



THE RECTOR AND VISITORS OF THE  
UNIVERSITY OF VIRGINIA

September 14, 2023

**MEMORANDUM**

**TO: The Finance Committee:**

Robert M. Blue, Chair  
James B. Murray Jr., Vice Chair  
Carlos M. Brown  
Thomas A. DePasquale  
Paul B. Manning

John L. Nau III  
Rachel W. Sheridan  
Douglas D. Wetmore  
Robert D. Hardie, Ex Officio

**and**

**The Remaining Members of the Board:**

Mark T. Bowles  
Elizabeth M. Cranwell  
U. Bertram Ellis Jr.  
The Honorable Paul C. Harris  
Babur B. Lateef, M.D.

Stephen P. Long, M.D.  
The Honorable L.F. Payne  
Amanda L. Pillion  
Patricia A. Jennings, Faculty Member  
Lillian A. Rojas, Student Member

**FROM:** Susan G. Harris

**SUBJECT:** Minutes of the Meeting of the Finance Committee on September 14, 2023

The Finance Committee of the Board of Visitors of the University of Virginia met, in open session, at 3:45 p.m. on Thursday, September 14, 2023. Robert M. Blue, Chair, presided.

Committee Members present: Robert D. Hardie, Carlos M. Brown, Thomas A. DePasquale, Paul B. Manning (by Zoom), James B. Murray Jr., John L. Nau III, Rachel W. Sheridan, and Douglas D. Wetmore

Mark T. Bowles, Elizabeth M. Cranwell, U. Bertram Ellis Jr., The Honorable Paul C. Harris, Babur B. Lateef, M.D., The Honorable L.F. Payne, Amanda L. Pillion, Patricia A. Jennings, and Lillian A. Rojas also attended.

Present as well were James E. Ryan, Ian B. Baucom, Jennifer Wagner Davis, K. Craig Kent, M.D., Susan G. Harris, Donna P. Henry, Clifton M. Iler, Kennedy Kipps, Megan K. Lowe, Mark M. Luellen, David W. Martel, Augie Maurelli, Clark L. Murray, Margaret Grundy Noland, Debra D. Rinker, Margot M. Rogers, and Colette Sheehy.

Presenter: Robert Durden

Chairman Blue began the meeting by reviewing the agenda. He then turned to Ms. Davis to present the action items.

Ms. Davis reported that the General Assembly and the Governor have restored the FY2024 Budget (2023 Session). Under maintain affordable access, UVA received \$1.38M in new funds. Of this amount, \$75M will go across all institutions to support the growing need for student support services, address increased costs resulting from inflation, refine or create programs that meet current and future workforce needs, and minimize student costs. In addition, \$62.5M will go to support need-based undergraduate financial aid, and \$5.75M to address nursing education faculty shortages. The legislature increased annual funding for cancer research to \$22.5M. This represents an increase to UVA of \$2.5M. Additionally, there is \$300K for the Center for Teaching Excellence at the College at Wise.

Ms. Davis said the budget provides capital authorization to begin preplanning for the Center for the Arts, that is, permitting the University to spend \$250K of UVA funds on preplanning. The Center for the Arts is a 210K GSF hybrid building that will house performing arts, music, and the museums. The very preliminary budget estimates are \$315M – and they have asked the state for \$165M. It also provides additional maintenance reserve funding in FY2024.

Turning to compensation, the budget authorizes an additional 2% base salary increase for all state employees, including university faculty and staff, effective December 10, 2023. It establishes a joint subcommittee on higher education funding policies and prioritizes the review of funding related to operations and financial aid. The budget provides \$37.5M in grants to enhance efforts to recruit and retain Pell-eligible students to all schools, and UVA plans to compete for these resources. UVA's enrollment of Pell eligible students went from 14% to 18% this year alone.

#### **Action Item: 2023 State Six-Year Institutional Plan**

Both the University and the College at Wise worked through the summer to develop 2023 Six Year Institutional Plans. Ms. Davis gave a special thank you to the State Governmental Relations team: Colette Sheehy, Alexis Ehrhardt, Penny Cabaniss, and Jen Siciliano, who worked with Margot Rogers, UVA Finance (led by Augie Maurelli), the Provost's team and several others across Grounds to develop these plans. Each institution must develop a "new" plan in odd-numbered years and amend that plan in even-numbered years. This year, the state has engaged the Boston Consulting Group to take a data-based approach to focus institutional six-year plans on three key areas: 1) enrollment; 2) preparation for student success and alignment with labor market needs; and 3) return on investment for both tuition payers and taxpayers. Considerable time was also spent on data provision, analysis, and interpretation. Ms. Davis plans to share this information with the Board later this month.

