UNIVERSITY SENATE
First Meeting, Monday, 9 September 2013, 2:30 p.m.
Room 302, Stewart Center

AGENDA

1. Call to order
   Professor David J. Williams

2. Approval of Minutes of 15 April 2013

3. Acceptance of Agenda

4. Remarks by the President
   President Mitchell E. Daniels, Jr.

5. Remarks of the Chairperson
   Professor David J. Williams

6. Résumé of Items Under Consideration by Various Standing Committees
   Professor David A. Sanders

7. Question Time

8. Senate Document 13-1 Clinical/Professional Faculty Appointment and Promotion
   Professor A. Charlene Sullivan

9. Presentations from Student Government
   President Kyle Pendergast and Vice President Margaret Highley

10. Health Care Update
    Vice President Luis Lewin and Benefits Director of Athletics Eva Nodine

11. New Business

12. Memorial Resolutions

13. Adjournment
UNIVERSITY SENATE
First Meeting, Monday, 9 September 2013, 2:30 p.m.
Room 302, Stewart Center


Guests: Steve Abel, George Adams, Cheryl Arroyo, Ralph Cherry, H. Columbo, Spencer Deery, Gina Del Santo, Shelly Dunk, Cheryl Files, Amanda Harmon, Luis Lewin, Mike Loizzo, Beau Moore, Eva Nodine, Chalonda Richardson, Michael Takeda, Brian Zink

1. The meeting was called to order at 2:30 p.m. by Chairperson David J. Williams.
2. The minutes of the 15 April 2013 Senate meeting were approved as distributed.
3. The agenda was accepted as distributed.
4. President Mitchell E. Daniels, Jr. presented remarks to the Senate (see Appendix A).
5. Professor Williams presented the remarks of the Chairperson (see Appendix B).
6. Professor David A. Sanders presented the Résumé of Items under Consideration (ROI) by various standing committees (see Appendix C). The chairpersons of each standing committee commented on their committee’s items.
President Daniels answered questions from the Senators.

Professor Paul Robinson asked about funding for the President's proposed initiatives as well as for student scholarships. President Daniels said that funds are available for the initiatives and fundraising for scholarships will be a targeted point-of-emphasis in fundraising endeavors.

Professor Monika Ivantysynova expressed concerns about the issue of bicycles on campus and safety issues associated with bicycle use on campus. President Daniels stated that he has asked the Physical Facilities administration to look into this issue. In addition, input will be sought from Purdue Student Government on this matter.

Professor Michael Fosmire asked if it would be necessary to build more housing units on campus in order to meet the President's goal of having more students living on campus rather than off-campus. President Daniels said that some buildings could be repurposed as housing, but new housing units will also have to be built in order to house the increased number of students.

Professor Evelyn Blackwood expressed concern about the issues of diversity and race that have arisen at Purdue University in the last year (and in previous years). President Daniels said that there are many initiatives ongoing to address these issues and that under-represented minority student numbers are up with the exception African-American students. The lack of progress is due, in part, to the limited pool available from which to recruit African-American students.

Professor Harry Targ mentioned that non-professional staff should be recognized and supported as important parts of the Purdue University community. Currently, there is a move in academia to outsource many services provided by non-professional staff and this is a worrisome development. President Daniels stated that it is important to concentrate resources on teaching and research while remaining mindful of administrative and other expenses. He believes that effective delivery of services is critical whether done by in-house staff or by an outside contractor hired by the University. He definitely appreciates the hard work of the non-professional staff members who work for Purdue University. Professor Targ's second point was that the College of Liberal Arts (CLA) has grown and has long supported the STEM disciplines through the courses taught in the CLA. President Daniels agreed and mentioned that students educated in the STEM disciplines also need to be well-rounded and that the CLA is important in ensuring that they graduate with broad educational backgrounds.

Professor David Sanders asked two questions and made a supportive statement. First, he wanted clarification on the recent announcement of the hiring of a new administrator to oversee Data Analytics. President Daniels stated that it was not a new position, but a replacement position in the revamped and renamed Office of Institutional Research. In answer to a second question concerning a recent interview on WLFI, President Daniels said that he would look to the faculty members in a given discipline to challenge their own when controversial statements are made. Finally, Professor Sanders stated that he was pleased that President Daniels decided to sign the letter to the U.S. Congress and President Obama concerning the funding of scientific research sent by leaders of AAU- and APLU-associated universities. President Daniels emphasized that he had initially been unaware of the 2012 letter sent to the Congress and President that made a strong statement concerning deficit reduction and addressing the runaway costs of
federal entitlement programs. After reading the 2012 letter, he was very willing to sign the 2013 letter. His statement addressing this matter can be found at this link: President Daniels’ statement on the AAU and APLU letter.

