$ 150.00	6.48	6.29	7.08	6.64	6.96
5. Medical Care (Max) Doctor's call, hospital or office \$2, each; home \$3, each.	\$ 150.00	7.32	8.04	7.08	7.92	6.12
Total		\$83.40	\$81.63	\$85.67	\$90.94	\$85.80

Table II
Dependent's Coverage for One (1) Dependent. Annual Cost by Companies.

Item	No. 1	No. 2	No. 3	No. 4	No. 5
Hospital, Surgical and Medical Expense (Same as for Employee)	\$58.80	\$40.90	\$33.00	\$33.65	\$36.12

Dependent's Coverage for Two (2) or More Dependents. Annual Cost by Co.

Item	No. 1	No. 2	No. 3	No. 4	No. 5
Hospital, Surgical and Medical Expense (Same as for Employee)	\$58.80	\$70.25	\$51.36	\$46.06	\$56.04
Grand Total for Employee plus One Dependent. Annual Cost	\$142.20	\$122.53	\$118.67	\$124.59	\$121.92
Grand Total for Employee plus two or more Dependents. Annual Cost	\$142.20	\$151.80	\$137.03	\$137.00	\$141.84

III. INSURANCE PLANS IN OTHER STATE UNIVERSITIES.

A. The Committee next undertook to survey a number of state universities, with a view of informing its membership on insurance programs in operation in other state universities. Requests for information on insurance plans in operation were sent out through the President's Office and replies were obtained from fifteen State Universities, as follows:

Ohio State, Texas, Wisconsin, Idaho, Illinois, Nebraska, Oregon, Colorado, Missouri, Indiana, Washington, Arkansas, Iowa, Kansas, New Mexico.

B. For purposes of analysis, the information secured from these plans was divided into four classes or types of protection:

1. Retirement Annuities (Including provision for total and permanent disability).
2. Life Insurance (Including provision for total and permanent disability).
3. Accident and Health Insurance (Including provision for accidental death and dismemberment).
4. Hospitalization Insurance (Including provision for surgical and medical care).

A summary of results of this survey is shown in the following Table III. (Note 1, 2, 3, 4 refer to classes of insurance as listed in III B.)

Table III (Key: x-some plan; 0-no plan)

University	1	2	3	4
Arkansas	0	x	0	0
Colorado	x	x	x	x
Idaho	x	0	0	0
Illinois	x	0	x	x
Indiana	x	x	0	x
Iowa	x	0	0	0
Kansas	0	x	0	0
Missouri	x	0	0	x
Nebraska	0	0	0	0
New Mexico	0	x	0	x
Ohio State	x	x	0	0
Oregon	0	0	0	0
Texas	0	x	0	0
Washington	x	0	0	0
Wisconsin	x	x	0	x

C. Prior to the study of the insurance programs submitted by the fifteen State Universities, your committee had limited the scope of its investigation to that furnished in the instructions received from the Senate and had not concerned itself with Group Life Insurance or Retirement Annuities. An analysis of the programs submitted show:

1. Nine of the fifteen reporting institutions have retirement annuity plans. These plans generally correspond to the Oklahoma Teachers Retirement plan. Deductions are made from employees' salary and are augmented either by contributions from the University or the State.
2. Eight of the reporting institutions have group life insurance. These plans vary widely, from voluntary to compulsory participation; from no premium payments to total premium payments by the employee; for coverages ranging from \$1000 to \$10,000.
3. Only the University of Colorado carries a true group health and accident program. This program is essentially insurance against loss of time to the extent of \$25.00 per week. Benefits increased by 50% for period of hospital residence not exceeding eight weeks. \$25 allowance for doctor bills for non-disabling injuries. Accident benefits begin with the first day and sickness benefits with the fifteenth day of disability. Annual cost to employees is \$30.60.
4. Six of the reporting institutions have hospitalization insurance, which also generally carry surgical and medical care. These plans correspond to the Blue Cross plan for hospitalization and the Oklahoma Physicians Service for surgical care.