On motion, the committee approved the following resolution and recommended it to the full Board:

#### **APPROVAL OF THE 2023 STATE SIX-YEAR INSTITUTIONAL PLANS FOR THE ACADEMIC DIVISION AND THE COLLEGE AT WISE**

WHEREAS, §§ 23.1-306 and 23.1-1002 of the Code of Virginia requires each public institution of higher education to develop and adopt biennially (each odd-numbered year) and amend or affirm biennially (each even-numbered year) an institutional six-year plan and submit that plan to the State Council of Higher Education for Virginia (SCHEV); the General Assembly; the Governor; and the Chairs of the House Committee on Appropriations, House Committee on

Education, Senate Committee on Education and Health, and Senate Committee on Finance and Appropriations; and

WHEREAS, the University and the College at Wise submitted their respective preliminary six-year plans as required in July, outlining general strategies to advance the priorities of the Commonwealth in alignment with the respective strategic educational, research, and service goals of the University of Virginia and the College at Wise; and

WHEREAS, final institutional plans must be approved by the Board of Visitors and submitted to SCHEV, the General Assembly; the Governor; and the Chairs of the House Committee on Appropriations, House Committee on Education, Senate Committee on Education and Health, and Senate Committee on Finance and Appropriations in October;

RESOLVED, the Board of Visitors approves the 2023 six-year institutional plans for the Academic Division and the College at Wise; and

RESOLVED FURTHER, the President is authorized to transmit the six-year plans as required by §§ 23.1-306 and 23.1-1002 of the Code of Virginia.

**Action Item: 2024-2026 State Biennial Budget Requests**

Ms. Davis sought authorization for the following general fund budget requests for submission to the Commonwealth by September 29, 2023.

**Institute of Biotechnology:** to support the continued the co-investment to establish UVA's Institute of Biotechnology to accelerate biotechnology commercialization, genomics and gene therapies, drug delivery technologies and biomanufacturing facilities in the Commonwealth. Funding will be used to recruit 75 high-performing biomedical and bioengineering research scientists.

**Workforce Development and Internships:** One-time state support of \$15M, to be matched 1:1 with University funds, to co-invest in the creation of new online, hybrid, and in-person certificate programs, designed to help non-traditional students advance in their careers and to promote workforce development, with a focus on students in the Charlottesville, Southwest Virginia, and Northern Virginia regions.

**Expand UVA's Threat Assessment Team:** to support the efforts of UVA's Threat Assessment Team (TAT) to enhance student safety and support the forthcoming recommendations of the independent review of the November 13 tragedy at UVA.

**Expand Mental Health Services:** One-time state support for private telehealth rooms, improvements to space supporting student mental health, and other wellness needs of the student population.

**Strategic Infrastructure for Translation and Commercialization of Scientific Research:** State support of \$5.8M per year, to be matched with University funds, to co-invest in strategic infrastructure for the translation and commercialization of scientific research. The funding would support four related items: (1) entrepreneurship; (2) commercialization; (3) translational support for technology and non-life sciences; (4) clinical trials.

**Virginia Military Survivors and Dependents Education Program (VMSDEP):** State support is requested for the tremendous growth in VMSDEP waivers. Starting in 2019 through

2023, the number of students receiving waivers has increased 456%, from 36 to 200 students and the increase in enrollment is expected to continue.

**UVA Health Plan:** Support is requested to fund the state's general fund share of the increases in employer premiums for employees participating in the UVA Health Plan. Historically, the state has chosen to fund the lessor of UVA's share of cost or the state health insurance fund's growth. This methodology incorrectly assumes the actuarial values of the two separate health insurance pools are the same; but they are not. In recent years, the state health insurance fund has been overfunded and saw little to no increases in state contributions.

**Operations & Maintenance (O&M) for New Facilities:** Support for the state's share of increased operations and maintenance (O&M) costs related to new education and general (E&G) capital projects that are scheduled to be fully online in 2024-2026; including the School of Data Science, Contemplative Commons, Karsh Institute for Democracy, McIntire School of Commerce's Shumway Hall, and renovation of the College of Arts and Sciences Physics Building.