8. Professor A. Charlene Sullivan, Chair of the Faculty Affairs Committee presented, for Discussion, Senate Document 13-1 Clinical/Professional Faculty Appointment and Promotion.

Professor Sullivan explained to the Senate the rationale for the draft policy and some of the history of the Clinical Faculty guidelines for appointment and promotion. Although it has been assumed that there was an official University policy on appointment and promotion of Clinical Faculty, an official University-wide policy was never promulgated by the University Administration and only a set of guidelines exist that were based on the original Senate Document, 93-10. The draft policy under consideration will create an official University-wide policy. One of the changes in the policy will update the allowable percentage of clinical faculty to meet the needs of academic units. Other features of the policy include requirements for contract renewal, requirements related to non-renewals and resignations, and professional development funds. Professor Sullivan's summary of the proposed changes is included below (see Appendix D) and can also be found on the Senate web site. Professor Sullivan was assisted by Associate Vice Provost for Academic Affairs Steven R. Abel in answering questions from the floor. The document will come up for a vote at the October 2013 Senate meeting.

9. Purdue Student Government (PSG) President Kyle Pendergast updated the Senate on the Purdue University Creed that is being prepared for approval and promulgation (see Appendix E). The creed is being developed to address issues of diversity and inclusion on campus. The development of the creed began this summer when students’ inputs were sought via an online survey. PSG recently sent out a second survey to garner additional student opinions and suggestions. President Pendergast hopes to have the creed approved by Homecoming.

10. Vice President Luis Lewin introduced Benefits Director Eva Nodine who then presented an update on changes to the 2014 Purdue University Health Care Plan (see Appendix F). In addition to utilizing online information about the Plan, individuals are welcome to contact the Benefits Office if they have questions about the changes. In addition, online tools will be available to help individuals determine which plan best suits their needs.

11. Memorial resolutions had been received for Marshall Distinguished Professor of Mathematics Dr. Shreeram S. Abhyankar, Professor Emeritus of Veterinary Clinical Sciences Harold Amstutz, Professor Emeritus of Agricultural Economics Julian H. Atkinson, Professor Emeritus Forestry and Natural Resources John Conrad Callahan, Professor Emeritus Mathematics William R. Fuller, Professor of Physics Gabriele Francesco Giuliani and Professor Emeritus Mathematics Christoph J. Neugebauer. Out of respect for their departed colleagues, the Senators stood for a moment of silence.

12. The meeting adjourned at 4:20 pm
EXTRAORDINARY OPPORTUNITY

TEN BIG MOVES SUPPORT:

STEM Leadership
World-Changing Research
Transformative Education
Affordability & Accessibility
STEM LEADERSHIP

Expand the College of Engineering
Transform the College of Technology
Grow Computer Science
Advance plant science research

Invest in drug discovery

Surgeon's former view

Surgeon's new view

Ovarian Cancer Patient

Automated Field Phenotyping Laboratory
TRANSFORMATIVE EDUCATION

Double the rate of class transformation
Double student international experiences
A majority of students living on campus
Become a year-round university
AFFORDABILITY & ACCESSIBILITY

Freeze Tuition & Control Costs
PURDUE MOVES THE WORLD FORWARD

NO ORDINARY TIME ... EXTRAORDINARY OPPORTUNITIES
Welcome to the first meeting of the University Senate for the 2013-2014 academic year. I hope each of you had a productive and enjoyable summer. I was able to be at the University of Cambridge for six weeks to continue research I started there in 2009, but returned to West Lafayette in time for the tale of two letters, one signed by 90 Purdue faculty members, the other signed by no one from Purdue, both which led to a summer of discontent. The Howard Zinn matter caused uproar amongst some Purdue faculty, and led to a letter to President Daniels signed by 90 faculty, and national media attention. This was followed by the unsigned Innovation Deficit letter, and another round of faculty concern and media scrutiny. Neither issue is fully resolved in spite of good faith efforts on both sides. What I mean by this is President Daniels feels he has made a good faith effort to respond to these faculty concerns. Some faculty feel his responses have raised even more concerns, and as your Chairperson I would be negligent if I didn't begin my remarks by pointing this out. However you might feel about these matters—and I have heard more than an earful from faculty on all sides—I feel we need to find a way to get this undeclared ideological war that began with the decision to hire Mitch Daniels as our 12th President resolved now. We can't continue to be divisive like the Congress and expect Purdue to be able to move forward. You just heard, for the first time, a description of a number of exciting initiatives that will help propel Purdue forward as a leader in higher education. Therefore, I urge you to work with me, and President Daniels this year to find middle ground where we can meet and come together in order to be productive. Allow both of us to do our jobs.