IV. INSURANCE QUESTIONNAIRE RESPONSE AND ANALYSIS

A. Response.

The next task undertaken by the Committee was to determine, by means of a questionnaire, the interest of university employees in an insurance program. The questionnaire was sent to a total of 1,468 full-time University employees, including 453 faculty members. Returns were received from 234 faculty and 185 non-faculty members. Total returns numbered 419. This gave a 54% faculty response, and 18% non-faculty response and a 28% over all response. All recipients of questionnaires were notified that failure to return the questionnaire would be regarded as a negative answer. Graduate assistants and University employees on an hourly wage or temporary status were excluded in the analysis of responses.

B. Analysis of Insurance Questionnaire Returns

1. Interest in securing group life insurance coverage!

A. Affirmative responses by:

- (1) 51% of faculty responses, which represents affirmative responses by 27% of the total faculty.
- (2) 42% of total University responses, which represents affirmative responses by 12% of the total of University employees!

2. Interest in an annuity plan to supplement the Oklahoma Teachers' Retirement System.

- a. Total responses, 398.
- b. Percentage of this total who are members of the Oklahoma Teachers' Retirement Plan, 17%.
- c. Percentage of faculty members answering this question who are members of the Oklahoma Teachers' Retirement Plan, 97%.
- d. Percentage of faculty answering this question, who are now members of the O.T.R. Plan and are interested in a supplementary annuity plan, 64%.
- e. Percentage of total responses to this question, showing current membership in the O.T.R. Plan and interested in a supplementary annuity plan, 53%.

3. Interest in Hospitalization Insurance and Surgical Benefits.

- a. Percentage of faculty answering this question who are members of the Blue Cross Service Plan, 72%.
- b. Percentage of total University personnel answering this question who are members of the Blue Cross Service Plan, 62%.
- c. Percentage of faculty members answering this question who now have the Blue Cross Service Plan and are interested in supplementing it with a surgical plan of benefits, 69%.
- d. Percentage of total responses to this question, showing current membership in the Blue Cross Service Plan and interest in a supplementary surgical plan of benefits, 65%.

4. Interest in Group Disability Insurance (Health and Accident)

a. Affirmative responses by:

- (1) 67% of the faculty responses, which represents affirmative responses by 35% of the total faculty.
- (2) 63% of the total University responses, which represents affirmative responses by 18% of the total of University employees.

b. Interest in alternate plan for Disability Insurance if no arrangements are made for Group Disability Insurance.

(1) Affirmative responses by:

- (a) 51% of faculty responses, which represents affirmative responses by 26% of the total faculty.
- (b) 46% of total University responses, which represents affirmative responses by 13% of the total University employees.

V. CONCLUSIONS BASED ON QUESTIONNAIRE

A. Fifty-four (54) percent of the faculty demonstrated sufficient interest in an insurance program to return the questionnaire.

B. Eighteen (18) percent of the non-faculty employees returned the questionnaire.

C. An over-all response of twenty-eight (28) percent was obtained on the questionnaire.

D. On each of the items included in the analysis in part IV B, more than 50% of the faculty responses received, indicated an affirmative interest. The total faculty affirmative interest did not exceed 35% in any case and ranged downward to 26%.

E. On each item included in the analysis in part IV B, more than 41% of the total University responses received indicated an affirmative interest. The total University affirmative interest did not exceed 18% in any case and ranged downward to 12%.

VI. RECOMMENDATIONS

After making due allowance for the general aversion on the part of many University employees to questionnaires, it is the opinion of this committee that sufficient interest has been indicated by the faculty as distinguished from all employees to make it possible to operate a successful insurance program for University employees, under certain conditions. We, therefore, recommend:

1. That the University of Oklahoma institute the necessary measures to set up within the administrative framework of the University a Department of Insurance, or something comparable thereto.

2. That the University explore the possibilities of, and if necessary, initiate and support the necessary legislation to provide a means for the University to make a substantial contribution toward payment of premiums of individuals who may be members of any of several possible groups health units.

VII. ACKNOWLEDGMENT

The Faculty Personnel Committee of the Senate takes this opportunity to express its thanks to and appreciation of Professor I. J. Sollenberger for his untiring efforts and cheerful cooperation in meeting the numerous requests of the committee for assistance, and to Professor L. E. Swearingen for preparing this report.

The Committee also expresses its thanks to Professor F. R. Cella for the preparation of the statistical analysis of the questionnaire.