

# UMRA U NEWSLETTER

A Communication of the University of Minnesota Retirees Association

MARCH 2007

## Thespian Barbara Reid will speak at luncheon meeting March 27

“Barbara is patient, wise, and far-sighted. She has risen above personal interest to serve our community...with tremendous skill, sensitivity, energy and wisdom.” A year after CLA Dean Steven Rosenstone spoke these words at Professor Reid’s retirement party, she proved him right by agreeing to serve as interim director of the School of Music.

After receiving a B.A. from Hollins College, Roanoke, Virginia, and the M.F.A. from the Yale School of Drama, she spent more than 40 years in the theatre as actor, teacher, and administrator. At the University of Min-



nesota she served as head of the acting/directing program, and as a three-term chair of the Department of Theatre Arts and Dance, the first woman to be appointed

chair of a Big-Ten theater department.

While chair, Barbara negotiated a revitalized connection for the MFA program in acting with the Guthrie Theater under Garland Wright’s leadership.

Her next challenge was a term as associate dean for planning in the College of Liberal Arts. One of the perks of this position was the privilege of mollifying multitudinous department chairs unhappy with chronic space shortage in the college. Her patience and wisdom proved equal to the task.

A member of the Actor’s Equity Association and the Screen Actor’s Guild, she has performed major roles at regional theaters throughout the country. In the Twin Cities she has been seen at the Guthrie Theater, Actor’s Theater of St. Paul, and the Cricket Theatre. Her performance as Helen in Athol Fugard’s *The Road to Mecca* was cited by the *Star Tribune* as the “best female performance of the year” in 1989. Most recently she played Clairee in Park Square Theatre’s production of *Steel Magnolias*.

On March 27 we will warmly welcome Barbara Reid to give a talk entitled “In Search of Courage on Stage.” She will discuss her research on Vlasta Chomostova, a name known to every Czech who loves the theater, for she is a great actress and a courageous political dissident.

Since this article began with a dean’s words, it ends with a view from the trenches, offered by theatre arts professor Lance Brockman: “Barbara Reid was the first female chair of the department.... A combination of her impressive acting ability coupled with her southern charm allowed her to achieve wonderful results for the department. More than once, I have watched her powers of persuasion with a penny-pinching dean or a difficult colleague – God help them if they were male. She applied these talents with flawless precision: most were persuaded to adopt Barbara’s thinking based on her well-reasoned argument but more importantly on a consummate and convincing acting performance.”

—Frank Miller, President

UNIVERSITY OF MINNESOTA

FEBRUARY  
LUNCHEON MEETING

Tuesday  
March 27, 2007  
11:30 a.m. – 1:30 p.m.

**Featured Speaker**

**Barbara Reid, professor emerita,  
Department of Theatre Arts and  
Dance, University of Minnesota  
“In Search of Courage  
on Stage”**

**Location**

Conference Room ABC  
Campus Club, Fourth Floor  
Coffman Memorial Union,  
East Bank Campus, U of M

**Cost**

\$12 per person (tax included)

**Reservation Deadline**

**Thursday, March 22**

To reserve your place(s)  
send a check, payable to the  
University of Minnesota Retirees  
Association, to Ben Zimmerman  
at 2225 Folwell Ave., St. Paul,  
MN 55108; call him at 651-  
645-1662; or e-mail him at  
zimme003@umn.edu.

Reservations requested after  
Thursday, March 22 will be on a  
waiting list. Cancellations must  
be received by noon March 22.

**Parking**

With your UMRA membership  
card, parking is available for  
\$4 all day in the East River Road  
Garage.

**Board Meeting at 10 a.m.**

UMRA NEWSLETTER

## FROM THE PRESIDENT

Does medical coverage for retirees offered through the University have higher monthly premiums than an individual contract in the open market? If so, does it offer more benefits? How does coverage compare?

Because UMRA members have been asking these questions, I invited Karen Chapin, manager of health programs in Employee Benefits, to prepare an article for this newsletter. Many thanks to her for the thorough analysis presented below.

As you read it, please keep in mind that the whole idea of insurance is the management of risk: policy-holders who have fewer claims have always subsidized those who have many. The UMRA Board is discussing the possibility of

holding an afternoon seminar on comparisons of cost and perhaps to explore other issues concerning the increasing complexity of choices about health care.