Many other things happened on campus since our last meeting. Progress is being made on reviewing all 127...yes, 127...Executive Policies that have collected over the years—with some being discarded, some being rewritten in plain language, and others being folded into one broad policy—all in an attempt to streamline the University. Vice President Rollock will hopefully be able to report on this at the next meeting of the Senate.

In my remarks to the Trustees in July I highlighted three areas of concern. One was hate speech on campus. Another was a renewed request for a permanent seat for a faculty member on the Purdue Board of Trustees. And the third was a request for a centralized English language program for our international students. The Trustees asked for further information on the third issue and a group of faculty, including Senators Ginther, Sullivan, and Whittaker, is in the process of developing a plan to address this need and something will be done. Regarding hate speech, the students have developed a Purdue Creed, which they hope to have ready for Homecoming. Kyle Pendergast will present this creed later in the meeting.

As you know our healthcare benefits are shifting to an 80/20 split. It is important for everyone to realize this was mandated by the Trustees, and did not come from the Healthcare Strategy Committee. In truth, this dedicated group of faculty and staff worked all of last year and during the summer to soften
this blow as much as possible, and worked to create means for Purdue employees to develop what I refer to as a “Culture of Wellness.” We simply have to become healthier if we are going to control these costs in the future. And we need to become wiser consumers. Vice President Lewin and Eva Nodine will speak to us about this later in the meeting, and will respond to your questions.

The Faculty Affairs Committee will present Senate Document 13-1 at this meeting for discussion. I want to publicly applaud the efforts of the Provost’s Office, in particular Steve Abel and Beverly Davenport Sypher, for doing so much to improve the situation for Clinical Faculty at Purdue University. And I ask you for your support of this document.

A quick word about documents—it would be my hope we don’t spend important floor time in the Senate this year rewriting documents. Discuss them? Of course. But documents should be so well vetted before coming to the Senate that our time on them is used wisely.

I received an email from Alan Beck while I was in Cambridge telling me my friend, Joe Haberer, had died. Some of you knew Joe. A child of the Kindertransport Program who escaped Nazi Germany to eventually wind up at Purdue, where he established the Jewish Studies Program, and the journal Shofar. I’m not sure I can explain how we became friends, but for over a year and a half, while he was in the end stage of pulmonary fibrosis, we had lunch together at Panera once a week. He became my “advisor” for which I paid him the princely sum of 10¢ a week. He thought that if he lived long enough he would become a wealthy man. He urged me not to run for Vice Chair of the Senate. He cynically said to me, “Why do you want to do this? They’ll just use you.” But he also taught me the difference between power and influence, something one needs to understand in this position. I miss him tremendously, but I also have many friends in this body to whom I can, and do, turn to for advice. Charlene Sullivan, who grew up on a farm in Kentucky, and who was Chair of the Senate for four years. Alan Beck, who grew up in Brooklyn, and became a named professor at Purdue. Patty Hart, our Vice Chair. Paul Robinson, our Immediate Past Chair. And Howie Zelaznik, a past chair. April Ginther, Levon Esters, David Sanders, Joe Camp, Evie Blackwood, Michael Hill, Stuart Bolton… the list goes on and on. And I continue to be influenced by Joe, and how he thought about things at Old Purdue.

But more importantly we collectively have each other. We likely won’t agree on everything this year, but let’s do everything we can to make this a banner year for our University.

Thank you.

David J. Williams
Chair
Purdue University Senate
TO: University Senate  
FROM: David A. Sanders, Chairperson of the Steering Committee  
SUBJECT: Résumé of Items under Consideration by the Various Standing Committees

STEERING COMMITTEE  
David A. Sanders, Chairperson  
retrovir@purdue.edu

The primary responsibility of the Steering Committee is the organization and distribution of the agenda for each meeting of the University Senate. This committee also receives communications from any faculty member or group of members and directs such communications to appropriate committees or officers for attention.

ADVISORY COMMITTEE  
David J. Williams, Chairperson of the Senate  
diw@purdue.edu

The responsibility of the University Senate Advisory Committee is to advise the President and/or Board of Trustees on any matter of concern to the faculty.

