A meeting of the Audit and Insurance Committee of the Board of Trustees of The Trustees of Purdue University convened in Room 326 of Stewart Center, Purdue University West Lafayette, Indiana at 4:00 p.m. on Thursday, September 25, 2014.

All members of the Committee were present: John Hardin, chair; Sonny Beck; and Vanessa Castagna. Other trustees present were: Michael Berghoff; JoAnn Brouillette; Kelsey Quin; Thomas Spurgeon; Don Thompson; and Bruce White. Gary Lehman was not in attendance.

Also in attendance were: Deba Dutta, Executive Vice President for Academic Affairs and Provost; Bill Sullivan, Treasurer and Chief Financial Officer; Jim Almond, Senior Vice President for Business Services and Assistant Treasurer; Steve Schultz, Legal Counsel; and Janice Indrutz, Executive Assistant to the Board and Corporate Secretary.

I. APPROVAL OF HEALTH CARE PLAN OPTIONS AND RATES

Trustee Hardin made introductory comments and said that an extensive amount of effort had been put forth over the last few years to arrive at a consumer-driven health care plan. He cited the statistic that from 2013 to 2014, the number of employees enrolled in the consumer-driven health care plans versus the standard PPO plan increased from 24% to 73%.

Ms. Eva Nodine, Director of Benefits, reviewed the 2014 plan options and their four common features. She then outlined the recommendations for 2015, which included no increase to employee premiums. She reviewed the plan design and annual employee premiums, and illustrated that total health care costs were projected to decrease. Ms. Nodine concluded her presentation by outlining the university’s health plan strategy. Treasurer Sullivan emphasized that because the university is self-insured and decisions were made based on six months of data, there was some risk with keeping the plan options and premiums constant for 2015, but he was confident the risk would be minimal.

Trustee Berghoff said the presentation was well done and easy to understand. Trustee Hardin remarked that, historically, health care in Lafayette had been expensive and believed that exposing it to competition would drive the market rates down locally.

Upon proper motion duly seconded, the Audit and Insurance Committee voted unanimously to request full Board approval of the health care plan options and rates for 2015. A supporting document and a copy of Ms. Nodine’s presentation were filed with the minutes.

II. ADJOURNMENT

By consent, the meeting adjourned at 4:21 p.m.