**Utilities:** Support to fund the state's general fund share of the increased utility rates impacting E&G facilities. The weighted average increase to utility rates (Chilled Water, Electricity, Heat, Sanitary Sewer, Water, and Storm Water) is projected to increase 3% each year.

**State Arboretum at Blandy Farm:** Support for the state's share of support personnel costs at the State Arboretum at Blandy Farm and additional support for the numerous preK-12 programs offered by Blandy Farm.

## College at Wise

**Enrollment and Retention:** UVA Wise is requesting funding to support enrollment management marketing, increase the use of technology in the recruitment and admission of students, expand student support services through living learning communities and wellness activities, increase student retention through academic support technology and increased programming, and funding to recruit and retain exceptional employees.

**Workforce Program Strategies:** UVA Wise is requesting funding to continue the growth and expansion of the nursing program, continued implementation of the data analytics program to include artificial intelligence, and continued development of the hospitality and tourism program which will support the tourism and gaming (Casino) initiatives in Southwest Virginia. This includes \$300,000 that was a general fund request submitted for the Center for Teaching Excellence which was included in the Governor's proposed budget and carried by both the House and Senate. If these funds remain in the approved budget this request would be reduced.

**Research Activities:** UVA Wise is requesting funding to further support the additional budget given by Governor Youngkin to expand research opportunities at the College. The College is seeking to hire a director and support staff to assist in planning while also focusing on applied research collaboration with the University of Virginia to develop knowledge, expertise, and experiential learning opportunities for students in areas of study important to our region. In addition, this funding would provide new support for the Healthy Appalachia Institute which will implement population health programs in collaboration with regional community, business, health, and education partners, as well as, teach public health courses at the College.

**Expand Graduate Programs:** UVA Wise is requesting additional funding to expand the M.Ed. Program to include Library Media and Special Education graduate programs.

**Virginia Military Survivors and Dependents Education Program (VMSDEP):** With the growing mandate, which continues to add financial pressure to institutions of higher education in Virginia, UVA Wise requests funding that would allow the College to keep tuition and fees more affordable.

**Utility Cost Increases:** UVA Wise is requesting on-going funding for increased utility costs due to the current economy and inflationary impacts.

**Maintenance Reserve:** UVA Wise is requesting one-time funding to increase maintenance reserve allocations to address critical infrastructure needs to existing buildings. This request was included in the Senate budget amendment and we are awaiting an approved budget. If these funds remain in the approved budget this request would be reduced.

**UVA Wise Extension of Authorization (Language Only):** UVA Wise is requesting a permanent reprieve of language approved within Chapter 2 Item 3-4.01, Paragraph A.2 of the Acts of Assembly that extended the suspension of the transfer of the recovery of the full indirect cost of auxiliary enterprise programs to the E&G program for the 2022-2024 biennium.

**UVA Wise Redistribute Positions (Language Only):** Technical adjustment to realign positions that DPB did not include when UVA Wise was given \$11M in additional general funding for the 2022-2024 biennium.

On motion, the committee approved the following resolution and recommended it to the full Board:

**OPERATING BUDGET REQUESTS FOR THE 2024-2026 STATE BIENNIAL BUDGET FOR THE ACADEMIC DIVISION AND THE UNIVERSITY OF VIRGINIA'S COLLEGE AT WISE**

WHEREAS, the Academic Division, the University of Virginia's College at Wise, and the University of Virginia Medical Center have the opportunity to propose budget requests for the 2024-2026 Biennial Budget for consideration by the Governor; and

WHEREAS, the proposed biennial budget requests represent the University's highest priority initiatives and are aligned with the University's 2030 Plan and the Six-Year Institutional Plan due to the Commonwealth in early Fall 2023;

RESOLVED, the Board of Visitors of the University of Virginia approves the 2024- 2026 biennial budget General Fund operating requests; and

RESOLVED FURTHER, the Board of Visitors understands that to the extent these requests are not included in the Governor's 2024-2026 biennial budget, the University may want to pursue a similar request to the General Assembly; and

RESOLVED FURTHER, the President or his designee is authorized to transmit to the General Assembly any request not funded by the Governor as long as there are no material differences from the items endorsed by the Board of Visitors; and

RESOLVED FURTHER, the Board of Visitors approves the language amendment requests for the University of Virginia's College at Wise Indirect Cost extension and position redistribution.