NOMINATING COMMITTEE  
Michael A. Hill, Chairperson  
hillma@purdue.edu

The Nominating Committee is responsible for presenting nominations for the University Senate and University committees. In filling committee vacancies the Nominating Committee seeks to have all interested Senators serve on at least one committee.

EDUCATIONAL POLICY COMMITTEE  
Hal P. Kirkwood, Chairperson  
kirkwood@purdue.edu

1. GPA requirements after readmission  
2. Transfer credit  
3. Academic Year and Calendar Policy  
4. Changes to Academic Regulations and Procedures - Add and Drop Deadline Policy, Grades and Grade Report Policy, Scholastic Records Policy and Degrees and Requirements Policy  
5. Enhanced Recognition for Academic Achievement

FACULTY AFFAIRS COMMITTEE  
A. Charlene Sullivan, Chairperson  
sullivaa@purdue.edu

1. On-line Course Evaluation  
2. NSF ADVANCE Initiative- policies to reduce unintentional bias in faculty hiring

STUDENT AFFAIRS COMMITTEE  
April J. Ginther, Chairperson  
aginther@purdue.edu

1. Student Conduct  
2. Purdue Student Creed

UNIVERSITY RESOURCES POLICY COMMITTEE  
Richard Johnson-Sheehan, Chairperson  
rjohnso@purdue.edu

The University Resources Policy Committee shall be concerned with, but not limited to, consideration of the following matters: planning optimal utilization of the physical facilities of the University, including buildings, the library, scientific and equipment and educational aids; studies of staff needs, utilization, and planning; interdepartmental cooperation for improved facilities and staff utilization; and nonacademic planning, including architecture, landscaping, parking, and traffic.

Chair of the Senate, David J. Williams, djw@purdue.edu  
Vice Chair of the Senate, Patricia Hart, phart@purdue.edu  
Secretary of the Senate, Joseph W. Camp, Jr., jcamp@purdue.edu  
University Senate Minutes; http://www.purdue.edu/senate
Changes associated with Clinical Professional Faculty Appointments and Promotion as it relates to limits on the positions

**CURRENT**
Clinical/Professional Faculty Appointments
Approved in Senate 15 October 2007

For purposes of establishing the allowable percentage of Clinical/professional faculty, the term faculty referred to tenured and tenure-track faculty.

No more than 10% of the total University faculty on a campus nor generally more than 15% of the faculty of a department, school or college may consist of Clinical/professional faculty. Exceptions to this rule may be made for Speech, Language and Hearing Sciences; Nursing; Pharmacy Practice; and Veterinary Medicine, for which no more than 50% of the faculty in these units can be clinical faculty. For the purpose of establishing a clinical/professional faculty, the academic faculty of the Libraries shall be considered to constitute a department.

**PROPOSED**
Clinical/Professional Faculty Appointments and Promotion (VI.F.____)
For purposes of establishing the allowable percentage of Clinical/professional faculty, the term faculty refers to tenured, tenure-track and Clinical/professional faculty and for purposes of calculating the number of faculty on a campus, also includes the academic faculty of the Libraries.

West Lafayette Campus
Generally, no more than 15 percent of the total number of faculty on the campus in a department, school or college may consist of Clinical/professional. The number of Clinical/professional faculty members in a department or school may not exceed 50 percent of all faculties in the unit, however exceptions may be approved by the Office of the Provost.

Regional Campuses and Statewide Technology
Generally, no more than 20 percent of the total number of faculty on the campus or in statewide technology may consist of Clinical/professional faculty.

The University Policy "Terms and Conditions of Employment of Lecturers" most recently revised Nov. 18, 2011 states "Continuing Lecturers should not exceed 10 percent of the total FTE of University tenured and tenure-track faculty at each campus. No further limits are established for schools or departments. Limited term lecturers do not have a University maximum."
The Purdue Creed
Presidents’ Roundtable

University Senate

Kyle Pendergast
Student Body President

September 9th, 2013
Where did it come from?

Call for Action

- Purdue Anti-Racism Coalition
- Call for student accountability
- Concern about recent hate/bias events
What will it Accomplish?

Unity, Pride, and Accountability

• **Unity** – Create guidelines for the characteristics all Boilermakers should have

• **Pride** – Improve safety and overall well-being of all Purdue Students

• **Accountability** – Develop general rules for students to keep themselves in line
Boilermakers, who are we?

We are a family that embodies integrity through the practice of honesty, humility, and accountability.