Please direct your questions and comments to Employee Benefits (see contact information at the end of the article). Those involved in planning for retirees' UPlan coverage in the coming year would like to hear your comments and ideas. What changes would you advise them to make?

If you would like UMRA to hold the aforementioned seminar on the subject, please send me suggestions about the content you would like to address. (see page 4 for all the ways you may contact me.)

—Frank Miller

## Understanding retiree health insurance plans: comparing UPlans with the market

The University of Minnesota offers four options in medical coverage to its 65+ retirees:

- Blue Cross Blue Shield Medical Coverage, with prescription coverage through Medicare Blue Rx
- HealthPartners Freedom
- Medica Group Prime Solution
- UCare

All four plans provide comprehensive Medical and Prescription Drug coverage. Participants are automatically enrolled in Medicare Part D and the premiums cover the cost. Participants also enroll in Medicare Part B, with premiums deducted from Social Security checks.

Some retirees have expressed concern about whether programs available in the open marketplace would provide a better value for retirees than the plans offered through the University. Using the HealthPartners Freedom Plan as an example, this article will review some of the differences between the U of M group program and HealthPartners individual contracts.

The major difference between the group and individual products is in Prescription Drug coverage. The U of M program through HealthPartners Freedom includes a \$10 generic copay and a \$20 brand copay. On the individual policy, generics also have a \$10 copay, but brand drugs have a copay of \$31. In addition, for specialty drugs on the individual program, a retiree pays 25% of the cost. Specialty

drugs are primarily injectable drugs that often run as much as \$1,000 per prescription. With a \$1,000 prescription, an individual would have a personal expense of \$240 per prescription per month.

There are two individual HealthPartners Prescription Drug programs available: Standard and Enhanced. The copays and coinsurance described above are the same for both programs. On the Standard Plan, the Medicare Part D “doughnut hole” applies once you and the plan have \$2,400 in expenses, and members would pay 100% until expenses reach the catastrophic level of \$3,850. On both the Enhanced Individual Plan and our U of M Group Plan, there is no “doughnut hole” and the member pays only copays until he/she reaches \$3,850. Once the \$3,850 catastrophic level is reached on any of the three plans, copays are reduced.

There are also differences between the Medical side of the U of M group HealthPartners Freedom Plan and the individual products. The U of M program provides 100% coverage for hospitalizations, with a \$10 copay for physician office visits. There are three individual HealthPartners options:

- The Freedom I option includes a \$300 deductible for hospitalization, with coverage limited to 90 days. Office visits are covered at 80% versus a copay.
- The Freedom II option has a \$150 hospital deductible with no daily limit. The office visit copay is at \$15.
- The Freedom III option has 100% hospital coverage and no office copay.

The U of M HealthPartners group program also differs from the individual product in the following areas:

- The U of M program includes a hearing aid benefit of 80% of the cost, payable once every three years. The individual products do not include a hearing aid benefit.
- The U of M group HealthPartners Program offers 90% coverage for prosthetic devices, durable medical equipment, diabetic supplies, etc. The individual program benefit is at 80%.
- A \$100 annual preventive Dental benefit is included on the individual Freedom II and III programs, and not on the Freedom I Plan or the U of M Plan.

An individual who selected the highest individual products – Enhanced Prescription Plan and the Freedom III Medical Plan – would pay a combined premium of \$184.30 per month, versus the U of M HealthPartners Freedom cost of \$243.90 per month. Following are examples of two individuals in different situations:

- **Retiree A** had two generic prescriptions, two brand prescriptions, and one specialty medication (cost of \$1,000 monthly) during each month of the year. Retiree A had five office visits during the year, bought a pair of hearing aids for \$4,000, and needed durable medical equipment costing \$400. Retiree A would have paid a total of \$4,777 on the U of M Plan, and a total of \$10,276 on the HealthPartners highest level individual product – a savings of \$5,499 due to remaining in the U of M Plan. If the cost of hearing aids were amortized over 3 years, the savings for the year shown below would be reduced to \$3,365.

#### Comparisons of annual cost for retiree A

	HP Freedom U of M	HP Freedom III Enhanced Rx
Generics - 2 per month	\$ 240.	\$ 240.
Brands - 2 per month	\$ 480.	\$ 744.
Specialty - 1 per month	\$ 240.	\$ 3,000.
Hearing Aids - \$4,000	\$ 800.	\$4,000.
Durable Med. Equipmt - \$400	\$ 40.	\$80.
Office - 5 visits	\$ 50.	\$ --
Premium	\$ 2,927.	\$ 2,212.
Total	\$ 4777.	\$10,276.
Savings / (Cost) on U of M vs. HP Freedom	\$5,499.	