**Action Item: Major Capital Projects Financial Plans**

Ms. Davis reviewed five financial plans for capital projects for the Board's consideration: 1) Center for Politics; 2) Scott Stadium Video Scoreboard; 3) Fontaine Central Energy Plant and Utilities; 4) Fontaine Research Park Roadway Infrastructure; and 5) Parking Garage.

On motion, the committee approved the following resolution and recommended it to the full Board:

**MAJOR CAPITAL PROJECTS FINANCIAL PLANS**

WHEREAS, the financing plan for the renovation and expansion of the Center for Politics calls for the use of gifts in the amount of \$10M; and

WHEREAS, the financing plan for the replacement of the Scott Stadium Video Scoreboard calls for the use of gifts in the amount of \$5.4M and Athletics Department one-time funding in the amount of \$8M; and

WHEREAS, the financing plan for the Fontaine Central Energy Plant and Utilities project calls for the use of central one-time funding in the amount of \$7.5M and debt in the amount of \$62.5M; and

WHEREAS, the financing plan for the Fontaine Research Park Roadway Infrastructure calls for the use of central one-time funding in the amount of \$10M; and

WHEREAS, the financing plan for the Fontaine Research Park Parking Garage calls for the use of central one-time funding in the amount of \$14.3M and debt in the amount of \$46.7M;

RESOLVED, the Board of Visitors approves the financing plans for the Center for Politics, the replacement of the Scott Stadium Video Scoreboard, the Fontaine Central Energy Plant and Utilities, the Fontaine Research Park Roadway Infrastructure, and the Fontaine Research Park Parking Garage.

**Action Item: Quasi-Endowment Action**

In 2019, Aramark agreed to provide an unrestricted grant to the Athletics Department to be used to support its operations. The full amount of the grant will be received in installments through fiscal year 2024. The Athletics Department would like to invest the upcoming payment of \$7M in unrestricted grant funds into the Athletics General Operations Quasi-Endowment to support Athletics Department operations, including but not limited to nutrition, athletics dining hall operations, sport performance, and student athlete well-being. This \$7M installment will fulfill Aramark's multi-year commitment. Prior installments have already been received and invested in the Athletics General Operations Quasi Endowment. Ms. Davis asked for authorization to invest the requested \$7M into the Athletics General Operations Quasi-Endowment.

On motion, the committee approved the following resolution and recommended it to the full Board:

**INVESTMENT OF OPERATIONAL FUNDS IN THE ATHLETICS GENERAL OPERATIONS QUASI-ENDOWMENT**

WHEREAS, the Board of Visitors is required to approve all Endowment actions over \$5M; and

WHEREAS, the Athletics Department of the University of Virginia wishes to invest a \$7M payment into the Athletics General Operations Quasi-Endowment, along with previously received payments; and

WHEREAS, this final payment fulfills Aramark's contractual obligation per the 2019 amendment;

RESOLVED, the Board of Visitors authorizes investing the requested \$7M into the Athletics General Operations Quasi-Endowment.

**Executive Vice President's Remarks**

Ms. Davis said it had been a very busy but productive summer. Her office remains focused on doing work that they hope will contribute to the foundation of the University. She spent a few moments highlighting some news about her leadership, workforce, community safety, and financial stewardship. She introduced the new Vice President and Chief Information Office, Kelly Doney, who joined the University in August. The work of the ITS team includes cybersecurity, academic IT services and computing, research computing, and much more. She also expressed gratitude to Dana German who served as Interim VP and CIO in the months between the retirement of Ms. Evans and Ms. Doney's arrival.

Ms. Davis said UVA has been ranked one of the best places to work in Virginia and in the country. Forbes magazine conducted thousands of worker surveys across the state and across the country, and this summer provided rankings of "America's Best Employers by State" and "America's Best Employers for Women." UVA ended up ranked as the 21<sup>st</sup> best employer in the country for women. On the list of best places to work in Virginia, UVA was #10, and UVA Health was #17.

Ms. Davis said making sure UVA is a good place to work and a great place to build a career is part of the Great and Good strategic plan. Related to that, the Pipelines & Pathways initiative is a strategic plan priority for creating opportunities for local residents from underserved communities to find jobs and careers at UVA. Last, under the HR area, this summer in response to some inquiries, the Finance and HR teams worked with Institutional Research & Analytics to analyze how our workforce has evolved over the last decade. The workforce grew as UVA grew as an institution. There are many factors in the growth; the rate was about 1% annually. The key findings were published in UVA Today.