We are a unified community that respects each other by embracing diversity, promoting inclusion, encouraging freedom of thought and speech, and never attempting to silence those freedoms in others.

We are determined to grow as individuals as we tirelessly pursue our goals.
The Purdue Creed

Current Version

We are innovators, discovering new ideas and solutions that will foster a positive global impact.

We are honored to share our long-lasting traditions instilling a legacy of loyalty and pride within ourselves and others.

We ARE ever grateful ever true, We ARE One Purdue!

Boilermakers, WHO ARE WE?

Integrity, respect, honor. We ARE ever grateful ever true, We ARE One Purdue!
INTEGRITY
RESPECT
HONOR
THE PURDUE CREED
Questions?
Health Care Plan and Rates

Purdue University Board of Trustees
Audit and Insurance Committee
July 15, 2013
Health Care Strategy Committee

- Steve Abel (Chair)
  College of Pharmacy
- Pam Aaltonen (Vice Chair)
  School of Nursing
- Don Buskirk (FCBC Chair)
  Technology, Leadership and Innovation
- Gary Carter (CSSAC Chair)
  Operations and Maintenance
- Jenny Coddington
  School of Nursing
- Bart Collins
  School of Communication
- Tina Grady
  Fort Wayne Human Resources
- Deborah Kark
  Calumet Nursing
- Keith Kluender
  Speech, Language and Hearing Sciences
- Denise Laussade
  Treasury Operations
- Luis Lewin
  Human Resources
- Sue Miller
  North Central Human Resources
- Beau Moore (APSAC Chair)
  Human Resources
- Eva Nodine
  Human Resources
- Randy Rapp (FCBC member)
  Building Construction Management Technology
- April Sauer
  Agricultural Economics
- Charlene Sullivan
  School of Management
- Tom Templin
  Health and Kinesiology
- David Williams (Senate Vice Chair)
  College of Veterinary Medicine
- Howie Zelaznik (FCBC member)
  Health and Kinesiology
Health Care Strategy Committee

Focus

• Develop alternative solutions to the rising costs of health care for the short and long term, while continuing to provide high-quality and affordable health care to Purdue employees and dependents.

• Short Term - 2014

• Long Term - 5 years (in progress)
  
  o Recommendations for long term to be delivered in February 2014.
Health Care Strategy Committee

Short-term (2014) Recommendations

**Offer 3 Insurance Plan Options**
- Modify copay and incentive into one PPO option and rename plans
- Add another consumer driven health plan
- Consider impact on low income earners
- Develop a modified and more robust enrollment tool including historical data for the enrollee

**Expand Castlight**
- Link Castlight to benefits enrollment
- Continually review and update website as needed
- Incentivize use for prevention and treatment interventions

**Promote Use of Centers of Excellence**
- Center for Healthy Living-West Lafayette
- Castlight
- Anthem (Blue Distinction Centers)

**Implement Wellness Campaign**
- Up to four per year (maximum one per quarter)
- Based on dashboard of top conditions
- Incentivize with individual and University-wide options
Current 2013 Medical Benefit Plan

• Three options are available
  o Purdue Choice Fund Plan (consumer-driven health plan): 2,851 employees
  o Incentive Plan (PPO): 4,303 employees
  o Copay Plan (former HMO plan design): 4,475 employees
  o Total covered lives: 26,962

• Two-tier premium structure: Under $44,000 & $44,000 and above

• Plans are self-insured

• Budget for calendar year 2013 is $163 million

• University contributes 84% of the premium
## Current Program
### 2013 Plan Design

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<th>Purdue (2013)</th>
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*HSA = Health Savings Account*
Redesigning Programs

2014 Guiding Principles

• Implement changes to comply with health care reform for 2014 and beyond.

• Maintain high-quality, affordable medical insurance for employees

• Modernize plans, premiums and incentives to encourage consumerism
  o Reduce costs for employees and University
  o Reach the 80/20 prescribed by the Board of Trustees

• Expand education on medical benefits
  o Provide employees the right tools

• Develop a partnership
  o Purdue University
  o Employees
  o Community
Health Care Reform Regulations

• Implement changes required by health care reform
  o Pharmacy benefit changes
  o Minimum actuarial value
  o Affordable premiums
  o Reporting and paying of fees
    ▪ Estimating fees and additional claims expense of approximately $2.8 million
  o Tracking and offering of benefits to new full-time benefits eligible employees
  o Continue to monitor changing regulations to be sure Purdue is in compliance
    o Cadillac Plan 40% Tax in 2018
2014 Plan Design Changes