- **Retiree B** had two generic prescriptions and two brand prescriptions per month with three office visits during the year. Retiree B paid an additional \$481 in total expenses on the U of M plan than she would have paid on the HealthPartners Freedom Plan.

#### Comparisons of annual cost for retiree B

	HP Freedom U of M	HP Freedom III Enhanced Rx
Generics - 2 per month	\$ 240.	\$ 240.
Brands - 2 per month	\$ 480.	\$ 744.
Office - 3 visits	\$ 30.	\$ --
Premium	\$ 2,927.	\$ 2,212.
Total	\$ 3,677.	\$ 3,196.
Savings / (Cost) on U of M vs HP Freedom	\$ (481).	

Although these are only two example situations, they illustrate that the higher premiums on the U of M plan primarily cover the expense of more costly brand and specialty medications, hearing aids, and medical equipment for members with more significant medical issues. Because contributions from Medicare pay a large portion of the Medical costs on the program, differences between prescription benefits can result in substantial premium differences between a group program and an individual product. Historically, comprehensive coverage for prescription drugs with modest out-of-pocket expense and hearing aid coverage have both been viewed as important by our retiree population, and thus the programs have all been designed to include this type of coverage.

This year, the University has issued a Request for Proposal (RFP) for our + 65 Retiree Medical Program. The RFP Committee includes two retirees who are also a part of the Benefits Advisory Committee, Ted Litman and Rodney Loper. If retirees prefer to adapt the U of M program design to include higher out-of-pocket prescription drug costs such as those included in a typical individual product, design changes could be considered by the RFP Committee and the Benefits Advisory Committee.

Retirees who wish to express opinions may send an e-mail to [benefits@umn.edu](mailto:benefits@umn.edu), with the subject line “+ 65 Retiree Program Design Ideas” or send comments to Employee Benefits at 100 Donhowe Building, 319 15th Avenue S.E., Minneapolis, MN 55455 (Attention: Kelly Schrotberger).

—Karen Chapin, manager of health programs,  
University Employee Benefits

## Volunteer ushers create review blog

In keeping with the proposition that there is a connection between volunteering and maintaining one's health (UMRA Newsletter, February 2007), the Retirees Volunteer Center has initiated a "virtual critique salon" by and for its event ushers.

I propose that seniors' mental acuity can be enhanced by the addition of an intellectual activity to the physical and sensory components of art, lecture, music, and theater ushering. Inspired by Gene Cohen's research demonstrating that brain activity enhances the chemical and neural synapse condition, which maintains and improves mental status for seniors (*The Mature Mind* and *The Creative Age*), I have invited the volunteer ushers to engage in a commentary blog.

As a first stage, the voluntary reviews, signed or anonymous, are compiled and distributed to the ushers, from which begins an engaging exchange of ideas and perceptions. For the

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For additional information about UMRA,  
visit [www.umn.edu/umra](http://www.umn.edu/umra)  
or contact President Frank Miller at 612-331-2145,  
[mille005@umn.edu](mailto:mille005@umn.edu), or 979 18th Ave. S.E., Mpls 55414

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month of February there were five reviews submitted, covering "Dance Revolutions" by the Department of Dance and two School of Music concerts, those of the Wind Ensemble and the Symphony Orchestra.

We look forward to the March reviews of the University Theatre's production of *The Pope and the Witch* as well as upcoming concerts. If you are interested in participating, and submitting commentary to this "virtual salon," contact Alan Kagan at [kagan001@umn.edu](mailto:kagan001@umn.edu).

—Alan Kagan, Manager,  
University Retirees Volunteer Center

## Upcoming dates to keep in mind


Please keep these dates in mind and remember that UMRA will pay the cost of lunch for guests who are potential members. Just give the names to Ben Zimmerman as you make your reservations.

- March 27, 11:30 a.m., luncheon, Barbara Reid (see p. 1)
- April 24, 11:30 a.m., luncheon, speaker to be announced
- May 22, 5:30 p.m., spring banquet

### Have you changed your address, e-mail, or phone?

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2. Cut out this form **and address label**.
3. Mail both to the address above.

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