Ms. Davis said the Corner has a few improvements, starting with a more inviting exterior for the Police Substation. She thanked the team and Board member Bert Ellis for his encouragement and perspective.

Ms. Davis said Chief Tim Longo also worked to make the whole area safer for students and the community. Surveillance cameras were added to multiple establishments and locations. They worked with businesses to add lighting to the façade of some buildings and in areas that provide additional lighting to streets, walkways, and parking lots. The University Police Department recently added Wednesday night patrols to the Community Oriented Policing Squad – also known as COPS. This did not sacrifice any of the added COPS patrols for the weekend nights.

Ms. Davis reported that the coordination and cooperation among UVA PD, the Charlottesville Police, and the Albemarle County Police continues to get better. The leadership among the three departments communicate regularly, share data, and always appear ready to help one another. That coordination is going to get even stronger. Last month, the U.S. Attorney's Office announced that UVA, Charlottesville, and Albemarle have been approved as a participating region in the Project Safe Neighborhoods program. This provides access to federal expertise and assistance, as well as resources, and gives the local police agencies and community stakeholders a framework for addressing violent crime in the area.

Ms. Davis said the independent review of UVA's financial stability, management, and outlook is providing encouraging results. UVA is one of only four public universities with a Triple-A credit rating from all three major rating agencies. In August, Standard & Poor's reaffirmed its Triple-A rating for UVA. The meetings with Fitch were also very productive and encouraging, and they have received a verbal commitment that Fitch will reaffirm the AAA rating. They will also begin a conversation with Moody's this fall. The Triple A rating is a reflection of financial stewardship and forecasts continued institutional health and stability. A Triple-A rating also saves UVA millions of dollars in capital costs as it gives access to the best rates for financing. The weighted average cost of capital of the debt portfolio is 3.25% with a 38-year average life. In July 2020, UVA issued \$600M of 30-year bonds at 2.256%. This is the lowest of recent higher education issuances under a Municipal CUSIP.

In 2021, the Finance Subcommittee on Tuition worked through the summer to simplify and improve the transparency and predictability of the tuition-setting process. Through that careful review, the Subcommittee recommended: 1) the BOV set undergraduate tuition and fees on a two-year basis every other December; and 2) management provides background information to the committee to educate on tuition setting. As the Finance Committee sets out to conduct this review over the course of the next several months, they will prepare to bring undergraduate tuition, fees room and board to the December meeting for the Board's consideration. Her team is currently modeling scenarios for tuition, and they look forward to bringing more information and working with the Board on a recommendation.

Mr. Blue said we give tuition considerable thought and analysis prior to proposing rates for the Board's consideration. He plans to convene the committee in October to review this analysis and some contextual data necessary to holistically and thoroughly consider a tuition proposal for the Board's consideration in December. In November, they will publish the proposed rates and hold a public hearing to allow feedback and input from the public. Throughout the fall, they will meet with various members of the University community to solicit feedback on tuition and fees. In conjunction with a careful review of tuition, he said they take very seriously the Board's fiduciary responsibility to ensure the University manages its resources efficiently and effectively and maintains its strong financial position. As such, Ms. Davis will work with the other two EVPs, as she conducts a study of effectiveness and efficiency opportunities – to position the University well for the future and to ensure the University is maximizing efficiencies, optimizing technology, and reducing manual work, eliminating duplication, mitigating risk, and aligning activities to the mission.

### **University of Virginia Investment Management Company 2022-2023 Annual Report**

CEO of UVIMCO Robert Durden presented and discussed the performance of the endowment as of Fiscal Year End 2023. He explained the board composition and the administration of UVIMCO. He said Alice Handy, who recently passed, was a major reason for UVIMCO's success since its establishment. Ms. Handy was the first CEO and CIO of UVIMCO.



Mr. Durden said they need to generate an 8% annual return to cover spending + inflation + fees. The return over time has exceeded this, and this year has been an outlier in a 2.0% return. The FY 2021 return of 49% was pulling future returns into the present. Many of the same managers and exposures that drove FY21 outperformance contributed to the long-term pool underperformance in FY 2023. The performance is best reviewed over longer time horizons. This year's return is roughly median for UVIMCO's peer set. FY 2023 was a challenging year for diversified portfolios with significant allocations to private investments. The long-term pool underperformed the policy portfolio in large part due to lagged private valuations. More exposure to emerging markets than the policy portfolio also hurt, but over 10 years, these contributed significantly to returns higher than the policy portfolio.