• Replace existing plans with three new options:
  o Purdue Health Plan
  o Purdue Health Plan Plus HSA 1*
  o Purdue Health Plan Plus HSA 2*

• All plans will:
  o Have deductible/coinsurance arrangement, except Center for Healthy Living services
  o Offer preventive generic prescriptions at no cost (e.g., diabetes, high blood pressure)
  o Keep two-tier premium structure: Under $44,000 & $44,000 and above
  o Combine prescription and medical deductibles

*HSA = Health Savings Account
Redesigning Programs

2014 Plan Design Changes

• Encourage consumerism
  o Develop lab and imaging benefits
    ▪ Radiology claims are approximately $11 million per year
    ▪ Lab claims are approximately $5 million per year (with an expected $2 million reduction in 2013 due to lab tier currently in place)
    ▪ Colonoscopy claims are approximately $1.8 million per year
      o Costs vary by provider for the same service, $2,430 - $5,569
  o Implement Castlight Rewards
    ▪ Small financial incentive for choosing the lowest cost/highest quality provider
      o e.g., $20 incentive for standard imaging. ROI ratio could be 1.3-2.7 in Year One depending on engagement.
  o Adjust Center for Healthy Living copay
    ▪ Purdue Health Plan Plus HSA 1 and 2
### Plan Design Comparison

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2014 Plan Design Changes

- Begin education on plan changes and rates
  - Will begin education immediately following board approval
  - Several methods of communication will include:
    - Sessions
    - Labs
    - Email campaign
    - Truven Informed Enrollment Tool
      - Will allow employees to see what plan is the most cost effective based on past claims history, premiums and HSA contributions
### Employee Premium Under $44,000

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<td>Employee &amp; Children</td>
<td>$1,562</td>
<td>$1,345</td>
<td>($217)</td>
<td>$321</td>
<td>($1,241)</td>
</tr>
<tr>
<td>Employee &amp; Spouse/SSDP</td>
<td>$2,268</td>
<td>$2,828</td>
<td>$560</td>
<td>$890</td>
<td>($1,378)</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>$2,746</td>
<td>$3,834</td>
<td>$1,088</td>
<td>$1,206</td>
<td>($1,540)</td>
</tr>
</tbody>
</table>

Employees in the PHP Plus HSA 1 and 2 will receive HSA contributions of $650/employee or $1,300/employee plus one or more.

Employees may contribute to their HSAs, up to a combined University and employee limit of $3,300/employee and $6,550/employee plus one or more.
# Employee Premium - $44,000 and Above

<table>
<thead>
<tr>
<th></th>
<th>Purdue Choice Fund</th>
<th>Purdue Incentive</th>
<th>Purdue Copay</th>
</tr>
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<tbody>
<tr>
<td>Employee Only</td>
<td>$651</td>
<td>$1,067</td>
<td>$1,651</td>
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<tr>
<td>Employee &amp; Children</td>
<td>$1,044</td>
<td>$2,693</td>
<td>$2,726</td>
</tr>
<tr>
<td>Employee &amp; Spouse/SSDP</td>
<td>$1,632</td>
<td>$4,513</td>
<td>$3,966</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>$1,954</td>
<td>$6,117</td>
<td>$4,793</td>
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<table>
<thead>
<tr>
<th></th>
<th>$1,496</th>
<th>$845</th>
<th>$497</th>
<th>($154)</th>
<th>$0</th>
<th>($651)</th>
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</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$2,693</td>
<td>$1,649</td>
<td>$895</td>
<td>($149)</td>
<td>$276</td>
<td>($768)</td>
</tr>
<tr>
<td>Employee &amp; Children</td>
<td>$4,513</td>
<td>$2,881</td>
<td>$1,606</td>
<td>($26)</td>
<td>$833</td>
<td>($799)</td>
</tr>
<tr>
<td>Employee &amp; Spouse/SSDP</td>
<td>$4,513</td>
<td>$2,881</td>
<td>$1,606</td>
<td>($26)</td>
<td>$833</td>
<td>($799)</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>$6,117</td>
<td>$4,163</td>
<td>$2,178</td>
<td>$224</td>
<td>$1,129</td>
<td>($825)</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>$1,496</th>
<th>$429</th>
<th>$497</th>
<th>($570)</th>
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<th>($1,067)</th>
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<tbody>
<tr>
<td>Employee Only</td>
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<td>$929</td>
<td>$895</td>
<td>($869)</td>
<td>$276</td>
<td>($1,488)</td>
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<tr>
<td>Employee &amp; Children</td>
<td>$4,513</td>
<td>$1,944</td>
<td>$1,606</td>
<td>($963)</td>
<td>$833</td>
<td>($1,736)</td>
</tr>
<tr>
<td>Employee &amp; Spouse/SSDP</td>
<td>$4,513</td>
<td>$1,944</td>
<td>$1,606</td>
<td>($963)</td>
<td>$833</td>
<td>($1,736)</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>$6,117</td>
<td>$3,013</td>
<td>$2,178</td>
<td>($926)</td>
<td>$1,129</td>
<td>($1,975)</td>
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<table>
<thead>
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<th></th>
<th>$1,496</th>
<th>($155)</th>
<th>$497</th>
<th>($1,154)</th>
<th>$0</th>
<th>($1,651)</th>
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</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$2,696</td>
<td>($30)</td>
<td>$895</td>
<td>($1,831)</td>
<td>$276</td>
<td>($2,450)</td>
</tr>
<tr>
<td>Employee &amp; Children</td>
<td>$4,513</td>
<td>$547</td>
<td>$1,606</td>
<td>($2,360)</td>
<td>$833</td>
<td>($3,133)</td>
</tr>
<tr>
<td>Employee &amp; Spouse/SSDP</td>
<td>$4,513</td>
<td>$547</td>
<td>$1,606</td>
<td>($2,360)</td>
<td>$833</td>
<td>($3,133)</td>
</tr>
<tr>
<td>Employee &amp; Family</td>
<td>$6,117</td>
<td>$1,324</td>
<td>$2,178</td>
<td>($2,615)</td>
<td>$1,129</td>
<td>($3,664)</td>
</tr>
</tbody>
</table>