Mr. Durden spoke about risk management – the impact that a portfolio loss has on shareholders – and there are three buckets of risk: market risk, liquidity risk, and manager risk. Diversifying managers helps with manager risk – no more than 7.5% in any external relationship. The actual maximum concentration in any single manager currently is 5%.

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There is one written report in the materials: UVA Health Plan which is attached to these minutes. Chairman Blue adjourned the meeting at 4:55 p.m.

SGH:ddr

These minutes have been posted to the University of Virginia's Board of Visitors website:  
<http://bov.virginia.edu/committees/205>

# **ATTACHMENT**

## **UVA Health Plan**

The University of Virginia, as the administrator for the UVA employee health plans, has three main objectives: (1) provide a health benefit that is attractive to all University of Virginia, University of Virginia's College at Wise, and Medical Center current and prospective faculty and staff; (2) support the wellbeing of participants; and (3) provide appropriate fiscal management and ensure lower administrative costs.

For the plan year beginning January 1, 2022, and ending on December 31, 2022, 92% of eligible employees were enrolled in UVA's health plan, with no change from the prior year. Plan enrollment is broken down in the attached Annual Report on the UVA Health Plan.

- **Enrollment.** 39.7% of eligible employees are enrolled in the Value Health PPO option, 19.9% in the Choice Health PPO option, and 40.4% in the Basic Health High Deductible option.
- **Value.** UVA leads in various aspects of health benefits, including lower annual costs per employee compared to the Commonwealth of Virginia Health Plan.
- **Competitive.** UVA is a market leader in the amount of employer contribution towards the cost of insurance, covering 84% of the cost of care, on average, versus 74%\* for other large employers.
- **Workforce.** UVA had 18,448 benefits-eligible employees; enrollment has slowly decreased since 2020.

<b>Total Employees Enrolled</b>	
2022	16,429
2021	17,127
2020	17,445

**Education and Awareness:** Each year, UVA invests resources to educate participants about their benefit options before Open Enrollment, including potential annual costs for each UVA Health Plan option. To support a remote workforce and decreased population density on Grounds, Open Enrollment in 2022 contained these elements:

- A virtual Benefits & Wellness Expo
- 75 virtual one-on-one sessions + 138 walk-ins
- 430 attendees, Online + 3 locations
- 18,448 members received a 20-page brochure, including cost comparison, at their home address on the details of Open Enrollment for the plan year 2023
- Open Enrollment website page views were stable from the prior year, with no premium changes and virtually no enrollment differences; fewer people visited the website

The results of these efforts were as follows:

- 4.7 out of five average customer satisfaction score for HR Solution Center survey results during Open Enrollment
- 4,380 Open Enrollment engagements with the HR Solution Center through email, live chat, one-on-one meetings, and phone calls. The top inquiry topics were Health/Welfare, Workday Navigation, Life Insurance, Supplemental Retirement, and Life Event Appointments.

**Health Plan Management and Administration:** UVA administers the UVA Health Plan according to its plan documents and compliance with applicable regulations.

UVA HR implemented a new-hire choice for coverage, same day or first day of the month following hire. This has tremendously impacted our Pipelines and Pathways and international hires.

UVA HR changed Flexible and Health Savings Account Administrators and increased account access and payment information flexibility.

UVA HR partners with Mercer Consulting to benchmark health plan designs with higher education, academic medical centers, and the general industry. Actuarial analysis is completed regularly and reported quarterly.

**Opportunities:** UVA HR will continue to focus on the following opportunities within the UVA Health Plan and well-being programs:

- Provide meaningful educational opportunities for eligible employees to make educated decisions regarding their health plan and well-being choices
- Expand access to mental health benefits with virtual providers
- Increase PCP utilization and access to support health needs that drive outcomes
- Review benefit plan design for efficiency and effectiveness

\*Kaiser Family Foundation, online: <https://www.kff.org/report-section/ehbs-2022-summary-of-findings/>, Figure D, October 27, 2022.

# CY2022 UVA HEALTH PLAN SUMMARY

92% of eligible employees are enrolled in the UVA Health Plan across UVA Health and the Academic Division, no change from previous year.