Employees in the PHP Plus HSA 1 and 2 will receive HSA contributions of $650/employee or $1,300/employee plus one or more.

Employees may contribute to their HSAs, up to a combined University and employee limit of $3,300/employee and $6,550/employee plus one or more.
Jenny and family: Medical and prescription costs = $18,906 in 2013.

<table>
<thead>
<tr>
<th>2013 Incentive Plan</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual deductible = $1,000</td>
<td></td>
</tr>
<tr>
<td>Jenny pays:</td>
<td></td>
</tr>
<tr>
<td>Annual premium</td>
<td>$1,311</td>
</tr>
<tr>
<td>+</td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>+ $1,000</td>
</tr>
<tr>
<td>Coinsurance up to Out of Pocket Maximum</td>
<td>+ $3,581</td>
</tr>
<tr>
<td>Paid using Purdue contribution</td>
<td>N/A</td>
</tr>
<tr>
<td>Jenny pays medical expenses + annual premium</td>
<td>$5,892</td>
</tr>
<tr>
<td>Purdue pays medical expenses</td>
<td>$13,014</td>
</tr>
</tbody>
</table>

During 2014, Jenny is a better consumer due to her choice of medical plan option and her education through Castlight:

- Saves $5,800 on four CT scans by using Castlight
- Saves $6,000 on two preventive colonoscopies by using Castlight
- Saves $200 by using the Center for Healthy Living instead of going to Urgent Care

The result: Claim costs were lowered by $12,000 for a total cost of $6,906 in 2014.

<table>
<thead>
<tr>
<th>2014 Purdue Health Plan Plus HSA1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual deductible = $3,500</td>
<td></td>
</tr>
<tr>
<td>Jenny pays:</td>
<td></td>
</tr>
<tr>
<td>Annual premium</td>
<td>$1,206</td>
</tr>
<tr>
<td>+</td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>+ $3,500</td>
</tr>
<tr>
<td>Coinsurance up to Out of Pocket Maximum</td>
<td>+ 681</td>
</tr>
<tr>
<td>Paid using Purdue contribution</td>
<td>- $1,300</td>
</tr>
<tr>
<td>Jenny pays medical expenses + annual premium</td>
<td>$4,087</td>
</tr>
<tr>
<td>Purdue pays medical expenses</td>
<td>$2,819</td>
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</tbody>
</table>
Benchmarking

• In order to be sure Purdue is offering affordable benefits and to assess the overall medical cost versus our peers and competitors we benchmarked our Peer Universities, as well as Indiana Employers with 500+ employees.
• Peer Universities Include: Michigan State, Northwestern, Indiana University and 7 additional universities.
• Purdue’s average PPO Costs are significantly higher, while our CHDP costs are lower.