Plan Option Name	Basic (HDHP)	Value (PPO)	Choice (PPO)
Plan Type	High Deductible \$2,000	PPO: \$800 deductible	PPO: \$500 deductible
Employee Participants	6,642	6,526	3,261
Dependent Participants	6,358	6,947	2,697
Total Participants	13,000	13,473	5,958

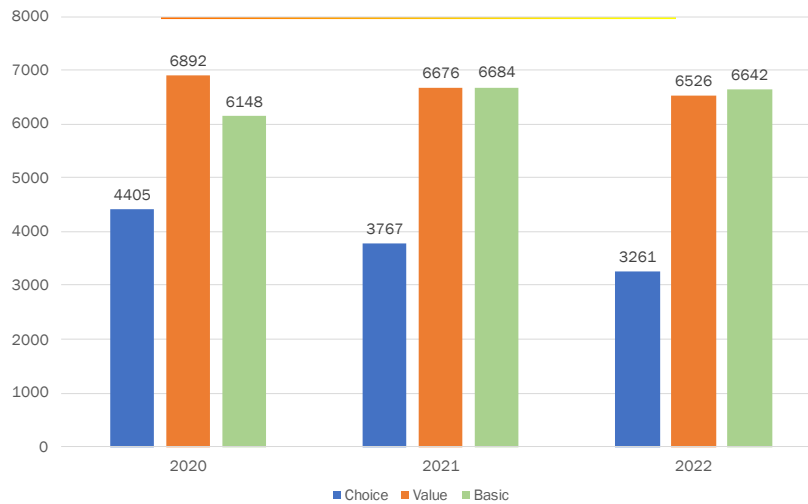


2% increase in High Deductible Health Plan (Basic HDHP) enrollees.



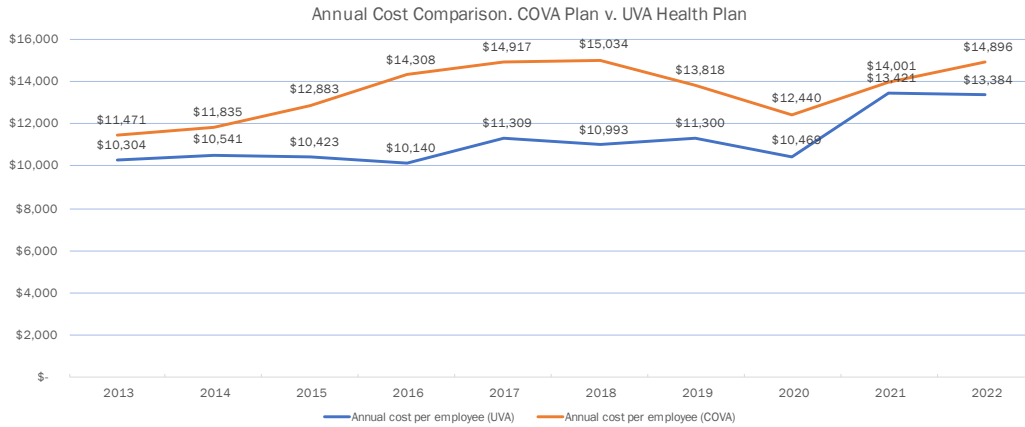
40% of all enrollees are in the Basic HDHP

## THREE-YEAR MIGRATION SUMMARY (employee participants)



# UVA HEALTH PLAN TREND COMPARISON

UVA leads other large employers in all aspects of health benefits, including lower annual cost per employee when compared to the Commonwealth of Virginia (COVA).



# UVA HEALTH PLAN THREE-YEAR ROADMAP

2023	2024	2025
Stabilize new Flexible and Health Savings Account Administrator. Manage black period (5-10 days) and year end claims run out.	Deploy on-site or near-site clinical program.	Implement Concierge Health for UVA Health Plan Members with UVA Providers included virtual only options
Expand virtual health for providers for mental health services.	Market UVA Vision programs and options	Rebrand and Redesign UVA Health Plan options
External Pharmacy and Medical Audit (3-year cycle)	Identify which digital health solutions are a fit to drive outcomes for members.	Provide a conduit for Well-being financial awards to be deposited into employees Health Savings Accounts.
Increase PCP utilization and access to support individual members' health needs that drive outcomes.	Automate Qualified Life Events (QLE) and dependent verification	Develop health plan dashboard reporting.