### Purdue's Medical Costs Benchmarking

<table>
<thead>
<tr>
<th></th>
<th>Purdue University</th>
<th>Peer Universities</th>
<th>Indiana Employers 500+employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2012</td>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>Average PPO costs</td>
<td>$12,510</td>
<td>$10,242</td>
<td>$10,924</td>
</tr>
<tr>
<td>Average CDHP costs</td>
<td>$6,261</td>
<td>$6,587</td>
<td>$7,913</td>
</tr>
<tr>
<td>Average Total Health Benefit Cost</td>
<td>$12,790</td>
<td>$10,353</td>
<td>$10,414</td>
</tr>
</tbody>
</table>

*Averages include administrative fees and health savings account contributions.*
# Benchmarking

<table>
<thead>
<tr>
<th></th>
<th>Employee</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purdue Health Plan Comparable Traditional PPO Rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purdue 2014 ($44k +)</td>
<td>$1,496</td>
<td>$6,117</td>
</tr>
<tr>
<td>State of Indiana 2013</td>
<td>$5,128</td>
<td>12,852</td>
</tr>
<tr>
<td>Indiana University 2013</td>
<td>$1,348</td>
<td>$3,735</td>
</tr>
<tr>
<td>University of Michigan 2013</td>
<td>$1,524</td>
<td>$7,084</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Employee</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSA1 Comparable HDHP Rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purdue 2014 ($44k +)</td>
<td>$497</td>
<td>$2,178</td>
</tr>
<tr>
<td>State of Indiana 2013</td>
<td>$2,124</td>
<td>$4,408</td>
</tr>
<tr>
<td>Indiana University 2013</td>
<td>$639</td>
<td>$1,842</td>
</tr>
<tr>
<td>University of Michigan 2013</td>
<td>$0</td>
<td>$2,736</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Employee</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSA2 Comparable HDHP Rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purdue 2014 ($44k +)</td>
<td>$0</td>
<td>$1,129</td>
</tr>
<tr>
<td>State of Indiana 2013</td>
<td>$1,111</td>
<td>$1,554</td>
</tr>
<tr>
<td>Indiana University 2013</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>University of Michigan 2013</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>
## Total Purdue Health Care Expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$74,964,051</td>
<td>--</td>
</tr>
<tr>
<td>2006</td>
<td>$92,429,490</td>
<td>23.3%</td>
</tr>
<tr>
<td>2008</td>
<td>$111,250,048</td>
<td>20.4%</td>
</tr>
<tr>
<td>2010</td>
<td>$140,445,094</td>
<td>26.2%</td>
</tr>
<tr>
<td>2011</td>
<td>$146,920,305</td>
<td>4.6%</td>
</tr>
<tr>
<td>2012</td>
<td>$149,042,553</td>
<td>1.4%</td>
</tr>
<tr>
<td>2013</td>
<td>$160,000,000-$163,000,000*</td>
<td>9.4%</td>
</tr>
<tr>
<td>2014</td>
<td>$156,000,000-$158,000,000*</td>
<td>(3.1%)</td>
</tr>
</tbody>
</table>

* This range is due to potential migration and claims expenses variations.
Health Plan Strategy

• The plan design and premium changes for 2014 provide a strategy that will encourage our employees to become better consumers of health care. In the long run, this will create reduced costs for the University and our employees.

• We will continue to encourage our employees to be responsible consumers of health care by using Castlight to find the highest quality/lowest cost care when applicable.

• Education will be the key focus. The more information and tools we can give employees during their decision making process the more successful this strategy will be.

• The Health Care Strategy Committee and Human Resources will continue to develop a long term strategy to build a partnership between Purdue, the employees and the community.
<table>
<thead>
<tr>
<th>SENATE DOCUMENT</th>
<th>TITLE</th>
<th>ORIGIN</th>
<th>SENATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-1</td>
<td>Change to Academic Regulations and Procedures on Academic Year and Calendar</td>
<td>Educational Policy Committee</td>
<td>*Approved 19 November 2012</td>
</tr>
<tr>
<td>12-2</td>
<td>Reappointment of the University Senate</td>
<td>University Senate Steering Committee</td>
<td>*Approved 19 November 2012</td>
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<tr>
<td>12-3</td>
<td>Change to Academic Regulations and Procedures on Scholastic Records-Duplicate Diplomas</td>
<td>Educational Policy Committee</td>
<td>*Approved 18 February 2013</td>
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</table>